Possible Extension or Expiration of the 2008 Farm Bill

Jim Monke
Specialist in Agricultural Policy

Megan Stubbs
Specialist in Agricultural Conservation and Natural Resources Policy

Randy Alison Aussenberg
Analyst in Nutrition Assistance Policy

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Summary

Farm bills, like many other pieces of legislation, are becoming more complicated and are taking longer to enact than in previous decades. Enactment of the 2008 farm bill was complicated by revenue provisions that involved other committees of jurisdiction, temporary extensions, and presidential vetoes.

The 2008 farm bill generally expires on September 30, 2012, or with the 2012 crop year. Both the House and Senate have moved on drafting a 2012 farm bill. The Senate passed its version (S. 3240) on June 21, 2012, by a vote of 64-35. The House Committee on Agriculture reported its version (H.R. 6083) on July 11, 2012, by a vote of 35-11. House floor action and/or reconciliation of the differences between the chambers is pending. Concern over budgetary reductions and other policy differences is complicating efforts to advance the bills. Some think these dynamics and election-year politics may delay the farm bill.

Without a new farm bill or an extension, many discretionary programs would not appear to have statutory authority to receive appropriations in future years. However, the Government Accountability Office has said that there is no constitutional or statutory requirement that an appropriation must be preceded by an act that authorizes the appropriation.

Programs relying on mandatory funding are perhaps more at risk for discontinuation, since both their authorization and their funding depend on farm bill action. The last year of support under the 2008 farm bill's commodity programs is the 2012 crop year. This makes the effective deadline for enacting a new farm bill the time the first commodity is harvested in 2013, not the fiscal year. Exceptions include dairy programs that expire with the fiscal year or on December 31, 2012.

Many of the farm bill's nutrition programs rely on annual appropriations regardless of whether they use mandatory or discretionary funds. Thus, a regular appropriation could be sufficient to continue most of the major programs' operations if the 2008 farm bill expires. Exceptions include a farmers' market nutrition program for seniors, and a few pilot or other small nutrition programs.

Passage of the next farm bill also is pressured by a set of essentially mothballed provisions that date from the 1930s and 1940s. Known as "permanent law," they would be reinstated if the current farm bill expires. The commodity support provisions of permanent law are so radically different from current policy—and inconsistent with today's farming practices, marketing system, and international trade agreements—as well as potentially costly to the federal government that Congress is unlikely to let permanent law take effect. Some see the existence of permanent law as an assurance that the farm commodity programs will be revisited every time a farm bill expires.

For many conservation programs, program authority is often permanent but the authority to receive mandatory funding expires at the end of FY2012. Without an extension of mandatory funding, new contracts or agreements likely could not be approved. But all existing contracts and agreements (including long-term easements) would stay in force. Passing a new farm bill became less imperative for several conservation programs that were extended by the FY2012 Agriculture Appropriations Act (P.L. 112-55). It scored savings by limiting five conservation programs but protected their long-term budget baseline by extending the expiration date to 2014.

Several agricultural trade, international food aid, and rural development programs also are subject to expiration unless a new farm bill is enacted.

Contents

Figures

Tables

Appendixes

Contacts

Introduction

Congress periodically establishes agricultural and food policy in an omnibus farm bill. Provisions in the most recent farm bill—the Food, Conservation, and Energy Act of 2008, P.L. 110-246, the 2008 farm bill—generally expire on September 30, 2012, or with the 2012 crop year.

Both the House and Senate have moved on drafting a 2012 farm bill. The Senate passed its version (S. 3240) on June 21, 2012, by a vote of 64-35. The House Committee on Agriculture reported its version (H.R. 6083) on July 11, 2012, by a vote of 35-11. House floor action and/or reconciliation of the differences between the chambers is pending. Concern over budgetary reductions, largely focused on reductions to nutrition programs being too large for some and too small for others, and other policy differences are complicating efforts to advance the bills. Some think these dynamics and election-year politics may delay the farm bill.

What happens if Congress does not enact a new farm bill in 2012? How important is September 30, 2012, the end of the fiscal year? Do some programs have different expiration dates? Would programs cease to operate? What is "permanent law" and what programs does it affect? Without a new farm bill, permanent statutes that are outdated would take effect for the farm commodity programs. Other farm bill programs may cease to operate (especially those relying on mandatory funding). This report explores the potential effects if new legislation is not enacted.[1]

For more details on the scope and issues of the 2012 farm bill, see CRS Report R42552, *The 2012 Farm Bill: A Comparison of Senate-Passed S. 3240 and the House Agriculture Committee's H.R. 6083 with Current Law*, and CRS Report R42484, *Budget Issues Shaping a 2012 Farm Bill*.

Background

Farm bills include a wide range of authorities, some of which are funded in the farm bill (mandatory spending), while others are authorized in the farm bill for their scope but wait for appropriations acts to determine their funding (discretionary spending).

Programs with Discretionary Funding

Without a new farm bill, many programs would not appear to have statutory authority to receive appropriations (an "authorization of appropriations").[2] However, the Government Accountability Office (GAO) has said that there is no constitutional or statutory requirement for an appropriation to have a prior authorization.[3] The House and Senate make a distinction between authorizations

[1] The U.S. Department of Agriculture (USDA), under similar conditions at the end of the 2002 farm bill, released a 2008 memorandum titled "The Effects of Failure to Enact a New Farm Bill: Permanent Law Support for Commodities and Lapse of Other USDA Programs," at http://www.usda.gov/documents/fbpaper022908.doc. The corresponding CRS report was CRS Report RL34154, *Possible Expiration (or Extension) of the 2002 Farm Bill*.

[2] A program may have permanent or long-term authority, but have an expiring authorization for appropriations. An "authorization of appropriations" is essentially a recommendation to the appropriations committee. It is not binding and has no bearing on budget enforcement for an authorizing bill. Appropriators may choose to not fund a program, or may choose to exceed the authorization. Authorization amounts may be specific or indefinite ("such sums as necessary").

[3] Government Accountability Office, Office of the General Counsel, *Principles of Federal Appropriations Law* (also known as the *GAO Red Book*), Volume I (3d ed. 2004), p. 2-41, at http://www.gao.gov/legal/redbook/redbook.html.

and appropriations, but this is a construct of congressional rules and practice.[4] GAO says that "the existence of a statute (organic legislation) imposing substantive functions upon an agency that require funding for their performance is itself sufficient legal authorization for the necessary appropriations."[5] For expired authorizations, GAO states that "past appropriation of funds for a program whose funding authorization has expired ... provides sufficient legal basis to continue the program."[6] Nonetheless, a distinction exists between authorized and unauthorized appropriations.

Discretionary spending (subject to annual appropriations) is authorized for the majority of farm bill programs, but not for the majority of outlays.[7] Discretionary programs include most rural development, credit, research, and education programs, and some conservation and nutrition programs.[8] The Supplemental Nutrition Assistance Program (SNAP)—a mandatory entitlement—also requires an annual appropriation.[9] Some smaller research, bioenergy, and rural development programs sometimes receive both mandatory and discretionary funding, but most of their funding is usually discretionary.[10] Most agency operations are financed with discretionary funds.

The Congressional Budget Office (CBO) compiles a list of programs with expired authorizations of appropriations. Eighteen agricultural programs received more than $37 million in FY2012 under expired authorizations of appropriations.[11] More than 100 farm bill programs will lose their authorization for appropriations at the end of FY2012; they received $2.3 billion in FY2012.[12]

Programs with Mandatory Funding

Most mandatory programs in the farm bill need to be reauthorized to continue beyond FY012 or the 2012 crop year. These include the Supplemental Nutrition Assistance Program (SNAP), farm commodity programs, conservation programs, agricultural trade programs, and foreign food aid programs. The primary exceptions that do not need reauthorization include crop insurance, which is permanently authorized, and some conservation programs, which have been extended to 2014.

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[4] CRS Report R42098, *Authorization of Appropriations: Procedural and Legal Issues*.

[5] *GAO Red Book*, p. 2-41.

[6] Ibid, p. 2-69.

[7] About 80% of USDA spending is mandatory spending and 20% is discretionary spending. See CRS Report R42596, *Agriculture and Related Agencies: FY2013 Appropriations*.

[8] For nutrition funding, the Commodity Supplemental Food Program and administrative funds for the Emergency Food Assistance Program are discretionary, as are some aspects of other nutrition programs. The Special Supplemental Program for Women, Infants, and Children (WIC) also is discretionary, but is not considered a farm bill program.

[9] SNAP, a mandatory program, is referred to as an "appropriated entitlement," See CRS Report RS20129, *Entitlements and Appropriated Entitlements in the Federal Budget Process*.

[10] An example of funding language for mandatory funds followed by an authorization for appropriations is in P.L. 110-246, §7311: "(h) Funding. (1) In general. Of the funds of the Commodity Credit Corporation, ... $50,000,000 for each of fiscal years 2009 through 2012 ... (2) Authorization of appropriations. In addition to funds made available under paragraph (1), there is authorized to be appropriated ... $100,000,000 for each of fiscal years 2008 through 2012."

[11] Congressional Budget Office, *Unauthorized Appropriations and Expiring Authorizations*, January 2012, at http://www.cbo.gov/sites/default/files/cbofiles/attachments/01-13-UAEA_Appropriations.pdf. See Table 1, "Summary of Fiscal Year 2012 Appropriations with Expired Authorizations, by House Authorizing Committee" (and Table 2, by Senate Authorizing Committee; and Table 3, by Appropriations Subcommittee), pp. 9-11; and Appendix A, "List of Programs Funded in Fiscal Year 2012 With Expired Authorizations of Appropriations," pp. 1-2.

[12] Ibid. See Appendix B, "List of Authorizations of Appropriations Expiring During Fiscal Year 2012," pp. 1-9, and Table 4, "Summary of Authorizations of Appropriations Expiring on or Before September 30, 2012, by House Authorizing Committee" (and Table 5, by Senate Authorizing Committee), pp. 12-13.

Mandatory spending in the farm bill is used primarily for the farm commodity programs, crop insurance, nutrition assistance programs, and some conservation and trade programs. Some smaller research, bioenergy, and rural development programs sometimes receive mandatory funding, but their combined share—however important to their own operations—is less than 1% of the total. Nutrition assistance is the largest category, with 78% of mandatory funding available to write the next farm bill ($772 billion in the 10-year CBO March 2012 baseline for FY2013-FY2022). Other primary programs with mandatory funding are crop insurance (9%, or $90 billion), conservation (6%, or $65 billion), and farm commodity programs (6%, or $63 billion).[13]

Programs relying on mandatory funding are perhaps the most at risk for discontinuation, since both their authorization and their funding depend on farm bill action. Yet, unlike discretionary appropriations, many farm bill programs with mandatory funding have their own source of funding for reauthorization via the CBO baseline.

Farm Bill Timelines and Extensions

Farm bills, like other legislation, are becoming more complicated and generally taking longer to enact than in previous decades. For example, the 1973 farm bill was enacted less than two months after being introduced. In contrast, the 2008 farm bill took more than a year from the time it was introduced; see Appendix **Table A-1**.[14] It was complicated by revenue provisions that involved other committees of jurisdiction, temporary extensions, and presidential vetoes (**Figure A-1**).

Timelines

Enacting farm bills after the end of the fiscal year that a prior farm bill expired is not uncommon. In the past 40 years, only the 1973 and 1977 farm bills were enacted before September 30. Farm bills in 1981, 1985, and 1990 were enacted by December 31, a few months after the end of the fiscal year but still before spring-planted crops covered by the new law were planted. The most recent three farm bills have been have been enacted later, in April (1996), May (2002), and June (2008), prior to the first crop harvested and covered by the farm bill.

The House and Senate have taken turns as the first chamber to take action on a farm bill. The Senate was first to mark up a farm bill in 1973, 1977, 1981, and 2012. The House was first to mark up farm bills in 1985, 1990, 1995 (and 1996), 2001, and 2007.

Since 1973, seven out of nine farm bills have been introduced in the first session of a two-year Congress (the odd-numbered year); the exceptions are the 1990 and 2012 farm bills. The 2012 farm bill has the latest introduction date during a two-year Congress. Enactment of the past four farm bills (1990-2008) has been during the second session (the even-numbered year), although except for the 1990 farm bill, some action had occurred in the prior year. Only the 1990 farm bill was enacted after an election in a lame-duck Congress. No farm bill has started in one Congress and needed to be reintroduced in a subsequent Congress.

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[13] See CRS Report R42484, *Budget Issues Shaping a 2012 Farm Bill*, "Figure 1. Ten-Year Mandatory Baseline for Farm Bill Titles."

[14] These dates include span only the official introduction of a bill marked up by committee until the bill was signed by the President. They do not include background hearings before committee markup, which would extend the time line.

Extensions

Extensions of a prior farm bill are not common. Since 1973, only the 2008 farm bill timeline required an extension. Even though the 1996 and 2002 farm bills may appear to have been delayed, they did not require extensions. The 2002 farm bill was enacted earlier than necessary[15] and the 1996 farm bill was early in part because original expiration dates had been extended.[16]

Extensions are rare in part because appropriations can continue discretionary programs. So the primary concern regarding extension becomes the expiration of mandatory programs. Most provisions can be continued by temporary extensions. However, those that expire before the end of the farm bill and those that do not have funding in the baseline budget beyond FY2012 cannot be as easily extended unless budgetary offsets are included, complicating extension.[17]

For the 2008 farm bill timeline, the extension process began under appropriations and continuing resolutions that were used to begin FY2008. Appropriations for food stamps specifically were provided, and other governmental activities were continued at prior-year appropriated levels (P.L. 110-92, §§101, 111). Six subsequent and direct short-term extensions of the 2002 farm bill were enacted later (see the right side of Appendix **Figure A-1**). The first of those extensions, in December 2007, continued authority for many expiring programs for about three months.[18] Because final agreement was pending, five more month- or week-long extensions were needed.

The temporary extensions during 2007-2008 stated that, unless otherwise excepted, 2002 farm bill provisions in effect on September 30, 2007, shall continue until the new expiration date. The extensions funded three conservation programs at specific levels. For the commodity title, the dairy and sugar programs were included in the extension, as were price support loan programs for wool and mohair.[19] Programs that specifically were *not* extended were the direct, counter-cyclical, and marketing loan programs for the 2008 crop year for all other supported commodities (i.e., the primary supported commodities such as feed grains, oilseeds, wheat, rice, cotton, and peanuts).[20] The first extension in December 2007 did not address permanent law, but the second and subsequent extensions in 2008 extended the 2002 farm bill's suspension of permanent law.[21]

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[15] The 1996 farm bill was to be effective until September 30, 2002, and through the 2002 crop year. The 2002 farm bill even superseded the last year of the 1996 farm bill by beginning with the 2002 crop year.

[16] The 1996 farm bill was not pressured by the 1990 farm bill's original expiration date of the 1995 crop year. Budget reconciliation in 1993 extended the farm commodity programs through at least 1996 and in some cases the 1997 crops.

[17] An example of a program without budget baseline beyond FY2012 is the Wetlands Reserve Program. An example of an expired provision is the agriculture disaster assistance program that expired in 2011; it also does not have baseline funding. For more examples, see CRS Report R41433, *Expiring Farm Bill Programs Without a Budget Baseline*.

[18] P.L. 110-161, §751: "Except as otherwise provided in this Act ... , authorities provided under the Farm Security and Rural Investment Act of 2002 ... (and for mandatory programs at such funding levels), as in effect on September 30, 2007, shall continue, and the Secretary of Agriculture shall carry out the authorities, until March 15, 2008."

[19] Milk is a commodity that required attention before the end of 2007, because the dairy price support program was scheduled to expire on December 31, 2007. The temporary dairy extensions avoided the reversion to permanent law, whereby the government would have been obligated to purchase surplus cheese, nonfat dry milk, and butter at prices substantially higher than current support prices.

[20] Other programs that were *not* included in the extensions were peanut storage payments, agricultural management assistance for conservation, community food projects in the food stamp program, the rural broadband program, value-added market development grants, federal procurement of biobased products, the biodiesel fuel education program, and the renewable energy systems program.

[21] P.L. 110-196, "(d) Suspension of Permanent Price Support Authorities. The provisions ... in subsections (a) through (c) of section 1602 of the Farm Security and Rural Investment Act of 2002 shall be suspended through April 18, 2008."

Commodity Support Programs

The farm commodity price and income support programs raise farm income by making payments and reducing financial risks from uncertain weather and market conditions. Government-set target prices offer payments when market prices fall below support levels.[22]

The last year for the 2008 farm bill's commodity programs is the 2012 crop year—that is, crops harvested during 2012 and marketed during the following year. Dairy price supports and export incentives expire on December 31, 2012, and the milk income loss contract on September 30, 2012. Outlays for the 2012 crop year that are scheduled to occur in FY2013 are covered. Thus, for the farm commodity programs, the effective deadlines for enacting a new farm bill are January 1, 2013, for dairy, and when the first supported commodity is harvested in the 2013 crop year.

Even if Congress deems an extension necessary for the commodity support programs, recent experience in 2007-2008 suggests that final action likely could wait until late spring 2013, when some winter wheat—generally the first of the 2013 crop year commodities to mature—would be harvested. However, earlier action may be needed for dairy.

Possible Reversion to Permanent Law

Farm commodity support policy has evolved over time via successive farm bills that update and supersede prior policies. However, a set of non-expiring provisions remain in statute and are known as "permanent law." The permanent law provisions were enacted primarily in the Agriculture Adjustment Act of 1938 and the Agricultural Act of 1949. Modern farm bills have suspended permanent law but only for the duration of the farm bill, currently the 2008-2012 crop years.[23] If no action is taken on a new farm bill, the essentially mothballed permanent law policies for the farm commodity programs would resume.

Description of Permanent Law

The commodity support provisions of permanent law are commonly viewed as being so radically different from current policy—and inconsistent with today's farming practices, marketing system, and international trade agreements—as well as potentially costly to the federal government that Congress is unlikely to let permanent law take effect. Permanent law provides mandatory support for basic crops through nonrecourse loans. It does not authorize more modern support approaches

[22] For more background, see CRS Report RL34594, *Farm Commodity Programs in the 2008 Farm Bill*.

[23] P.L. 110-246, §1602: "(a) The following provisions of the Agricultural Adjustment Act of 1938 shall not be applicable to the 2008 through 2012 crops ... and shall not be applicable to milk ... through December 31, 2012: (1) Parts II through V of subtitle B of title III (7 U.S.C. 1326 et seq.). (2) In the case of upland cotton, section 377 (7 U.S.C. 1377). (3) Subtitle D of title III (7 U.S.C. 1379a et seq.). (4) Title IV (7 U.S.C. 1401 et seq.). (b) The following provisions of the Agricultural Act of 1949 shall not be applicable ... (1) Section 101 (7 U.S.C. 1441). (2) Section 103(a) (7 U.S.C. 1444(a)). (3) Section 105 (7 U.S.C. 1444b). (4) Section 107 (7 U.S.C. 1445a). (5) Section 110 (7 U.S.C. 1445e). (6) Section 112 (7 U.S.C. 1445g). (7) Section 115 (7 U.S.C. 1445k). (8) Section 201 (7 U.S.C. 1446). (9) Title III (7 U.S.C. 1447 et seq.). (10) Title IV (7 U.S.C. 1421 et seq.), other than sections 404, 412, and 416 (7 U.S.C. 1424, 1429, and 1431). (11) Title V (7 U.S.C. 1461 et seq.). (12) Title VI (7 U.S.C. 1471 et seq.). (c) Suspension of Certain Quota Provisions... (7 U.S.C. 1330 and 1340), shall not be applicable to the crops of wheat ... through 2012."

such as loan deficiency payments, counter-cyclical payments, revenue-based payments, decoupled direct payments, or milk income loss contracts (MILC).

There are no recent estimates of the budgetary effect of reverting to permanent law. Neither the Congressional Budget Office, the U.S. Department of Agriculture (USDA), nor the Food and Agriculture Policy Research Institute have made official estimates. However, in 2008 USDA outlined how it would implement permanent law in the absence of a new farm bill.[24] And, in 1985, the USDA Economic Research Service analyzed potential economic consequences.[25]

Support under permanent law uses the concept of "parity prices." Parity refers to the relationship between prices that farmers receive for their products and prices they pay for inputs. Support prices would be set to guarantee producers 50% to 90% of parity using the 1910-1914 ratio as a benchmark.[26] However, productivity gains and technological advances over the past 100 years have made parity ratios out of touch with (and possibly irrelevant to) modern agricultural practices.[27] Even if support levels were set at the lower end of the range mandated by permanent law (e.g., 50% of parity prices in some cases), supports would be above currently high market prices for many commodities and could result in subsidies above current levels.

For example, in June 2012, USDA estimated the market price for wheat at \$6.37/bushel (bu.). This exceeded the 2008 farm bill support level (marketing loan rate) of \$2.94/bu., so no price support is currently needed.[28] But under permanent law, even this market price is well below the \$13.58/bu. calculated minimum support level (75% of parity, **Table 1**). Similarly, rice, cotton, milk, and honey also have higher permanent law support prices than the market price. Feed grains (corn, sorghum, barley, and oats) currently would not trigger permanent law price support.

Under permanent law, nonrecourse loan rates for wheat, corn and other feed grains, and cotton function as farm price supports. Unless commercial markets pay more than the nonrecourse loan prices, farmers could put their crops under loan and forfeit the commodities to USDA when the nine-month loans mature. However, to avoid forfeiture problems, USDA has permanent authority allowing farmers to repay nonrecourse loans for less than the repayment rate.[29]

Nonrecourse loan rates could be as high as 90% of parity but not less than 50% of parity for corn, wheat, and rice, and 65% of parity for cotton. Milk support would be between 75% and 90% of parity. For wheat and cotton, permanent law requires USDA to announce acreage allotments and marketing quotas during the prior crop year, and to hold producer referenda on implementing

[24] USDA memorandum, "The Effects of Failure to Enact a New Farm Bill: Permanent Law Support for Commodities and Lapse of Other USDA Programs," February 29, 2008, at http://www.usda.gov/documents/fbpaper022908.doc.

[25] USDA Economic Research Service, Possible Economic Consequences of Reverting to Permanent Legislation or Eliminating Price and Income Supports, AER-526, January 1985, at http://www.ers.usda.gov/publications/aer526.

[26] Permanent law requires USDA to estimate and publish parity prices regularly. See USDA National Agricultural Statistics Service, *Agricultural Prices*, published monthly at http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1002. Parity prices are computed under the provisions of Title III, Subtitle a, §301 (a) of the Agricultural Adjustment Act of 1938, as amended by the Agricultural Acts of 1948, 1949, and 1956.

[27] USDA Economic Research Service, *Possible Economic Consequences of Reverting to Permanent Legislation or Eliminating Price and Income Supports,* AER-526, January 1985, pp. 1-2, at http://www.ers.usda.gov/publications/aer526/aer526.pdf.

[28] See Table 1 in CRS Report RL34594, *Farm Commodity Programs in the 2008 Farm Bill*. In this context, the marketing loan rates are the price support level (rather than target prices that are a form of income support).

[29] Section 1009 of the Food Security Act of 1985 (7 U.S.C. 1308a).

marketing quotas. A two-thirds or more affirmative vote for marketing quotas results in the highest levels of support, but also mandatory restrictions on acreage and therefore the quantity eligible for support. **Table 1** summarizes the possible support estimates.

Table 1. Parity Prices and Supports for Farm Products Under Permanent Law

(as of June 2012)

Commodity, unit	Farm Market Price	Parity Price	Farm Price as % of Parity	Permanent Law: Minimum Support Provisions		2008 Farm Bill Support Price[a]
				Description	Support Price	
Basic Commodities						
Wheat, Bu	$6.37	$18.10	35%	Nonrecourse loans and direct purchases. Acreage allotments. Quotas approved, loan rate=65%-90% of parity. Quotas not approved, loan rate=50% parity. Quotas not announced, loan=75%-90% parity.	75% parity = $13.58	$2.94
Rice, Cwt	$13.80	$41.80	33%	Permanent authority repealed by P.L. 104-127 (1981 farm bill), §601, but restored by P.L. 104-127 (1996 farm bill), §171(b). Loan=50%-90% of parity.	50% parity = $20.90	$6.50
Corn, Bu	$6.25	$11.80	53%	Nonrecourse loans and direct purchases. Acreage allotments are not authorized. Loan rate = 50%-90% of parity.	50% parity = $5.90	$1.95
Sorghum, Bu	$9.95	$20.80	48%	Support for sorghum, barley and oats is set in relation to feed value and adjusted for differing bushel weights. Sorghum loan=95% of corn loan, barley loan=77% of corn loan, and oats=51% of corn loan.	95% corn loan = $5.61	$1.95
Barley, Bu	$5.85	$12.50	47%		77% corn loan = $4.54	$1.95
Oats, Bu	$3.62	$7.52	48%		51% corn loan = $3.01	$1.39
Cotton, Upland, Lb	$0.831	$2.06	40%	Nonrecourse loans and direct purchases. Acreage allotments. Quotas approved, loan rate=65%-90% of parity. Quotas not approved, loan rate=50% parity. Quotas not announced, loan=65%-90% of parity.	65% parity = $1.34	$0.52
Peanuts, Lb	$0.352	$0.744	47%	Permanent authority repealed by P.L. 107-171 (1996 farm bill).	none	$0.1775
Designated Nonbasic Commodities						
Milk, All, Cwt	$16.10	$51.50	31%	Purchases of milk and butterfat products at 75%-90% of parity.	75% parity = $38.63	$9.90[b]
Honey, Lb	$1.59	$3.98	40%	Purchases of honey at 60%-90% of parity.	60% parity = $2.39	$0.69
Wool, Lb	$1.66	$2.97	56%	Permanent authority repealed by P.L. 103-130.	none	$1.15
Mohair, Lb	$4.09	$9.52	43%	Permanent authority repealed by P.L. 103-130.	none	$4.20
Other Nonbasic Commodities						
Sugar beet, ton	$66.70	$145.00	46%	Permanent law includes no mandatory support for these other nonbasic commodities. However, the Commodity Credit Corporation Charter Act and	none	na[c]
Sugar cane, ton	$41.70	$95.20	44%		none	na[c]
Soybeans, Bu	$13.70	$28.60	48%		none	$5.00

Commodity, unit	Farm Market Price	Parity Price	Farm Price as % of Parity	Permanent Law: Minimum Support Provisions — Description	Permanent Law: Minimum Support Provisions — Support Price	2008 Farm Bill Support Price[a]
Sunflower Seed, Cwt	$27.70	$58.90	47%	§301 of the Act of 1949 give discretionary authority to the Secretary to "make available through loans, purchases, or other operations price support for any nonbasic commodity [not otherwise designated for support]."	none	$10.09
Rapeseed, Cwt	$27.00	$63.80	42%		none	$10.09
Canola, Cwt	$27.80	$51.50	54%		none	$10.09
Safflower, Cwt	$24.30	$57.80	42%		none	$10.09
Flaxseed, Bu	$13.10	$31.10	42%		none	$10.09
Mustard Seed, Cwt	$33.30	$80.70	41%		none	$10.09
Crambe	na	na	na		none	$10.09
Sesame Seed	na	na	na		none	$10.09
Lentils, Cwt	$23.40	na	na		none	$11.28
Chickpeas, Large, Cwt	$32.00	na	na		none	$11.28
Chickpeas, Small, Cwt	$36.60	na	na		none	$7.43
Peas, Dry, Cwt	$15.90	na	na		none	$5.40

Source: Compiled by CRS, using USDA-NASS *Agricultural Prices*, June 2012, at http://usda01.library.cornell.edu/usda/current/AgriPric/AgriPric-06-28-2012.pdf. Data for unavailable cells obtained from prior-month publications.

Note: An explanation of permanent law is provided by USDA-ERS, *Possible Economic Consequences of Reverting to Permanent Legislation or Eliminating Price and Income Support,* AER 526, January 1985, at http://www.ers.usda.gov/publications/aer526/aer526.pdf. USDA also indicated how it would implement permanent law in a February 2008 memorandum, "The Effects of Failure to Enact a New Farm Bill: Permanent Law Support for Commodities and Lapse of Other USDA Programs," at http://www.usda.gov/documents/fbpaper022908.doc. This table assumes permanent law is implemented without time to hold producer referenda on national quotas.

a. The 2008 farm bill support price listed in this table is the marketing loan rate.

b. The 2008 farm bill does not specify a support price for milk, but rather support prices for butter, nonfat dry milk and cheddar cheese at levels that approximate an indirect support price for farm milk at $9.90 per cwt.

c. The 2008 farm bill support price for sugar reflects the value added by processing and is shared between producers and processors. Therefore the farm bill support price is not comparable to raw sugar prices at the farm level or parity prices.

As shown in **Table 1**, not all commodities currently receiving federal support would be covered by mandatory provisions in permanent law. The commodities that would lose mandatory support include soybeans and other oilseeds, peanuts, wool, mohair, sugar beets and sugar cane, dry peas, lentils, and small and large chickpeas. Any and all of these commodities could receive support under discretionary authority given the Secretary of Agriculture in the Agricultural Act of 1949 and the CCC Charter Act. But for budgetary and other reasons, such discretionary authority rarely has been used. Also, currently, market prices for agricultural commodities generally are high and there would be little economic justification for discretionary federal support.

Dairy is supported currently, and in permanent law, through the USDA offer to purchase surplus manufactured dairy products (nonfat dry milk, cheddar cheese, and butter) at prices to achieve desired support (the Dairy Product Price Support Program). Under permanent law, those purchase prices (based on January 2012 data) would be nearly four times as high as currently supported and more than double recent market prices (**Table 1**). Such high USDA purchase prices could result in the government outbidding commercial markets for a sizeable share of processor output. Under the 2008 farm bill, permanent law for dairy would take effect on January 1, 2013. A separate Milk Income Loss Contract (MILC) Program is authorized through September 30, 2012, and the Dairy Export Incentive Program through December 31, 2012. Another major component of dairy policy, the Federal Milk Marketing Order system, is permanently authorized.

Legislative Options Under Permanent Law

Some see the existence of permanent law as an assurance for farm bill supporters that the farm commodity programs will be revisited every time a farm bill expires. Congress is not likely to let a farm bill expire without taking some action, given the likely undesirable consequences of permanent law. Permanent law, however badly it may be perceived to be in the current policy context, has stayed on the books, and each new farm bill has suspended permanent law for the duration of the farm bill. Several legislative options exist as a farm bill approaches expiration:

1. Pass a new farm bill (and reinstate the suspension of permanent law).
2. Pass an extension of the current farm bill (with its suspension of permanent law).
3. Do nothing, but the consequences of reverting to permanent law have previously been perceived as undesirable, so Congress usually has done (1) or (2) above.
4. Suspend permanent law (without a new farm bill or extension).
5. Repeal permanent law, and then do one of the following:
    a. pass a new farm bill;
    b. pass an extension of the current farm bill;
    c. do nothing.

The existence of permanent law thus likely forces Congress to take action, because inaction generally is considered to have unacceptable consequences—that is, reverting to a policy that almost everyone would regret. If Congress cannot reach agreement on a new farm bill, then the path of least resistance probably is extending the current farm bill rather than doing nothing and reverting to permanent law—but this, too, requires legislative action and possibly budget compromises.

For those who oppose the farm commodity programs, repealing permanent law would allow Congress to debate farm supports without the permanent law consequence of inaction. But repealing permanent law requires legislative action. Some believe that it is easier to pass a new farm bill than to deal with the question of repealing permanent law. Thus, given the existence of permanent law, a type of inaction is, in fact, leaving the permanent law in statute.

Crop Insurance

The federal crop insurance program protects producers against losses in crop revenue or yield through federally subsidized policies purchased by producers. Because the program is permanently authorized by the Federal Crop Insurance Act, as amended (7 U.S.C. 1501 et seq.), an extension of the program is not needed in the next farm bill. Producers who grow a crop that is currently ineligible for crop insurance may be eligible for a direct payment under USDA's Noninsured Crop Disaster Assistance Program (NAP). Like crop insurance, NAP has permanent authority under Section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333).

Conservation Programs

USDA currently administers more than 20 agricultural conservation programs.[30] These programs address natural resource concerns on private agricultural and forested lands through technical and financial assistance. Many conservation programs have different expiration dates for program and funding authority and are affected differently by a possible farm bill expiration or extension.

For most of the larger conservation programs, program authority is permanent under the Food Security Act of 1985, but the authority to receive mandatory funding expires at the end of FY2012. One notable exception is the Conservation Reserve Program (CRP)—the largest conservation program—whose program authority also expires at the end of FY2012. Absent an extension of mandatory funding authority, no new contracts or agreements could be approved. All existing contracts and agreements (including long-term easements) would stay in force for the contract period, and payments would continue to be made. These mandatory programs account for more than 85% of USDA conservation spending.

Budget enforcement rules and appropriations dynamics have caused particular issues for farm bill reauthorization of conservation programs. The Congressional Budget Office (CBO) uses the last year of authorization to determine the 10-year funding baseline for the farm bill reauthorization. A reduction in the last year's authorized level could multiplicatively affect the overall farm bill baseline. Because the FY2012 Agriculture Appropriations Act (P.L. 112-55) reduced spending for select mandatory conservation programs and could have reduced the multi-year budget baseline, it also extended the funding authority expiration date for five of these programs, including Agricultural Management Assistance (AMA), the Conservation Stewardship Program (CSP), the Environmental Quality Incentives Program (EQIP), the Farmland Protection Program (FPP), and the Wildlife Habitat Incentives Program (WHIP). This allowed appropriators to score savings in FY2012, but not affect the overall farm bill baseline since the last year of program authority for many of the reduced programs became 2014.[31] Thus, even without a 2012 farm bill or an extension, the five programs extended to FY2014 would operate with existing funding authority.

Other, older conservation programs, also have permanent program authority, but are authorized to receive discretionary funds appropriated on an annual basis. Funding for these programs varies annually and is based on budget requests and appropriated levels. **Table 2** separates the conservation programs by funding authority type—mandatory and discretionary.

Other farm bill provisions could affect several agricultural conservation programs in addition to the programs listed in **Table 2**. Compliance activities and regional equity funding requirements would continue for programs authorized beyond September 30, 2012.[32] Provisions in other titles, such as the adjusted gross income requirement that limits eligibility for conservation programs,[33] might no longer apply to conservation programs unless the provision were extended.

[30] For additional information on agricultural conservation programs, see CRS Report R40763, *Agricultural Conservation: A Guide to Programs*. For additional information on conservation issues in the next farm bill, see CRS Report R42093, *Agricultural Conservation and the Next Farm Bill*.

[31] For additional information, see CRS Report R41964, *Agriculture and Related Agencies: FY2012 Appropriations*.

[32] Conservation compliance is the requirement that, in exchange for certain USDA program benefits, a producer agrees to maintain a minimum level of conservation on highly erodible land and not convert wetlands to crop production. The regional equity provision (16 U.S.C. 3841(d)) mandates that each state receive annually a minimum aggregate amount of funding ($15 million) for EQIP, WHIP, FPP, and GRP.

[33] 7 U.S.C. 1308-3a(e).

Table 2. Conservation Program Authorization

Programs Authorized to Receive Mandatory Funding[a]	Expiration of Funding Authority
Agricultural Management Assistance	No expiration date[b]
Agricultural Water Enhancement Program	No expiration date
Chesapeake Bay Watershed Program	September 30, 2012
Conservation Reserve Program (CRP)	September 30, 2012
Conservation Stewardship Program (CSP)	September 30, 2014[b]
Environmental Quality Incentives Program (EQIP)	September 30, 2014[b]
Farmland Protection Program (FPP)	September 30, 2014[b]
Grassland Reserve Program (GRP)	September 30, 2012
Healthy Forest Reserve Program (HFRP)	September 30, 2012
Watershed Rehabilitation Program	September 30, 2009[c]
Wetlands Reserve Program (WRP)	September 30, 2012
Wildlife Habitat Incentives Program (WHIP)	September 30, 2014[b]
Voluntary Access and Habitat Incentives Program	September 30, 2012
Permanently Authorized and Funded with Annual Appropriations[d]	**Expiration of Appropriations Authority**
Conservation Operations (including Conservation Technical Assistance)	No expiration date
Emergency Conservation Program	No expiration date
Emergency Watershed Program	No expiration date
Resource Conservation & Development (RC&D) program	No expiration date
Snow Surveys	No expiration date
Soil Surveys	No expiration date
Watershed and Flood Prevention Operations	No expiration date
Watershed Rehabilitation Program	September 30, 2012

Source: CRS.

a. With a few exceptions, these programs were initially authorized by the Food Security Act of 1985 (P.L. 99-198), as amended, or through subsequent farm bills. All of these programs were either reauthorized or created in Title II of the 2008 farm bill.

b. Mandatory funding authority was extended through FY2014 in the FY2012 Agriculture Appropriations Act (P.L. 112-55).

c. The Watershed Rehabilitation Program was authorized to receive $100 million in mandatory funding in FY2009 to remain available until expended.

d. Except for the Watershed Rehabilitation Program (authorized at $85 million for each of FY2008 through FY2012), these programs are authorized indefinitely to receive appropriations of such sums as necessary.

Nutrition Programs

The 2008 farm bill reauthorized of a number of domestic food assistance programs, including the Supplemental Nutrition Assistance Program (SNAP, formerly food stamps), the Emergency Supplemental Food Assistance Program (TEFAP), the Commodity Supplemental Food Program (CSFP), the Food Distribution Program on Indian Reservations (FDPIR), the Senior Farmers' Market Nutrition Program, the Bill Emerson Hunger Fellowship Program, Community Food Projects, Nutrition Assistance block grants for American Samoa and Puerto Rico, and Hunger-

Free Communities grants.[34] The majority of these programs expire at the end of FY2012 (September 30, 2012), which is also when annual appropriations will expire.

The 2008 farm bill included an expansion of the Fresh Fruit and Vegetable Program ("snack" program), and permanently funded it through Section 32.[35] As a result, the Fresh Fruit and Vegetable Program does not expire.

As discussed earlier, appropriations can allow a program to continue even if the underlying authorization has not been extended. Because many of the nutrition programs are funded by the SNAP account, appropriated funds for SNAP would be enough to extend operations for most of the programs in the Food and Nutrition Act of 2008.[36] The following nutrition provisions of the farm bill could continue to operate if funds were appropriated to the SNAP account, but would expire in the absence of a SNAP account appropriation:

- Most aspects of SNAP operations (except for the Healthy Incentives Pilot, listed below).
- Purchase and distribution of TEFAP commodities (administrative costs could continue with appropriations for the Commodity Assistance Program account).
- Most aspects of FDPIR (except as listed below).
- Nutrition assistance funding for Puerto Rico, American Samoa, and Commonwealth of Northern Mariana Islands.
- Community Food Projects (administered by the National Institute of Food and Agriculture).

For CSFP, the authority to fund commodity purchases and administrative costs would expire without an extension of the authority or without an appropriation. However, all program operations could continue under CSFP appropriations.

For the Senior Farmers' Market Nutrition Program, the farm bill contains both the authority and the funding (a transfer from the Commodity Credit Corporation). Without an extension, funding for this program would expire.

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[34] New authorizations were created for the Fresh Fruit and Vegetable Program and some programs within the SNAP program. For an overview of these farm bill programs, please see CRS Report R42353, *Domestic Food Assistance: Summary of Programs*. Note that the National School Lunch Program (NSLP), School Breakfast Program (SBP), Child and Adult Care Food Program (CACFP), Summer Food Service Program (SFSP), Special Milk Program, and Special Supplemental Program for Women, Infants, and Children (WIC) programs were not authorized in the farm bill. They were authorized by P.L. 111-296 (the Healthy, Hunger-Free Kids Act of 2010) through FY2015. These child nutrition and WIC programs are in the jurisdiction of the Senate Committee on Agriculture, Nutrition, and Forestry and the House Committee on Education and the Workforce.

[35] §32 (of the act of August 24, 1935; 7 U.S.C. 612c) refers to a permanent appropriation of 30% of customs receipts, primarily for use by the Secretary of Agriculture. §32 receives about $8 billion annually, though most of it is transferred to support the child nutrition programs. About $1 billion is available annually to support mostly, through purchases, commodities typically not covered by price support programs (such as meats, poultry, fruits, vegetables, and fish). USDA often donates these surplus commodities to various nutrition assistance programs. For more background, see CRS Report RL34081, *Farm and Food Support Under USDA's Section 32 Program*.

[36] Because of changes made in the 2008 farm bill, many of the programs that would have expired at the end of 2002 farm bill do not have the same status at the close of FY2012. More of those expiring provisions could now be continued with a SNAP appropriation.

The following programs would require either an extension of the authority or specific appropriations language to continue:

- Hunger-Free Communities grants.
- SNAP pilot projects to evaluate health and nutrition promotion. This authority and related funding is used to operate the Healthy Incentives Pilot program. The program could continue to use existing funding beyond FY2012 but any additional funding would have to be specifically authorized or appropriated.
- FDPIR's "Traditionally and Locally Grown Food Fund." Since it is not currently implemented, only an extension of the authorization or a specific appropriation would extend it.
- Nutrition Information and Awareness Pilot Program. This authority was provided in the 2002 farm bill and reauthorized in the 2008 farm bill, but is not used in FY2012 to operate or fund any programs.

Authority for USDA to contract with private companies to process bonus commodity foods, which does not require separate appropriations, would expire without an extension of the authorizing language.

Trade and Foreign Food Aid Programs

Several agricultural trade and international food aid programs would expire unless a new farm bill is enacted.

The trade programs with mandatory funding that could be affected are export credit guarantees (including those for emerging markets), facilities credit guarantees, export market promotion, dairy export subsidies, and technical assistance for specialty crops. Without new mandatory program authority, the Commodity Credit Corporation would not be able to enter into agreements to guarantee U.S. commercial banks against defaults by foreign purchasers of U.S. agricultural commodities, fund grants to trade associations for the promotion of U.S. agricultural exports in foreign markets, or fund activities to address sanitary and phytosanitary (SPS) barriers to U.S. agricultural exports.

Separately, authority to carry out international emergency and non-emergency food aid programs is provided by the Food for Peace Act.[37] Without extension or reauthorization of the Food for Peace Act, no agreements to provide financing or to provide emergency or non-emergency food aid could be entered into after December 31, 2012. Likewise, financing through Food for Peace for agricultural technical assistance (the Farmer-to-Farmer program) in sub-Saharan African and Caribbean countries would expire. Authority to provide commodities and pay transportation costs under the Food for Progress program would end on December 31, 2012. Authority to replenish stocks of the Bill Emerson Humanitarian Trust, a reserve of commodities and cash used to meet unanticipated food aid needs, would expire on September 30, 2012. The authorization of appropriations for the McGovern-Dole International Food for Education and Child Nutrition Program also expires at the end of FY2012.

[37] The Food for Peace Act was known formerly as the Agricultural Trade Development and Assistance Act (P.L. 480).

Rural Development Programs

Most rural development loan and grant programs are authorized through permanent law (e.g., Rural Electrification Act; Consolidated Farm and Rural Development Act) and are funded through annual appropriations; thus they would not be affected by farm bill expiration. However, several rural development programs received a relatively small amount of mandatory funding in the 2008 farm bill (less than $200 million over five years, compared to rural development's discretionary budget of about $2 billion annually) but do not have continuing budget baseline. In the absence of a new farm bill, the following programs will expire on September 30, 2012.

- Rural Microentrepreneur Assistance Program.
- Funding of Pending Rural Development Loan and Grant Applications.
- Value-Added Product Development Grants Program.
- Rural Energy for America Program.

Appendix. Legislative Action on Previous Farm Bills

Table A-1. Major Legislative Action on Farm Bills Since 1973

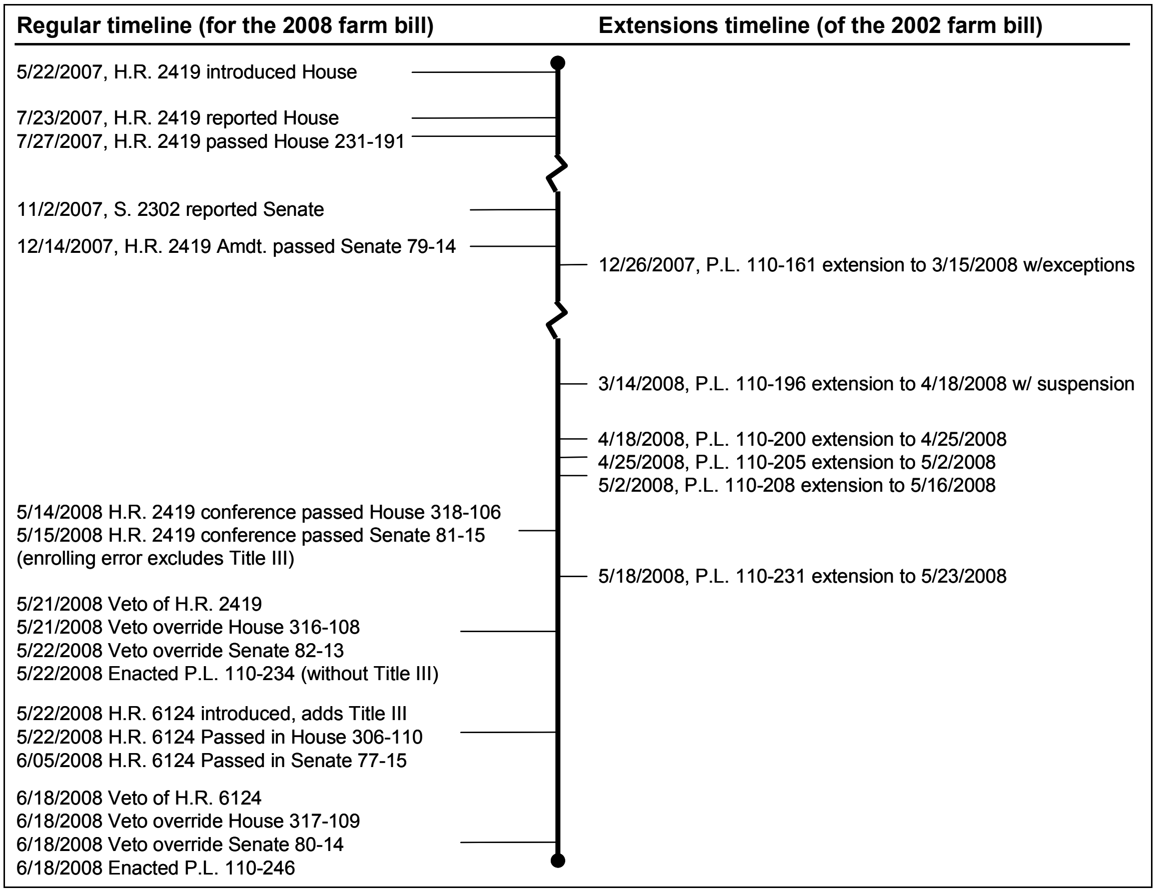
					Conference Report Approval			
	House Cmte.	**House Passage**	**Senate Cmte.**	**Senate Passage**	**Conf. Report**	**House Passage**	**Senate Passage**	**Public Law**
1973 farm bill **Agriculture and Consumer Protection Act** Covers 1974-1977 crops or until 6/30/1977	6/20/1973 H.R. 8860 introduced 6/27/1973 H.Rept. 93-337	7/19/1973 Amdt. to S. 1888 Vote of 226-182	5/23/1973 S. 1888 introduced S.Rept. 93-173	6/8/1973 S. 1888 Vote 78-9	7/31/1973 H.Rept. 93-427	8/3/1973 S. 1888 Vote of 252-151	7/31/1973 S. 1888 Vote 85-7 8/3/1973 Voice vote	8/10/1973 P.L. 93-86
1977 farm bill **Food and Agriculture Act of 1977** Covers 1978-1981 crops or until 9/30/1981	5/13/1977 H.R. 7171 introduced 5/16/1977 H.Rept. 95-348	7/28/1977 Amdt. to S. 275 Vote of 294-114	1/18/1977 S. 275 introduced 5/16/1977 S.Rept. 95-180	5/24/1977 S. 275 Vote 69-18	9/9/1977 S.Rept. 95-418	9/16/1977 S. 275 Vote of 283-107	9/9/1977 S. 275 Vote 63-8	9/29/1977 P.L. 95-113
1981 farm bill **Agriculture and Food Act of 1981** Covers 1982-1985 crops or until 9/30/1985	5/18/1981 H.R. 3603 introduced 5/19/1981 H.Rept. 97-106	10/22/1981 S. 884 Vote of 192-160	4/7/1981 S. 884 introduced 5/27/1981 S.Rept. 97-126	9/18/1981 S. 884 Vote 49-32	12/9/1981 H.Rept. 97-377 12/10/1981 S.Rept. 97-290	12/16/1981 S. 884 Vote of 205-203	12/10/1981 S. 884 Vote 67-32	12/22/1981 P.L. 97-98
1985 farm bill **Food Security Act of 1985** Covers 1986-1990 crops or until 9/30/1990	4/17/1985 H.R. 2100 introduced 9/13/1985 H.Rept. 99-271	10/8/1985 H.R. 2100 Vote of 282-141	9/30/1985 S. 1714 S.Rept. 99-145	11/23/1985 H.R. 2100 Vote 61-28	12/17/1985 H.Rept. 99-447	12/18/1985 H.R. 2100 Vote of 325-96	12/18/1985 H.R. 2100 Vote 55-38	12/23/1985 P.L. 99-198
1990 farm bill **Food, Agriculture, Conservation, and Trade Act of 1990** Covers 1991-1995 crops or until 9/30/1995	2/5/1990 H.R. 3950 introduced 7/3/1990 H.Rept. 101-569	8/1/1990 H.R. 3950 Vote of 327-91	7/6/1990 S. 2830 S.Rept. 101-357	7/27/1990 S. 2830 Vote 70-21	10/22/1990 H.Rept. 101-916	10/23/1990 S. 2830 Vote of 318-102	10/25/1990 S. 2830 Vote 60-36	11/28/1990 P.L. 101-624
Omnibus Budget Act of 1993	Extended dairy until 1996; wheat, feed grains, cotton, rice, peanuts, wool and mohair until 1997; honey until1998							8/10/1993 P.L. 103-66
1996 farm bill **Freedom to Farm Act**	8/4/1995 H.R. 2195 introduced 9/20/1995 fails cmte.		9/28/1995 unnumb'd bill					
Balanced Budget Act of 1995	10/26/1995 H.R. 2491 includes H.R. 2195	10/26/1995 H.R. 2491 Vote of 227-203	10/28/1995 S. 1357 includes Senate bill	10/28/1995 Amdt. to H.R. 2491 Vote 52-47	11/16/1995 H.Rept. 104-347	11/20/1995 H.R. 2491 Vote of 235-192	11/17/1995 H.R. 2491 Vote 52-47	12/6/1995 Vetoed

					Conference Report Approval			
	House Cmte.	**House Passage**	**Senate Cmte.**	**Senate Passage**	**Conf. Report**	**House Passage**	**Senate Passage**	**Public Law**
1996 farm bill (cont.) **Federal Agriculture Improvement and Reform Act of 1996** Covers 1996-2002 crops or until 9/30/2002	1/5/1996 H.R. 2854 introduced 2/9/1996 H.Rept. 104-462	2/29/1996 H.R. 2854 Vote of 270-155	1/26/1996 S. 1541 introduced	2/7/1996 S. 1541 Vote 64-32 3/12/1996 Amdt. to H.R. 2854 Voice vote	3/25/1996 H.Rept. 104-494	3/29/1996 H.R. 2854 Vote of 318-89	3/28/1996 H.R. 2854 Vote 74-26	4/4/1996 P.L. 104-127
2002 farm bill **Farm Security and Rural Investment Act of 2002** Covers 2002-2007 crops or until 9/30/2007	7/26/2001 H.R. 2646 introduced 8/2/2001 H.Rept. 107-191	10/5/2001 H.R. 2646 Vote of 291-120	11/27/2001 S. 1731 12/7/2001 S.Rept. 107-117	2/13/2002 Amdt. to H.R. 2646 Vote 58-40	5/1/2002 H.Rept. 107-424	5/2/2002 H.R. 2646 Vote of 280-141	5/8/2002 H.R. 2646 Vote 64-35	5/13/2002 P.L. 107-171
2008 farm bill **Food, Conservation, and Energy Act of 2008** Covers 2008-2012 crops or until 9/30/2012	5/22/2007 H.R. 2419 introduced 7/23/2007 H.Rept. 110-256	7/27/2007 H.R. 2419 Vote of 231-191	11/2/2007 S. 2302 S.Rept. 110-220	12/14/2007 Amdt. to H.R. 2419 Vote 79-14	5/13/2008 H.Rept. 110-627 Enrolled bill omits Title III accidentally Re-passed as new bill w/ Title III	5/14/2008 H.R. 2419 Vote of 318-106 5/21/2008 Passed over veto 316-108 5/22/2008 H.R. 6124 Vote of 306-110 6/18/2008 Passed over veto 317-109	5/15/2008 H.R. 2419 Vote 81-15 5/22/2008 Passed over veto 82-13 6/5/2008 H.R. 6124 Vote 77-15 6/18/2008 Passed over veto 80-14	5/21/2008 Vetoed 5/22/2008 P.L. 110-234 6/18/2008 Vetoed 6/18/2008 P.L. 110-246
Short-term extensions	12/26/2007, P.L. 110-161, Div. A, §751, until 3/15/2008, with exceptions 3/14/2008, P.L. 110-196, until 4/18/2008, with suspension of permanent law 4/18/2008, P.L. 110-200, until 4/25/2008 4/25/2008, P.L. 110-205, until 5/2/2008 5/2/2008, P.L. 110-208, until 5/16/2008 5/18/2008, P.L. 110-231, until 5/23/2008							
FY2012 Agriculture Appropriations Act	Extended five conservation programs until FY2014 (AMA, CSP, EQIP, FPP, and WHIP).							11/18/2011 P.L. 112-55
2012 farm bill Covers 2013-2017 crops or until 9/30/2017	7/11/2012 H.R. 6083 Vote of 35-11	—	4/26/2012 S. 3240 Vote 16-5	6/21/2012 S. 3240 Vote 64-35	—	—	—	—

Source: CRS.

Note: Includes only major legislative actions to enact each farm bill. Excludes subsequent revisions, except as noted in 1993 and 2011 because those budgetary actions extended expiration dates of certain provisions.

Figure A-1. Time Line of Developing the 2008 Farm Bill



Source: CRS.

Presidential Vetoes

Presidential vetoes of farm bills are not common. Two complete farm bills have been vetoed as stand-alone measures, the latter being vetoed twice. Another farm bill was vetoed as part of a larger budget reconciliation package.

The first veto of a farm bill was in 1956 when President Eisenhower vetoed H.R. 12, the first version of the Agricultural Act of 1956. The second and third vetoes were in 2008 by President George W. Bush. The 2008 farm bill was vetoed and overridden twice. After the initial veto of the bill (H.R. 2419), Congress overrode the veto and enacted P.L. 110-234, but accidentally enrolled the law without the Title III (the trade title). Congress immediately reintroduced the same bill with the trade title as H.R. 6124. President Bush vetoed this version as well, and Congress again overrode the veto to enact P.L. 110-246, a complete 2008 farm bill that included the trade title. The overrides in 2008 were the only time that a farm bill was enacted by overriding a veto.

A 1995 budget reconciliation package that included the first version of what became the 1996 farm bill was vetoed by President Clinton, but the veto was not necessarily due to the farm bill.

Author Contact Information

Jim Monke
Specialist in Agricultural Policy
jmonke@crs.loc.gov, 7-9664

Randy Alison Aussenberg
Analyst in Nutrition Assistance Policy
raussenberg@crs.loc.gov, 7-8641

Megan Stubbs
Specialist in Agricultural Conservation and Natural Resources Policy
mstubbs@crs.loc.gov, 7-8707

Key Policy Staff

Area of Expertise	Name	Phone	E-mail
Commodity programs, farm bill budget	Jim Monke	7-9664	jmonke@crs.loc.gov
Conservation programs	Megan Stubbs	7-8707	mstubbs@crs.loc.gov
Nutrition programs	Randy Alison Aussenberg	7-8641	raussenberg@crs.loc.gov
International trade and food aid	Charles E. Hanrahan	7-7235	chanrahan@crs.loc.gov
Rural development	Tadlock Cowan	7-7600	tcowan@crs.loc.gov
Dairy, crop insurance, commodities	Dennis Shields	7-9051	dshields@crs.loc.gov