

State-Federal Relations Division

Senate Agriculture Committee Approves 2018 Farm Bill in Bipartisan Vote

June 15, 2018

On June 13, the Senate Agriculture Committee approved its <u>2018 Farm Bill</u>, <u>20-1</u>. Senate Majority Leader Mitch McConnell (R-Ky.) has indicated that he would like the full Senate to vote on it prior to the July 4 recess. The House Agriculture Committee approved <u>its bill</u> on April 18, but the legislation <u>failed</u> on the House floor in early May. A second vote is expected later this month. Current authorization for most farm bill programs expires at the end of the fiscal year, Sept. 30, 2018. An extension may be necessary if a reauthorization is not signed by then.

Although the Senate Agriculture Committee's bill avoided any major changes in farm policy, it still included several noteworthy provisions. One of the biggest changes would be the legalization of hemp production. Farmers would be allowed to grow and sell the plant as an agricultural commodity that would be eligible for crop insurance. The bill gives states the authority to regulate hemp, and hemp researchers could apply for U.S. Department of Agriculture (USDA) grants. NCSL strongly supported the inclusion of this language.

On funding for conservation programs, the Senate bill maintains the existing overall level, significantly different than the \$800 million overall reduction contained in the House bill. Additionally, the Senate bill maintains the largest conservation program, the Conservation Stewardship Program (CSP), which the House bill would eliminate, although does reallocate some of CSP's funding for Environmental Conservation Environmental Quality Incentives Program (EQIP) - a federal costsharing initiative that supports capital projects that have positive environmental effects, such as cover crops. The Senate bill expands the Conservation Environmental errors funding for the Conservation Program, which was cut in the 2014 farm bill, in addition to increasing funding for the Regional Conservation Partnership Program, a program that connects local environmental groups to farmers. Further, the bill establishes a pilot program to improve small farmers' access to the EQIP program, increases EQIP payments for state-designated high-priority practices, allowing states to prioritize their conservation efforts, and increases the share of EQIP funds designated for young and beginning farmers from 5 percent to 15 percent.

Another new provision would give USDA the authority to operate a livestock vaccine bank, although the bank's funding would not be mandatory, and would be subject to the annual appropriations process. The bill also increases funding for various federal programs aimed at organic crops including mandatory funding for the National Organic Certification Cost Share
Program and the Organic Research Program. Additionally, the bill also increases funding for the Organic Agriculture Research and Extension Initiative by nearly 20 percent over the life of the bill. Additional support for dairy farmers is provided through \$100 million in new funding for the Margin Protection Program for milk producers, and to rebrand it as the Dairy Risk Coverage Program. This would allow the program to increase the margin cap and discounts for small and medium sized dairies.

Commodity support programs remained largely untouched outside of changes aimed at ensuring payments from the commodity support program known as <u>Agriculture Risk Coverage</u>, are more consistent across state lines. Additionally, the bill provides permanent funding for several USDA competitive grant programs by replicating the \$200 million for the <u>Foundation for Food and Agriculture Research</u>, first established in the 2014 farm bill, while also removing a grant-matching requirement for National Institute of Food and Agriculture competitive programs.

If you have any additional questions or concerns regarding farm provisions, please contact NCSL staff <u>Ben Husch</u> or <u>Kristen Hildreth</u>. For additional information on the food and nutrition programs, including the Supplemental Nutrition Assistance Program, please contact NCSL's Health and Human Services Committee staff <u>Haley Nicholson</u> or <u>Abbie Gruwell</u>.

Key Documents:

Agriculture Improvement Act of 2018 (2018 Farm Bill) Section-by-Section Summary of 2018 Farm Bill