



CONGRESSIONAL BUDGET OFFICE
U.S. Congress
Washington, DC 20515

Douglas W. Elmendorf, Director

July 30, 2012

Honorable Frank D. Lucas
Chairman
Committee on Agriculture
U.S. House of Representatives
Washington, DC 20515


Dear Mr. Chairman:

CBO has prepared an estimate of the effects on direct spending of draft legislation to provide a one-year extension of the Food, Conservation, and Energy Act of 2008, with certain modifications, that was posted on the Web site of the House Committee on Rules on July 27, 2012.

CBO estimates that enacting this proposal would reduce direct spending by \$399 million over the 2013-2022 period, relative to spending projected under CBO's current baseline (see enclosed table). Because the proposal would affect direct spending, pay-as-you-go procedures apply. Enacting the proposal would not affect federal revenues. CBO has not estimated the additional discretionary spending that would result from implementing the proposal; that additional spending would be subject to future appropriation actions. CBO also has not reviewed the proposal for intergovernmental or private-sector mandates.

If you need further details on this estimate, we would be pleased to provide them. The CBO staff contact is Jim Langley.

Sincerely,

for 

Douglas W. Elmendorf

Enclosure

cc: Honorable Collin C. Peterson
Ranking Member

Honorable David Dreier
Chairman
Committee on Rules

Honorable Louise Slaughter
Ranking Member

ESTIMATED EFFECTS ON DIRECT SPENDING FROM THE DRAFT LEGISLATION TO PROVIDE A ONE-YEAR EXTENSION OF THE FOOD, CONSERVATION, AND ENERGY ACT OF 2008, WITH CERTAIN MODIFICATIONS, AS POSTED ON THE WEB SITE OF THE HOUSE COMMITTEE ON RULES ON JULY 27, 2013

	By Fiscal Year, in Millions of Dollars										2013-	2013-
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2017	2022
CHANGES IN OUTLAYS FROM DIRECT SPENDING^a												
Reduce Direct Payments	0	-29	-29	-29	-29	-29	-29	-29	-29	-29	-116	-261
Supplemental Disaster Assistance												
Livestock Indemnity Program	84	36	4	0	0	0	0	0	0	0	124	124
Livestock Forage Program	244	180	17	0	0	0	0	0	0	0	441	441
Emergency Assistance for Livestock, Bees, Fish	26	14	0	0	0	0	0	0	0	0	40	40
Tree Assistance Program	13	7	0	0	0	0	0	0	0	0	20	20
Payment Limitations	<u>-2</u>	<u>-2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-4</u>	<u>-4</u>
Subtotal, Supplemental Disaster Assistance	365	235	21	0	0	0	0	0	0	0	621	621
Conservation Programs												
Conservation Stewardship Program	-5	-31	-31	-31	-31	-36	-31	-31	-31	-31	-129	-289
Farmland Protection Program	-2	-18	-14	-8	-8	0	0	0	0	0	-50	-50
Environmental Quality Incentives Program	-82	-76	-40	-41	-37	-37	-37	0	0	0	-276	-350
Wildlife Habitat Incentives Program	-8	-9	-5	-4	-4	-4	-4	-2	0	0	-30	-40
Grassland Reserve Program	<u>-11</u>	<u>-8</u>	<u>-2</u>	<u>-3</u>	<u>-1</u>	<u>-1</u>	<u>-1</u>	<u>-1</u>	<u>-1</u>	<u>-1</u>	<u>-25</u>	<u>-30</u>
Subtotal, Conservation Programs	-108	-142	-92	-87	-81	-78	-73	-34	-32	-32	-510	-759
Total Changes in Direct Spending	257	64	-100	-116	-110	-107	-102	-63	-61	-61	-5	-399

Source: Congressional Budget Office.

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

a. This estimate does not include effects on discretionary spending. Such spending would be subject to future appropriation actions.