



Farm bill season arrives: What's the outlook for 2023?

By Allison Winter

August 16, 2022

WASHINGTON — Over the course of the next year, lawmakers on the U.S. House and Senate Agriculture committees will draft a new federal farm bill that will shape food, farm, conservation and nutrition programs across the country for the next five years.

The omnibus law that began 90 years ago as crop supports now has an impact far beyond the farm, with programs to create wildlife habitat, address climate change and run the nation's largest federal nutrition program.

“Any number of economic policies that we establish in farm bills impact everybody's daily lives,” said former Sen. Saxby Chambliss, the top Republican on the Senate Agriculture Committee during the 2008 farm bill. The Georgia lawmaker now works at the global law firm DLA Piper.

Chambliss said farm bills affect food prices and availability, global trade and renewable fuels.

But he said the debate going into the legislation is often overshadowed by crop subsidies — the farm bill's longstanding support system for producers of farm commodities. The payments are intended to provide economic stability for farmers but are usually a target for those who would like to invest the money elsewhere.

“The farm bills have evolved into a political football for all the wrong reasons,” Chambliss said in an interview with States Newsroom.

The current farm bill expires in September 2023. But given the size and implications of the programs, it is already farm bill season for lawmakers and the groups with a stake in the bill.

Most of the farm bill affects eaters, not farmers.

Advocacy groups are pulling together their farm bill platforms. And the House and Senate Agriculture committees have each started hosting farm bill hearings in Washington, D.C., and in some members' home districts.

At the Senate Agriculture Committee's first field hearing in Michigan in April, Chairwoman Debbie Stabenow, a Michigan Democrat, listed climate change, conservation programs and expanding opportunities for midsized and local producers among her concerns for the new farm bill.

On the House side, Agriculture Committee Chairman David Scott, a Georgia Democrat, has said he wants to support beginning and underserved farmers and ranchers and expand opportunities for conservation and energy programs.

“My goals are to protect the farm bill coalition that has provided a safety net for those struggling to feed their families as well as for those who help to produce that food,” Scott said in an email to States Newsroom.

“We also know that many of our programs are oversubscribed, and our available funding has not kept up with the demand in the conservation and energy titles,” Scott said.

What does the farm bill cover?

Originally a product of the New Deal, the first farm bill in 1933 focused on commodity price support to provide relief for farmers and ensure a steady domestic food supply for Americans during the Great Depression.

Since then, lawmakers have passed 18 farm bills and greatly expanded the reach of the legislation. For example, Congress added a conservation section to the farm bill in 1985 and an energy title in 2002.

The most recent farm bill, the Agriculture Improvement Act of 2018, has 12 titles and includes programs for commodity crops, nutrition, trade, crop insurance, forestry and rural development.

The farm bill’s conservation programs pay farmers to make environmental improvements on working land or to replace crops on highly erodible and environmentally sensitive land.

One year of outlays for farm bill conservation programs exceeds the annual budget for the National Park Service.

More than 140 million acres of farmland in the U.S. are currently receiving conservation-related financial and technical assistance from the federal government, according to an analysis from the Farm Bureau. The national park system has more than 85 million acres, according to the Park Service.

But the largest spending in the farm bill goes to nutrition programs, particularly the Supplemental Nutrition Assistance Program, or SNAP, formerly known as food stamps. Three-fourths of farm bill funding goes to nutrition programs like SNAP.

“Most of the farm bill affects eaters, not farmers,” said Scott Faber, senior vice president for government affairs at Environmental Working Group, one of the advocacy groups that tracks farm bill spending.

How much money is at stake?

Like many bills on Capitol Hill, the farm bill has some “discretionary” programs, which are set up in the bill but have to be funded through the annual appropriations process.

But most of the farm bill programs are “mandatory” spending. That funding is set in the farm bill itself and goes out over the next five years, regardless of congressional appropriations. Those mandatory programs include crop subsidies, conservation programs, some forms of crop insurance and SNAP.

The 2018 farm bill was projected to spend \$428 billion over five years, according to the Congressional Budget Office. When crafting a new farm bill, lawmakers must keep the total within the baseline estimates for the previous farm bill or find another new funding source. The current baseline for farm bill programs for the next five years is \$648 billion, according to the Congressional Budget Office’s May 2022 estimates. A new estimate in spring 2023 will set the budget for the new farm bill.

“The difficult issue that we have every time we head into a farm bill is the budget,” said Chambliss.

Advocacy groups and lawmakers usually propose shifts in funding levels to try to direct more money to their favorite programs.

“The biggest problem is that there is only a certain amount of money we can have, so if we want more money we have to rob from Peter to pay for Paul,” Tom Haag, a vice president of the National Corn Growers Association, said at a recent panel discussion on the farm bill.

But conservation and other climate-related programs will receive another funding infusion this year from the Inflation Reduction Act, which gives a boost of more than \$20 billion for climate investments on farmland. The bill is up for a vote before the U.S. House.

That will provide about a 47% increase over previous farm bill levels, according to an analysis from the National Sustainable Agriculture Coalition.

But folding that budget authority into the farm bill may not be a straightforward process, as Agriculture Committee members look for ways to direct it to their interests.

“Everyone is going to want a piece of that climate money,” said Ferd Hoefner, a Washington, D.C.-based consultant on farm and food policy who has worked on nine previous farm bills.

What crops are most affected?

Most farm bill crop subsidies go to the major commodity crops: corn, soybeans, wheat, cotton and rice.

The big three of corn, soybean and wheat farmers receive more than 70 percent of farm subsidies, according to an analysis from the Cato Institute.

Some other producers are eligible for the federal safety net through crop insurance, intended to help farmers manage for risk of loss from severe weather or market disruptions. Lawmakers have expanded the crop insurance program in recent farm bills, and its total spending now slightly exceeds that of crop subsidies.

The federal government provides policies for more than 100 crops, according to the USDA. But some small farmers with varied crops have said it is still hard for them to get crop insurance, since policies are regional and limited to certain “insurable commodities.”

The farm bill has smaller programs for organic agriculture and “specialty crops,” fruits, vegetables and nuts. It includes a cost-share program for organic certification, market development grants and research programs on citrus disease.

What states are most affected?

Agriculture subsidies, crop insurance and conservation programs have participants nationwide but tend to center on the Midwest, Great Plains and Texas.

Overall, Texas landowners get the most federal farm bill subsidies, according to an [analysis of federal data](#) from 1995-2020 from the Environmental Working Group. The analysis added commodity, conservation, disaster and crop insurance payments combined.

The rest of the top 10 states for farm subsidies are: Iowa, Illinois, Minnesota, Kansas, Nebraska, North Dakota, South Dakota, Missouri and Indiana.

The farm bill's nutrition programs are nationwide, distributed based on household income in both rural areas and cities. The percent of residents receiving SNAP benefits in 2019 ranged from 19.8 percent in New Mexico to 4.2 percent in Wyoming, according to USDA.

Who are the players?

The farm bill is unique on Capitol Hill because it creates regional alliances around issues, rather than splitting along party lines. House and Senate Agriculture Committee members often tout their bipartisan approach.

“The issues in a farm bill are not between Republicans and Democrats — the difference primarily is regional,” said Chambliss.

Scott and Stabenow currently lead the House and Senate committees, but if Republicans take control of the House or Senate after the midterm elections, the leadership would shift to Glenn Thompson of Pennsylvania in the House and John Boozman of Arkansas in the Senate.

Thompson represents rural central Pennsylvania and comes from a long line of dairy farmers. Boozman won the “golden plow” award from the American Farm Bureau in July for his support for farmers.

The presidential administration usually offers policy advice and program recommendations for the farm bill. Agriculture Secretary Tom Vilsack, a former governor of Iowa, is no stranger to the process, having also been at the helm of the USDA from 2009 to 2017 during the Obama administration.

A presidential veto of the farm bill is rare but not unprecedented. Since 1965, only the 2008 farm bill was vetoed as a standalone measure, according to the Congressional Research Service. President George W. Bush vetoed that bill twice in an effort to get more of his priorities in the bill. Congress overrode his vetos.

As the farm bill's scope has expanded, more and more lobbyists and advocacy groups have joined the fray each year to try to influence the process.

Agribusiness groups, environmental organizations, climate change experts, poverty and hunger groups and religious organizations will all weigh in on the farm bill. Many of those groups are working with their members to create farm bill policy platforms that they will release in the coming months.

When will it get done?

The current farm bill's mandatory programs expire at the end of September 2023, which creates a deadline for Congress to reauthorize a new bill before then.

Staff from the House and Senate Agriculture committees said they plan to hold more hearings on each title of the bill in the coming months, with the hopes of voting on a final bill well in advance of the deadline.

But in practice, in the last several farm bill cycles Congress has not met those deadlines and usually passed temporary extensions to keep programs running while they continued to negotiate until the end of the calendar year.

What might change this year?

The extra funding from the Inflation Reduction Act could lay the groundwork for a push for new climate policies in farm bill conservation programs.

In recent hearings, House lawmakers have also discussed expanding crop insurance and trying to address the mounting challenges from drought, severe weather and climate change.

At a farm bill hearing in July, Rep. Rick Allen, a Georgia Republican, urged his fellow lawmakers to tread carefully, given how chaotic the past few years have been for agriculture and the economy.

“We should not make major changes unless we are able to fully evaluate the consequences of those changes,” Allen said.

Lawmakers will likely include some pilot programs to test new ideas. Those could lay the groundwork for major changes in the future.

For example, former Sen. Tom Harkin, an Iowa Democrat, championed a pilot program to give schoolchildren fresh fruits and vegetables as a snack. In 2005, it was scaled up to cover the entire country.

Farm bills traditionally have not included much for livestock producers, but some agriculture experts expect that to change this year, in response to the turmoil the sector faced during the COVID-19 pandemic.

House Agriculture Chairman Scott introduced a small farmer or rancher relief act in July, indicating his interest in the issue. His proposal would provide targeted insurance to small ranchers with fewer than 100 cattle and a grant program for producers that sell direct to consumers.