#### At a Glance

# H.R. 8467, Farm, Food, and National Security Act of 2024

As ordered reported by the House Committee on Agriculture on May 23, 2024, and with subsequent amendments as provided by the House Committee on Agriculture on July 30, 2024

By Fiscal Year, Millions of Dollars	2024	2024-2029	2024-	2033
Direct Spending (Outlays)	0	15,384	32,9	973
Revenues	0	0		0
Increase or Decrease (-) in the Deficit	0	15,384	32,9	973
Spending Subject to Appropriation (Outlays)	0	17,529	23,	596
Increases net direct spending in		Statutory pay-as-you-go proced	ures apply?	Yes
any of the four consecutive 10-year periods beginning in 2034?	> \$2.5 billion	Mandate E	ffects	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034?	<b>. </b>	Contains intergovernmental mar	ndate?	Yes, Under Threshold
	> \$5 billion	Contains private-sector mandate	e?	Yes, Under Threshold

#### The bill would

- Reauthorize and amend agricultural support, nutrition, conservation, and other programs implemented and administered by the Department of Agriculture
- · Impose intergovernmental and private-sector mandates

#### Estimated budgetary effects would mainly stem from

- Changes in the agricultural support, nutrition, and conservation programs
- Mandatory appropriations
- Accelerating the spending of previously appropriated balances
- Amounts authorized to be appropriated

#### Areas of significant uncertainty include

- Projecting future commodity prices and production rates, which are sensitive to weather and market forces
- Predicting how and how quickly the states would implement various policies
- Projecting changes in the economy, particularly regarding inflation and unemployment

#### Detailed estimate begins on the next page.

## Bill Summary

H.R. 8467 would amend and extend through 2029 some of the major programs for income support, food and nutrition, land conservation, trade promotion, rural development, research, forestry, horticulture, and other programs administered by the Department of Agriculture (USDA).

#### **Estimated Federal Cost**

The estimated budgetary effect of H.R. 8467 is shown in Table 1. The costs of the legislation fall within budget functions 270 (energy), 300 (natural resources and environment), 350 (agriculture), 450 (community and regional development), and 600 (income security).

Table 1. Estimated Bud	getary Et	fects U	nder H.F	R. 8467								
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024- 2029	2024- 2033
			Increa	ses or De	creases (-	) in Direct	t Spendin	g				
Budget Authority	0	-439	-4,113	6,060	6,530	6,740	5,836	6,267	3,889	3,614	14,778	34,384
Estimated Outlays	0	1,428	1,610	3,620	4,266	4,460	4,358	5,648	3,980	3,603	15,384	32,973
			Increas	es in Spe	nding Sub	ject to Ap	propriation	on				
Authorization <sup>a</sup>	0	4,676	4,660	4,661	4,660	4,661	100	100	100	100	23,318	23,718
Estimated Outlays	0	1,856	2,972	3,761	4,320	4,620	2,918	1,760	956	433	17,529	23,596

Budget authority includes specified and estimated amounts. Budget authority and outlays are estimated relative to CBO's May 2023 baseline.

a. Includes only authorizations of appropriations with specific amounts and does not include indefinite amounts that would need to be estimated.

#### **Basis of Estimate**

Estimated changes in direct spending for each title appear in Table 2. Additional details for various sections appear in Tables 3 through 9. Spending subject to appropriation is shown in Table 10, and CBO's estimate of Pay-As-You-Go Effects is shown in Table 11.

For this estimate, CBO assumes that H.R. 8467 will be enacted near the end of fiscal year 2024. The estimates are relative to CBO's May 2023 baseline. The bill would provide direct spending authority through 2029 for most USDA programs authorized, amended, or created by the legislation. Relative to the May baseline, CBO estimates that enacting the bill would increase direct spending by \$15.4 billion over the 2025-2029 period. Following the rules specified in the Balanced Budget and Emergency Deficit Control Act of 1985, CBO has incorporated the assumption that the changes made to many of those programs would continue after 2029, the last year of the authorization in the bill. (The Deficit Control Act specifies certain conditions that programs must meet for CBO to assume their continuation. Many programs that would be authorized under H.R. 8467 meet those conditions, but some do not. For the purposes of this estimate, programs that do not meet the necessary conditions are not assumed to continue after 2029.) On that basis, CBO estimates that enacting the bill

would increase direct spending relative to CBO's baseline by \$33.0 billion over the 2024-2033 period.

Table 2. Estimated Changes in Direct Spending Under H.R. 8467

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024- 2029	2024- 2033
			Incre	ases or D	ecreases	(-) in Direc	t Spendir	ng				
Title I, Commodities												
Budget Authority	0	-283	-278	5,799	6,262	6,269	5,741	6,351	6,778	6,737	17,769	43,376
Estimated Outlays	0	-318	-263	5,809	6,272	6,269	5,741	6,351	6,778	6,737	17,769	43,376
Title II, Conservation												
<b>Budget Authority</b>	0	-4,808	-6,240	1,209	1,440	1,619	1,569	1,368	1,733	1,680	-6,780	-430
Estimated Outlays	0	45	-633	-1,693	-1,596	-1,180	-363	402	1,628	1,620	-5,057	-1,770
Title III, Trade												
<b>Budget Authority</b>	0	249	249	249	249	249	235	235	235	235	1,245	2,185
Estimated Outlays	0	249	249	249	249	249	235	235	235	235	1,245	2,185
Title IV, Nutrition												
<b>Budget Authority</b>	0	875	1,164	1,118	1,134	1,139	1,140	1,140	1,188	1,196	5,430	10,094
Estimated Outlays	0	757	1,139	1,193	1,161	1,139	1,143	1,140	1,188	1,196	5,389	10,056
Title VI, Rural Develop	ment											
<b>Budget Authority</b>	0	0	0	0	0	0	0	0	0	0	0	0
Estimated Outlays	0	2	8	15	13	-4	-18	-11	-4	-1	34	0
Title VII, Research, Ex	tension,	and Relate	ed Matters									
<b>Budget Authority</b>	0	2,704	95	95	95	95	95	95	95	95	3,084	3,464
Estimated Outlays	0	96	250	417	568	615	559	453	295	145	1,946	3,398
Title VIII, Forestry												
<b>Budget Authority</b>	0	0	0	0	0	0	0	0	0	0	0	0
Estimated Outlays	0	2	2	2	2	2	0	0	0	0	10	10
Title IX, Energy												
Budget Authority	0	10	10	10	10	10	0	0	0	0	50	50
Estimated Outlays	0	5	10	10	10	10	5	0	0	0	45	50
Title X, Horticulture												
Budget Authority	0	58	48	48	48	48	30	30	30	30	250	370
Estimated Outlays	0	51	52	49	49	49	30	30	30	30	250	370
Title XI, Crop Insurance	e											
Budget Authority	0	277	349	365	379	397	407	428	448	466	1,767	3,516
Estimated Outlays	0	277	349	365	379	397	407	428	448	466	1,767	3,516
Title XII, Miscellaneou	s Provisi	ons									,	·
Budget Authority	0	482	494	-2,703	-2,957	-2,956	-3,241	-3,240	-6,338	-6,535	-7,640	-26,994
Estimated Outlays	0	265	451	-2,666	-2,711	-2,956	-3,241	•	-6,338		-7,617	-26,971
Interactive Effects of 1				,	,	,	-,	- ,— - •	-,	-,3	,	.,,
Budget Authority	0	-3	-4	-130	-130	-130	-140	-140	-280	-290	-397	-1,247
Estimated Outlays	0	-3	-4	-130	-130	-130	-140	-140	-280	-290	-397	-1,247
Total Changes, All Titl		ŭ	•									.,= .,
Budget Authority	0	-439	-4,113	6,060	6,530	6,740	5,836	6,267	3,889	3,614	14,778	34,384
Estimated Outlays	0	1,428	1,610	3,620	4,266	4,460	4,358	5,648	3,980	3,603	15,384	32,973
	J	.,0	.,0.0	5,525	.,_00	.,	.,500	5,515	5,555	5,555	. 5,55	52,5.0

Budget authority includes specified and estimated amounts. Budget authority and outlays are estimated relative to CBO's May 2023 baseline. Title V is not included in the table because it has no provisions that would affect direct spending.

Most of the current authorizations for agriculture and nutrition programs that would be reauthorized by H.R. 8467 will expire at the end of fiscal year 2024. However, consistent with the rules governing baseline projections specified in the Deficit Control Act, CBO's baseline incorporates the assumption that those programs will continue to operate after their authorizations expire in the same manner as they did before that expiration. Thus, the costs of extending those authorizations through 2029 are not included in the costs attributable to this bill. CBO estimates that those costs would total \$668 billion over the 2025-2029 period and \$1,217 billion over the 2025-2033 period. Assuming enactment of H.R. 8467, total spending under CBO's May 2023 baseline for agriculture and nutrition programs would be \$1,250 billion over the 2025-2033 period.

## **Direct Spending**

Relative to spending projected under the May 2023 baseline, CBO estimates that enacting H.R. 8467 would increase direct spending by \$15.4 billion over the 2025-2029 period and by \$33.0 billion over the 2025-2033 period (see Table 2).

### Title I, Commodities

Title I would amend and reauthorize USDA's commodity support programs through the 2029 crop year. CBO estimates that enacting title I would increase direct spending by \$43.4 billion over the 2025-2033 period (see Table 3). Under current law, authorizations for most programs will expire after the 2024 crop year.

Commodity Policies and Marketing Loans. Subtitles A and B would reauthorize and amend existing commodity support programs through 2029. The Price Loss Coverage (PLC) and Agriculture Revenue Coverage (ARC) programs are the two largest programs that would be reauthorized under title I.

*Background*. The PLC program makes payments to producers when the annual average market price per unit of a covered commodity falls below the effective reference price set in law. The ARC program makes payments when the actual average revenue for a crop (price times production) within the producer's county falls below the local guaranteed amount, which is based on an average for recent years.

Eligibility for and payments from the PLC and ARC programs depend on the number of base acres (that is, the number of historically planted acres of covered commodities designated by USDA under previous farm bills) enrolled for a given farm. Eligible producers are allowed to receive payments from just one of those programs for any crop year.

<sup>1.</sup> Crop years run from planting, to harvesting, to marketing a crop and can thus cover a period close to 18 months.

Table 3. Estimated Changes in Direct Spending Under Title I, Commodities, H.R. 8467

		•										
				By Fisc	al Year, M	lillions of	Dollars					
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024- 2029	2024- 2033
			Incre	eases or I	Decreases	s (-) in Diı	rect Spen	ding				
Subtitle A, Commodity I Subtitle B, Marketing Lo						•	·	J				
Sec. 1104, Price Loss Co	verage											
<b>Budget Authority</b>	0	0	0	4,516	4,875	4,707	3,908	5,128	5,847	5,968	14,098	34,949
Estimated Outlays	0	0	0	4,516	4,875	4,707	3,908	5,128	5,847	5,968	14,098	34,949
Sec. 1105, Agriculture Ris	sk Coverag	е										
<b>Budget Authority</b>	0	0	0	1,429	1,502	1,691	1,956	1,329	1,033	867	4,622	9,807
Estimated Outlays	0	0	0	1,429	1,502	1,691	1,956	1,329	1,033	867	4,622	9,807
Marketing Assistance Loa	ans (Sec. 12	201, 1202	, 1203)									
<b>Budget Authority</b>	0	0	67	72	73	79	91	105	118	118	291	723
Estimated Outlays	0	0	67	72	73	79	91	105	118	118	291	723
Sec. 1205, Economic Adj	ustment As	sistance f	or Textile	Mills								
Budget Authority	0	23	23	23	24	24	24	24	24	24	117	213
Estimated Outlays	0	23	23	23	24	24	24	24	24	24	117	213
Interaction of Base Acre I	ncrease Wi	th Crop Ir	surance									
Budget Authority	0	-25	-25	-25	-25	-25	-25	-25	-25	-25	-125	-225
Estimated Outlays	0	-25	-25	-25	-25	-25	-25	-25	-25	-25	-125	-225
Subtotal, Subtitles A	and B											
Budget Authority	0	-2	65	6,015	6,449	6,476	5,954	6,561	6,997	6,952	19,003	45,467
Estimated Outlays	0	-2	65	6,015	6,449	6,476	5,954	6,561	6,997	6,952	19,003	45,467
Subtitle C, Sugar <sup>a</sup>		_		-,	-,	-,	-,	-,	-,	-,	,	
Budget Authority	0	0	-9	-9	-9	-9	-9	-9	-9	-9	-36	-72
Estimated Outlays	0	0	<b>-</b> 9	<b>-</b> 9	<b>-</b> 9	-9	-9	<b>-</b> 9	-9	-9	-36	-72
Subtitle D, Dairy <sup>a</sup>	Ü	Ü	Ü	Ü	Ü	Ü	Ü	ŭ	Ŭ			
Budget Authority	0	31	25	35	43	17	32	42	35	37	151	297
Estimated Outlays	0	31	25 25	35	43	17	32	42	35	37	151	297
Subtitle E, Supplementa	•					17	32	42	33	31	131	291
	_			italice Fit	Jyranis							
Sec. 1501, Livestock Inde Budget Authority	0 (	4	4	4	4	4	4	4	4	4	20	36
Estimated Outlays	0	4	4	4	4	4	4	4	4	4	20	36
•		-		4	4	4	4	4	4	4	20	30
Sec. 1502, Emergency As	ssistance to 0	or Honeyb 5	ees 5	E	E	E	E	E	E	F	25	45
Budget Authority	0	5 5	5 5	5 5	5 5	5 5	5	5 5	5	5 5		45 45
Estimated Outlays			5	5	5	5	5	5	5	5	25	45
Sec. 1503, Tree Assistan	•		0	•	0	•	•	•	•	_	40	40
Budget Authority	0	2	2	2	2	2	2	2	2	2	10	18
Estimated Outlays	0	2	2	2	2	2	2	2	2	2	10	18
Subtotal, Subtitle E	_											
Budget Authority	0	11	11	11	11	11	11	11	11	11	55	99
Estimated Outlays	0	11	11	11	11	11	11	11	11	11	55	99

(Continued)

Table 3.

Estimated Changes	s in Dir	ect Spe	ndina l	Jnder T	itle I. Co	ommod	ities. H.	R. 8467				
							, , , , , , , , , , , , , , , , , , , ,				(Co	ontinued)
				By Fisc	al Year, M	lillions of	Dollars					
				•	,						2024-	2024-
_	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2029	2033
			Incre	eases or I	Decreases	s (-) in Dir	ect Spen	ding				
Subtitle F, Administration	1											
Sec. 1602, Implementation												
Budget Authority	0	50	0	0	0	0	0	0	0	0	50	50
Estimated Outlays	0	15	15	10	10	0	0	0	0	0	50	50
Sec. 1603, Equitable Treat	ment of C	ertain Ent	ities									
<b>Budget Authority</b>	0	0	0	91	105	107	91	86	85	84	303	649
Estimated Outlays	0	0	0	91	105	107	91	86	85	84	303	649
Sec. 1604, Payment Limita	tion											
<b>Budget Authority</b>	0	0	0	22	29	33	31	32	34	36	84	217
Estimated Outlays	0	0	0	22	29	33	31	32	34	36	84	217
Sec. 1605, AGI Limitation												
<b>Budget Authority</b>	0	27	30	34	34	34	31	28	25	26	159	269
Estimated Outlays	0	27	30	34	34	34	31	28	25	26	159	269
Sec. 1608, Limitation on Co	CC Autho	rity										
<b>Budget Authority</b>	0	-400	-400	-400	-400	-400	-400	-400	-400	-400	-2,000	-3,600
Estimated Outlays	0	-400	-400	-400	-400	-400	-400	-400	-400	-400	-2,000	-3,600
Subtotal, Subtitle F												
Budget Authority	0	-323	-370	-253	-232	-226	-247	-254	-256	-254	-1,404	-2,415
Estimated Outlays	0	-358	-355	-243	-222	-226	-247	-254	-256	-254	-1,404	-2,415
Total, Title I												
Budget Authority	0	-283	-278	5,799	6,262	6,269	5,741	6,351	6,778	6,737	17,769	43,376
Estimated Outlays	0	-318	-263	5,809	6,272	6,269	5,741	6,351	6,778	6,737	17,769	43,376

AGI = adjusted gross income; CCC = Commodity Credit Corporation.

Budget authority includes specified and estimated amounts. Budget authority and outlays are estimated relative to CBO's May 2023 baseline.

Estimated Costs Under the Bill. Subtitles A and B also would amend USDA's program for marketing assistance loans (MALs), which provide a lower level of support for agricultural commodity prices on a more immediate basis than the PLC and ARC programs. MALs are available to all producers in possession of harvested loan-eligible commodities. By contrast, PLC and ARC payments are available only to farms with base acres.

The bill also would provide up to 30 million new base acres for producers that planted covered commodities on their farms between 2019 and 2023, which would expand the PLC and ARC programs to producers that might not previously have been eligible and also would increase the number of base acres on some previously participating farms.

As a result of those changes, CBO estimates that over the 2025-2033 period, PLC payments would increase by \$34.9 billion, ARC payments would increase by \$9.8 billion, and the

a. Subtitle C would change the sugar program. Because the bill would not update the statutory language to reauthorize the sugar program, CBO expects that the sugar program could not be implemented once the current authorization has expired, after the 2024 crop year.
The budgetary effect of ending the sugar program would be a net decrease of \$72 million over the 2025-2033 period. If the bill's language was amended to reauthorize the sugar program, the combined effect of the reauthorization and the changes to the program would result in a net increase of \$58 million over the 2025-2033 period.

adjustments to MAL rates plus other changes to cotton marketing loans would increase program costs by \$0.7 billion.

Additionally, payments to domestic users of upland cotton would increase from 3 cents per pound to 5 cents per pound under the bill. CBO estimates that the change would increase direct spending by \$0.2 billion over the 2025-2033 period.

CBO also expects that some producers that become eligible under the addition of 30 million new base acres would opt out of supplemental crop insurance that they otherwise would have purchased because of restrictions that prevent simultaneous participation in such insurance programs and the PLC and ARC programs.<sup>2</sup> CBO estimates that the reduced participation in crop insurance would decrease direct spending for crop insurance by \$0.2 billion over the 2025-2033 period.

**Sugar Program.** Subtitle C would make changes to the sugar support program. Because the bill would not update the statutory language to reauthorize the sugar program, CBO expects that the program could not be implemented after the current authorization has expired (after the 2024 crop year).

The effect of ending the sugar program would be to decrease direct spending by \$72 million over the 2025-2033 period. If the bill's language was amended to reauthorize the sugar program, the effect of the reauthorization and the other changes to the program would be to increase direct spending by \$58 million over the 2025-2033 period.

**Dairy Program.** Subtitle D would reauthorize and amend the Dairy Margin Coverage (DMC) program through 2029.

CBO estimates that enacting the subtitle would increase direct spending by \$0.3 billion over the 2025-2033 period. The bill would permit producers participating in the DMC program to update the total quantity of their milk production eligible for coverage. It also would provide a 25 percent premium discount to producers who enroll in the program for the entirety of the 2025-2029 period. Finally, subtitle D would make an additional 1 million pounds of a producer's milk production eligible for lower premiums charged under the program.

**Supplemental Agricultural Disaster Assistance Programs.** Subtitle E would increase the indemnity payment rates provided for livestock losses and would create a new payment for deaths of unborn livestock. Subtitle E also would require a review of the normal mortality rate for honeybees used in payment calculations, including adjusting the rate to exclude any losses caused by colony collapse disorder. It also would require lowering the mortality rate of trees for indemnity calculations in the tree assistance program. Finally, subtitle E would require a report on avian predation of farm-raised fish and would explicitly allow the use of

<sup>2.</sup> Producers cannot participate in the Supplemental Coverage Option, a county-level crop insurance option, and the ARC program within the same crop year. Producers also cannot participate in the Stacked Income Protection Plan for upland cotton and the PLC or ARC program for seed cotton within the same crop year.

block grants for any additional funds made available for covered losses. Overall, CBO estimates, enacting this subtitle would increase direct spending by \$99 million over the 2025-2033 period.

**Administration.** Subtitle F would provide \$50 million to USDA for the cost of implementing H.R. 8467. The subtitle would change the rules governing payments to farmers to allow pass-through entities, such as limited liability companies and S corporations, to qualify for more than one payment limitation under the PLC and ARC programs. Subtitle F also would increase the maximum payment per farmer from \$125,000 per year to \$155,000 per year and, in subsequent years, index the maximum payment to inflation.

A limit of \$900,000 in average adjusted gross income would continue to apply to eligibility for PLC and ARC payments. That limit would no longer apply to potential recipients of conservation program payments, supplemental agricultural disaster assistance payments, or payments from the Noninsured Crop Assistance Program if a recipient can demonstrate that 75 percent or more of their adjusted gross income comes from farming.

Together, the implementation assistance and adjustments to payment limitations, the treatment of pass-through entities, and the adjusted gross income limit would increase direct spending by \$1.2 billion over the 2025-2033 period, CBO estimates.

Finally, section 1608 in subtitle F would specify that over the 2025-2034 period, the Commodity Credit Corporation (CCC) could use its general powers only to carry out operations that are specifically authorized by the Congress. Under current law, section 5 of the CCC Charter Act gives the Secretary of Agriculture broad authority to spend CCC funds to support agricultural prices and to take other steps that affect the consumption or supply of agricultural commodities.

Under the May 2023 baseline, CBO projects that USDA will spend \$9 billion over the 2025-2033 period using that authority. However, CBO expects that if the section 5 authority was revoked, USDA would use authority provided under section 32 of the Agricultural Adjustment Act of 1935 (which also authorizes USDA to make payments to farmers) to fund a portion of those activities that under current law would have been funded under section 5. In that case, CBO estimates that \$1.8 billion of additional direct spending would occur under section 32 authority over the 2025-2033 period, for a net reduction in direct spending of \$7.2 billion over that period.

Because the bill language could be interpreted in multiple ways, CBO cannot determine whether enacting section 1608 would prevent USDA from spending funds under its section 5 authority. In the absence of specific information, CBO used a 50 percent probability that enacting the section would eliminate USDA's ability to use that spending authority. On that basis, CBO estimates that enacting section 1608 would reduce direct spending by \$3.6 billion over the 2025-2033 period.

### Title II, Conservation

Title II would reauthorize and modify land conservation programs administered by USDA and rescind funding provided for conservation programs in the 2022 reconciliation legislation (Public Law 117-169). CBO estimates that enacting those provisions would result in a net reduction in direct spending of \$1.8 billion over the 2025-2033 period (see Table 4).

Enacting title II would increase annual funding for conservation programs and rescind prior appropriations, as follows:

- Subtitle B would expand benefits for landowners and extend conservation practices covered under the Conservation Reserve Program. CBO estimates that enacting subtitle B would increase direct spending by \$1.6 billion over the 2025-2033 period.
- Subtitle C would incrementally increase funding for the Environmental Quality Incentives Program from \$2 billion per year under current law to \$2.5 billion per year by 2029, for a total increase in direct spending of \$2.6 billion over the 2025-2033 period.
- Subtitle D would incrementally increase funding for the Conservation Stewardship Program from \$1 billion per year under current law to \$1.4 billion by 2029, for a total increase in direct spending of \$2.1 billion over the 2025-2033 period.
- Subtitle E, along with other provisions, would increase funding for the Watershed Protection and Flood Operations Program, for a total increase in direct spending of \$0.7 billion over the 2025-2033 period.
- Section 2501 of subtitle F would increase funding for cost-sharing assistance for forest management practices on private land and for ownership transfers of land under conservation contracts, for a total increase in direct spending of \$0.1 billion over the 2025-2033 period.
- Section 2502 of subtitle F would rescind \$13.2 billion in funding for conservation programs that was provided in P.L. 117-169. CBO estimates that rescission would decrease direct spending by \$11.7 billion over the 2025-2033 period.
- Subtitle G would incrementally increase funding for the Agricultural Conservation Easement Program from \$0.4 billion to \$0.7 billion per year by 2029, for a total increase in direct spending of \$1.7 billion over the 2025-2033 period.

Table 4. Estimated Changes in Direct Spending Under Title II, Conservation, H.R. 8467

Listillated Charly	,00 III D	оог ор	onanig	Cildor I			acion, 11.	0-107				
				By Fisca	ıl Year, Mi	llions of [	Dollars					
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024- 2029	2024- 2033
			Incre	ases or D	ecreases	(-) in Dire	ct Spendi	ng				
Subtitle B, Conservatio	n Reserv	e Program				.,		_				
Budget Authority	0	81	288	66	97	161	219	18	383	330	693	1,643
Estimated Outlays	0	81	288	66	97	161	219	18	383	330	693	1,643
Subtitle C, Environmen												, 3
Budget Authority	0	75	175	275	425	475	475	475	475	475	1,425	3,325
Estimated Outlays	0	163	188	219	217	278	300	361	422	452	1,065	2,600
Subtitle D, Conservatio											,	,
Budget Authority	0	275	300	325	350	375	375	375	375	375	1,625	3,125
Estimated Outlays	0	86	113	152	206	255	305	326	348	360	812	2,151
Subtitle E, Other Conse												,
Sec. 2403, Grassroots S		_	ion Progra	am								
Budget Authority	0	1	1	1	1	1	0	0	0	0	5	5
Estimated Outlays	0	1	1	1	1	1	0	0	0	0	5	5
Sec. 2404, Voluntary Pul			itat Incent	ive Progra	m		-	-	-			
Budget Authority	0	30	30	30	30	30	0	0	0	0	150	150
Estimated Outlays	0	30	30	30	30	30	0	0	0	0	150	150
Sec. 2405, Watershed Pi							-	-	-			
Budget Authority	0	100	100	100	100	100	100	100	100	100	500	900
Estimated Outlays	0	3	16	38	58	74	84	89	90	90	189	542
Subtotal, Subtitle E	-	-							, -			
Budget Authority	0	131	131	131	131	131	100	100	100	100	655	1,055
Estimated Outlays	0	34	47	69	89	105	84	89	90	90	344	697
Subtitle F, Funding and							-					
Sec. 2501, CCC												
Budget Authority	0	13	13	12	12	12	0	0	0	0	62	62
Estimated Outlays	0	13	13	12	12	12	0	0	0	0	62	62
Sec. 2502, Rescissions of												
Budget Authority	0	-5,658	-7,497	0	0	0	0	0	0	0	-13,155	-13,155
Estimated Outlays	0	-450	-1,439	-2,472	-2,543	-2,361	-1,666	-771	0	0	-9,265	-11,702
Subtotal, Subtitle F	-		,	•	,	,	,		-			,
Budget Authority	0	-5,645	-7,484	12	12	12	0	0	0	0	-13,093	-13,093
Estimated Outlays	0	-437	-1,426	-2,460	-2,531	-2,349	-1,666	-771	0	0	-9,203	-11,640
Subtitle G, Agricultural				•	,	,	,					
Budget Authority	0	150	175	200	225	250	250	250	250	250	1,000	2,000
Estimated Outlays	0	96	96	150	185	208	215	228	243	246	735	1,667
Subtitle H, Forest Cons												,
Budget Authority	0	25	50	50	50	65	0	0	0	0	240	240
Estimated Outlays	0	0	14	38	48	50	59	25	6	0	150	240
Subtitle I, Regional Cor												
Budget Authority	0	100	125	150	150	150	150	150	150	150	675	1,275
Estimated Outlays	0	22	47	73	93	112	121	126	136	142	347	872
Total, Title II	-					–						
Budget Authority	0	-4,808	-6,240	1,209	1,440	1,619	1,569	1,368	1,733	1,680	-6,780	-430
Estimated Outlays	0	45	-633	-1,693	-1,596	-1,180	-363	402	1,628	1,620	-5,057	-1,770
CCC = Commodity Credi			,,,	.,555	.,555	.,			.,,,=0	.,5_5	2,00.	.,

CCC = Commodity Credit Corporation.

Budget authority includes specified and estimated amounts. Budget authority and outlays are estimated relative to CBO's May 2023 baseline.

- Subtitle H would establish the Forest Conservation Easement Program, increasing direct spending by \$0.2 billion over the 2025-2033 period.
- Subtitle I would incrementally increase funding for the Regional Conservation Partnership Program from \$0.3 billion to 0.4 billion annually by 2029, for a total increase in direct spending of \$0.9 billion over the 2025-2033 period.

# Title III, Trade

Title III would reauthorize trade programs administered by USDA. CBO estimates that enacting title III would increase direct spending by \$2.2 billion over the 2025-2033 period (see Table 2).

The title would reauthorize USDA's Food for Progress Program and increase annual funding provided for USDA's Agricultural Trade Promotion and Facilitation Program by \$235 million each year, totaling \$2.1 billion over the 2025-2033 period.

Title III also would reauthorize the Bill Emerson Humanitarian Trust Act through 2029. The trust provides commodities for emergency humanitarian food needs in developing countries. Funding for commodities (or funds) held in the trust usually comes from spending subject to appropriation but assistance also may come from stocks of commodities held by the CCC. Because the trust can access CCC funding for transportation of commodities provided under the program, CBO estimates that reauthorizing the humanitarian trust would increase direct spending by \$14 million a year through 2029, totaling \$70 million over the 2025-2033 period.

### Title IV, Nutrition

Title IV would reauthorize through 2029 and make several changes to the Supplemental Nutrition Assistance Program (SNAP), which provides benefits to help people in low-income households purchase food. Title IV also would make changes to other nutrition programs. In addition, title XII would affect several nutrition programs, including SNAP.

CBO estimates that enacting title IV would increase direct spending by \$10.1 billion over the 2025-2033 period (see Table 5).

Food Distribution Program on Indian Reservations (FDPIR). Section 4102 would permanently allow Indian tribes to administer FDPIR through self-determination contracts between tribes and the federal government. FDPIR provides food procured by USDA to Native American families residing in Oklahoma and to low-income households on Indian reservations. Using information from USDA, CBO anticipates that the cost of food procured by tribes would be 70 percent higher than that procured by USDA. Additionally, CBO expects that by 2033, FDPIR would serve about half of all program participants, or 40,000 people, through self-determination contracts. CBO estimates that enacting the provision would increase direct spending by \$380 million over the 2025-2033 period.

Table 5. Estimated Changes in Direct Spending For Nutrition Programs Under H.R. 8467

Latimated Chang	, oo D	поот ор	onanig i	or man		gramo	J.11401 11					
				By Fisca	l Year, Mil	lions of Do	ollars					
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024- 2029	2024- 2033
			Inoro	2022 OF D		\ in Diroc	t Caandin	~				
Title IV, Nutrition			IIICIE	ases of D	ecreases (	-) III Direc	t Spending	y				
Sec. 4102, FDPIR												
Budget Authority	0	30	30	30	40	40	50	50	50	60	170	380
Estimated Outlays	0	30	30	30	40	40	50	50	50	60	170	380
Sec. 4103, Exclusions F	rom Incom	e and Res	ources									
Budget Authority	0	100	190	200	190	190	190	190	200	200	870	1,650
Estimated Outlays	0	100	190	200	190	190	190	190	200	200	870	1,650
Sec. 4104, Earned Incor	ne Deducti	ion										
Budget Authority	0	630	830	850	840	840	830	830	860	860	3,990	7,370
Estimated Outlays	0	630	830	850	840	840	830	830	860	860	3,990	7,370
Sec. 4105, SNAP Emplo Service Referrals	yment and	l Training l	Provider									
<b>Budget Authority</b>	0	*	*	*	*	1	*	*	*	*	1	1
Estimated Outlays	0	*	*	*	*	1	*	*	*	*	1	1
Sec. 4106, Prohibited Fe	ees											
<b>Budget Authority</b>	0	2	3	5	6	7	8	9	9	10	23	59
Estimated Outlays	0	2	3	5	6	7	8	9	9	10	23	59
Sec. 4107, Prohibition of Owners of Retail Food S		Redemption	n by									
<b>Budget Authority</b>	0	*	1	1	*	*	1	*	1	*	2	4
Estimated Outlays	0	*	1	1	*	*	1	*	1	*	2	4
Sec. 4108, SNAP Benef	it Transfer	Transactio	n Data Re	port								
<b>Budget Authority</b>	0	1	2	1	1	1	1	1	1	1	6	10
Estimated Outlays	0	1	2	1	1	1	1	1	1	1	6	10
Sec. 4109, Public Availa	bility of Sta	ate Plans										
<b>Budget Authority</b>	0	1	1	*	*	*	1	*	*	1	2	4
Estimated Outlays	0	1	1	*	*	*	1	*	*	1	2	4
Sec. 4110, National Acc	uracy Clea	ringhouse										
<b>Budget Authority</b>	0	5	5	5	0	0	0	0	0	0	15	15
Estimated Outlays	0	3	5	5	2	0	0	0	0	0	15	15
Sec. 4111, SNAP Staffin	ng Flexibilit	у										
<b>Budget Authority</b>	0	*	*	*	*	1	*	*	*	*	1	1
Estimated Outlays	0	*	*	*	*	1	*	*	*	*	1	1
Sec. 4112, Updates to A	dministrati	ve Proces	ses for SN	AP Retaile	ers							
<b>Budget Authority</b>	0	1	*	1	*	*	*	1	*	*	2	3
Estimated Outlays	0	1	*	1	*	*	*	1	*	*	2	3
Sec. 4113, Adjustment to Funds Retained by State		ge of Rec	overed									
<b>Budget Authority</b>	0	25	25	25	25	25	25	25	25	25	125	225
Estimated Outlays	0	25	25	25	25	25	25	25	25	25	125	225
Sec. 4114, Tolerance Le	evel for Pay	ment Erro	rs									
<b>Budget Authority</b>	0	*	*	-10	-10	-10	-10	-10	-10	-10	-30	-70
Estimated Outlays	0	*	*	-10	-10	-10	-10	-10	-10	-10	-30	-70

(Continued)

Table 5. Estimated Changes in Direct Spending For Nutrition Programs Under H.R. 8467

											(C	ontinued)
				By Fiscal	Year, Mil	lions of Do	ollars					
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024- 2029	2024- 2033
			Inore	eases or De		( ) in Diroc	t Caandin	~				
Sec. 4116, Office of Prog	ıram Inted	ritv	IIICIE	ases of De	ecreases (	(-) III Direc	t Spending	y				
Budget Authority	0	*	*	1	1	1	1	1	1	1	3	7
Estimated Outlays	0	*	*	1	1	1	1	1	1	1	3	7
Sec. 4118, Assistance for	r Commur	nity Food F	Projects									
Budget Authority	0	5	5	5	5	5	5	5	5	5	25	45
Estimated Outlays	0	5	5	5	5	5	5	5	5	5	25	45
Sec. 4119, Emergency Fo	ood Assis	tance Pro	gram									
Budget Authority	0	7	18	19	19	19	13	13	14	14	82	136
Estimated Outlays	0	7	18	19	19	19	13	13	14	14	82	136
Sec. 4120, Nutrition Educ	cation											
<b>Budget Authority</b>	0	-25	-25	-25	-25	-25	-25	-25	-25	-30	-125	-230
Estimated Outlays	0	-25	-25	-25	-25	-25	-25	-25	-25	-30	-125	-230
Sec. 4122, Repeal of Der Drug-Related Convictions		nefits for C	Certain									
<b>Budget Authority</b>	0	15	35	60	95	95	100	105	110	115	300	730
Estimated Outlays	0	15	35	60	95	95	100	105	110	115	300	730
Sec. 4123, Residents of I	Institutions	S										
<b>Budget Authority</b>	0	2	3	5	6	6	6	6	6	6	22	46
Estimated Outlays	0	2	3	5	6	6	6	6	6	6	22	46
Sec. 4124, Block Grants American Samoa	for Puerto	Rico and										
Budget Authority	0	-100	-100	-100	-105	-105	-105	-110	-110	-115	-510	-950
Estimated Outlays	0	-100	-100	-100	-105	-105	-105	-110	-110	-115	-510	-950
Sec. 4125, Elderly Simpli	ified Appli	cation Pro	gram									
Budget Authority	0	7	11	14	14	14	14	14	15	15	60	118
Estimated Outlays	0	7	11	14	14	14	14	14	15	15	60	118
Sec. 4126, Amendment to		dated App	ropriations									
Budget Authority	0	*	*	*	*	*	*	*	*	1	*	1
Estimated Outlays	0	*	*	*	*	*	*	*	*	1	*	1
Sec. 4127, Modification of												
Budget Authority	0	3	4	5	6	7	14	14	15	15	25	83
Estimated Outlays	0	3	4	5	6	7	14	14	15	15	25	83
Sec. 4128, Food Security		Quality R	•									
Budget Authority	0	1	0	0	0	0	0	0	0	0	1	1
Estimated Outlays	0	1	0	0	0	0	0	0	0	0	1	1
Sec. 4129, National Acad		udy and R	eport									
Budget Authority	0	1	*	*	*	1	*	*	*	1	2	3
Estimated Outlays	0	1	*	*	*	1	*	*	*	1	2	3
Sec. 4201, Commodity D		-	_	_	_	_	_	_	_	_		
Budget Authority	0	2	2	2	2	2	2	2	2	2	10	18
Estimated Outlays	0	2	2	2	2	2	2	2	2	2	10	18

(Continued)

Estimated Changes in Direct Spending For Nutrition Programs Under H.R. 8467 (Continued) By Fiscal Year, Millions of Dollars 2024-2024-2025 2026 2027 2029 2030 2031 2032 2033 2024 2028 2029 2033 Increases or Decreases (-) in Direct Spending Sec. 4302, Food Box Pilot Program **Budget Authority** 100 100 0 0 0 0 0 0 200 200 25 0 0 0 **Estimated Outlays** 0 25 75 75 0 0 200 200 Sec. 4306, Reauthorization of the Gus Schumacher Nutrition Incentive Program **Budget Authority** 57 19 19 19 19 19 19 19 19 133 209 19 19 19 **Estimated Outlays** 0 19 19 19 19 19 19 95 171 Sec. 4310, Healthy Fluid Milk Incentives Projects **Budget Authority** 5 5 5 5 5 0 0 0 0 25 25 **Estimated Outlays** 2 5 5 5 5 3 0 0 0 22 25 0 Total, Title IV, Nutrition **Budget Authority** 875 1,164 5,430 10,094 1,118 1,134 1,139 1,140 1,140 1,188 1,196 **Estimated Outlays** 0 757 1,139 5,389 10,056 1,193 1,161 1,139 1,143 1,140 1,188 1,196 Sec. 12401, Thrifty Food Plan **Budget Authority** 0 0 -3,200 -3,300 -3,300 -3,300 -3,300 -6,400 -6,600 -9,800 -29,400 **Estimated Outlays** 0 0 0 -3,200 -3,300 -3,300 -3,300 -3,300 -6,400 -6,600 -9,800 -29,400 Interaction Effects of Title IV and Sec. 12401 **Budget Authority** -3 -4 -130 -130 -130 -140 -140 -280 -290 -397 -1,247**Estimated Outlays** 0 -3 -4 -130 -130 -130 -140 -140 -280 -290 -397 -1,247 **Total, Nutrition Programs Budget Authority** 0 872 1,160 -2,212-2,296 -2,291-2,300-2,300 -5,492 -5,694 -4,767-20,553 -4,808 **Estimated Outlays** 0 1,135 -2,269-2,297 -2,300 -5,492 -5,694 -20,591 754 -2,137-2,291

FDPIR = Food Distribution Program on Indian Reservations; SNAP = Supplemental Nutrition Assistance Program;

Table 5.

Budget authority includes specified and estimated amounts. Budget authority and outlays are estimated relative to CBO's May 2023 baseline.

Exclusions From Income and Resources. Section 4103 would exclude income earned by secondary students ages 18 to 21 from household income for determination of eligibility for and calculation of SNAP benefits. Under current law, income earned by students age 17 or younger is excluded. CBO used quality control data from SNAP to recalculate benefits for households with income from 18- to 21-year-olds. We anticipate that the proposal would allow some households with income that currently is above the threshold to newly qualify for SNAP. CBO estimates that enacting that provision would increase spending on SNAP benefits by \$1.6 billion over the 2025-2033 period; about 40 percent of that cost would be for households newly eligible under the provision and the remainder for currently eligible households that would get larger benefits.

Section 4103 also would exclude payments from some employment and training programs from reportable household income. Using information from federal agencies, including USDA, the Department of Labor, and the Department of Veterans Affairs, CBO estimates that about 3,000 SNAP households each year would receive payments from those programs.

<sup>\* =</sup> between -\$500,000 and \$500,000.

Enacting that provision would increase direct spending by \$62 million over the 2025-2033 period.

In total, CBO estimates, enacting section 4103 would increase direct spending by \$1.7 billion over the 2025-2033 period.

Earned Income Deduction. Section 4104 would increase from 20 percent to 22 percent the amount of earnings that households receiving SNAP benefits can deduct from their earned income to arrive at the reportable total used when calculating SNAP eligibility and benefit amounts. CBO used quality control data from SNAP to recalculate benefits for households currently claiming the deduction. We anticipate that enacting the provision would allow a small number of households with income that currently is above the threshold to newly qualify for SNAP. CBO estimates that enacting section 4104 would increase spending on SNAP benefits by \$7.4 billion over the 2025-2033 period; about 2 percent of that cost would be for households newly eligible under the provision.

Repeal of Denial of Benefits for Certain Drug-Related Convictions. Section 4122 would allow people who have been convicted of a drug felony to receive SNAP benefits if they are not in prison and are otherwise eligible for the program. Under current law, people who have been convicted of a drug felony are ineligible for benefits unless a state legislature has opted out of or modified that prohibition. With one exception, all states, as well as the District of Columbia, Guam, and the Virgin Islands, have done so. Using information about state policies and the number of people convicted of drug felonies, CBO expects that about 35,000 people would become eligible for benefits that we project will average \$265 per month in 2033. On that basis, CBO estimates that enacting the provision would increase direct spending by \$730 million over the 2025-2033 period.

**Other Provisions.** Title IV would make additional changes to SNAP and related nutrition programs, including the following:

- Sections 4120 and 4124 would reduce funding for the Nutrition Education and Obesity Prevention Grant Program and for nutrition assistance block grants for Puerto Rico and American Samoa by a total of \$1.2 billion over the 2025-2033 period, CBO estimates.
- Sections 4118, 4302, 4306, and 4310 would create or amend several nutrition-related grant programs and pilot projects. For example, section 4118 would increase funding for community food projects. CBO estimates that enacting those provisions would increase direct spending by a total of \$441 million over the 2025-2033 period.
- Sections 4106, 4107, and 4112 would change certain requirements for retailers participating in SNAP. CBO estimates that enacting those provisions would cost \$66 million over the 2025-2033 period.

- Sections 4105, 4109, 4110, 4111, 4113, 4114, 4125, 4126, and 4127 would change the way that states and the federal government administer SNAP benefits and operate the program. For example, section 4125 would allow states to simplify the application and recertification process for households in which all adult members are elderly or disabled and have no earned income. CBO estimates that enacting those provisions would increase direct spending by \$378 million over the 2025-2033 period.
- Sections 4108, 4128, and 4129 would require USDA to report to the public or to the Congress on food purchases using SNAP benefits, food security and diet quality, the efficacy of allowing households to use SNAP benefits to purchase hot food, and food waste. CBO estimates that enacting those provisions would increase direct spending by \$14 million over the 2025-2033 period.
- Sections 4116, 4119, 4123, and 4201 would make other changes to nutrition assistance programs. For example, section 4201 would increase funding for the Seniors Farmers Market Nutrition Program. CBO estimates that enacting those provisions would increase direct spending by \$207 million over the 2025-2033 period.

**Thrifty Food Plan (TFP).** Section 12401 in title XII would cap annual increases in the cost of the TFP at the rate of growth in the consumer price index for all urban consumers. The TFP is a basket of foods selected by USDA to provide a nutritious diet for a household of a particular size. The maximum SNAP benefit is determined by the number of people in the household and the cost of the TFP for a group of that size.

Under current law, the TFP increases each year to account for increases in inflation in the previous year. Current law also requires USDA to reevaluate the TFP every five years to account for food prices (separate from the annual adjustment for inflation) as well as for data on food composition, consumption patterns, and dietary guidance—all of which could combine to increase, decrease, or leave the cost of the TFP unchanged. A reevaluation for 2022, combined with the annual adjustment for inflation, increased the cost of the TFP by about 23 percent, relative to the year before, leading to an increase in benefits for 2022 and every year thereafter.

CBO expects that the scheduled reevaluations for 2027 and 2032 will increase the cost of the TFP, and our baseline projections for the cost of SNAP incorporate those expected increases. Because section 12401 would limit any increases to the increase in inflation, CBO expects that future reevaluations would reduce the cost of the TFP relative to the baseline. On that basis, CBO estimates that enacting section 12401 would reduce direct spending by \$29 billion over the 2025-2033 period. That estimate includes reductions in spending for programs such as the nutrition assistance programs for Puerto Rico and American Samoa and the Summer Electronic Benefit Transfer for Children Program because that spending also is based on the cost of the TFP.

**Interaction Effects.** Title IV and section 12401 include several provisions that would interact with one another. For example, the provision in section 4104 that would increase the earned income deduction would interact with the provision in section 12401 that would limit future increases to the cost of the TFP. CBO expects that increasing the income deduction would increase SNAP benefits and that the increase would in turn increase savings from limiting future increases to the cost of the TFP. In total, CBO estimates, such interactions would reduce costs by \$1.2 billion over the 2025-2033 period.

CBO estimates that enacting title IV and section 12401 together would decrease direct spending by a total of \$20.6 billion over the 2025-2033 period.

# Title VI, Rural Development

Sections 6201 and 6204 would increase eligibility among underserved communities for broadband infrastructure projects that are funded by federal grant programs administered by USDA. Using information from the department, CBO expects that those changes would result in some funds that were provided in previous years being obligated and spent faster than under current law because more projects would qualify for assistance. On that basis, CBO estimates that enacting those provisions would increase direct spending by about \$34 million over the 2025-2029 period (see Table 2). After 2029, that increase would be entirely offset by reductions in spending, resulting in no net effect on direct spending over the 2025-2033 period.

### Title VII, Research, Extension, and Related Matters

Title VII would fund university research and other activities. Using historical spending patterns for similar activities, CBO estimates that enacting title VII would increase direct spending by \$3.4 billion over the 2025-2033 period, as follows (see Table 6):

- Section 7111 would reauthorize and provide \$100 million in mandatory budget authority for the Scholarships for Students at 1890 Institutions program;
- Section 7305 would provide an additional \$95 million annually for the Specialty Crop Research Initiative;
- Section 7502 would provide \$2.5 billion in mandatory budget authority to assist in the construction, alteration, acquisition, modernization, renovation, or remodeling of facilities for research in food and agricultural sciences as authorized under the Research Facilities Act; and
- Section 7209 and section 7605 together would provide a total of \$9 million in mandatory budget authority to a pair of smaller programs.

Table 6. Estimated Increases in Direct Spending Under Title VII, H.R. 8467

				By Fisca	al Year, M	illions of	Dollars					
_	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024- 2029	2024- 2033
Title VII, Research, Exten	ision, and	d Related I	Matters									
Sec. 7111, Scholarships fo	r Student	s at 1890 I	nstitutions	3								
<b>Budget Authority</b>	0	100	0	0	0	0	0	0	0	0	100	100
Estimated Outlays	0	6	12	20	20	20	14	8	0	0	78	100
Sec. 7305, Specialty Crop	Research	Initiative										
<b>Budget Authority</b>	0	95	95	95	95	95	95	95	95	95	475	855
Estimated Outlays	0	38	86	95	95	95	95	95	95	95	409	789
Sec. 7502, Research Facil	ities Act											
<b>Budget Authority</b>	0	2,500	0	0	0	0	0	0	0	0	2,500	2,500
Estimated Outlays	0	50	150	300	450	500	450	350	200	50	1,450	2,500
Other Programs (Sec. 720	9, 7605)											
<b>Budget Authority</b>	0	9	0	0	0	0	0	0	0	0	9	9
Estimated Outlays	0	2	2	2	3	0	0	0	0	0	9	9
Total, Title VII												
<b>Budget Authority</b>	0	2,704	95	95	95	95	95	95	95	95	3,084	3,464
Estimated Outlays	0	96	250	417	568	615	559	453	295	145	1,946	3,398

Budget authority includes specified and estimated amounts. Budget authority and outlays are estimated relative to CBO's May 2023 baseline.

## Title VIII, Forestry

Title VIII would reauthorize several programs aimed at restoring and conserving forests and expedite certain management activities on land administered by the Forest Service. Subtitle G would establish the White Oak Restoration Initiative Coalition to implement and oversee public-private partnerships to reestablish white oaks on public land. CBO estimates that enacting those provisions would increase direct spending by \$10 million over the 2025-2033 period (see Table 2). The funds would come from amounts appropriated in P.L. 117-169 for forestry programs that CBO estimates would otherwise be unspent.

# Title IX, Energy

Title IX would reauthorize the Biobased Markets Program and provide \$3 million a year in mandatory budget authority through 2029. The title also would reauthorize the Bioenergy for Advanced Biofuels Program and provide \$7 million annually through 2029. CBO estimates that enacting title IX would increase direct spending by \$50 million over the 2025-2033 period (see Table 2).

#### Title X, Horticulture

Title X would increase mandatory budget authority by \$370 million relative to CBO's baseline over the 2025-2033 period, as follows:

- Section 10001 would provide an additional \$15 million annually to implement a program for plant pest and disease management and disaster prevention;
- Section 10002 would provide an additional \$15 million annually for the Specialty Crop Block Grant Program;
- Sections 10104, 10105, and 10106 would provide \$95 million to support various organic agriculture programs over the 2025-2029 period; and
- Section 10211 would provide \$5 million for a crop and pesticide use survey.

Using historical spending patterns for similar activities, CBO estimates that enacting those provisions would cost \$370 million over the 2025-2033 period (see Table 7).

Table 7.												
Estimated Increas	ses in Di	rect Sp	ending	Under 1	Title X, I	H.R. 846	<b>57</b>					
				By Fisca	al Year, M	illions of	Dollars					
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024- 2029	2024- 2033
Title X, Horticulture Sec. 10001, Plant Pest ar Disaster Prevention	nd Disease	Managen	nent and									
<b>Budget Authority</b>	0	15	15	15	15	15	15	15	15	15	75	135
Estimated Outlays	0	15	15	15	15	15	15	15	15	15	75	135
Sec. 10002, Specialty Cro	op Block Gr	ant Progr	am									
<b>Budget Authority</b>	0	15	15	15	15	15	15	15	15	15	75	135
Estimated Outlays	0	15	15	15	15	15	15	15	15	15	75	135
Organic Agriculture Progr	ams (Sec.	10104, 10	105, 1010	06)								
<b>Budget Authority</b>	0	23	18	18	18	18	0	0	0	0	95	95
Estimated Outlays	0	19	19	19	19	19	0	0	0	0	95	95
Sec. 10211, Multiple Crop	and Pesti	cide Use S	Survey									
<b>Budget Authority</b>	0	5	0	0	0	0	0	0	0	0	5	5
Estimated Outlays	0	2	3	0	0	0	0	0	0	0	5	5
Total, Title X												
<b>Budget Authority</b>	0	58	48	48	48	48	30	30	30	30	250	370
Estimated Outlays	0	51	52	49	49	49	30	30	30	30	250	370

Budget authority includes specified and estimated amounts. Budget authority and outlays are estimated relative to CBO's May 2023 baseline.

# Title XI, Crop Insurance

Title XI would make changes to crop insurance programs that CBO estimates would increase direct spending by \$3.5 billion over the 2025-2033 period (see Table 8).

Table 8. Estimated Increases in Direct Spending Under Title XI, Crop Insurance, H.R. 8467

	By Fiscal Year, Millions of Dollars													
<u>-</u>	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024- 2029	2024- 2033		
Sec. 11005, Supplemental Coverage Enhancements	and Aggr	egate												
<b>Budget Authority</b>	0	214	211	211	211	209	209	210	214	218	1,056	1,907		
Estimated Outlays	0	214	211	211	211	209	209	210	214	218	1,056	1,907		
Sec. 11010, Reinsurance														
<b>Budget Authority</b>	0	55	130	145	160	180	190	210	225	240	670	1,535		
Estimated Outlays	0	55	130	145	160	180	190	210	225	240	670	1,535		
Other Changes (Sec. 1100	8, 11013,	11014)												
<b>Budget Authority</b>	0	8	8	9	8	8	8	8	9	8	41	74		
Estimated Outlays	0	8	8	9	8	8	8	8	9	8	41	74		
Total, Title XI														
<b>Budget Authority</b>	0	277	349	365	379	397	407	428	448	466	1,767	3,516		
Estimated Outlays	0	277	349	365	379	397	407	428	448	466	1,767	3,516		

Budget authority includes specified and estimated amounts. Budget authority and outlays are estimated relative to CBO's May 2023 baseline.

- Section 11005 would amend the Federal Crop Insurance Program to make supplemental and aggregate coverage available to producers and would increase the range of losses covered (thus reducing deductible amounts). That section also would increase premium subsidies for the Supplemental Coverage Option and allow producers to separately insure fallow land (cultivated land that normally is planted but that is instead left out of production during a regular growing season) and continuous crops. CBO estimates that enacting those provisions would increase direct spending for the crop insurance program by \$1.9 billion over the 2025-2033 period.
- Section 11010 would provide additional administrative and operating (A&O) funds to approved private-sector insurance carriers for certain policies and would set a lower limit on the A&O amounts the approved insurance providers receive for specialty crop policies. Section 11010 also would adjust A&O subsidies over time to account for inflation. CBO estimates that enacting the section would cost \$1.5 billion over the 2025-2033 period.

Other sections in title XI would authorize several smaller programs to provide support to beginning farmers and farmers who are veterans, as well as to support program compliance and program integrity efforts. Those costs would total \$0.1 billion over the 2025-2033 period, CBO estimates.

### **Title XII, Miscellaneous Provisions**

Title XII would make changes to several different USDA programs. CBO estimates that enacting title XII would decrease direct spending by \$27.0 billion over the 2025-2033 period (see Table 9).

Table 9.
Estimated Changes in Direct Spending Under Title XII, Miscellaneous Provisions, H.R. 8467

	By Fiscal Year, Millions of Dollars													
_	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024- 2029	2024- 2033		
			Inc	reases or	Decrease	s (-) in Dir	ect Spend	ing						
Sec. 12001, Animal Dise	ease Prev	ention an	d Manage	ement										
Budget Authority	0	278	278	278	278	278	45	45	45	45	1,390	1,570		
Estimated Outlays	0	45	230	314	523	278	45	45	45	45	1,390	1,570		
Sec. 12006, Sheep Prod	luction an	d Marketi	ng Grant	Program										
<b>Budget Authority</b>	0	3	0	0	0	0	0	0	0	0	3	3		
Estimated Outlays	0	2	1	0	0	0	0	0	0	0	3	3		
Sec. 12304, Digitization Ownership Data Collecti			of Foreig	n Land										
<b>Budget Authority</b>	0	10	0	0	0	0	0	0	0	0	10	10		
Estimated Outlays	0	4	4	1	1	0	0	0	0	0	10	10		
Sec. 12401, Thrifty Food	l Plan													
<b>Budget Authority</b>	0	0	0	-3,200	-3,300	-3,300	-3,300	-3,300	-6,400	-6,600	-9,800	-29,400		
Estimated Outlays	0	0	0	-3,200	-3,300	-3,300	-3,300	-3,300	-6,400	-6,600	-9,800	-29,400		
Sec. 12402, Establishme	ent of Diet	ary Guide	elines											
<b>Budget Authority</b>	0	5	5	5	5	5	0	0	0	0	25	25		
Estimated Outlays	0	5	5	5	5	5	0	0	0	0	25	25		
Sec.12407, Agricultural	Fiber Prod	ducts Trus	st Fund											
<b>Budget Authority</b>	0	27	50	50	50	50	0	0	0	0	227	227		
Estimated Outlays	0	50	50	50	50	50	0	0	0	0	250	250		
Sec.12413, Experienced	Services	Program												
<b>Budget Authority</b>	0	2	4	7	10	11	14	15	17	20	34	100		
Estimated Outlays	0	2	4	7	10	11	14	15	17	20	34	100		
Sec. 12415, Extension of Community Self Determine			ools and											
<b>Budget Authority</b>	0	157	157	157	0	0	0	0	0	0	471	471		
Estimated Outlays	0	157	157	157	0	0	0	0	0	0	471	471		
Total, Title XII														
<b>Budget Authority</b>	0	482	494	-2,703	<b>-</b> 2,957	-2,956	-3,241	-3,240	-6,338	-6,535	-7,640	-26,994		
Estimated Outlays	0	265	451	-2,666	-2,711	-2,956	-3,241	-3,240	-6,338	-6,535	-7,617	-26,971		

Budget authority includes specified and estimated amounts. Budget authority and outlays are estimated relative to CBO's May 2023 baseline.

- Section 12001 would provide funding to maintain the National Animal Health Laboratory Network, the National Animal Disease and Preparedness Response Program, and the National Animal Vaccine and Veterinary Countermeasures Bank to provide rapid responses to animal disease outbreaks. CBO estimates that enacting the section would cost \$1.6 billion over the 2025-2033 period.
- Section 12401 would make changes to the Thrifty Food Plan, which are described above in the section "Title IV, Nutrition." CBO estimates that enacting that section would reduce direct spending by \$29.4 billion over the 2025-2033 period.
- Section 12413 would provide mandatory funding to employ people age 55 or older who would provide technical, professional, and administrative services to support the

programs and authorities in each mission area of the Department of Agriculture. CBO estimates that enacting that provision would cost \$100 million over the 2025-2033 period.

- Section 12415 would amend and reauthorize the Secure Rural Schools and Community Self- Determination Act of 2000 to reauthorize funding for the Secure Rural Schools program through 2026, for a total cost of \$471 million over the 2025-2033 period, CBO estimates.
- Sections 12006, 12304, 12402, and 12407 would provide funds that would be used to market agricultural products, develop a database of agricultural land owned by foreign entities, and establish dietary guidelines. CBO estimates that enacting those provisions would cost \$288 million over the 2025-2033 period.

# **Spending Subject to Appropriation**

Table 10 compiles amounts specifically authorized to be appropriated in H.R. 8467. CBO estimates that implementing the provisions that specify authorizations of appropriations would cost \$17.5 billion over the 2025-2029 period and \$23.6 billion over the 2025-2033 period, assuming appropriation of those amounts. Details of those authorizations are summarized below.

Implementing title I (commodities) and title XI (crop insurance) would require additional spending, but those titles do not authorize the appropriation of specific amounts. CBO has not completed an estimate of the costs of implementing any provision without an authorization of specific amounts.

### Title II, Conservation

Title II would reauthorize appropriations for several conservation and environmental programs that would total \$0.8 billion over the 2025-2029 period. CBO estimates that implementing those provisions would cost \$0.7 billion over the 2025-2029 period.

### Title III, Trade

Title III would amend and reauthorize appropriations for trade promotion and international food assistance programs through 2029 that would total \$0.6 billion over the 2025-2029 period. CBO estimates that implementing those provisions would cost \$0.4 billion over the 2025-2029 period.

### Title IV, Nutrition

Title IV would amend and reauthorize several nutrition programs. That title also would establish pilot projects to create public-private partnerships that focus on food insecurity and poverty. The authorized amounts would total \$1.1 billion over the 2025-2029 period and \$400 million after 2029. CBO estimates that implementing those provisions would cost \$1.0 billion over the 2025-2029 period.

Table 10.
Authorized Increases in Spending Subject to Appropriation Under H.R. 8467

											2024-	2024-
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2029	2033
Title II, Conservation												
Authorization	0	165	165	165	165	165	0	0	0	0	825	825
Estimated Outlays	0	93	128	148	165	165	72	37	17	0	699	825
Title III, Trade												
Authorization	0	113	113	113	113	113	0	0	0	0	565	565
Estimated Outlays	0	40	84	105	109	109	69	25	4	0	447	545
Title IV, Nutrition												
Authorization	0	226	211	211	211	211	100	100	100	100	1,070	1,470
Estimated Outlays	0	175	198	212	214	212	142	115	102	100	1,011	1,470
Title V, Credit												
Authorization	0	238	238	238	238	238	0	0	0	0	1,190	1,190
Estimated Outlays	0	164	235	235	235	235	70	0	0	0	1,104	1,174
Title VI, Rural Develop	ment											
Authorization	0	1108	1108	1108	1108	1108	0	0	0	0	5,540	5,540
Estimated Outlays	0	155	380	654	907	1073	971	708	411	195	3,169	5,454
Title VII, Research, Ext	ension, a	nd Related	d Matters									
Authorization	0	1,590	1,589	1,590	1,589	1,590	0	0	0	0	7,948	7,948
Estimated Outlays	0	405	876	1,217	1,464	1,590	1,185	713	373	125	5,552	7,948
Title VIII, Forestry												
Authorization	0	935	935	935	935	935	0	0	0	0	4,675	4,675
Estimated Outlays	0	669	826	902	925	935	266	109	33	10	4,257	4,675
Title IX, Energy												
Authorization	0	143	143	143	143	143	0	0	0	0	715	715
Estimated Outlays	0	40	95	130	143	143	100	45	16	3	551	715
Title X, Horticulture												
Authorization	0	99	99	99	99	99	0	0	0	0	495	495
Estimated Outlays	0	68	93	99	99	99	31	6	0	0	458	495
Title XII, Miscellaneous												
Authorization	0	59	59	59	59	59	0	0	0	0	295	295
Estimated Outlays	0	47	57	59	59	59	12	2	0	0	281	295
Total, All Titles												
Authorization	0	4,676	4,660	4,661	4,660	4,661	100	100	100	100	23,318	23,718
Estimated Outlays	0	1,856	2,972	3,761	4,320	4,620	2,918	1,760	956	433	17,529	23,596

Authorization amounts are for specific appropriations; indefinite amounts that would need to be estimated are not included. Titles I and XI do not contain any provisions that would authorize the appropriation of specific amounts.

# Title V, Credit

Title V would reauthorize appropriations for the subsidy cost of USDA's conservation loan and loan guarantee programs that would total \$1.2 billion over the 2025-2029 period. CBO estimates that implementing those provisions would cost \$1.1 billion over the 2025-2029 period.

## Title VI, Rural Development

Title VI would amend and reauthorize programs related to providing rural access to broadband, rural utilities, and bioenergy. The title also would authorize funding to improve health outcomes in rural communities. The authorization of appropriations would total \$5.5 billion over the 2025-2029 period. CBO estimates that implementing those provisions would cost \$3.2 billion over the 2025-2029 period.

### Title VII, Research, Extension, and Related Matters

Title VII would reauthorize appropriations for various research and educational programs that would total \$7.9 billion over the 2025-2029 period. CBO estimates that implementing those provisions would cost \$5.6 billion over the 2025-2029 period.

### Title VIII, Forestry

Title VIII would reauthorize appropriations for several forestry programs that would total \$4.7 billion over the 2025-2029 period. CBO estimates that implementing those provisions would cost \$4.3 billion over the 2025-2029 period.

### Title IX, Energy

Title IX would reauthorize appropriations for the Biorefinery Assistance Program, the Rural Energy for America Program, and other bioenergy programs that would total \$0.7 billion over the 2025-2029 period. CBO estimates that implementing those provisions would cost \$0.6 billion over the 2025-2029 period.

#### Title X, Horticulture

Title X would reauthorize appropriations for the National Organic Program and other programs intended to support food safety and specialty crops that would total \$0.5 billion over the 2025-2029 period. CBO estimates that implementing those provisions would cost \$0.5 billion over the 2025-2029 period.

#### **Title XII, Miscellaneous Provisions**

Title XII would reauthorize appropriations for the Animal Disease Preparedness and Response Program and related programs that would total \$0.3 billion over the 2025-2029 period. CBO estimates that implementing those provisions would cost \$0.3 billion over the 2025-2029 period.

# Uncertainty

CBO seeks to produce estimates that reflect the middle of a range of the most likely outcomes. Estimates of commodity support programs are particularly sensitive to changes in commodity prices and production, which themselves are sensitive to changes in weather and markets, especially trade. Nutrition program estimates are particularly sensitive to how, and how quickly, states implement policies regarding deductions and exclusions of earnings, among other factors. Changes in the economy, especially regarding inflation and unemployment, also can affect estimates.

## Pay-As-You-Go Considerations

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those pay-as-you-go procedures are shown in Table 11.

Table 11. CBO's Estimate of the Statutory Pay-As-You-Go Effects of H.R. 8467, as Ordered Reported by the House Committee on Agriculture on May 23, 2024												
By Fiscal Year, Millions of Dollars												
<u>-</u>	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024- 2029	2024- 2033
Net Increase in the Deficit  Pay-As-You-Go Effect 0 1,428 1,610 3,620 4,266 4,460 4,358 5,648 3,980 3,603											15,384	32,973

# **Increase in Long-Term Net Direct Spending and Deficits**

CBO estimates that enacting H.R. 8467 would increase net direct spending by more than \$2.5 billion in all of the four consecutive 10-year periods beginning in 2034.

CBO estimates that enacting H.R. 8467 would increase on-budget deficits by more than \$5 billion in all of the four consecutive 10-year periods beginning in 2034.

#### **Mandates**

H.R. 8467 would impose intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). In the aggregate, CBO estimates, the costs of the mandates would be below the intergovernmental and private-sector thresholds established in UMRA (\$100 million and \$200 million, respectively, in 2024, adjusted annually for inflation).

# Mandates That Apply to State and Local Governments Only

Title IV would impose intergovernmental mandates by amending state authorities and duties under SNAP. For large entitlement grant programs like SNAP, UMRA defines an increase in the stringency of conditions on states as an intergovernmental mandate if the affected governments lack authority to offset those costs while continuing to provide the required services.

Section 4110 would require states to provide the SNAP National Accuracy Clearinghouse with certain information about program participants. That duty would expand requirements already in law, and CBO estimates that the cost to comply would not exceed the threshold established in UMRA.

Section 4126 would require states to suspend the electronic benefit transfer accounts of SNAP households whose transactions are made entirely out of state for more than 90 days

consecutively. Using data from USDA, CBO estimates that the state share of the administrative costs to comply with that mandate would be less than \$3 million annually.

Section 4305 would require schools that participate in the National School Lunch Program, starting with the 2025 school year, to purchase 95 percent of all food products and commodities from domestic sources. Under current regulations, schools have until the 2031 school year to phase in changes to meet that same requirement. Using data from USDA's Food and Nutrition Service, CBO estimates that the increase in food costs attributable to the new deadline will amount to between \$2 million and \$3 million annually.

Title X would impose intergovernmental mandates by preempting state and local governments from requiring pesticide labeling that is different from the labeling requirements approved by the Environmental Protection Agency under the Federal Insecticide, Fungicide, and Rodenticide Act. In addition, that title would prohibit local governments from imposing any additional requirements relating to the sale, distribution, labeling, application, or use of any pesticide that is subject to regulation under that act. Title X also would prohibit state courts from issuing injunctions against state or tribal entities' dispersal of aerial fire retardants as part of wildfire suppression or control. CBO estimates that there would be no cost associated with those preemptions of state and local laws.

Title XII would impose an intergovernmental mandate by prohibiting states from imposing regulations on any products derived from livestock (milk and beef, for example) raised and processed in another state. CBO estimates that there would be no cost associated with that preemption of state laws.

### **Mandates That Apply to Private Entities Only**

Section 1403 would impose a private-sector mandate on dairy manufacturers by expanding current reporting requirements to include production costs and product yield information. CBO estimates that the cost to comply with the mandate would be small because under current law producers report similar information to USDA.

Section 10101 would impose a private-sector mandate on importers by adding almonds to a list of agricultural products for which USDA can impose import regulations. Those regulations could limit access to some foreign markets that are available under current law to importers. The most recent data available from USDA indicated that the market for imported almonds was about \$85 million annually. CBO expects that only a portion of that market would be affected by the enactment of section 10101. Therefore, we estimate that the cost of the mandate would be below the threshold for private-sector mandates.

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