Proposals Affecting Agriculture—
CBO’s Estimate of the President’s Fiscal Year 2021 Budget

Crop Insurance
Through the Federal Crop Insurance Corporation, producers may purchase insurance against losses in yield or revenues for their crops. On average, the federal government pays roughly 60 percent of a producer’s premiums. The government also reimburses private-sector insurance companies for administrative expenses and underwriting gains (a company’s share of total gains and losses for insurance policies).

Commodity Programs
The federal Commodity Credit Corporation accounts for a significant portion of mandatory federal spending for agriculture through a wide range of programs that provide commodity price, income, and revenue support to farmers.

Conservation Programs
The federal government has programs to encourage producers to take fragile land out of production or to make improvements that promote land conservation by preventing erosion or improving productivity, for example.

A Note About the Estimates
These estimates are based on CBO’s baseline budget projections as of March 6, 2020 which do not incorporate changes to the nation’s economic outlook and fiscal situation arising from the recent and rapidly evolving public health emergency related to the novel coronavirus.
## Farm Bill Programs

<table>
<thead>
<tr>
<th>Proposals Affecting Agriculture</th>
<th>CBO’s Estimate of the President’s Fiscal Year 2021 Budget</th>
<th>Millions of Dollars, by Fiscal Year</th>
<th>March 25, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
<td>2022</td>
<td>2023</td>
</tr>
<tr>
<td><strong>Crop Insurance Proposals</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eliminate Food for Progress</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eliminate LFP</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Include marketing loan forfeiture in payment limitation</td>
<td>-1</td>
<td>-1</td>
<td>-1</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Commodity Program Proposals</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eliminate LFP with AGI ≤ $500,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Include marketing loan forfeiture in payment limitation</td>
<td>-1</td>
<td>-1</td>
<td>-1</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Streamline Conservation Programs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target conservation program payments to farmers</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Eliminate CRP signup and practice incentive payments</td>
<td>-3</td>
<td>-3</td>
<td>-3</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Eliminate Low-Priority Farm Bill Programs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eliminate Wool Apparel Manufacturers Trust Fund</td>
<td>-28</td>
<td>-28</td>
<td>-28</td>
</tr>
<tr>
<td>Eliminate Pima Cotton Trust Fund</td>
<td>-16</td>
<td>-16</td>
<td>-16</td>
</tr>
<tr>
<td>Eliminate Adjustment Assistance for Textile Mills</td>
<td>-41</td>
<td>-41</td>
<td>-41</td>
</tr>
<tr>
<td><strong>Eliminate LFP</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eliminate Food for Progress</td>
<td>-86</td>
<td>-86</td>
<td>-86</td>
</tr>
<tr>
<td>Total</td>
<td>-1,233</td>
<td>-1,339</td>
<td>-1,877</td>
</tr>
</tbody>
</table>

These estimates are based on CBO’s baseline budget projections as of March 6, 2020, which do not incorporate changes to the nation’s economic outlook and fiscal situation arising from the recent and rapidly evolving public health emergency related to the novel coronavirus.

Components may not sum to totals because of rounding.

ACEP = Agricultural Conservation Easement Program; AGI = adjusted gross income; CRP = Conservation Reserve Program; CSP = Conservation Stewardship Program; ELAP = Emergency Livestock Assistance Program; LFP = Livestock Forage Program; MAL = Marketing Assistance Loans; NASS = National Agricultural Statistics Service; SNAP = Supplemental Nutrition Assistance Program.

a Because the ELAP covers losses not covered by LFP, eliminating LFP will shift costs to ELAP. ELAP allows higher payments to beginning, veteran, and socially disadvantaged farmers; LFP does not. Hence, the elimination of LFP will cost more than under current law.