

Mandatory and Receipt Proposals for Agriculture in the FY 2013 President's Budget
 Compared to CBO's March 2012 Baseline

3/15/2011

Change in Outlays, In Millions of Dollars, by Fiscal Year

Preliminary. Subject to Final Legislation.

Proposal	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-17	2013-22
CBO Estimates													
<u>Mandatory Initiatives and Savings</u>													
Reduce Agriculture Subsidies	0	36	-4,548	-220	-859	-1,388	-1,288	-1,870	-2,804	-2,522	-2,862	-6,979	-18,325
Programmatic Changes to Crop Insurance	0	0	-152	-633	-900	-910	-920	-929	-940	-947	-955	-2,595	-7,286
Better Target Conservation Spending	0	-23	-45	-219	-213	-187	-187	-198	-189	-197	-188	-687	-1,646
Permanently Reauthorize Stewardship Contracting	0	0	1	1	1	1	1	1	1	1	1	4	9
Extend Funding for Secure Rural Schools	0	0	286	291	196	141	50	11	0	0	0	914	976
Outyear Mandatory Effects of Discretionary Changes to CSP	0	0	0	0	0	0	0	0	0	0	0	0	0
Extend ARRA provisions in SNAP	0	2	1,165	0	0	0	0	0	0	0	0	1,167	1,167
Total Agriculture Mandatory Initiatives and Savings	0	15	-3,293	-780	-1,775	-2,343	-2,344	-2,985	-3,932	-3,665	-4,004	-8,176	-25,105
<u>Enact User Fees</u>													
Grain Inspection, Packers, and Stockyards Administration (GIPSA) fees {tax}	0	-20	-20	-20	-19	-19	-19	-19	-19	-19	-19	-98	-193
Animal Plant and Health Inspection Service (APHIS) fees {tax}	0	-15	-20	-20	-20	-21	-21	-22	-23	-23	-24	-95	-208
Food Safety and Inspection Service (FSIS) performance fees {tax}	0	-10	-9	-10	-10	-11	-11	-11	-11	-12	-13	-50	-108
Natural Resources Conservation Service (NRCS) fees	0	-22	-22	-22	-22	-22	-22	-22	-22	-22	-22	-110	-220
Impose Biobased Labeling Fee	0	-1	---	---	---	---	---	---	---	---	---	-1	-1
Total Agriculture User Fees	0	-67	-71	-71	-72	-73	-73	-74	-75	-76	-77	-353	-730
<u>Total, Agriculture</u>	0	-52	-3,364	-851	-1,847	-2,416	-2,417	-3,059	-4,007	-3,741	-4,081	-8,529	-25,835

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OMB Estimates													
<u>Mandatory Initiatives and Savings</u>													
Reduce Agriculture Subsidies	0	516	-3,296	-2,027	-647	-893	-2,172	-3,528	-3,677	-3,555	-3,389	-6,347	-22,668
Programmatic Changes to Crop Insurance	0	-225	-264	-702	-888	-895	-906	-917	-930	-940	-950	-2,974	-7,617
Better Target Conservation Spending	0	-46	-106	-159	-222	-222	-227	-221	-216	-211	-211	-755	-1,841
Permanently Reauthorize Stewardship Contracting	0	-8	-4	2	2	2	2	1	1	1	1	-6	0
Extend Funding for Secure Rural Schools	54	270	287	198	141	49	10	1	0	0	0	945	956
Outyear Mandatory Effects of Discretionary Changes to CSP	0	0	-1	-14	-13	-13	-14	-14	-14	-14	-14	-41	-111
Extend ARRA provisions in SNAP	0	369	1,352	22	0	0	0	0	0	0	0	1,743	1,743
Total Agriculture Mandatory Initiatives and Savings	54	876	-2,032	-2,680	-1,627	-1,972	-3,307	-4,678	-4,836	-4,719	-4,563	-7,435	-29,538
<u>Enact User Fees</u>													
Grain Inspection, Packers, and Stockyards Administration (GIPSA) fees {tax}	0	-27	-27	-27	-27	-27	-27	-27	-27	-27	-27	-135	-270
Animal Plant and Health Inspection Service (APHIS) fees {tax}	0	-20	-27	-27	-28	-29	-30	-31	-32	-33	-34	-131	-291
Food Safety and Inspection Service (FSIS) performance fees {tax}	0	-13	-13	-13	-13	-13	-13	-13	-13	-13	-13	-65	-130
Natural Resources Conservation Service (NRCS) fees	0	-22	-22	-22	-22	-22	-22	-22	-22	-22	-22	-110	-220
Impose Biobased Labeling Fee	0	-1	---	---	---	---	---	---	---	---	---	-1	-1
Total Agriculture User Fees	0	-83	-89	-89	-90	-91	-92	-93	-94	-95	-96	-442	-912
<u>Total, Agriculture</u>	54	793	-2,121	-2,769	-1,717	-2,063	-3,399	-4,771	-4,930	-4,814	-4,659	-7,877	-30,450

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Proposal	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-17	2013-22
Difference: CBO less OMB													
Mandatory Initiatives and Savings													
Reduce Agriculture Subsidies	0	-480	-1,252	1,807	-212	-495	884	1,658	873	1,033	527	-632	4,343
Programmatic Changes to Crop Insurance	0	225	112	69	-12	-15	-14	-12	-10	-7	-5	379	331
Better Target Conservation Spending	0	23	61	-60	9	35	40	23	27	14	23	68	195
Permanently Reauthorize Stewardship Contracting	0	8	5	-1	-1	-1	-1	0	0	0	0	10	9
Extend Funding for Secure Rural Schools	-54	-270	-1	93	55	92	40	10	0	0	0	-31	20
Outyear Mandatory Effects of Discretionary Changes to CSP	0	0	1	14	13	13	14	14	14	14	14	41	111
Extend ARRA provisions in SNAP	0	-367	-187	-22	0	0	0	0	0	0	0	-576	-576
Total Agriculture Mandatory Initiatives and Savings	-54	-861	-1,261	1,900	-148	-371	963	1,693	904	1,054	559	-741	4,433
Enact User Fees													
Grain Inspection, Packers, and Stockyards Administration (GIPSA) fees {tax}	0	7	7	7	8	8	8	8	8	8	8	37	77
Animal Plant and Health Inspection Service (APHIS) fees {tax}	0	5	7	7	8	8	9	9	9	10	10	36	83
Food Safety and Inspection Service (FSIS) performance fees {tax}	0	3	4	3	3	2	2	2	2	1	0	15	22
Natural Resources Conservation Service (NRCS) fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Impose Biobased Labeling Fee	0	---	---	---	---	---	---	---	---	---	---	0	0
Total Agriculture User Fees	0	16	18	18	18	18	19	19	19	19	19	89	182
Total. Agriculture	-54	-845	-1,243	1,918	-130	-353	982	1,712	923	1,073	578	-652	4,615

Reduce Agricultural Subsidies. Direct payments to producers (fixed annual payments for program crops and peanuts based on historical acres and yields) would be eliminated beginning with the 2013 crop, assuming authority for these payments is repealed in the next farm bill. Savings from eliminating direct payments would be offset by increased outlays for both price- (countercyclical) and revenue- (ACRE) based programs.

The proposal would also extend agricultural disaster assistance programs similar to the Supplemental Revenue Assistance Programs in the 2008 Farm Bill for crops and livestock for the 2013-2017 fiscal years.

Programmatic Changes to Crop Insurance. CBO assumes enactment would not be before the contract change date for fall planted 2013 crops or the beginning of the 2013 reinsurance year and thus would become effective for the 2014 crops.

Better Target Conservation Spending. Total acreage in the Conservation Reserve Program would be reduced to 30 million acres (from the existing cap of 32 million) beginning in 2013, assuming the CRP is reauthorized in the next farm bill. The proposal would also reduce annual funding for the Environmental Quality Incentives Program by \$100 million (from authorized level of \$1.750 billion per year), beginning in 2013.

Outyear Mandatory Effects of Discretionary Changes to CSP. CBO includes the savings from the outyear effects of discretionary changes to the Conservation Stewardship Program (limit enrollment in 2013 to 12,009,368 acres) as a discretionary change in mandatory programs instead of as a mandatory proposal.

User Fees. CBO considers mandatory user fees to be taxes (additional revenues), subject to an annual percentage offset. The NRCS fee proposal would be voluntary and, hence, would be offsetting collections.

In this table, a negative number for a tax indicates an increase in revenue/decrease in the deficit.

ACRE = Average Crop Revenue Election Program; ARRA = American Recovery and Reinvestment Act of 2009; CRP = Conservation Reserve Program; CSP = Conservation Stewardship Program; EQIP = Environmental Quality Incentives Program; OMB = Office of Management and Budget; NRCS = Natural Resources Conservation Service; SNAP = Supplemental Nutrition Assistance Program.