CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

July 26, 2012

H.R. 6083
Federal Agriculture Reform and Risk Management Act of 2012

As ordered reported by the House Committee on Agriculture July 11, 2012

SUMMARY

H.R. 6083 would amend and extend a number of major programs administered by the U.S. Department of Agriculture (USDA), including those addressing farm income support, food and nutrition, land conservation, trade promotion, rural development, research, forestry, energy, horticulture, and crop insurance.

When combined with estimated spending under CBO's baseline projections for those programs, CBO estimates that enacting the Federal Agriculture Reform and Risk Management Act of 2012 would bring total direct spending for those USDA programs to $957.7 billion over the 2013-2022 period—$35.1 billion less than we project would be spent if those programs were continued as under current law.

Pay-as-you-go procedures apply because enacting the legislation would affect direct spending. Enacting the bill would not affect revenues.

The bill also would authorize appropriations over the 2013-2017 period for existing and new USDA programs involving research and education, nutrition, trade promotion, rural development, credit assistance, forestry, conservation initiatives, and other miscellaneous activities. CBO estimates that implementing those provisions would cost about $22.1 billion over the next five years, assuming appropriation of the necessary amounts.

The bill would impose intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). CBO estimates that the aggregate costs of mandates on state, local, and tribal governments would fall below the annual threshold established in UMRA for intergovernmental mandates ($73 million in 2012, adjusted annually for inflation). Because the cost of some of the mandates on the private sector would depend on future regulations, CBO cannot determine whether the aggregate cost of those mandates would exceed the annual threshold established in UMRA for private-sector mandates ($146 million in 2012, adjusted annually for inflation).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 6083 is shown in Table 1. The costs of this legislation fall within budget functions 150 (international affairs), 270 (energy), 300 (natural resources and environment), 350 (agriculture), 450 (community and regional development), and 600 (income security).

TABLE 1. SUMMARY OF ESTIMATED BUDGETARY EFFECTS OF H.R. 6083, THE FEDERAL AGRICULTURE REFORM AND RISK MANAGEMENT ACT OF 2012

	By Fiscal Year, in Millions of Dollars											
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-2017	2013-2022
CHANGES IN DIRECT SPENDING												
Estimated Budget Authority	31	-5,023	-3,410	-3,592	-3,320	-3,428	-3,694	-3,689	-3,846	-3,780	-15,315	-33,751
Estimated Outlays	-306	-5,968	-3,612	-3,491	-3,327	-3,387	-3,709	-3,698	-3,834	-3,810	-16,705	-35,143
CHANGES IN SPENDING SUBJECT TO APPROPRIATION												
Estimated Authorization Level	4,911	5,434	5,464	5,505	5,537	511	11	11	11	11	26,852	27,407
Estimated Outlays	2,203	4,011	5,042	5,339	5,476	3,244	1,430	404	146	45	22,070	27,339

Note: Components may not sum to totals because of rounding.

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 6083 will be enacted around the end of fiscal year 2012. The legislation would provide direct spending authority for most of the USDA programs authorized, amended, or created by the legislation through the 2013-2017 period. Following the baseline projection rules of section 257 of the Balanced Budget and Emergency Deficit Control Act, CBO estimates the 10-year costs of the bill by assuming that most of those programs continue to operate beyond that five-year authorization period.

The following sections describe the major budgetary effects of each title of the bill, including changes in direct spending for mandatory programs and changes in spending that are subject to future appropriation for discretionary programs.

Direct Spending

CBO's estimates of the changes in direct spending that would result from enacting the legislation are presented in Table 2. All estimates are relative to CBO's March 2012 baseline projections for spending by mandatory agriculture programs. That baseline assumes that the agriculture programs authorized by the most recent farm bill (Public Law 110-246) continue to operate beyond their statutory expiration dates through 2022. (The 2008 farm bill established authorizations through 2012 for most such programs.)

TABLE 2. ESTIMATED EFFECTS ON DIRECT SPENDING FOR H.R. 6083, THE FEDERAL AGRICULTURE REFORM AND RISK MANAGEMENT ACT OF 2012

	By Fiscal Year, in Millions of Dollars											
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-2017	2013-2022
CHANGES IN OUTLAYS FROM DIRECT SPENDING												
Title I – Commodity Programs												
Repeal Direct Payments	0	-4,958	-4,958	-4,958	-4,958	-4,958	-4,958	-4,958	-4,958	-4,958	-19,832	-44,622
Repeal Countercyclical Payments	0	0	-101	-127	-121	-123	-130	-137	-134	-135	-349	-1,008
Repeal Average Crop Revenue Elections Payments	0	0	-863	-637	-470	-479	-452	-547	-632	-533	-1,970	-4,615
Farm Risk Management Election	0	0	3,253	3,086	3,217	3,180	2,893	2,998	2,949	2,968	9,556	24,544
Dairy Program	-60	-56	-46	-29	3	28	7	32	61	22	-188	-38
Supplemental Agriculture Disaster Assistance	226	211	192	192	199	197	196	198	203	208	1,020	2,022
Other Commodity Provisions	65	38	3	3	2	2	5	5	4	4	111	131
Subtotal, Title I	231	-4,765	-2,520	2,470	-2,128	-2,153	-2,439	-2,409	-2,507	-2,424	-11,651	-23,584
Title II – Conservation												
Conservation Reserve Program	0	41	-399	-532	-479	-476	-446	-438	-427	-424	-1,369	-3,580
Conservation Security Program	-10	-77	-145	-202	-269	-345	-411	-479	-545	-612	-703	-3,095
Agricultural Conservation Easement	-146	-60	173	283	216	123	86	72	63	70	466	880
Regional Conservation Partnership	-3	-7	-8	-8	-10	-10	-10	-10	-10	-10	-36	-86
Other Conservation	131	90	51	39	15	9	10	10	10	10	326	375
Repeal of Wildlife Habitat Incentives	-18	-37	-47	-57	-66	-76	-85	-85	-85	-85	-225	-641
Subtotal, Title II	-46	-50	-375	-477	-593	-775	-856	-930	-994	-1,051	-1,541	-6,148
Title IV – Nutrition												
Updating Program Eligibility	-615	-1,240	-1,255	-1,255	-1,235	-1,210	-1,195	-1,180	-1,170	-1,155	-5,600	-11,510
Utility Allowances	0	-130	-530	-540	-540	-540	-550	-550	-550	-560	-1,740	-4,490
Interaction Effects	0	2	10	10	10	10	10	10	10	10	32	82
Changes to Grants	-37	-37	-28	-28	-30	-36	-38	-38	-38	-38	-160	-348
Retailer Equipment	-7	-8	-8	-8	-8	-8	-8	-8	-8	-8	-39	-79
Expiring Provisions	25	25	26	26	27	27	28	28	29	29	129	270
Subtotal, Title IV	-634	-1,388	-1,785	-1,795	-1,776	-1,757	-1,753	-1,738	-1,727	-1,722	-7,378	-16,075
Title VI – Rural Development												
Value-Added Marketing Grants	0	18	15	15	2	0	0	0	0	0	50	50
Rural Economic Development Loans and Grants	0	1	5	7	7	7	7	7	7	7	20	55
Subtotal, Title VI	0	19	20	22	9	7	7	7	7	7	70	105

(Continued)

TABLE 2. Continued.

	By Fiscal Year, in Millions of Dollars											
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-2017	2013-2022
Title VII – Research, Extension, and Related Matters												
Organic Agriculture Research and Extension	8	13	16	16	16	8	3	0	0	0	69	80
Specialty Crop Research	13	23	29	48	50	53	50	50	50	50	163	416
Beginning Farmer and Rancher Development	3	5	8	10	10	8	5	1	0	0	36	50
Subtotal, Title VII	23	40	53	74	76	68	58	52	50	50	267	546
Title VIII – Forestry	0	1	1	1	1	0	0	0	0	0	4	4
Title IX – Energy	-5	-5	8	2	0	0	0	0	0	0	0	0
Title X – Horticulture												
Farmers Market and Local Food Promotion	20	20	20	20	20	0	0	0	0	0	100	100
Organic Agriculture and Technology Upgrade	3	4	1	1	1	0	0	0	0	0	10	10
Specialty Crop Block Grants	8	14	15	15	15	15	15	15	15	15	67	142
Plant, Pest, and Disease Management	5	13	16	17	22	22	22	22	22	22	73	181
Subtotal, Title X	36	51	52	53	58	37	37	37	37	37	250	435
Title XI – Crop Insurance												
Supplemental Coverage Option	0	42	405	465	461	514	512	524	543	531	1,373	3,998
Reducing Premiums for CAT	0	-5	-45	-53	-54	-54	-55	-56	-57	-58	-157	-437
Enterprise Units for Irrigated and Nonirrigated Crops	0	5	50	59	60	62	65	67	68	70	174	506
Adjustment in APH Yields	0	12	116	136	138	140	143	146	147	149	402	1,127
Crop Production on Native Sod	0	0	-4	-8	-11	-15	-16	-16	-16	-16	-23	-102
Beginning Farmer Provisions	0	2	16	20	21	25	27	27	27	28	59	192
Stacked Income Protection for Cotton	0	0	314	400	380	492	540	577	574	574	1,094	3,851
Peanut Revenue Crop Insurance	0	3	26	30	30	30	30	30	30	30	89	239
Participation Effects of Commodity Programs	0	-7	-65	-77	-87	-90	-75	-79	-80	-79	-236	-639
Equitable Relief for Specialty Crop Producers	82	41	41	41	0	0	0	0	0	0	205	205
Coverage Level by Practice	0	2	17	20	20	21	21	21	22	22	59	166
Implementation	2	21	16	15	15	14	2	0	0	0	69	85

Continued

TABLE 2. Continued.

	By Fiscal Year, in Millions of Dollars											
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-2017	2013-2022
Title XI, Continued.												
Limitation on Expenditures for Livestock Pilot Program	0	3	26	30	30	30	30	30	30	30	89	239
Noninsured Assistance Program	0	1	10	12	12	12	12	12	12	12	36	96
Subtotal, Title XI	84	120	923	1,089	1,015	1,181	1,235	1,283	1,300	1,292	3,231	9,523
Title XII – Miscellaneous	5	8	10	10	10	5	2	0	0	0	43	50
Total Changes in Outlays from Direct Spending	**-306**	**-5,968**	**-3,612**	**-3,491**	**-3,327**	**-3,387**	**-3,709**	**-3,698**	**-3,834**	**-3,810**	**-16,705**	**-35,143**

Note: CAT = Catastrophic Crop Insurance; APH = Average Producer History; components may not sum to totals because of rounding.

Title I: Commodity Programs. Title I would repeal most current agricultural price and income support programs for crop and dairy producers. It would authorize new revenue protection programs for those producers, reauthorize price support loan programs for crop producers, and reauthorize agricultural disaster assistance programs for livestock producers. Under the bill, we estimate that federal spending on commodity programs would total $39.4 billion over the 2013-2022 period—or $23.6 billion less than expected if current law were continued.

End Current Commodity Programs. Title I would end:

- Direct payments made to producers based on historical acres and yields using fixed payment rates not affected by market prices;

- Countercyclical payments made to producers based on historical acres and yields using payment rates partly determined by market prices; and

- Average Crop Revenue Election payments made to producers based on any shortfall in actual revenue received by the producer compared to the expected revenue.

Each of those programs will expire at the end of 2012 but are assumed to continue in the CBO baseline. Ending those three programs would reduce spending on commodity programs, compared to the CBO baseline, by $50.2 billion over the 2013-2022 period.

Farm Risk Management Election. The commodity programs ended under the bill would be replaced by a new Farm Risk Management Election (FRME) program. Under FRME, producers would make a one-time choice to receive either price loss coverage (PLC) for their farm or revenue loss coverage (RLC) for their county. Each option would be available for all major crops other than upland cotton. Under PLC, producers would receive a payment from the federal government whenever the national average market price for each crop was less than an effective price specified in the legislation. This price difference would be paid on a fixed yield (which the producer would have one opportunity to update) and a portion of planted acres for each crop. Producers who choose RLC would receive a payment to partially compensate them for any difference between the actual revenue from selling their crops in their county and the revenue the government expects the producers to receive in that county using a calculation specified in the bill.

CBO estimates that spending for the new FRME program would total $24.5 billion over the 2013-2022 period, of which $16.0 billion would be for PLC and $8.5 billion for RLC. CBO estimates that, in total, FRME payments would average about $3.1 billion per year; however, actual payments from year to year would probably vary considerably from that expected average payment.

Dairy Program. Subtitle D would replace current government support programs for dairy producers—Dairy Product Price Support, Milk Income Loss Contract Payments, and Dairy Export Incentives Program—with a new Dairy Production Margin Protection Program (DPMPP) and a Dairy Market Stabilization Program (DMSP). CBO estimates that the new dairy provisions would cost $353 million over the 2013-2022 period. However, that cost would be more than offset by repealing the current dairy programs. CBO estimates that enacting the dairy provisions in this subtitle would result in a net savings of $38 million over the 2013-2022 period. CBO expects that actual payments from the new dairy program would vary considerably from the average annual payments presented in this estimate.

Supplemental Agriculture Disaster Assistance. The bill would reauthorize four disaster assistance programs for livestock and tree-crop producers. Those programs include the Livestock Indemnity Program; Livestock Forage Program; Emergency Assistance for Livestock; and Honey Bees, Farm-raised Fish, and Tree Assistance. Those programs expired September 30, 2011, and are not assumed to continue in the baseline. CBO estimates that continuing those programs would cost almost $2.0 billion for the 2013-2022 period.

Other Commodity Provisions. The bill also would reauthorize commodity loan programs, establish new limits for FRME and livestock disaster payments, and provide $100 million to USDA for administrative costs to implement the new programs. CBO estimates that those provisions would have a net cost of $131 million over the 2013-2022 period.

Title II: Conservation. Title II would amend USDA's land conservation programs that are authorized to expend funds from the Commodity Credit Corporation (CCC). Under the bill, CBO estimates that spending on land conservation programs would total $57.9 billion over the 2013-2022 period—or about $6.1 billion less than expected under a continuation of current law. Significant changes to USDA's conservation programs include:

- Reducing the maximum acreage eligible for the Conservation Reserve Program each year from 32 million acres to 25 million acres by 2017. CBO estimates that this provision would reduce future spending by $3.6 billion over the 2013-2022 period.

- Reducing maximum annual enrollment in the Conservation Stewardship Program from 12.769 million acres to 9.000 million acres. CBO estimates that provision would reduce direct spending by $3.1 billion over the 2013-2022 period.

- Establishing a new Agricultural Conservation Easement Program to replace the Wetlands Reserve Program, Grasslands Reserve Program, Farmland Protection Program, and Farm Viability Program. CBO estimates that the new program would cost $880 million more than the amounts assumed in the CBO baseline for those existing programs over the 2013-2022 period.

- Establishing a new Regional Conservation Partnership Program that would combine the Agricultural Water Enhancement Program, the Chesapeake Bay Watershed Program, the Cooperative Conservation Partnership Initiative, and the Great Lakes Basin Program. CBO estimates that the new program would cost $86 million less than continuing the existing programs over the 2013-2022 period.

- Continuing funding for several other conservation programs, such as the Voluntary Public Access and Habitat Incentives Program and the Small Watershed Rehabilitation Program. CBO estimates that those provisions would cost $375 million more than the amounts in CBO's baseline for the 2013-2022 period.

- Repealing the Wildlife Habitat Incentives Program. CBO estimates that ending this program would reduce spending by $641 million relative to continuing to operate it over the 2013-2022 period.

Title III: Trade. The bill would amend the trade promotion and food assistance programs administered by USDA and the U.S. Agency for International Development (USAID). It would extend the authorized funding levels through 2017 for the:

- Export Credit Guarantee Program,
- Market Access Program,
- Foreign Market Development Program,
- Food for Progress Program, and
- Several technical assistance programs for specialty crops and emerging markets.

Because CBO's baseline assumes that those trade programs continue to operate beyond their scheduled expiration dates, we estimate that the provisions in title III would not change the cost of those programs, which we estimate will total $3.4 billion over the 2013-2022 period.

Title IV: Nutrition. The legislation would extend spending authority for the Supplemental Nutrition Assistance Program (SNAP) and other nutrition assistance programs and change how those programs operate. In total, CBO estimates that enacting the provisions in title IV would cost $756 billion—$16.1 billion less than expected under the baseline for the 2013-2022 period.

Updating Program Eligibility. Individuals in households in which all members receive cash assistance from the Temporary Assistance to Needy Families Program (TANF), Supplemental Security Income, or similar state cash assistance programs are considered automatically eligible for SNAP and are not subject to the program's income and asset requirements. States currently have the option to extend such *categorical eligibility* to households that receive or are eligible to receive noncash services through TANF.

The legislation would restrict categorical eligibility to households receiving cash assistance. Based on data from the Department of Agriculture, CBO estimates that about 1.8 million people per year, on average, would lose benefits if they were subject to SNAP's income and asset tests. In addition, about 280,000 school-age children in those households would no longer be automatically eligible for free school meals through their receipt of SNAP benefits. CBO estimates that this provision would lower direct spending by $11.5 billion over the 2013-2022 period.

Utility Allowances. Under current law, households qualify for a Heating and Cooling Standard Utility Allowance (HCSUA) if they provide proof that they pay heating or cooling expenses or receive any assistance through the Low-Income Home Energy Assistance Program (LIHEAP). The bill would eliminate the automatic qualification for those allowances for households who receive less than $10 each year in energy assistance, beginning in fiscal year 2014. (States would have the option to delay implementation for six months for current recipients.) The value of the HCSUA is used, along with other factors, to determine the amount of housing expenses that households can deduct from their income.

Some states send nominal LIHEAP benefits (typically between $1 and $5, and typically only once per year) to SNAP participants to automatically qualify them for the utility allowance. Based on discussions with states, CBO assumes that some states would continue to send LIHEAP benefits that meet the $10 minimum qualification to some SNAP participants, but others would discontinue that practice. CBO estimates that under this provision, nearly 500,000 households each year would have their SNAP benefits reduced by an average of $90 per month. In total, CBO estimates that enacting this provision would reduce direct spending by about $4.5 billion over the 2013-2022 period.

Interaction Effects. Restricting categorical eligibility would reduce the total number of households receiving SNAP benefits; changes to standard utility allowances would reduce the benefit amounts that households receive. Therefore, the estimated savings from each provision would be reduced if they were enacted simultaneously. Accounting for the interactions between those provisions, CBO estimates that the total savings would decline by $82 million over the 2013-2022 period.

Changes to Grant Programs. Enacting the legislation would reduce net spending for nutrition-related grant programs by $348 million over the 2013-2022 period. Specifically, the bill would:

- Eliminate $48 million in annual funding for awards to states with high or improved performance in administering SNAP, for total savings of $480 million over the 2013-2022 period;

- Eliminate $5 million in annual funding for projects to simplify application systems for SNAP and improve access to the program, for total savings of $50 million over the 2013-2022 period;

- Provide $5 million per year for USDA to pursue activities to prevent trafficking of SNAP benefits, with a total cost of $50 million over the 10-year period;

- Provide an additional $10 million each year for community food projects for a total cost of $100 million over the 2013-2022 period—in addition to $5 million per year provided by USDA under current law; and

- Provide a total of $32.5 million for USDA to conduct a study and pilot program in the Commonwealth of the Northern Mariana Islands.

Retailer Equipment. All SNAP recipients use an electronic benefit transfer (EBT) card to pay for food. Under current law, retail food stores may request a point-of-sale terminal that accepts EBT cards. (Most larger grocery stores use their existing debit/credit card machines and program them to also accept EBT cards.) The cost of leasing this equipment from the state's EBT contractor is split between states and the federal government. The bill would require all retailers to assume the full cost of the equipment. Based on data from the USDA Food and Nutrition Service, CBO estimates that eliminating the federal share of those costs would reduce direct spending by $79 million over the 2013-2022 period.

Expiring Provisions. The bill would reauthorize SNAP, which includes funding of The Emergency Food Assistance Program (TEFAP) and the Senior Farmers Market Nutrition Program (which the bill would rename the Farmers Market Nutrition Program), through 2017. Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, those extensions are assumed in CBO's current baseline projections and have no cost relative to that baseline. Under the assumptions underlying CBO's March 2012 baseline projections, we estimate that extending SNAP for the 2013-2017 period would result in outlays of almost $370 billion over that period (including $1.4 billion for TEFAP) and that extending the Farmers Market Nutrition Program would result in outlays of $103 million.

In addition to reauthorizing those programs, the bill would increase funding for commodity purchases made through TEFAP. The commodities are distributed by states to local organizations, including food banks and shelters. That provision would increase direct spending for the program above baseline levels by $270 million over the 2013-2022 period.

Other provisions in title IV would reduce costs in SNAP by less than $500,000 over the 2013-2022 period:

- The bill would make households automatically ineligible for SNAP if a member of that household receives substantial lottery or gambling winnings.

- The bill would allow the Secretary of Agriculture to impose new restrictions on states that carry out programs to allow certain SNAP recipients to purchase meals at restaurants.

- The bill would require states to use the Systematic Alien Verification for Entitlements (SAVE) program to verify the immigration status of non-citizen applicants.

Titles VI: Rural Development. Title VI would provide $50 million in mandatory funding for grants to producers of value-added agricultural products for marketing and for developing a business plan. The title also would authorize funding derived from the Cushion of Credit payments program to be used to provide grants and loans to rural cooperatives and other borrowers that relend such funds to consumers for energy-efficiency projects. CBO estimates that spending for both programs would total $105 million over the 2013-2022 period.

Title VII: Research, Extension, and Related Matters. Under the bill, CBO estimates that spending on agriculture research, extension activities, and related efforts would total $760 million—an increase of $546 million above estimated expenses under the baseline over the 2013-2022 period. Programs authorized by this title include:

- Organic Agriculture Research and Extension Initiative,
- Specialty Crop Research Initiative; and
- Beginning Farmer and Rancher Development Program.

Title VIII: Forestry. Title VIII would authorize the Forest Service through 2017 to enter into special contracts known as stewardship contracts. Under such contracts, the Forest Service and the Department of the Interior use timber resources owned by the government in lieu of cash to compensate firms that provide certain services related to forest management. Under current law, authority to enter into stewardship contracts will expire in 2013. Because CBO expects that some of the timber that would be used as compensation under stewardship contracts would be sold under current law, we estimate that enacting this provision would reduce net offsetting receipts (a credit against direct spending) by $1 million a year over the 2014-2017 period. Thus, enacting this provision would increase direct spending $4 million over the next 10 years.

Title IX: Energy. CBO estimates that spending on the energy programs covered in the legislation would total $750 million over the 2013-2022 period—the same spending level assumed in the baseline. Rural energy programs that had received mandatory funding in the previous farm bill would now be made subject to appropriation.

Title X: Horticulture. Under the bill, CBO estimates that spending for horticulture programs would total $1.5 billion over the 2013-2022 period—$435 million more than the expected cost of continuing those programs under current law. Programs authorized by the bill include:

- Farmers Market and Local Food Promotion Program,
- Specialty Crop Block Grants,
- Plant Pest and Disease Management, and
- A variety of other smaller programs.

Title XI: Crop Insurance. Under the bill, CBO estimates that spending on federal crop insurance programs would total $99.0 billion over the 2013-2022 period—about $9.5 billion more than we expect would be spent if those programs were continued under current law.

Supplemental Coverage Option. Beginning with the 2014 crops, the Supplemental Coverage Option (SCO) authorized in section 11003 would allow farmers to combine farm-level crop insurance coverage with crop insurance based on county-level coverage. This option would be subject to a deductible of 10 percent of expected revenue for farmers participating in the Price Loss Coverage program. USDA would pay 70 percent of the premium for the SCO policy. CBO estimates that implementing the supplemental coverage provisions would cost $4 billion over the 2013-2022 period.

Reducing Premiums for CAT. Section 11004 would require USDA to reduce the premium for crop insurance protection against catastrophic losses (known as CAT coverage). This change in premiums would reduce government costs because the amounts paid by USDA to private insurance companies for delivering crop insurance are based on that premium. CBO estimates that reducing the premium for CAT coverage would save $437 million over the 2013-2022 period.

Enterprise Units for Irrigated and Nonirrigated Crops. Farmers who choose to buy crop insurance for a particular crop must buy insurance on all of the acres of that crop that they grow in the county. However, farmers may divide their cropland into separate units so that if one unit has a loss and the others do not, the loss is paid on the unit with a loss regardless of the production from other units. (Dividing cropland into separate units increases the likelihood of being paid for a loss but also increases the premium the farmer pays for the insurance.) Section 11007 would allow farmers to separate irrigated and nonirrigated farmland into different units without an increase in their premiums. CBO estimates that this change would cost $506 million over the 2013-2022 period.

Adjustments in APH Yields. Crop insurance benefits are generally based on a farmer's actual production history (APH). Under the program rules, however, the actual yields for any years with unusually low yields can be replaced with a "yield plug" equal to 60 percent of the average crop yield in the county where the insurance is purchased. Section 11009 would increase the "yield plug" from 60 percent to 70 percent for all years with unusually low yields. CBO estimates that change would cost $1.1 billion over the 2013-2022 period.

Crop Production on Native Sod. Section 11013 would limit commodity program payments and benefits under the crop insurance and the Noninsured Assistance Program to farmers in the Prairie Pothole Region who convert native sod (rangeland that has never been cultivated) to cropland. CBO estimates that change would save $102 million over the 2013-2022 period.

Beginning Farmer Provisions. Section 11015 would reduce fees, raise premium subsidies, and allow for adjustments in the actual production histories of beginning farmers, which would increase insurance guarantees and government costs. CBO estimates that change would cost $192 million over the 2013-2022 period.

Stacked Income Protection for Cotton. Section 11016 would establish a new Stacked Income Protection Plan (STAX). Based on information from USDA, CBO expects that STAX could not be offered before the 2014 crop of upland cotton has been produced. Under STAX, upland cotton producers would be eligible to purchase a crop insurance policy for revenue losses of between 10 percent and 30 percent of the expected revenue from cotton crops in the county, with a minimum guaranteed price of $0.6861 per pound. USDA would pay 80 percent of the premium of the STAX policy. CBO estimates that STAX would cost $3.9 billion over the 2013-2022 period.

Peanut Revenue Crop Insurance. Section 11017 would establish a revenue crop insurance program for peanuts. CBO estimates that this program would cost $239 million over the 2013-2022 period.

Participation Effects of Commodity Programs. Because title I would eliminate direct payments and allow farmers to choose between countercyclical payments and a new revenue protection program, CBO expects that producers choosing the revenue program would reduce their participation in the crop insurance program. CBO estimates that reduction in crop insurance participation would save about $0.6 billion over the 2013-2022 period.

Other Crop Insurance Provisions. Other provisions in title XI would provide for additional delivery expense reimbursements on specialty crop policies (section 11011), allow for different coverage levels on a farm for irrigated and nonirrigated practices (section 11014), provide funding for implementation (section 11019), increase annual expenditures for livestock pilot programs (section 11023), and increase coverage options under the Noninsured Assistance Program (section 11024). In total, CBO estimates that those provisions would increase outlays by $790 million over the 2013-2022 period.

Title XII: Miscellaneous. Title XII would reauthorize CCC spending for outreach and assistance for socially disadvantaged and veteran farmers and ranchers, at a cost of $50 million over the 2013-2022 period.

Spending Subject to Appropriation

CBO estimates that implementing the provisions of the Agriculture Reform, Food, and Jobs Act of 2012 that authorize appropriations would cost $22.1 billion over the 2013-2017 period, assuming appropriation of the necessary funds. Those discretionary costs are displayed in Table 3 and described in further detail below.

Title I: Commodity Programs. Section 1605 would reauthorize the Geographically Disadvantaged Farmers and Ranchers Program to reimburse such producers for certain transportation costs. Based on amounts provided in recent years, CBO estimates that implementing this provision would cost $24 million over the next five years.

Title II: Conservation. CBO estimates that implementing the discretionary programs authorized by title II would cost $680 million over the 2013-2017 period. That amount includes $291 million for conservation of private grazing land, $292 million for rehabilitating small watersheds, and $97 million for protecting grassroots source water.

TABLE 3. ESTIMATED EFFECTS ON DISCRETIONARY SPENDING FROM IMPLEMENTING THE FEDERAL AGRICULTURE REFORM AND RISK MANAGEMENT ACT OF 2012

	By Fiscal Year, in Millions of Dollars					
	2013	2014	2015	2016	2017	2013-2017
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Title I – Commodity Programs						
Estimated Authorization Level	5	5	5	5	5	25
Estimated Outlays	4	5	5	5	5	24
Title II – Conservation						
Estimated Authorization Level	165	165	165	165	165	825
Estimated Outlays	81	123	149	162	165	680
Title III – Trade						
Estimated Authorization Level	1,697	2,199	2,202	2,205	2,209	10,511
Estimated Outlays	642	1,572	1,992	2,122	2,175	8,503
Title IV – Nutrition						
Estimated Authorization Level	198	196	198	202	204	998
Estimated Outlays	182	196	198	201	204	981
Title V – Credit						
Estimated Authorization Level	91	91	91	99	99	471
Estimated Outlays	84	91	91	98	99	463
Title VI – Rural Development						
Estimated Authorization Level	319	319	319	319	319	1,596
Estimated Outlays	30	130	212	281	309	963
Title VII – Research, Extension, and Related Matters						
Estimated Authorization Level	1,979	2,004	2,029	2,055	2,082	10,149
Estimated Outlays	1,010	1,596	2,012	2,037	2,063	8,719
Title VIII – Forestry						
Authorization Level	77	77	77	77	77	386
Estimated Outlays	35	54	66	73	77	305
Title IX – Energy						
Authorization Level	271	271	271	271	271	1,355
Estimated Outlays	71	150	210	252	271	953
Title X – Horticulture						
Estimated Authorization Level	36	36	36	36	36	180
Estimated Outlays	25	33	36	36	36	166

Continued

TABLE 3. Continued.

	By Fiscal Year, in Millions of Dollars					
	2013	2014	2015	2016	2017	2013-2017
Title XI – Crop Insurance						
Estimated Authorization Level	1	0	0	0	0	1
Estimated Outlays	1	0	0	0	0	1
Title XII – Miscellaneous						
Estimated Authorization Level	72	71	71	71	71	356
Estimated Outlays	39	60	71	71	71	312
Total Changes						
Estimated Authorization Level	4,911	5,434	5,464	5,505	5,537	26,852
Estimated Outlays	2,203	4,011	5,042	5,339	5,476	22,070

Note: Components may not sum to totals because of rounding.

Title III: Trade. CBO estimates that implementing title III would cost $8.5 billion over the 2013-2017 period, assuming appropriation of the necessary amounts. Major components of that total are described below.

Public Law 480. The Agricultural Trade Development and Assistance Act of 1954, typically referred to as Public Law 480, established a variety of programs to provide food assistance to countries around the world. Section 3011 of the bill would extend the expiring authorities for title II of Public Law 480 (emergency and nonemergency food assistance programs) from December 31, 2012, to December 31, 2017. Section 3012 would authorize the appropriation of $2 billion each year for those programs over the 2013-2017 period. Funding for title II programs, as set in annual appropriation acts, has remained around $1.5 billion in recent years. While section 3010 also would extend the authority for title I (Trade and Economic Development Assistance) and title III (Food for Development) of Public Law 480, those programs have received no new funding in recent years. CBO estimates that implementing section 3011 would cost $7.5 billion over the 2013-2017 period.

McGovern-Dole International Food for Education and Child Nutrition Program. Under current law, the authorization of appropriations for the McGovern-Dole program expires at the end of 2012.The bill would reauthorize the appropriation of funds for this program through 2017. Funding for this program is used to purchase commodities and donate them overseas in support of infant and school feeding programs. In 2012, funding for this program was $184 million. Assuming that funding continues at that level and adjusting for anticipated inflation, CBO estimates that implementing this provision would cost $932 million over the 2013-2017 period.

Global Crop Diversity Trust. Section 3206 would reauthorize funding to help promote the conservation of food crops. This provision would authorize the appropriation of $50 million over the 2013-2017 period, and CBO estimates that implementing it would cost $50 million over that period.

Title IV: Nutrition. CBO estimates that implementing the discretionary provisions of title IV would cost about $1 billion over the 2013-2017 period, assuming appropriation of the necessary amounts.

Commodity Supplemental Food Program. The bill would reauthorize through 2017 and modify the Commodity Supplemental Food Program (CSFP). The program currently provides food packages to low-income elderly people, pregnant and postpartum women, and young children. Under the bill, only low-income people aged 60 or older could receive benefits. CBO estimates that this change would reduce costs in the program by about 3 percent per year. The CSFP received an appropriation of $177 million in fiscal year 2012. CBO estimates that implementing this provision would cost $881 million over the 2013-2017 period, assuming the appropriation of the necessary amounts.

Farmers Market Nutrition Program. The bill would authorize the appropriation of funds for the Farmers Market Nutrition Program. Based on historical spending on similar activities, CBO estimates that implementing this provision would cost $100 million over the 2013-2017 period, assuming the appropriation of the necessary amounts. This authority would be in addition to the $103 million in mandatory funds provided over that period for the same purpose.

Title V: Credit. CBO estimates that implementing title V would cost $463 million over the 2013-2017 period, assuming appropriation of the necessary amounts. Components of that total are described below.

Authorization of Appropriations and Allocation of Funds. Section 5301 would amend and extend the farm credit programs administered by USDA. CBO estimates that implementing the authorized loan levels, based on subsidy rates in 2011, would cost $418 million over the 2013-2017 period. Section 5301 also would reauthorize the conservation loan program and grants to farmers with individual development savings accounts. CBO estimates that implementing the conservation loan program and the individual development accounts would cost $30 million over the next five years.

State Agricultural Mediation Programs. Section 5002 would extend the authorization for appropriations to State Agricultural Mediation Programs for two years, from 2015 to 2017, and would cost $15 million over that period.

Title VI: Rural Development. Title VI would reauthorize a number of rural development programs, including grants and other financial assistance for infrastructure improvement, business investment, and regional development. This title also would reauthorize and modify USDA's authority to guarantee loans under the Rural Electrification Act. CBO estimates that spending for those programs would total $963 million over the 2013-2017 period, assuming appropriation of amounts specified and estimated to be necessary. This estimate reflects historical expenditure patterns for similar rural development activities of USDA.

Title VII: Research, Extension, and Related Matters. Title VII would authorize appropriations for many agricultural research and education programs and initiatives. CBO estimates that implementing this title would cost $8.7 billion over the 2013-2017 period, assuming appropriation of the necessary amounts. About $3.4 billion of that amount is specifically authorized by the legislation. Estimated funding for the other programs is based on information from USDA and on funding levels provided for the same or similar programs or initiatives in recent years.

Estimated spending over the 2013-2017 period for research programs includes:

- $6.3 billion for basic research and extension services and for applied research in areas such as animal health, alternative crops, nutrition education, aquaculture, and rangeland;

- $0.2 billion to upgrade agriculture and food sciences facilities at traditionally black, Native American, and Hispanic-serving facilities;

- $1.2 billion for high-priority research and extension initiatives, such as biological applications, organic farming, specialty crops, and food protection;

- $0.4 billion for endowments, grants, and research at Native American land-grant institutions, and for beginning farmer and rancher development; and

- $0.6 billion for biosecurity planning, preparation, response, development of countermeasures, national products research, and for research in biomass and bioenergy.

Title VIII: Forestry. Title VIII would authorize the appropriation of $223 million over the 2013-2017 period for programs established by the Cooperative Forestry Assistance Act of 1978. Those programs protect environmentally sensitive forest lands, provide technical assistance to private forest owners, and award grants to local governments to establish community forests. Title VIII also would authorize the appropriation of $82 million over that period for other forestry programs. In total, CBO estimates that implementing title VIII would cost about $305 billion over the 2013-2017 period, assuming appropriation of the necessary amounts.

Title IX: Energy. Title IX would authorize appropriations of $1.4 billion over the next five years for the energy programs covered in the legislation. The bill would authorize:

- $375 million for grants and loan guarantees to individuals, state and local governments, cooperatives, and other entities to fund the development, construction, and retrofitting of demonstration- and commercial-scale biorefineries;

- $225 million for grants and loan guarantees to state and local governments, rural electric cooperatives, and other entities to perform energy audits, purchase renewable energy systems, and improve energy efficiency;

- $250 million for the Secretaries of Agriculture and Energy to coordinate policies and procedures that promote research and development regarding the production of biofuels and biobased products;

- $375 million for extending the Biomass Crop Assistance Program to encourage producers to grow biomass crops and to cover a portion of the cost to transport biomass products to facilities that would convert those products into energy; and

- $130 million for various other energy programs.

Assuming appropriations of the specified amounts, CBO estimates that implementing title IX would cost $953 million over the next five years.

Title X: Horticulture. Assuming appropriation of the authorized amounts, CBO estimates that implementing title X would cost $166 million over the 2013-2017 period to support and encourage farmers' markets and local food promotion programs, modernization and technology upgrades for the National Organic Program, specialty crop market news, and organic production and market data initiatives.

Title XI: Crop Insurance. Title XI would require USDA to conduct studies on the feasibility of food safety insurance, a poultry catastrophic disease program, and poultry business interruption insurance policies. CBO estimates those studies would cost $1 million.

Title XII: Miscellaneous. CBO estimates that implementing title XII would cost $312 million over the 2013-2017 period, assuming appropriation of the necessary amounts, for a variety of programs, including:

- $95 million for outreach and assistance for socially disadvantaged and veteran farmers and ranchers,

- $70 million for national sheep industry improvement center, trichinae certification, and aquatic animal health,

- $86 million to development and promotion of maple syrup, and

- $61 million for safety and training of the agricultural labor force and for establishing an office of tribal relations and a military veterans agricultural liaison office in USDA.

PAY-AS-YOU-GO-CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting on-budget direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are show in the following table.

Table 4. CBO Estimate of the Statutory Pay-As-You-Go Effects for H.R. 6083, the Federal Agriculture Reform and Risk Management Act of 2012, as ordered reported by the House Committee on Agriculture on July 11, 2012

	By Fiscal Year, in Millions of Dollars												
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2012-2017	2012-2022
	NET INCREASE OR DECREASE (-) IN THE DEFICIT												
Statutory Pay-As-You-Go Impact	0	-306	-5,968	-3,612	-3,491	-3,327	-3,387	-3,709	-3,698	-3,834	-3,810	-16,705	-35,143

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

The bill would impose intergovernmental and private-sector mandates as defined in UMRA. CBO estimates that the aggregate costs of mandates on state, local, and tribal governments would fall below the annual threshold established in UMRA for intergovernmental mandates ($73 million in 2012, adjusted annually for inflation). Because the cost of some of the mandates on the private sector would depend on future regulations, CBO cannot determine whether the aggregate cost of those mandates would exceed the annual threshold established in UMRA for private-sector mandates ($146 million in 2012, adjusted annually for inflation).

Mandates that Apply to Public and Private Entities

The bill would impose an intergovernmental and private-sector mandate by extending maintenance fees for the use of pesticides through 2017. The bill also would increase the amount of maintenance fees collected annually to about $28 million from the current $22 million collected. According to information from the Environmental Protection Agency, public entities usually receive waivers from maintenance fees for minor use or public health uses. Thus, fees paid by public entities are minimal and make up a very small portion of the total fees collected. The majority of the amount collected would be paid by private entities.

Mandates that Apply to Public Entities Only

The bill would preempt state laws that regulate the production and manufacture of agricultural products offered for sale in interstate commerce if those laws impose standards or conditions that are in addition to the standards and conditions imposed by federal law or the laws of the producing or manufacturing state. Many states have laws regulating the production and manufacture of agricultural products that are different than the laws of other states. By limiting a state's ability to regulate agricultural products sold under its jurisdiction, the bill would preempt state authority. However, because state and local governments would not be required to take any action resulting in additional spending or lost revenue, CBO estimates that the cost of the preemption would be insignificant.

Mandates that Apply to Private Entities Only

Requirements on Dairy Handlers. The bill would impose mandates on dairy handlers that purchase milk from dairy producers participating in the Dairy Market Stabilization Program (DMSP). Under the DMSP, when producer margins fall below a designated amount, handlers would be required to report information to USDA, reduce payments for milk to participating dairy producers, and pay to USDA the amount by which the payment was reduced. Thus, the bill would impose new requirements on dairy handlers who are not voluntary participants in DMSP. According to information from industry sources, the cost for handlers to collect and report information under the DMSP could amount to hundreds of millions of dollars annually, depending on regulations to be issued by USDA.

Standards for Imports of Olive Oil. The bill would require imports of olive oil to meet the same standards as olive oil produced in the United States if a marketing order for olive oil is established. A marketing order for olive oil has been proposed, but the process of approving the order is in its early stages. CBO has no basis for determining what the final standards of a marketing order would be, if approved; and thus the cost to importers is uncertain.

Pesticide Fees and Reporting Requirements. The bill would impose a private-sector mandate by extending registration service fees for the use of pesticides for five years.

Pesticide registration service fees amount to about $15 million annually. The bill also would impose a private-sector mandate if manufacturers of pesticides currently exempt from registration requirements would be required to submit efficacy data to support some statements on product labels. Based on information from the Environmental Protection Agency and industry experts, CBO expects that the cost of the mandate could amount to tens of millions of dollars.

PREVIOUS CBO ESTIMATES

Draft House Legislation

On July 5, 2012, CBO transmitted a cost estimate for draft legislation that was posted on the Web site of the House Committee on Agriculture prior to markup. The current estimate is based on H.R. 6083, as ordered reported by the committee on July 11, 2012. The amendments adopted during markup affected estimates of discretionary spending.

S. 3240

On July 6, 2012, CBO transmitted a cost estimate for S. 3240, the Agriculture Reform, Food, and Jobs Act of 2012, as passed by the Senate on June 21, 2012. CBO estimated that enacting S. 3240 would bring total direct spending for USDA programs to $970.0 billion over the 2013-2022 period, or $23.1 billion less than CBO projected would be spent if current programs continued as under current law. H.R. 6083, the Federal Agriculture Reform and Risk Management Act of 2012, as ordered reported by the House Committee on Agriculture on July 11, 2012, would result in total direct spending for USDA programs of $957.7 billion over the 2013-2022 period, or $35.1 billion less than the CBO baseline projections for those programs. Thus, H.R. 6083 would result in total direct spending for USDA programs over the 2013-2022 period that is $12.0 billion less than S. 3240.

Differences between S. 3240 and H.R. 6083 are shown in Table 5. The combined change in spending from provisions affecting commodities and crop insurance is similar between the two bills—$14.1 billion less in the H.R. 6083 and $14.4 billion less in S. 3240, compared with continuation of current programs in the CBO baseline. However, H.R. 6083 would result in lower spending on commodities and more spending on crop insurance, compared with S. 3240.

Title I. The total change in commodity payments between the House and Senate bills is shown in Table 6. Estimated commodity payments under the House bill would be around $4.0 billion less than under the Senate bill, with the House bill resulting in relatively smaller reductions in payments for wheat, rice, and peanuts, and relatively higher reductions in payments for feed grains and oilseeds, compared with the estimates for the Senate bill. The county-based revenue options in the two bills are similar, but payments under the price-loss coverage option in the House bill are expected to be lower than the farm-level revenue option in the Senate's legislation. In addition, the timing of payments in the House bill would be delayed until after October 1, so that there would be one less payment in the 2013-2022 period.

Title IV. CBO estimated that the nutrition provisions in title IV of S. 3240 would reduce direct spending by $4.0 billion over the 2013-2022 period, about $12.1 billion less than the reductions in title IV of H.R. 6083. While S. 3240 included the same change to utility allowances as H.R. 6083, H.R. 6083 contains additional cuts to SNAP, including provisions to restrict categorical eligibility and repeal state performance awards, among other changes.

Title XI. Changes in crop insurance provisions in H.R. 6083 are estimated to increase spending by $9.5 billion over the 2013-2022 period, compared with the estimated increase in spending of $5.0 billion for the crop-insurance provisions included in S. 3240. The higher estimated spending for the House bill reflects higher participation in the Supplemental Coverage Option, lower savings from commodity program effects on crop-insurance participation, and higher spending for the Stacked Income Protection program for cotton producers.

Discretionary Costs. S. 3240 would authorize spending subject to appropriation of $29.0 billion over the 2013-2022 period, CBO estimates, while the authorization level in H.R. 6083 would total an estimated $22.1 billion—$6.9 billion less than in S. 3240.

Agriculture Reconciliation Act of 2012

On April 23, 2012, CBO transmitted a cost estimate for the Agriculture Reconciliation Act of 2012, as approved by the House Committee on Agriculture on April 18, 2012. CBO estimated that enacting that legislation would reduce direct spending in nutrition programs by $33.7 billion over the 2013-2022 period, $17.6 billion more than would result if provisions in title IV of H.R. 6083 were enacted. Differences in the estimates reflect differences in the legislation.

The Agriculture Reconciliation Act included a change to SNAP utility allowances that CBO estimates would reduce benefits for more participants than a similar provision in H.R. 6083. The Agriculture Reconciliation Act would require all households to show proof that they pay heating or cooling costs to claim the utility allowance. Under H.R. 6083, SNAP households who receive energy assistance payments below $10 annually would no longer qualify automatically for a utility allowance and would have to show proof that they pay heating or cooling costs in order to claim the allowance; households who receive more than $10 annually in energy assistance would still qualify automatically for a utility allowance. The Agriculture Reconciliation Act also contained further cuts to SNAP that are not included in H.R. 6083, including provisions that would accelerate the sunset date of a benefit increase stemming from the American Recovery and Reinvestment Act and reduce funding for employment and training programs and nutrition education, among other changes.

TABLE 5. COMPARISON BY TITLE OF THE TOTAL CHANGE IN DIRECT SPENDING FOR H.R. 6083 AS ORDERED REPORTED ON JULY 11, 2012, AND S. 3240 AS PASSED ON JUNE 21, 2012

	Totals for Fiscal Years 2013-2022, in Millions of Dollars		
Description	S. 3240 [a]	H.R. 6083 [b]	Difference [c]
Title I – Commodities			
Change in Budget Authority	-19,188	-23,370	-4,182
Change in Outlays	-19,428	-23,584	-4,156
Title II – Conservation			
Change in Budget Authority	-6,934	-6,446	448
Change in Outlays	-6,376	-6,148	228
Title IV – Nutrition			
Change in Budget Authority	-3,940	-16,085	-12,135
Change in Outlays	-4,000	-16,075	-12,075
Title VII – Research, Extension, and Related Matters			
Change in Budget Authority	715	580	-135
Change in Outlays	681	546	-135
Title IX – Energy			
Change in Budget Authority	801	0	-801
Change in Outlays	780	0	-780
Title XI – Crop Insurance			
Change in Budget Authority	5,901	10,999	5,098
Change in Outlays	5,036	9,523	4,487
XII – Miscellaneous			
Change in Budget Authority	-374	50	424
Change in Outlays	-319	50	369
Other Titles [d]			
Change in Budget Authority	514	538	24
Change in Outlays	482	542	59
Total Changes			
Change in Budget Authority	-22,504	-33,751	-11,247
Change in Outlays	-23,143	-35,143	-12,000

a. Agriculture Reform, Food, and Jobs Act of 2012, as passed by the Senate on June 21, 2012.

b. Federal Agriculture Reform and Risk management Act of 2012, as ordered reported by the House Committee on Agriculture on July 11, 2012.

c. Difference = House estimate *less* Senate estimate.

d. Other titles (with differences) include: Title III – Trade (0); Title V – Credit (0); Title VI – Rural Development (-10); Title VIII – Forestry (-5); and Title X – Horticulture (77).

TABLE 6. COMPARISON BY CROP OF THE TOTAL CHANGE IN COMMODITY PAYMENTS BETWEEN H.R. 6083 AS ORDERED REPORTED ON JULY 11, 2012, AND S. 3240 AS PASSED ON JUNE 21, 2012

	Totals for Fiscal Years 2013-2022, in Millions of Dollars		
Crop	S. 3240 [a]	H.R. 6083 [b]	Difference [c]
Corn	-5,969	-11,031	-5,062
Sorghum	-525	-1,021	-496
Barley	-625	-138	487
Oats	-13	84	97
Total Feed Grains	-7,132	-12, 105	-4,973
Soybeans	1,272	-1,509	-2,781
Wheat	-6,673	-5,448	1,225
Upland Cotton [d]	-6,077	-6,077	0
Rice	-2,842	-1,075	1,767
Peanuts	-314	187	501
Other Oilseeds	44	243	199
Dairy	-59	-38	21
Dry Peas	17	101	84
Lentils	28	15	-13
Total Changes	-21,677	-25,707	-4,030

Note: Change from CBO March 2012 Baseline.

a. Agriculture Reform, Food, and Jobs Act of 2012, as passed by the Senate on June 21, 2012.

b. Federal Agriculture Reform and Risk management Act of 2012, as ordered reported by the House Committee on Agriculture on July 11, 2012.

c. Difference = House minus Senate total changes.

d. Upland cotton does not include any potential benefits under the Stacked Income Protection Program in the Crop Insurance title, which CBO estimates would be $3.9 billion under H.R. 6083 and $3.2 billion under S. 3240 over the 2013-2022 period.

ESTIMATE PREPARED BY:

Federal Costs: Jim Langley, Greg Hitz, Dave Hull, Kathleen FitzGerald, Emily Holcombe, Ann Futrell, Dan Hoople, and Jeff LaFave

Impact on State, Local, and Tribal Governments: J'nell L. Blanco and Lisa Ramirez-Branum

Impact on the Private Sector: Amy Petz and Vi Nguyen

ESTIMATE APPROVED BY:

Theresa Gullo
Deputy Assistant Director for Budget Analysis