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United States Senate

COMMITTEE ON
AGRICULTURE, NUTRITION, AND FORESTRY
WASHINGTON, DC 20510-6000
202-224-2035

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April 6, 2023

The Honorable Sheldon Whitehouse
Chairman
Committee on the Budget
United States Senate
Washington, DC 20510

The Honorable Charles Grassley
Ranking Member
Committee on the Budget
United States Senate
Washington, DC 20510

Dear Chairman Whitehouse and Ranking Member Grassley:

In response to your March 3, 2023, letter and pursuant to section 301(d) of the Congressional Budget Act and Section 4201 of the Fiscal Year (FY) 2018 budget resolution, we write to provide the views and estimates of the U.S. Senate Committee on Agriculture, Nutrition, and Forestry regarding the Fiscal Year 2024 budget. We appreciate the opportunity to share these recommendations, views, and estimates for programs within the jurisdiction of our Committee.

The Committee has jurisdiction over significant mandatory and discretionary programs covering farm income support, risk management, voluntary conservation, nutrition assistance, child nutrition, local food systems, organics, agricultural research, energy, rural development, forestry, and commodity derivative markets. The Committee's approach to these issues reflects a long-standing history of bipartisan oversight to ensure Federal programs are implemented effectively and transparently, and that Federal resources reach farmers, families, and rural communities.

According to the most recent projections of mandatory spending from the Congressional Budget Office (CBO), outlays in the Committee's jurisdiction are expected to total \$188.144 billion in FY2024, \$957.193 billion over FY2024 – FY2028, and \$1.942 trillion over FY2024 – FY2033. The authorization for many of the programs under our jurisdiction will expire on September 30, 2023. We expect to reauthorize most of those programs this year through the 2023 Farm Bill and have begun working with our colleagues to ensure timely passage.

Thus far in the 118th Congress, the Committee has prioritized efforts to pass a Farm Bill expeditiously. As we work to do so, we plan to consider past fiscal and streamlining measures undertaken as we review and develop policies that continue to make judicious use of taxpayer resources. The Committee recently completed a series of hearings on the 12 titles of the Farm Bill and through this process it became clear that additional financial resources will be necessary to strengthen our farm and food safety nets.

As the Committee on the Budget considers recommended spending authority in the budget resolution, we would ask you to recognize that since 2018, the Federal Government has approved

more than \$90 billion in ad hoc assistance for farmers and ranchers in response to Chinese tariffs on U.S. agricultural exports, the pandemic, and increasingly unpredictable climate-related disasters. A commitment to additional financial resources for the farm bill will help to transition our farm and food supplies away from ad hoc support. The Committee also respectfully requests the inclusion of a reserve fund in the FY24 budget resolution to provide budget flexibility should our spending authority be increased.

The Committee also requests that the Committee on the Budget support our efforts in working with CBO as we negotiate the 2023 Farm Bill in earnest. The Committee has a long history of working in a bipartisan manner as responsible stewards of taxpayer dollars as we allocate resources to the many mandatory and discretionary programs in our jurisdiction. In this work, we rely on accurate information from CBO, and appreciate your support in ensuring that their projections of crop prices and outlays reflect market conditions, and that we receive scoring estimates in a timely manner.

Members of our Committee have recently waited in excess of one year for CBO to score proposed Farm Bill-related legislation. Significant delays from CBO in scoring proposed modifications to the Farm Bill hinder the ability of the Committee to thoughtfully consider improvements in program delivery. CBO also currently projects 10-year average commodity prices that are well below price projections from leading subject matter experts at the U.S. Department of Agriculture and demonstrate a much faster decline toward a long-run average price. As a result, estimates of changes to risk management tools in the Farm Bill will likely reflect greater increases in direct spending than if CBO commodity price projections and trajectories were more in line with those of leading industry experts.

The Committee is also responsible for oversight of the Commodity Credit Corporation (CCC), which provides a significant portion of mandatory spending to important Farm Bill accounts and farm direct assistance under the Committee's jurisdiction. According to the most recent audit of the CCC from USDA's Office of the Inspector General (OIG) for FY2021 and FY2022, all net costs, changes in net position, and budgetary resources met the Federal Government budget requirements. The Committee will continue to work closely with USDA to ensure that the agency is properly managing resources, including those available through the CCC, to guarantee taxpayer accountability and identify waste, fraud, and abuse in farm support programs.

The COVID-19 national emergency and Russia's unprovoked invasion of Ukraine contributed to labor shortages, unstable food prices, and historic inflation across the food and agricultural supply chain. These disruptive and unpredictable events highlight the need for resilient food supply chains and comprehensive risk management tools available to farmers and ranchers.

As rural populations continue to decline, we know that the Farm Bill is an opportunity to invest in critical infrastructure to support and grow rural economies. The Committee will continue to work on improving access to high-speed internet, rural water and electric infrastructure, and rural

business development because the health of the U.S. farm economy and rural communities depend on the actions taken by the Committee to secure the future.

The United States remains a global leader in assisting those facing food insecurity and famine due to conflict, natural disasters, and poverty. This has taken on renewed importance as global food prices reached a record high in 2022. The Farm Bill provides an opportunity to increase support for foreign market development and market access programs to help U.S. farmers and agribusinesses meet the needs of the hungry domestically and abroad.

As the Committee continues working in a tradition of longstanding bipartisanship with a commitment to efficient spending, we ask that you recognize our dedication and the unique challenges we face in providing food and federal support to families, farmers, and rural communities in the wake of the pandemic, continuing inflationary pressure, and the future uncertainty of climate challenges. As the Committee on the Budget considers federal spending for FY24, we ask that you help us maintain certainty for agriculture producers, families, and rural communities, and propose no cuts to food and agriculture spending.

Thank you for this opportunity to provide views, estimates, and recommendations to the FY24 budget resolution process.

Sincerely,



Debbie Stabenow
Chairwoman



John Boozman
Ranking Member