

**Some Notes on the Economic Environment Affecting
the Debate on the Agricultural Act of 2014**

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The recent U.S. farm bill was passed by Congress and signed into law by President Barack Obama on February 7, 2014 as the Agricultural Act of 2014. Traditionally, farm bills are passed every five years, but the recent bill, which authorizes nutrition and agricultural programs for 2014-2018, is two years late since the 2012 expiration of the 2008 bill (the Food, Conservation, and Energy Act of 2008). The 2014 bill authorizes a projected \$956 billion in spending over the next ten years.

The purpose of these Notes is to provide background information about the economic setting in the general economy and agriculture in the years leading up to the Agricultural Act of 2014 and to recap some of the key congressional debates and decisions about fiscal policy and a new farm bill during fiscal years 2018-2014.

A few of the major factors that delayed the passing of the recent farm bill were largely macroeconomic in nature, namely the great recession in 2008-2009, the slow economic recovery thereafter, and the huge U.S. fiscal imbalance. The first part of this note presents data on the macro environment during the period. The 2.8% drop in GDP in 2009 was triggered by the collapse in residential expenditures which already showed significant decline starting in 2007. It was also during this period when the median housing price started its downtrend. The drop in housing prices together with the collapse in the U.S. stock market (the Dow Jones Industrial Average declined by 6,897 points from the high of 13,930 in October 2007 to the low of 7,063 in February of 2009) significantly reduced household wealth which triggered the 1.6% drop in personal consumption expenditures. The world economy was largely in recession as well during the period which resulted in the drop of 8.8% in U.S. exports.

The 2008-2009 recession resulted in significant reduction in government revenue. The government tax receipts declined by \$181 billion in 2008 and by another \$345 billion in 2009. This, together with the counter-cyclical economic stimulus programs of the government (such as the tax rebates to low-and middle-income U.S. taxpayers, the notable increase in the Supplemental Nutrition Assistance Program (SNAP), tax incentives to stimulate business investment, etc.) resulted in huge U.S. fiscal imbalances. The deficit to GDP ratio increased from 3.7% in 2007 to 12.8% in 2009. The deficit remained above 10% to GDP in 2010 and 2011. The concern over the deficit was one of the contentious issues surrounding the deliberation of the recent farm bill. However, moving forward the deficit issue may not pose as major of a concern as the Congressional Budget Office projects significantly lower deficit-to-GDP ratios due to higher government revenue and sustained GDP growth of more than 3% per year.

In contrast to the general economy, the U.S. farm sector experienced a remarkable six-year period of high prices and net farm income before the enactment of the 2014 farm bill. A global agricultural commodity price boom occurred in 2008. Prices and farm income dipped in 2009 but markets turned upward in 2010 as the farm bill debate got underway. Subsequently, despite a

severe drought in 2012, the farm sector experienced high net income during the three-year period of the farm bill debate. Net farm income averaged \$121 billion during 2011-13, compared to \$74 billion during 2008-10. Prices received for corn and cotton averaged over 40 percent higher during the latter three years, while soybean and wheat prices averaged 27 percent and 14 percent higher, respectively. Farm income is projected to decline in 2014 due to lower crop prices, especially food grain prices. The price of corn for example is expected to fall drastically in 2014 because of huge increase in corn harvest. While livestock prices are projected to increase, their price improvement is not enough to offset the expected decline in crop prices. Thus, farm income is projected to decrease in 2014. The expected fall in crop prices and the expenditures on SNAP expected to be sustained at current levels would be the factors that would affect the expenditures in the Agricultural Act of 2014.

The third part of the note provides a detailed chronology of the major fiscal decisions and the farm bill developments during fiscal years 2008-2014. While the farm sector was experiencing a boom period compared to the nonfarm economy, it was also receiving a politically unsustainable amount of support. With high incomes, but facing continued price and revenue variability, farm groups endorsed calls being made to eliminate fixed direct payments of about \$4.5 billion annually that were initiated in 1996. Some of the savings, they argued, should go into further strengthening the downside risk safety net, which eventually became the 2014 farm bill outcome.

As in 1995-96, debate over the 2014 farm bill became mired in both controversy within the farm lobby and in the deficit-related national economic policy stand-off. In July 2012, the full Senate, under Democratic control, and the House of Representative Agriculture Committee, under Republican control, passed farm bills. While considerable agreement existed within the commodity and crop insurance titles, significant differences also existed, particularly over shallow losses, the multiple year safety net, and assistance for dairy. The full House of Representative did not act on the Agriculture Committee's July 2012 bill, and the 112th Congress ended with a stop-gap measure to extend most provisions of the 2008 farm bill by one year through September 30, 2013.

With the Senate still in Democratic control and the House still in Republican control after the 2012 mid-term elections, the full Senate again approved a farm bill in June 2013. While similar to its July 2012 bill, changes were made that moved its provisions closer to the House version of commodity programs, notably higher reference (target) prices for southern crops and inclusion of a fixed minimum price in its revenue program. In the House, a conservative caucus raised voracious objections to the farm bill, over both farm support and nutrition assistance. The full House defeated a version of the Agriculture Committee bill in June 2013 then separated the farm programs from nutrition and passed a bill that largely retained the Agriculture Committee's farm safety net proposals in July 2014. In September 2013, the House passed a separate bill on nutrition programs that reduced projected expenditures by about \$40 billion (5%) over 10 years, ten times the reduction called for in the Senate bill. The two separate House bills were merged in late September and provided the basis for a conference with the Senate.

This legislative dynamics of the 2014 farm bill played out against a backdrop of the broader debate between the Republican House and the Democratic Senate and Administration over the

federal budget deficit. Particularly germane to the farm bill was the debate over the role of spending cuts, especially for entitlement programs, in reducing the fiscal deficit. The Budget Control Act of 2011 laid out a sequester of across the board cuts that would occur if an agreement over a budget could not be reached, and established a congressional Super Committee charged with finding such agreement. Key deliberations about the level of funding for the farm bill took place in this context but the Super Committee disbanded in November 2011 without reaching an accord.

By November 2012, another round of bipartisan negotiations over a grand budget bargain was launched. Leaders of the Senate and House agriculture committees met informally to seek a compromise but the bipartisan budget negotiations failed again. With no fiscal proposal able to secure House and Senate support, the sequester went into effect on March 1, 2013. An additional six months of further contestation failed to achieve even short-term agreement on the budget or federal debt ceiling and the government was forced into a second partial shutdown at the start of fiscal year 2014. This lasted 16 days (until October 16, 2013) but led to a medium-term fiscal truce with enactment of new continuing appropriations acts and a debt ceiling extension.

Prior to this truce, a second one- or two-year extension of the 2008 farm bill was widely expected. But in its wake, the Agricultural Act of 2014 became one of the few major bills to be passed by the 113th Congress. In the end, this legislation received overwhelming bipartisan majorities in the House of Representatives and the Senate.

More complete description and analysis of the Agricultural Act of 2014 is provided in two papers:

Zulauf, Carl and David Orden. 2014. "The U.S. Agricultural Act of 2014: Overview and Analysis." Discussion Paper, International Food Policy Research Institute, Washington D.C., forthcoming November.

David Orden and Carl Zulauf. 2015. "The Political Economy of the 2014 Farm Bill." Invited paper presented at the session The 2014 Farm Bill: An Economic Post Mortem, ASSA Annual Meetings, January 4, 2015, Boston, MA.

I. Macro Data

(prepared by Caesar B. Cororaton)

Percent Change From Preceding Period in Real Gross Domestic Product, %

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014F/1/	2015F	2016F	2017F	2018F	2019F	2020F
Gross domestic product	4.1	1.0	1.8	2.8	3.8	3.3	2.7	1.8	-0.3	-2.8	2.5	1.6	2.3	2.2	2.7	3.3	3.3	3.4	3.0	2.4	2.3
Personal consump. exp.	5.1	2.6	2.6	3.1	3.8	3.5	3.0	2.2	-0.3	-1.6	1.9	2.3	1.8	2.4							
Goods	5.2	3.0	3.9	4.8	5.1	4.1	3.6	2.7	-2.5	-3.0	3.4	3.1	2.8	3.4							
Services	5.0	2.4	1.9	2.2	3.2	3.2	2.7	2.0	0.8	-0.9	1.2	1.8	1.3	1.9							
Gross private dom. inv.	6.5	-6.1	-0.6	4.1	8.8	6.4	2.1	-3.1	-9.4	-21.6	12.9	5.2	9.2	4.9							
Fixed investment	6.9	-1.6	-3.5	4.0	6.7	6.8	2.0	-2.0	-6.8	-16.7	1.5	6.3	8.3	4.7							
Nonresidential	9.1	-2.4	-6.9	1.9	5.2	7.0	7.1	5.9	-0.7	-15.6	2.5	7.7	7.2	3.0							
Residential	0.7	0.9	6.1	9.1	10.0	6.6	-7.6	-18.8	-24.0	-21.2	-2.5	0.5	13.5	11.9							
Exports	8.6	-5.8	-1.7	1.8	9.8	6.3	9.0	9.3	5.7	-8.8	11.9	6.9	3.3	3.0							
Imports	13.0	-2.8	3.7	4.5	11.4	6.3	6.3	2.5	-2.6	-13.7	12.7	5.5	2.3	1.1							
Gov't consump. exp. & gross inv.	1.9	3.8	4.4	2.2	1.6	0.6	1.5	1.6	2.8	3.2	0.1	-3.0	-1.4	-2.0							
Federal	0.3	3.9	7.2	6.8	4.5	1.7	2.5	1.7	6.8	5.7	4.4	-2.7	-1.8	-5.7							
State and local	2.8	3.7	2.9	-0.4	-0.1	0.0	0.9	1.5	0.3	1.6	-2.7	-3.3	-1.2	0.5							

Source: Bureau of Economic Analysis

/1/ Congressional Budget Office, calendar year forecast

Percent Change From Preceding Period in Real Gross Value Added by Sector, %

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014F/1/	2015F	2016F	2017F	2018F	2019F	2020F
Gross domestic product	4.1	1.0	1.8	2.8	3.8	3.3	2.7	1.8	-0.3	-2.8	2.5	1.6	2.3	2.2	2.7	3.3	3.3	3.4	3.0	2.4	2.3
Business /1/	4.5	0.6	1.8	3.2	4.5	3.8	3.2	2.1	-1.2	-4.1	3.2	2.1	3.1	2.7							
Nonfarm /2/	4.4	0.7	1.8	3.1	4.5	3.8	3.2	2.3	-1.3	-4.3	3.2	2.2	3.2	2.6							
Farm	18.6	-7.4	4.2	11.0	7.0	5.8	0.8	-15.9	9.9	15.9	1.5	-5.2	-5.7	14.3							
Households and institutions	3.9	2.3	1.6	2.0	2.5	3.0	1.4	0.1	2.8	0.2	0.9	0.8	0.6	1.5							
Households	4.5	3.4	0.8	2.7	3.9	5.0	2.5	-0.7	2.9	-0.5	0.5	0.5	-0.3	1.6							
Nonprofit inst. serving households /3/	3.1	0.8	2.8	1.1	0.5	0.3	-0.1	1.3	2.8	1.2	1.4	1.1	1.7	1.3							
General government /4/	1.6	1.8	1.9	1.2	0.7	0.9	0.8	1.4	2.1	1.9	0.6	-0.4	-0.4	-0.1							
Federal	0.6	0.4	1.7	2.7	1.6	1.4	0.8	1.4	3.8	5.1	3.4	1.1	0.0	-1.9							
State and local	2.1	2.4	2.0	0.6	0.3	0.7	0.8	1.4	1.3	0.4	-0.7	-1.1	-0.5	0.7							

Source: Bureau of Economic Analysis

Legend / Footnotes:

1. Equals gross domestic product excluding gross value added of households and institutions and of general government.
2. Equals gross domestic business value added excluding gross farm value added.
3. Equals compensation of employees of nonprofit institutions, the rental value of nonresidential fixed assets owned and used by nonprofit institutions serving households, and rental income of persons for tenant-occupied housing owned by nonprofit institutions.
4. Equals compensation of general government employees plus general government consumption of fixed capital.

Percent Change From Preceding Period in Quarterly Real Gross Domestic Product, %

	2005				2006				2007				2008				2009				2010				2011				2012				2013				2014	
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II				
Gross domestic product	4.3	2.1	3.4	2.3	4.9	1.2	0.4	3.2	0.2	3.1	2.7	1.4	-2.7	2.0	-1.9	-8.2	-5.4	-0.5	1.3	3.9	1.7	3.9	2.7	2.5	-1.5	2.9	0.8	4.6	2.3	1.6	2.5	0.1	2.7	1.8	4.5	3.5	-2.1	4.6
Personal consump. exp.	3.1	4.4	3.1	1.5	4.6	2.1	2.4	4.1	2.1	1.4	1.8	0.5	-0.8	0.7	-2.9	-4.7	-1.4	-1.8	2.4	0.0	2.2	3.3	2.6	4.2	2.0	0.8	1.8	1.4	2.8	1.3	1.9	1.9	3.6	1.8	2	3.7	1.2	2.5
Goods	4.9	5.4	2.2	0.4	8.2	0.7	3.3	6.3	2.2	1.5	1.9	0.3	-5.3	1.4	-7.4	-12.8	0.4	-2.7	7.3	-0.9	4.0	5.2	3.8	7.6	2.9	-0.8	0.9	3.9	4.7	1.3	3.2	2.9	5.9	1.3	3.5	3.7	1	5.9
Services	2.1	3.9	3.6	2.1	2.7	2.9	1.9	3.0	2.1	1.3	1.7	0.6	1.6	0.3	-0.4	-0.5	-2.2	-1.4	0.2	0.4	1.3	2.4	2.0	2.5	1.6	1.6	2.2	0.1	1.8	1.3	1.3	1.4	2.4	2	1.3	3.7	1.3	0.9
Gross private dom. inv.	11.9	-5.0	4.2	12.6	5.4	-2.6	-4.0	-9.1	-3.6	5.6	-2.5	-7.7	-12.8	-6.9	-10.7	-31.1	-38.7	-22.1	-3.4	36.2	13.6	22.3	13.7	-3.5	-7.2	16.4	1.1	32.1	6.9	5.8	1.6	-5.3	7.6	6.9	16.8	3.8	-6.9	19.1
Fixed investment	6.6	6.5	6.5	0.8	8.6	-3.5	-4.0	-4.0	-0.7	1.0	-2.4	-3.4	-7.1	-5.5	-12.1	-23.9	-27.4	-14.2	-0.5	-2.8	0.8	13.6	-0.4	8.5	-0.9	8.2	17.3	9.9	9.1	4.4	3.1	6.6	2.7	4.9	6.6	6.3	0.2	9.5
Nonresidential	5.0	5.9	7.5	1.6	15.6	5.1	4.9	2.6	7.0	8.1	6.3	6.9	0.1	-2.3	-10.4	-21.4	-26.0	-12.3	-5.0	-3.6	4.2	11.4	8.3	8.6	-0.9	8.8	19.4	9.5	5.8	4.4	0.8	3.6	1.5	1.6	5.5	10.4	1.6	9.7
Residential	9.8	7.6	4.5	-0.9	-3.7	-18.6	-20.5	-17.4	-17.0	-15.1	-23.2	-29.3	-27.9	-16.4	-18.3	-33.3	-33.2	-21.9	21.0	0.3	-12.2	23.2	-30.7	7.9	-0.8	5.4	8.1	11.7	25.5	4.3	14.1	20.4	7.8	19	11.2	-8.5	-5.3	8.8
Exports	6.3	7.6	0.5	11.8	15.8	7.7	-0.8	19.0	6.7	7.2	12.9	12.9	5.0	12.5	-5.2	-20.2	-28.4	1.1	14.8	24.5	6.1	9.7	11.8	12.8	2.1	6.2	4.3	4.1	1.3	4.8	2.1	1.5	-0.8	6.3	5.1	10	-9.2	11.1
Imports	4.8	4.7	1.1	12.6	8.9	5.0	3.1	1.1	6.6	1.8	-0.1	-4.9	3.9	-3.5	-7.9	-15.3	-33.4	-15.3	15.8	18.7	10.8	20.5	14.9	2.6	3.1	3.0	3.3	4.5	1.7	4	-0.6	-3.5	-0.3	8.5	0.6	1.3	2.2	11.3
Gov't consump. exp. & gross inv.	0.8	0.7	3.2	-1.4	3.3	1.5	0.9	2.6	-0.9	3.4	2.9	1.6	1.7	3.2	5.7	2.6	0.6	7.5	2.2	-0.8	-2.9	2.9	-0.3	-4.1	-7.5	-0.4	-2.5	-1.6	-2.7	-0.4	2.7	-6	-3.9	0.2	0.2	-3.8	-0.8	1.7
Federal	2.3	0.9	7.5	-5.8	10.3	-0.5	0.1	4.2	-5.3	6.5	7.8	2.2	6.6	7.6	12.3	7.1	-3.1	13.8	5.6	0.2	3.8	8.5	3.7	-2.7	-10.6	1.6	-4.0	-2.6	-3	-0.9	7.5	-13	-9.9	-3.5	-1.2	-10	-0.1	-0.9
State and local	0.0	0.6	0.6	1.3	-0.8	2.7	1.4	1.7	1.9	1.6	0.1	1.3	-1.2	0.5	1.7	-0.1	3.0	3.6	0.1	-1.4	-7.1	-0.8	-3.1	-5.0	-5.3	-1.8	-1.4	-0.8	-2.6	0	-0.6	-0.8	0.3	2.7	1.1	0.6	-1.3	3.4

Source: Bureau of Economic Analysis

Percent Change From Preceding Period in Quarterly Real Gross Value Added by Sector, %

	2005				2006				2007				2008				2009				2010				2011				2012				2013				2014	
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II				
Gross domestic product	4.3	2.1	3.4	2.3	4.9	1.2	0.4	3.2	0.2	3.1	2.7	1.4	-2.7	2.0	-1.9	-8.2	-5.4	-0.5	1.3	3.9	1.7	3.9	2.7	2.5	-1.5	2.9	0.8	4.6	2.3	1.6	2.5	0.1	2.7	1.8	4.5	3.5	-2.1	4.6
Business ^{1/}	5.0	2.3	3.9	2.7	6.1	1.3	0.2	4.1	0.3	3.8	3.1	1.0	-4.5	1.7	-3.3	-11.2	-7.2	-1.1	1.5	4.9	2.0	5.0	4.1	3.4	-2.2	3.8	1.1	6.1	3.1	2.3	3.1	-0.1	3.2	2.1	5.9	4.6	-3.3	5.7
Nonfarm ^{2/}	5.2	2.1	3.9	2.8	6.3	0.8	0.5	4.5	0.5	4.1	3.4	0.8	-5.1	2.0	-3.2	-11.8	-7.3	-1.2	0.9	5.1	2.2	4.7	4.1	3.8	-2.5	4.5	1.1	5.8	3.3	2.3	3.7	0.1	2.4	2	5.6	4.7	-2.4	5.5
Farm	-11.6	14.2	1.3	-7.3	-11.1	77.4	-31.8	-28.2	-14.1	-19.2	-23.4	25.1	58.3	-20.0	-8.5	79.7	0.1	5.1	68.0	-16.8	-16.9	29.8	-1.2	-25.6	19.1	-31.5	-0.1	26.7	-11	0.1	-28	-14	82.6	14.1	28.3	-3.2	-50	24.2
Households and institutions	3.8	2.9	2.8	1.5	2.2	0.9	-0.4	-1.0	-0.6	0.3	1.5	3.2	4.0	4.1	1.9	0.3	-2.1	-0.5	1.4	1.9	1.5	0.2	-0.5	0.8	1.0	1.5	1.0	0.7	0.2	-0.2	0.9	1.4	2.4	1.3	1.6	1.5	0.6	2
Households	6.5	4.7	3.9	3.3	3.8	1.4	-0.4	-1.8	-2.4	-1.0	1.4	3.4	4.3	4.5	1.4	0.3	-3.7	-1.7	0.9	2.1	1.3	-0.3	-1.5	0.0	2.1	1.3	-0.5	0.2	-1.2	-1	0.8	0.7	2.9	1.1	3.2	1.9	1.1	1.8
Nonprofit inst. serving households ^{3/}	0.2	0.3	1.1	-1.1	-0.1	0.2	-0.3	0.2	2.0	2.3	1.7	2.8	3.7	3.5	2.6	0.3	0.1	1.2	2.1	1.6	1.7	0.9	0.8	1.8	-0.6	1.8	2.9	1.4	2.1	0.8	1	2.2	1.8	1.6	-0.5	1	-0.1	2.2
General government ^{4/}	1.0	0.3	1.0	0.5	0.1	0.9	2.4	1.6	0.7	1.2	1.8	2.4	2.1	1.7	3.0	1.9	1.7	2.7	0.3	0.9	0.5	1.8	-1.5	-0.4	-0.2	-0.6	-0.8	-0.1	-0.7	-0.3	0.3	-0.2	0.1	0.1	-0.8	-1.2	2.6	0.5
Federal	1.3	0.0	0.6	2.2	-1.4	1.0	3.6	1.0	0.2	0.4	3.8	2.1	3.9	4.3	6.1	6.1	4.4	7.7	2.6	2.2	4.5	6.6	-1.3	0.8	1.8	0.7	0.1	1.1	0	-0.8	-0.7	-0.9	-1.5	-1.8	-4.6	-5.2	7.6	-0.5
State and local	0.9	0.5	1.2	-0.2	0.7	0.9	1.9	1.9	0.8	1.6	0.9	2.5	1.4	0.5	1.7	0.0	0.5	0.5	-0.8	0.3	-1.3	-0.4	-1.7	-1.0	-1.1	-1.2	-1.3	-0.6	-1.1	0	0.8	0.1	0.9	1.1	1	0.7	0.3	0.9

Source: Bureau of Economic Analysis

Legend / Footnotes:

1. Equals gross domestic product excluding gross value added of households and institutions and of general government.
2. Equals gross domestic business value added excluding gross farm value added.
3. Equals compensation of employees of nonprofit institutions, the rental value of nonresidential fixed assets owned and used by nonprofit institutions serving households, and rental income of persons for tenant-occupied housing owned by nonprofit institutions.
4. Equals compensation of general government employees plus general government consumption of fixed capital.

Government Current Receipts and Expenditures, \$ billion

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total receipts	3,169	3,156	3,000	3,071	3,295	3,696	4,035	4,234	4,076	3,714	3,905	4,092	4,323	4,815
Current receipts	3,133	3,118	2,967	3,043	3,265	3,664	4,002	4,202	4,042	3,689	3,885	4,078	4,301	4,789
Current tax receipts	2,203	2,164	2,002	2,050	2,212	2,551	2,813	2,958	2,777	2,432	2,611	2,870	3,076	3,284
Contributions for gov't social ins.	709	737	755	783	834	878	927	966	993	969	989	922	956	1,110
Other current receipts /1/	221	218	210	210	220	234	262	278	272	288	285	286	269	395
Capital transfer receipts	36	37	33	28	30	32	33	32	34	25	20	14	22	26
Total expenditures	3,088	3,305	3,523	3,755	3,971	4,252	4,465	4,769	5,131	5,561	5,724	5,759	5,775	5,772
Current expenditures	2,967	3,169	3,358	3,567	3,773	4,035	4,268	4,541	4,841	5,210	5,451	5,538	5,613	5,663
Consumption expenditures	1,444	1,545	1,651	1,756	1,869	1,980	2,090	2,210	2,369	2,442	2,522	2,531	2,550	2,548
Current transfer payments /2/	1,071	1,169	1,279	1,355	1,441	1,538	1,635	1,747	1,905	2,167	2,300	2,330	2,375	2,438
Interest payments	406	397	387	408	417	456	492	530	515	542	573	616	630	618
Subsidies	46	59	41	49	46	61	52	55	53	58	56	60	58	60
Gross government investment	390	414	444	465	489	514	552	592	635	647	652	638	619	596
Capital transfer payments	0	0	4	17	22	42	18	25	88	144	69	54	32	13
Net purchases of nonproduced assets	8	9	11	11	11	8	-3	10	-7	3	10	8	7	7
Less: Consumption of fixed capital	278	286	294	305	322	347	371	399	427	443	458	480	496	506
Net lending or net borrowing (-)	81	-150	-523	-684	-676	-556	-430	-535	-1,055	-1,847	-1,819	-1,667	-1,452	-958

Source: Bureau of Economic Analysis

/1/ From business and persons

/2/ Includes government social benefits to persons and transfers to the rest of the world

Government Current Receipts and Expenditures Percent of GDP, %

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2013A/2/	2014F/3/	2015F	2016F	2017F	2018F	2019F	2020F	
Gross domestic product (US\$ billion)	10,285	10,622	10,978	11,511	12,275	13,094	13,856	14,478	14,719	14,419	14,964	15,518	16,163	16,768									
% of GDP																							
Net lending or net borrowing (-)	0.8	-1.4	-4.8	-5.9	-5.5	-4.2	-3.1	-3.7	-7.2	-12.8	-12.2	-10.7	-9.0	-5.7	-4.1	-3.0	-2.6	-2.8	-2.9	-3.1	-3.4	-3.7	
Current tax receipts	21.4	20.4	18.2	17.8	18.0	19.5	20.3	20.4	18.9	16.9	17.4	18.5	19.0	19.6									
Contributions for gov't social ins.	6.9	6.9	6.9	6.8	6.8	6.7	6.7	6.7	6.7	6.6	6.6	5.9	5.9	6.6									
Current expenditures	28.8	29.8	30.6	31.0	30.7	30.8	30.8	31.4	32.9	36.1	36.4	35.7	34.7	33.8									
Consumption expenditures	14.0	14.5	15.0	15.3	15.2	15.1	15.1	15.3	16.1	16.9	16.9	16.3	15.8	15.2									
Current transfer payments /1/	10.4	11.0	11.6	11.8	11.7	11.7	11.8	12.1	12.9	15.0	15.4	15.0	14.7	14.5									
Values (US\$ billions)																							
Net lending or net borrowing (-)	81.1	-149.7	-523.4	-684.4	-675.5	-556.3	-429.8	-535.1	-1055.0	-1847.1	-1819.0	-1666.7	-1452.4	-957.5									
Current tax receipts	2202.8	2163.7	2001.8	2049.6	2211.9	2551.1	2812.9	2958.4	2777.0	2431.9	2610.6	2869.6	3076.4	3283.6									
Contributions for gov't social ins.	709.4	736.9	755.2	783.2	833.6	878.0	927.2	966.1	993.1	969.4	989.0	922.2	955.8	1109.9									
Current expenditures	2966.7	3169.0	3358.4	3567.1	3772.7	4034.9	4268.3	4540.8	4840.8	5209.7	5451.0	5537.6	5612.7	5662.9									
Consumption expenditures	1444.2	1545.1	1651.4	1755.6	1868.9	1980.0	2089.8	2209.7	2368.6	2442.1	2522.2	2530.9	2549.7	2547.6									
Current transfer payments /1/	1070.9	1168.5	1278.6	1354.6	1440.8	1537.7	1634.5	1746.7	1904.7	2166.9	2300.2	2330.3	2374.5	2437.5									

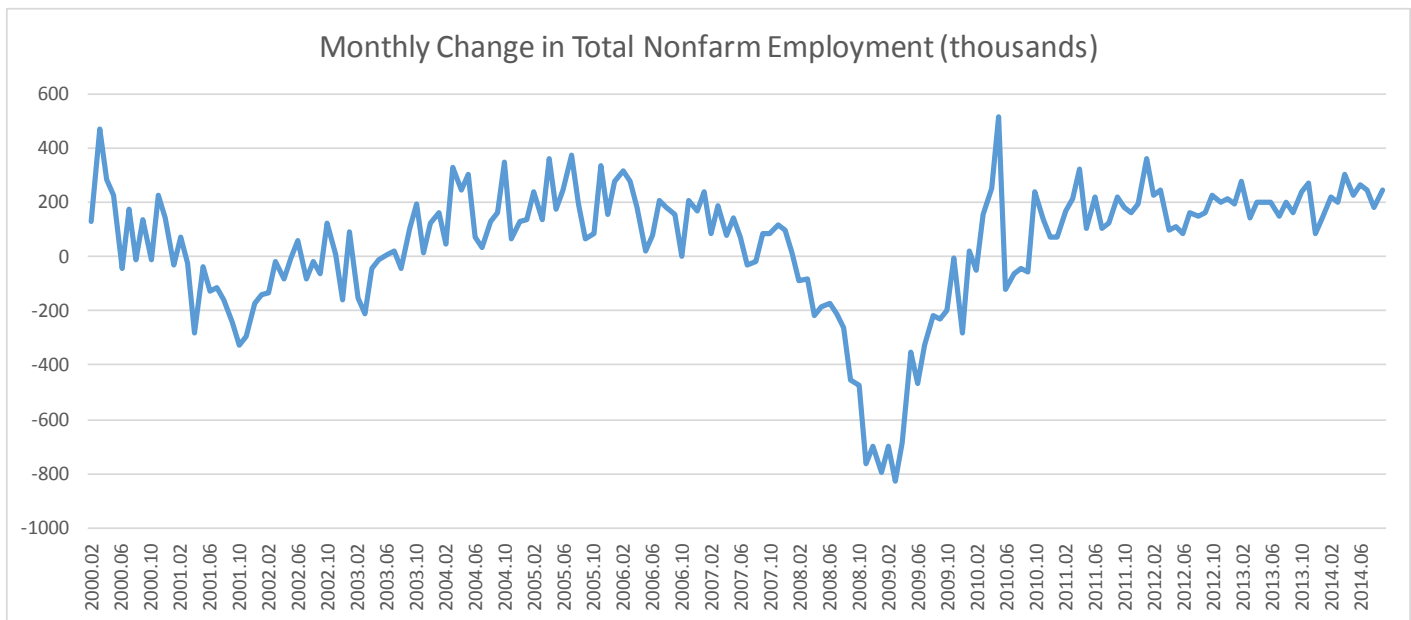
Source: Bureau of Economic Analysis

/1/ Includes government social benefits to persons and transfers to the rest of the world

/2/ Congressional Budget Office, based on baseline budget revenue and outlays

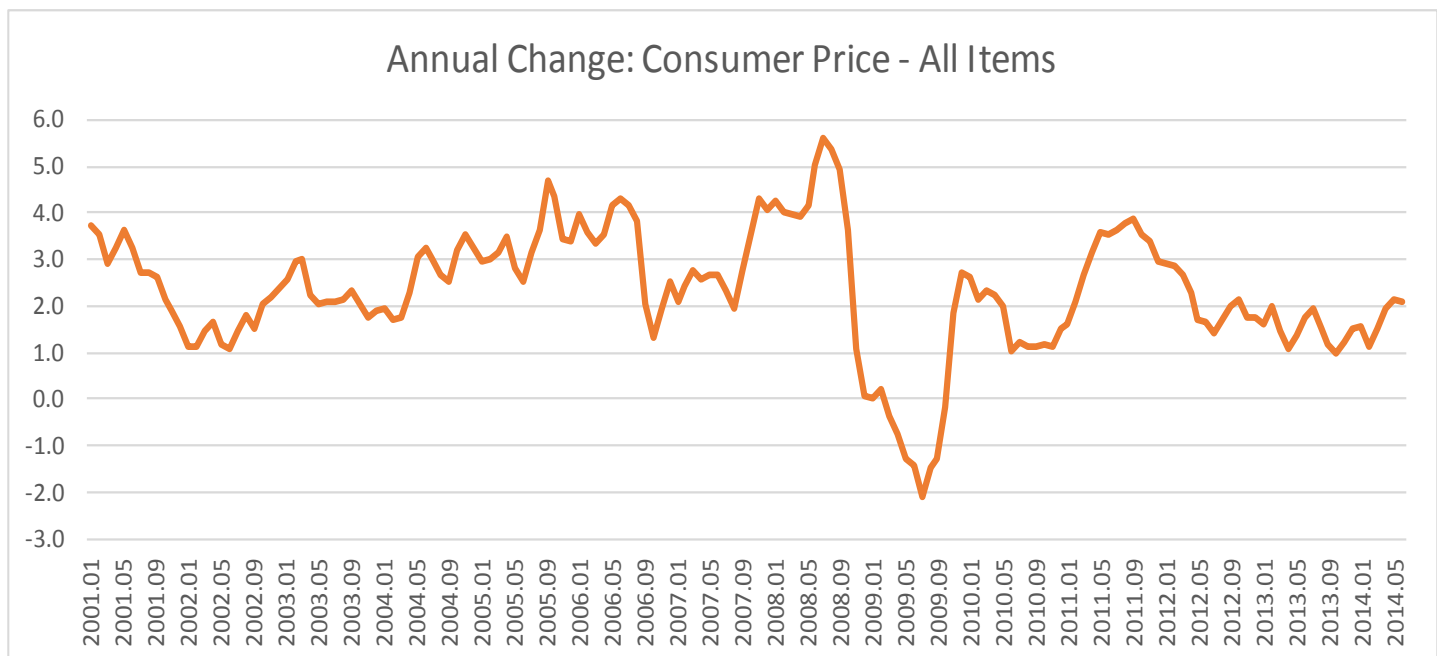
/3/ Congressional Budget Office, based on baseline budget projections

Monthly Change in Total Nonfarm Employment, thousand



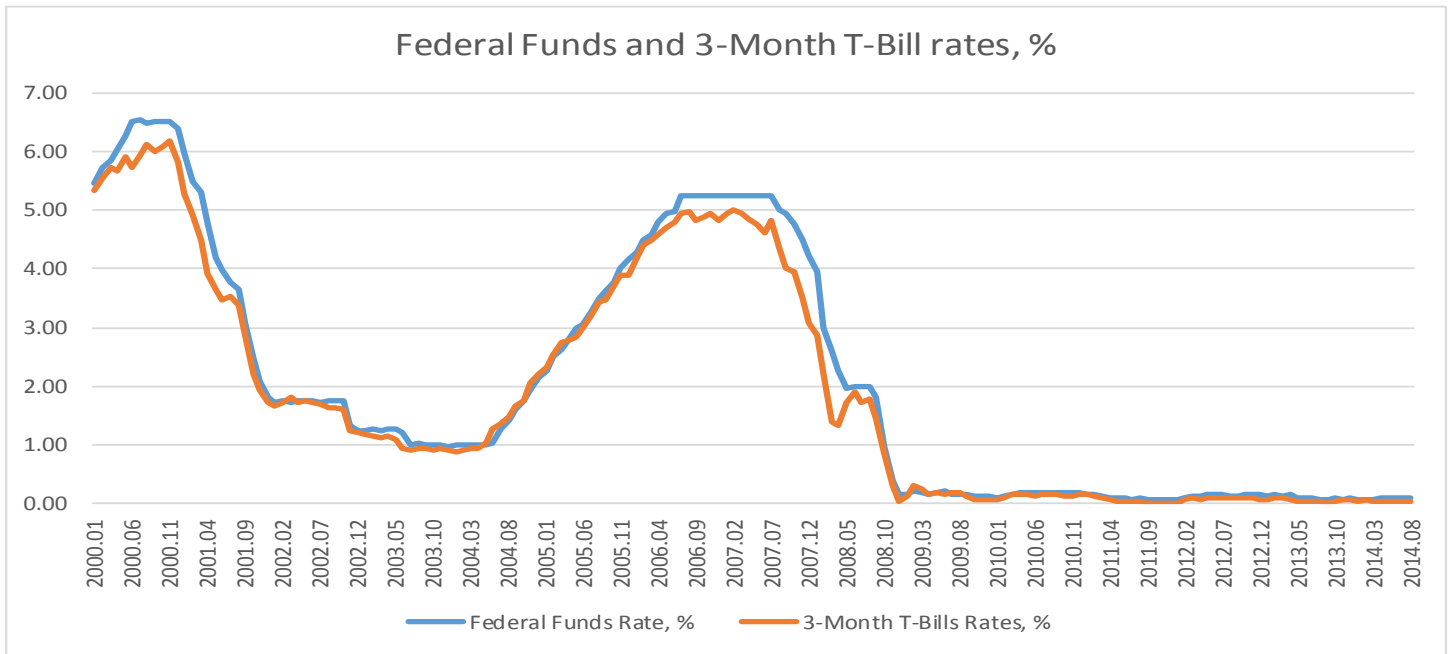
Source: Bureau of Labor Statistics

Inflation Rate- All Items, %



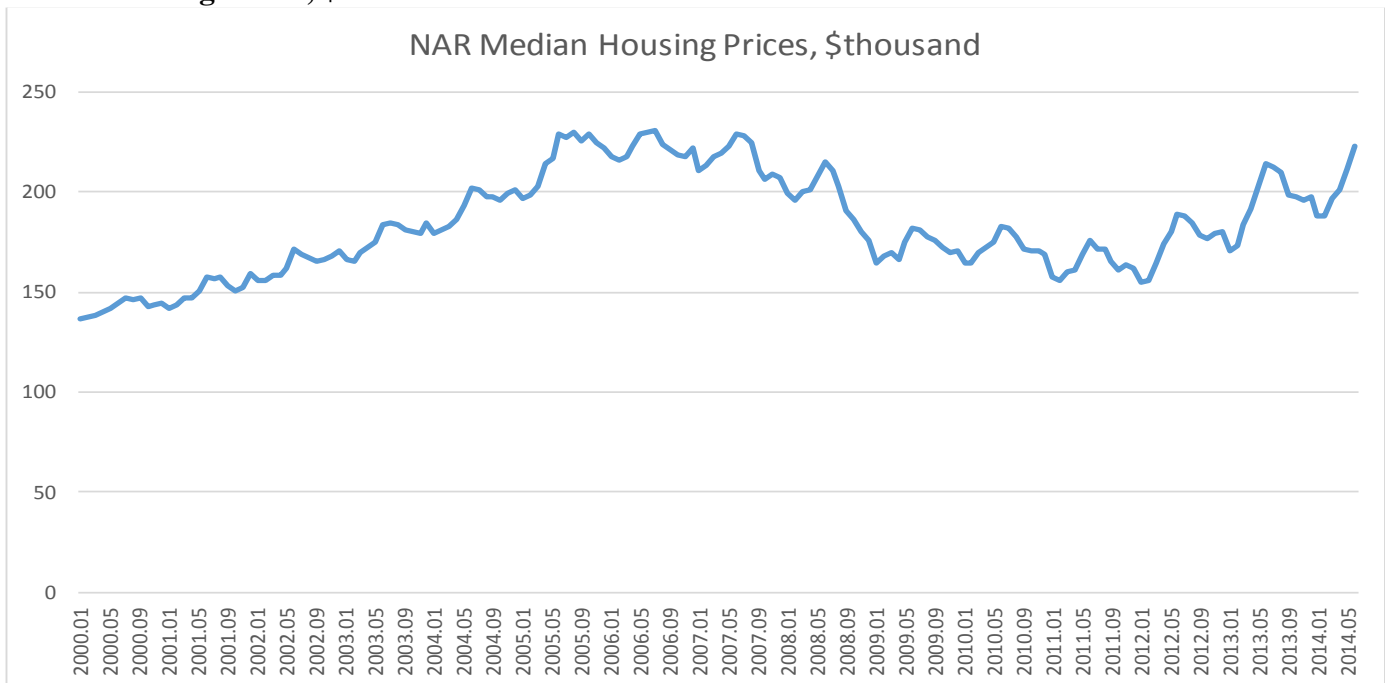
Source: Bureau of Labor Statistics

Interest Rates, %



Source: Haver Analytics

Median Housing Prices, \$thousand



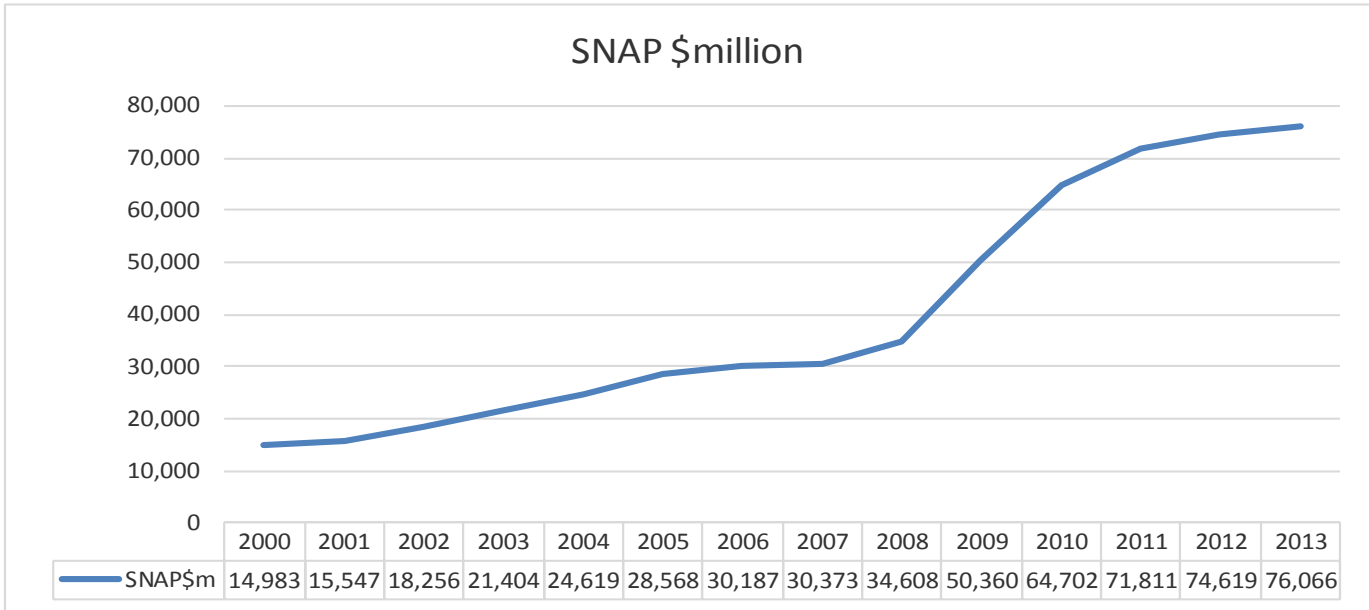
Source: National Association of Realtors



II. Agriculture Sector Data

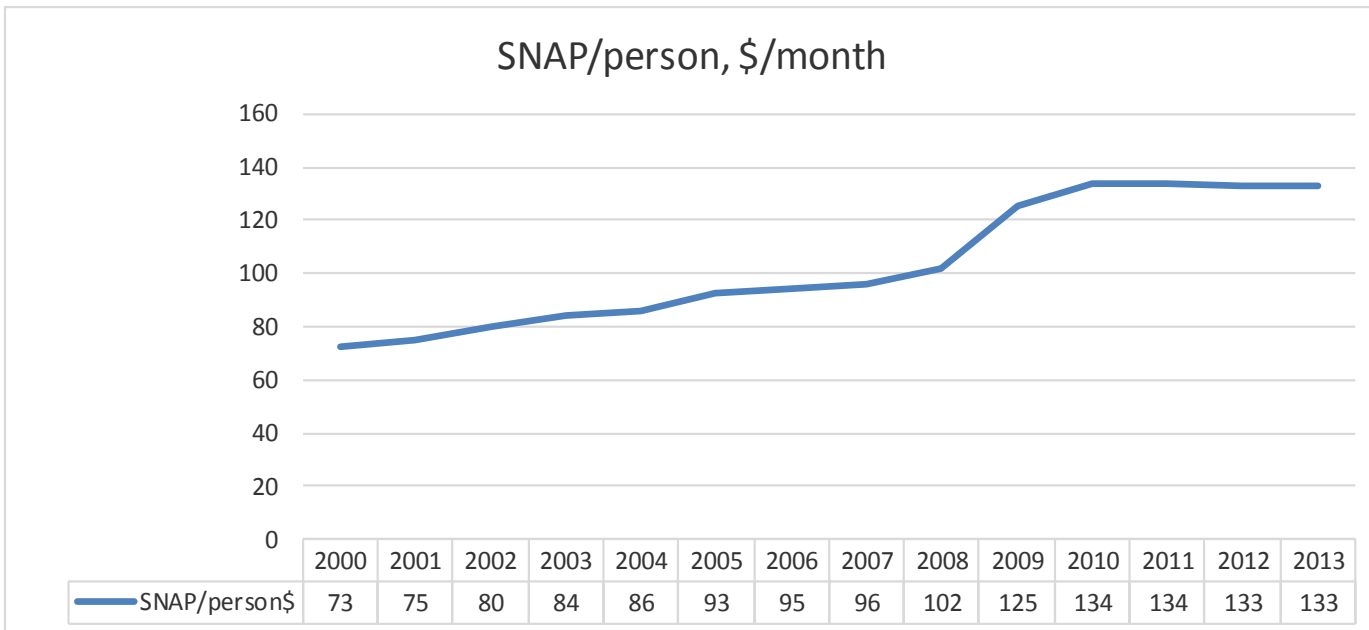
(prepared by Caesar B. Cororaton)

Supplemental Nutrition Assistance Program (SNAP), \$ million



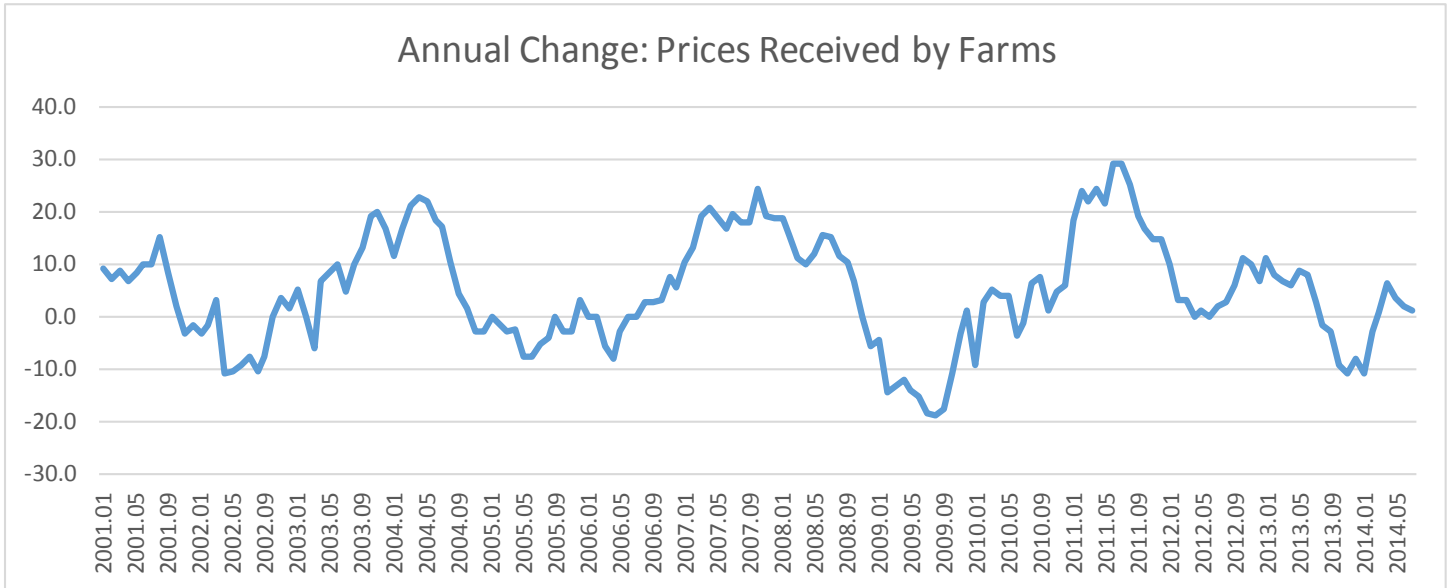
Source: USDA/Food and Nutrition Service

Average Supplemental Nutrition Assistance Program per Person per Month, \$



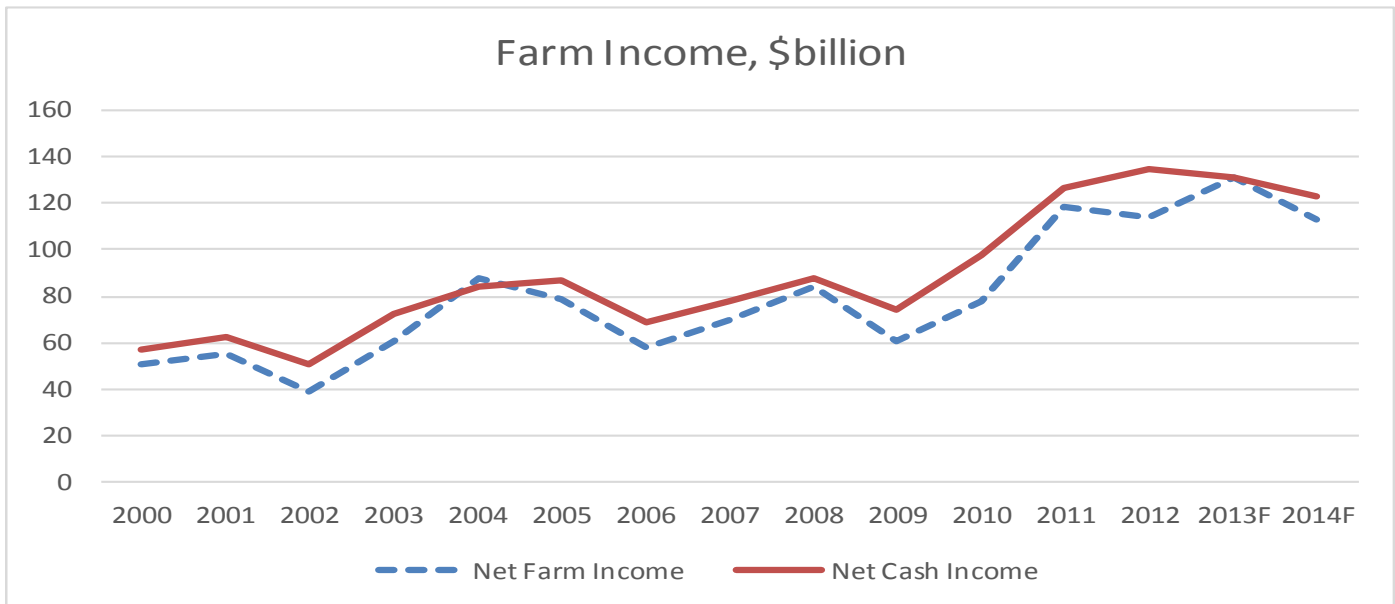
Source: USDA/Food and Nutrition Service

Prices Received by Farms, annual change %



Source: Bureau of Labor Statistics

Farm Income, \$ billion



Source: Economic Research Service

Farm Income, \$ billion

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013F	2014F
Gross cash income	227.0	235.4	220.2	246.8	266.5	279.7	273.2	318.0	350.1	323.3	351.7	404.5	439.3	446.1	451.6
All commodities	192.1	200.0	194.6	216.0	237.9	240.9	240.6	288.5	316.4	289.1	321.0	367.9	395.1	397.9	410.5
Crops	92.5	93.4	100.7	110.3	114.4	116.0	122.1	150.1	174.8	168.9	179.5	202.0	223.5	216.1	200.9
Livestock	99.6	106.7	93.9	105.7	123.5	124.9	118.5	138.5	141.6	120.3	141.4	165.9	171.6	181.8	209.6
Farm related income (total)	11.7	12.9	13.1	14.3	15.7	14.4	16.8	17.6	21.5	22.0	18.3	26.1	33.6	37.1	33.3
Total direct payments	23.2	22.4	12.4	16.5	13.0	24.4	15.8	11.9	12.2	12.2	12.4	10.4	10.6	11.0	9.3
Total cash production expenses	169.6	173.3	169.3	174.7	182.9	193.1	204.8	240.6	262.1	249.4	253.9	277.7	304.9	315.3	328.6
Cash expenses, excluding net rent	158.2	161.6	159.0	163.6	171.8	181.4	194.4	230.2	249.2	236.4	253.9	277.7	304.9	315.3	328.6
Interest	14.1	12.8	12.2	10.4	10.0	11.9	13.4	14.0	15.2	15.6	15.1	14.6	14.8	15.7	16.4
Nonreal estate	7.1	6.3	5.7	4.7	4.6	5.7	6.4	6.9	7.3	7.5	6.8	5.9	6.0	6.0	6.1
Real estate	7.0	6.5	6.5	5.6	5.4	6.2	7.0	7.2	7.9	8.1	8.3	8.7	8.8	9.7	10.2
Labor expenses	19.9	21.2	21.3	21.5	22.8	23.1	23.8	28.6	29.3	28.2	26.8	26.2	30.5	31.7	33.1
Property taxes	6.0	6.0	5.9	5.9	6.1	7.0	7.9	9.0	9.3	8.9	9.3	9.8	10.0	10.3	10.5
Purchased inputs	118.1	121.6	119.5	125.9	132.9	139.5	149.2	178.5	195.5	183.6	186.8	211.2	230.3	237.3	249.3
Farm origin	47.9	48.2	48.3	53.7	57.5	57.1	61.1	73.4	79.8	77.3	81.4	94.2	102.9	108.3	112.9
Feed purchased	24.5	24.8	24.9	27.5	29.7	28.0	31.4	41.9	46.9	45.0	45.4	54.6	59.1	62.4	60.8
Livestock and poultry	15.9	15.2	14.4	16.7	18.2	18.7	18.6	18.8	17.7	16.7	19.6	21.7	23.4	23.9	29.3
Seed	7.5	8.2	8.9	9.4	9.6	10.4	11.0	12.6	15.1	15.5	16.3	17.8	20.3	21.9	22.9
Manufactured inputs	28.7	29.4	28.5	28.8	31.6	35.4	37.5	46.3	55.0	49.0	49.6	57.5	63.2	65.0	67.5
Electricity	3.0	3.6	3.9	3.5	3.4	3.5	3.8	4.3	4.5	4.6	4.6	4.9	5.3	5.4	5.6
Fertilizer and lime	10.0	10.3	9.6	10.0	11.4	12.8	13.3	17.7	22.5	20.1	21.0	25.1	28.5	28.3	29.3
Fuel and oil	7.2	6.9	6.6	6.8	8.2	10.3	11.3	13.8	16.2	12.7	13.2	15.6	15.7	16.6	17.7
Pesticides	8.5	8.6	8.3	8.4	8.6	8.8	9.0	10.5	11.7	11.5	10.7	11.8	13.7	14.6	15.0
Other purchased inputs	41.6	44.0	42.8	43.4	43.7	47.0	50.7	58.8	60.7	57.4	55.8	59.6	64.3	64.0	68.9
Net rent to nonoperators	11.4	11.7	10.3	11.0	11.1	11.7	10.4	10.5	12.8	13.0	15.9	16.0	19.3	20.3	19.4
Net cash income	57.4	62.1	50.8	72.1	83.7	86.7	68.4	77.4	88.1	73.9	97.7	126.8	134.4	130.8	123.0

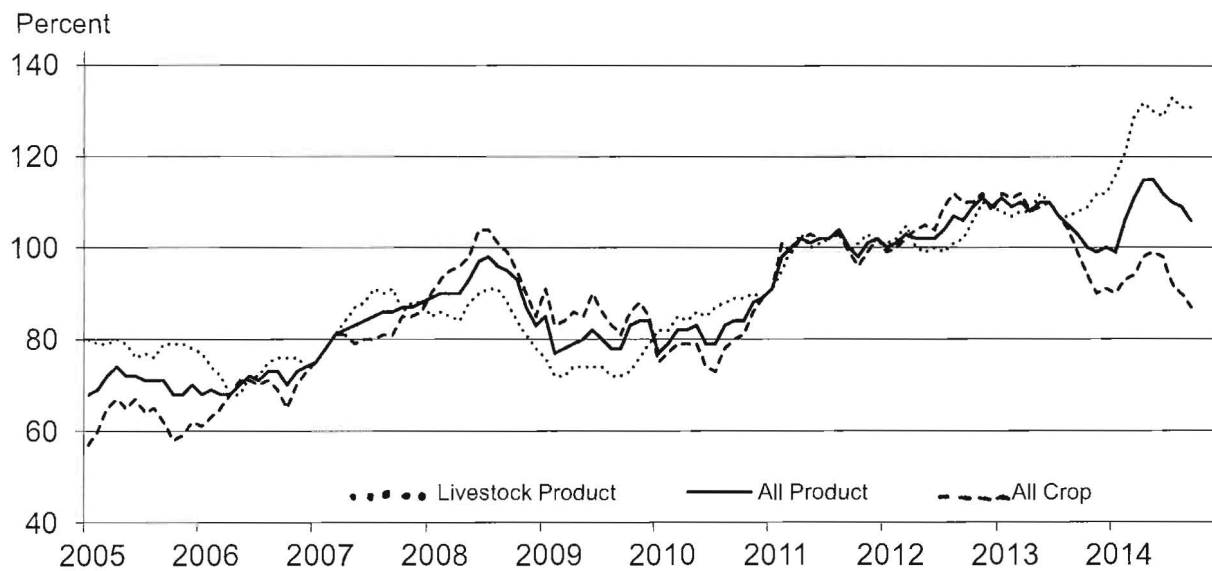
Source: Economics Research Service

Direct Government Payments by Program, \$ billion

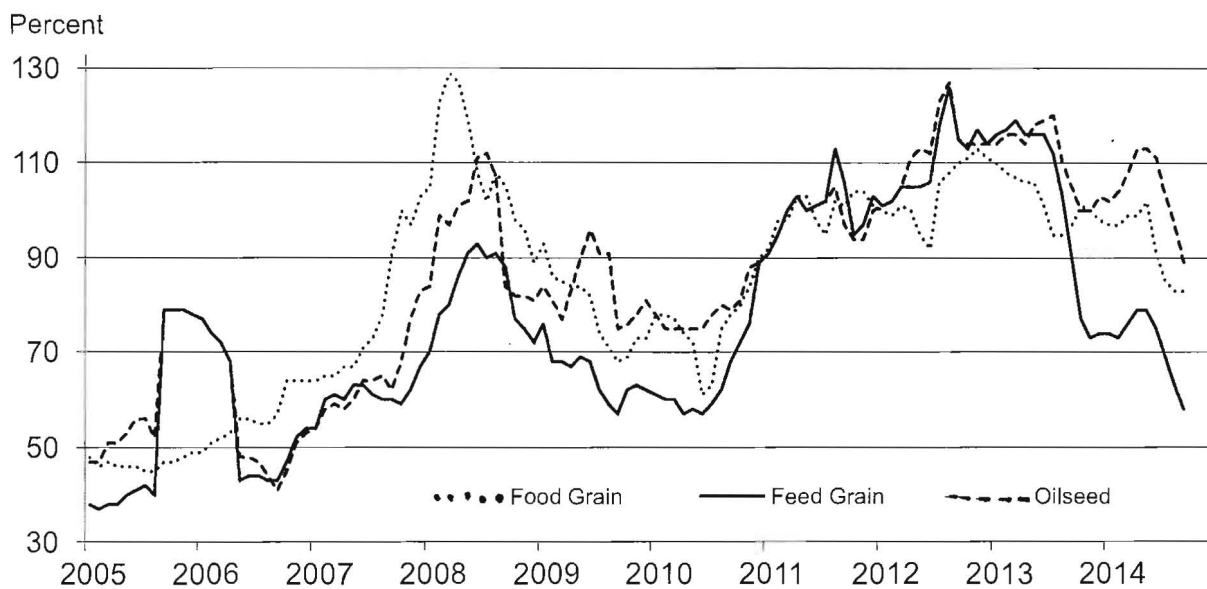
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013F	2014F
Total direct payments	23,221.6	22,431.2	12,414.9	16,523.5	12,969.9	24,395.9	15,788.8	11,903.4	12,241.7	12,176.5	12,391.3	10,420.5	10,635.1	11,003.8	9,347.5
Commodity programs	-0.7	-0.4	-0.4	-	-	-	-	-	-	-	-	-	-	-	-
Production flexibility contract payments	5,048.8	4,040.4	3,499.8	-280.0	-4.2	-0.9	-0.3	-	-	-	-	-	-	-	-
Fixed direct payments	-	-	367.1	6,703.6	5,242.4	5,198.8	5,052.0	5,059.7	5,110.2	4,725.3	4,809.1	4,705.7	4,687.0	4,288.5	650.0
Average Crop Revenue Election Program (ACRE)	-	-	-	-	-	-	-	-	-	0.0	421.4	16.0	41.4	206.9	315.0
Counter-cyclical payments	-	-	203.4	2,300.7	1,122.0	4,073.8	4,035.8	1,124.9	712.1	1,169.5	209.1	16.5	-1.2	-0.8	0.0
Loan deficiency payments	6,424.5	5,464.2	1,196.7	576.4	2,865.1	5,080.3	730.5	54.5	85.2	155.9	114.4	5.7	-0.6	-0.3	79.2
Marketing loan gains	1,127.1	707.7	459.7	198.2	131.2	368.7	188.2	271.9	33.7	251.7	2.0	0.1	0.0	0.0	100.5
Certificate exchange gains	-	1,703.8	1,178.6	556.4	475.7	1,614.0	873.3	818.4	202.0	686.2	0.7	-	-	-	-
Peanut quota buyout payments	-	-	983.0	237.6	24.7	22.3	21.2	-	-	-	-	-	-	-	-
Milk income loss payments	-	-	859.6	913.3	205.7	9.6	431.2	73.9	-0.3	880.1	51.7	-0.1	446.6	231.7	0.9
Tobacco Transition Payment Program	-	-	-	-	-	2,083.1	1,206.3	901.2	816.3	795.4	686.8	666.0	652.9	648.0	631.0
Conservation	1,614.7	1,903.4	1,965.8	2,167.3	2,319.6	2,767.5	2,974.5	3,072.2	3,155.1	2,834.7	3,450.8	3,704.1	3,707.3	3,687.0	3,690.0
Supplemental and ad hoc disaster assistance	8,492.5	8,538.8	1,655.0	3,143.2	582.4	3,168.8	274.5	528.0	2,121.2	646.1	2,647.9	1,304.6	1,102.4	1,942.9	3,880.8
Miscellaneous programs	189.5	72.9	46.1	6.8	5.4	9.9	1.7	-1.3	6.1	31.6	-2.6	1.9	-0.7	0.0	0.1

Source: Economic Research Service

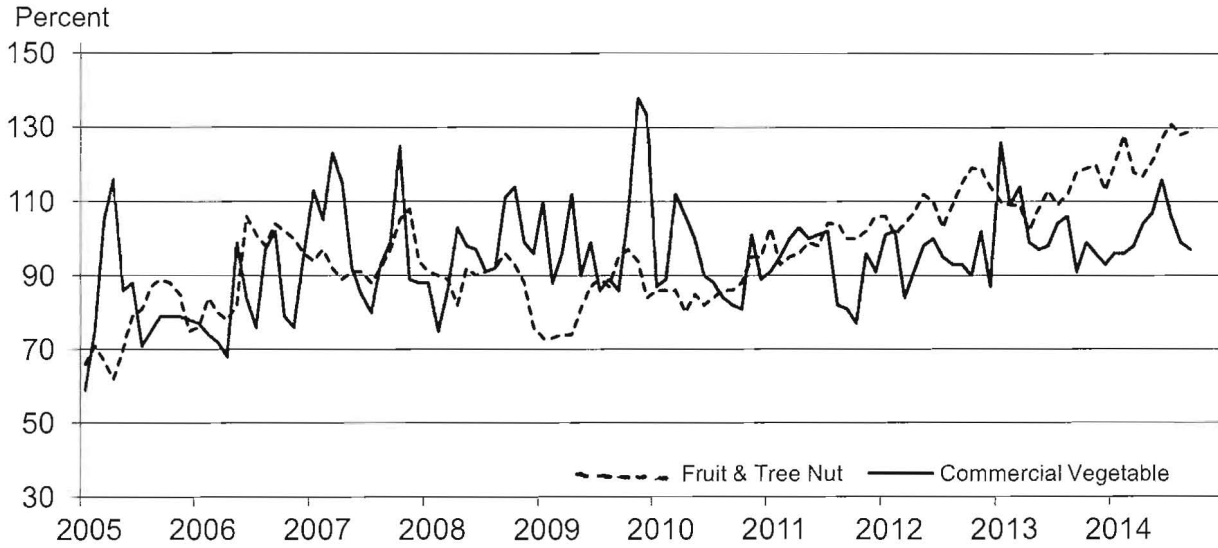
Received Indexes by Month, Livestock Product, All Product, and All Crop – United States: 2011=100



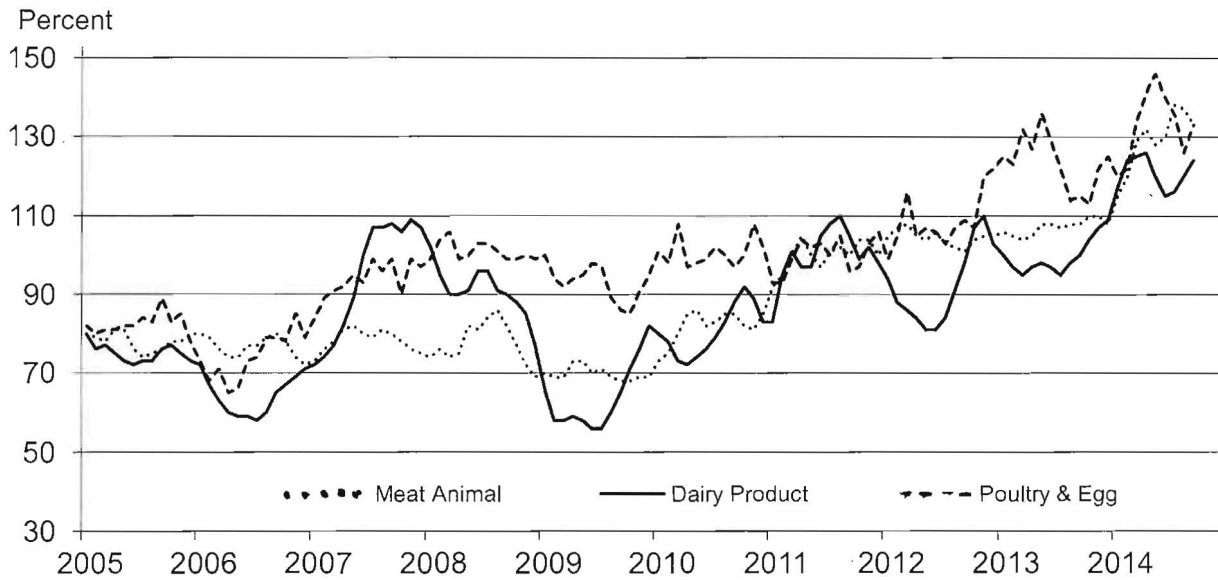
Received Indexes by Month, Food Grain, Feed Grain, and Oilseed – United States: 2011=100



**Received Indexes by Month,
Fruit & Tree Nut and Commercial Vegetable –
United States: 2011=100**

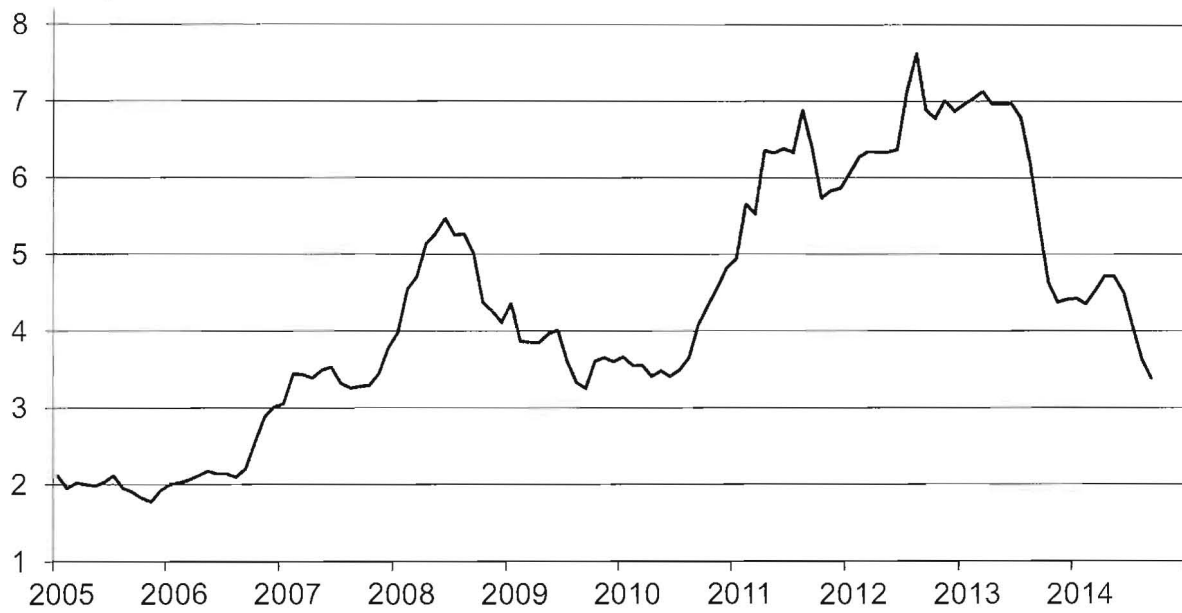


**Received Indexes by Month,
Meat Animal, Dairy Product, and Poultry & Egg –
United States: 2011=100**



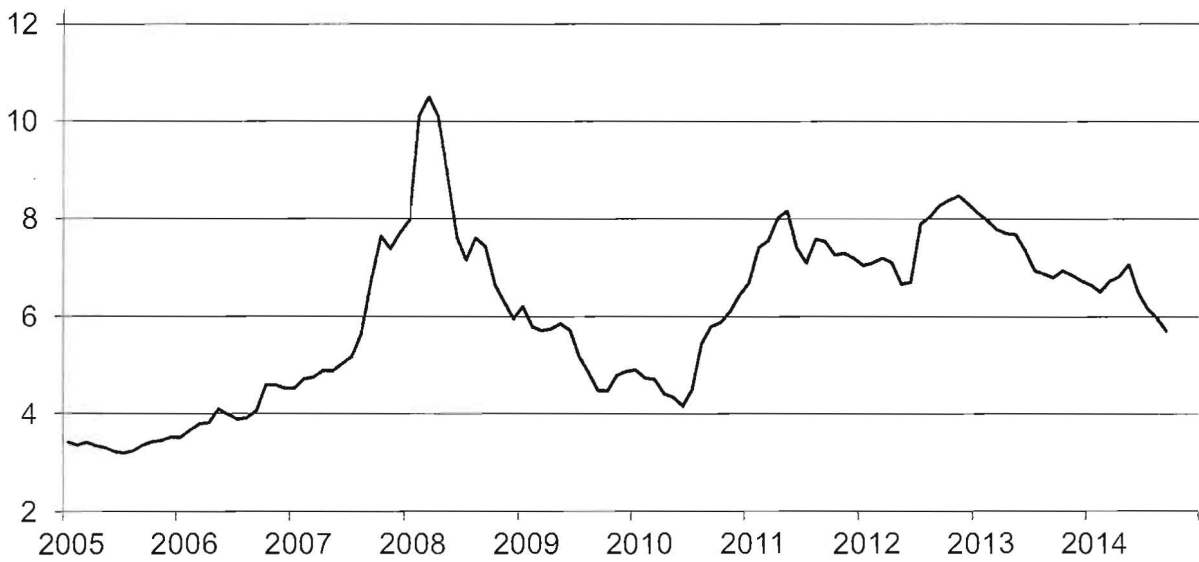
Prices Received for Corn by Month – United States

Dollars per bushel



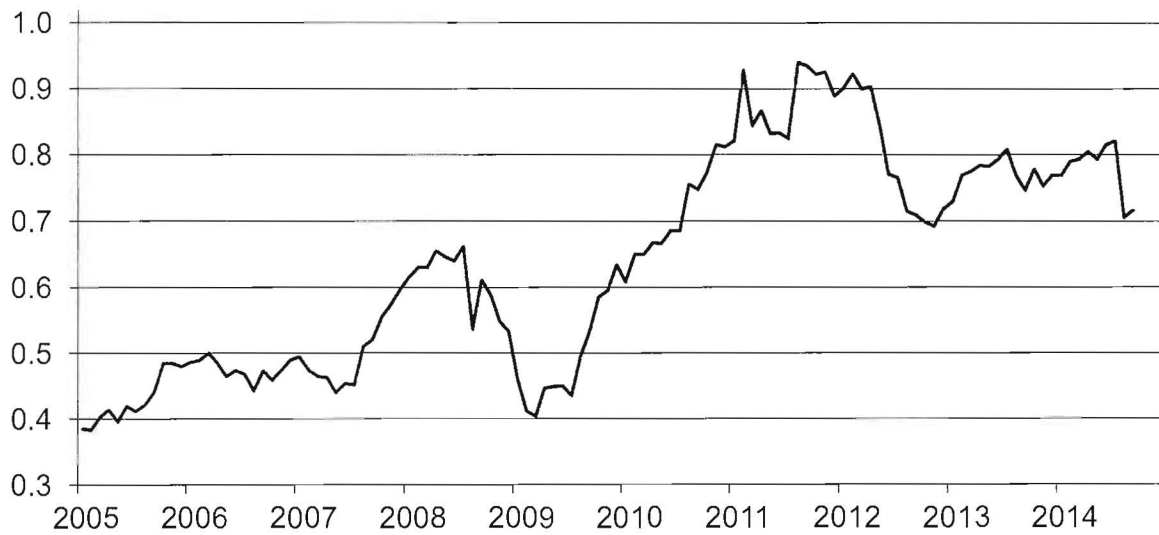
Prices Received for Wheat by Month – United States

Dollars per bushel



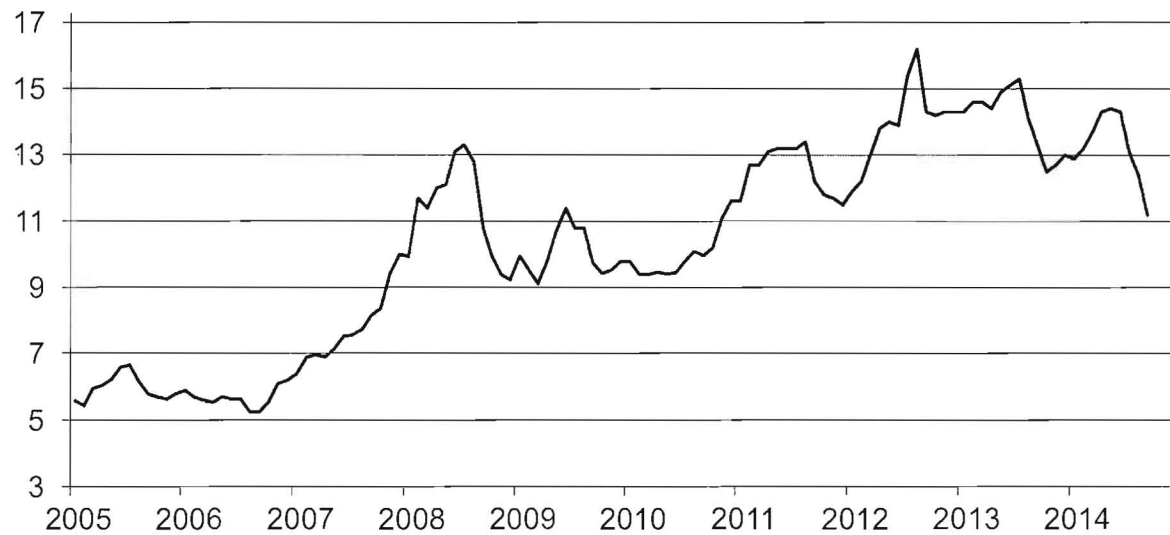
Prices Received for Upland Cotton by Month – United States

Dollars per pound



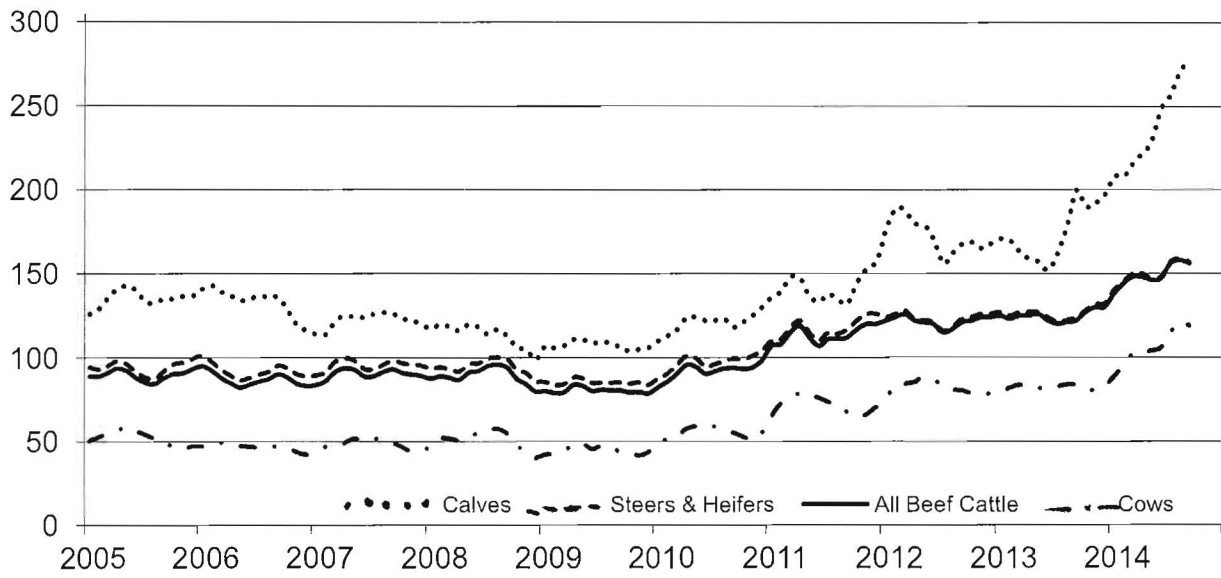
Prices Received for Soybeans by Month – United States

Dollars per bushel



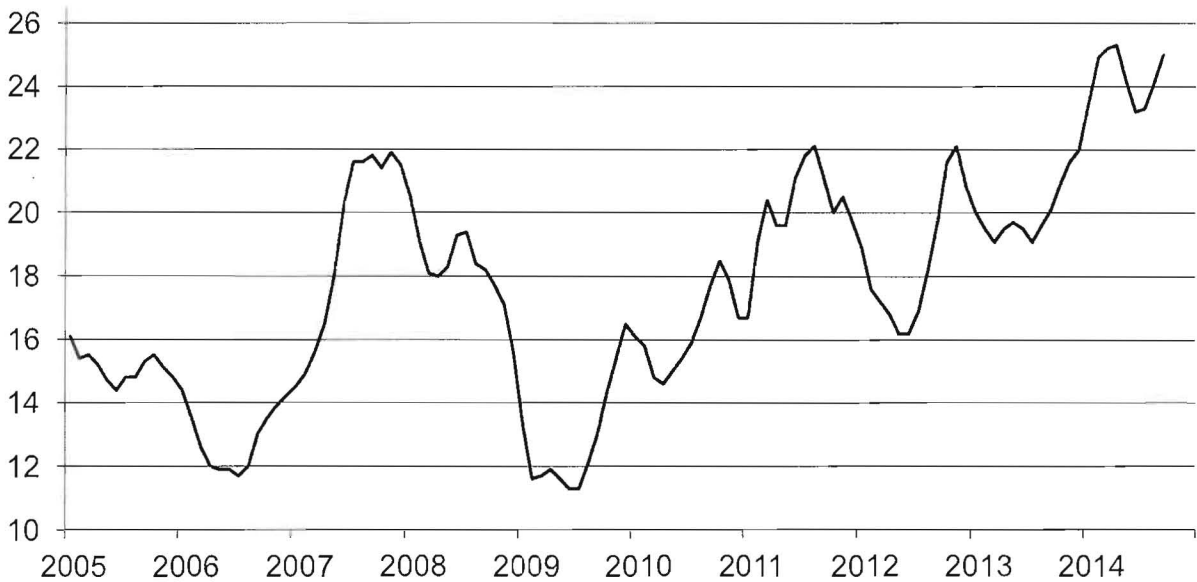
Prices Received for Cattle by Month – United States

Dollars per cwt



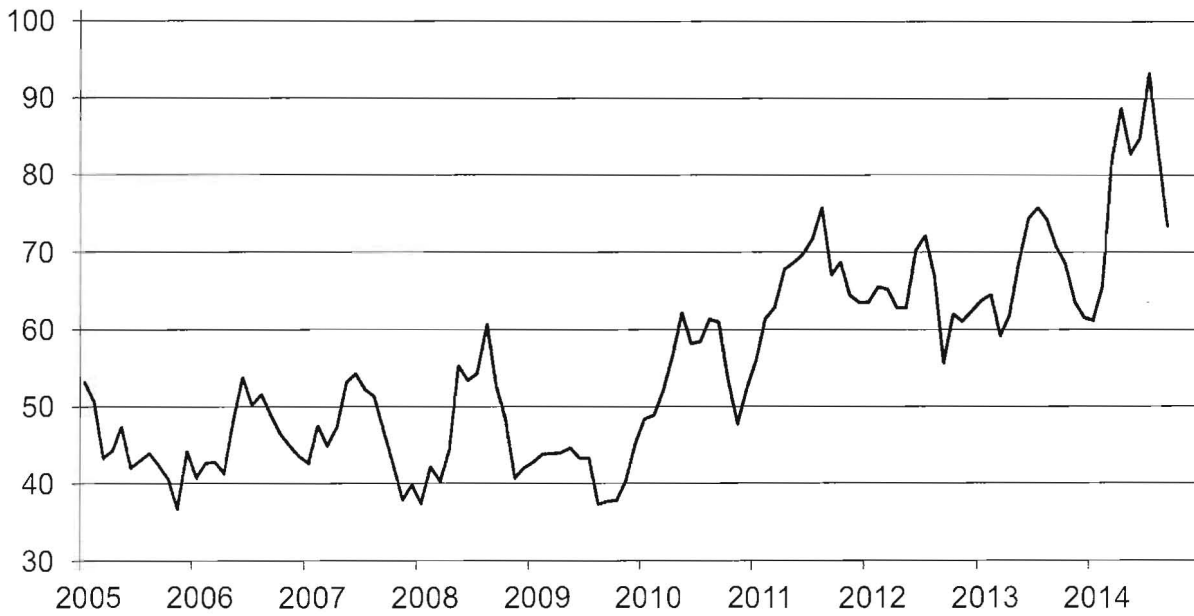
Prices Received for Milk by Month – United States

Dollars per cwt



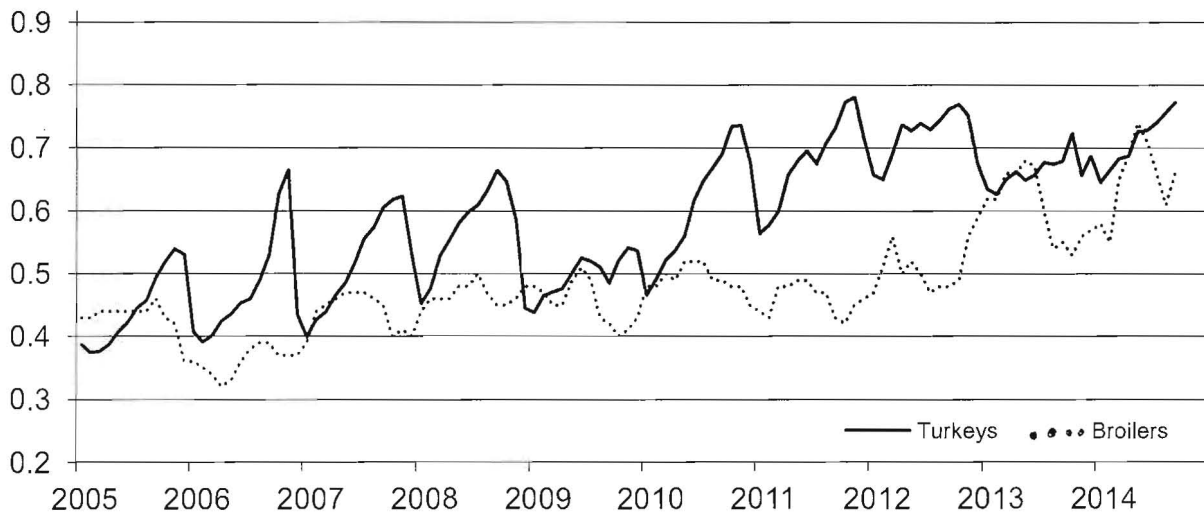
Prices Received for Hogs by Month – United States

Dollars per cwt

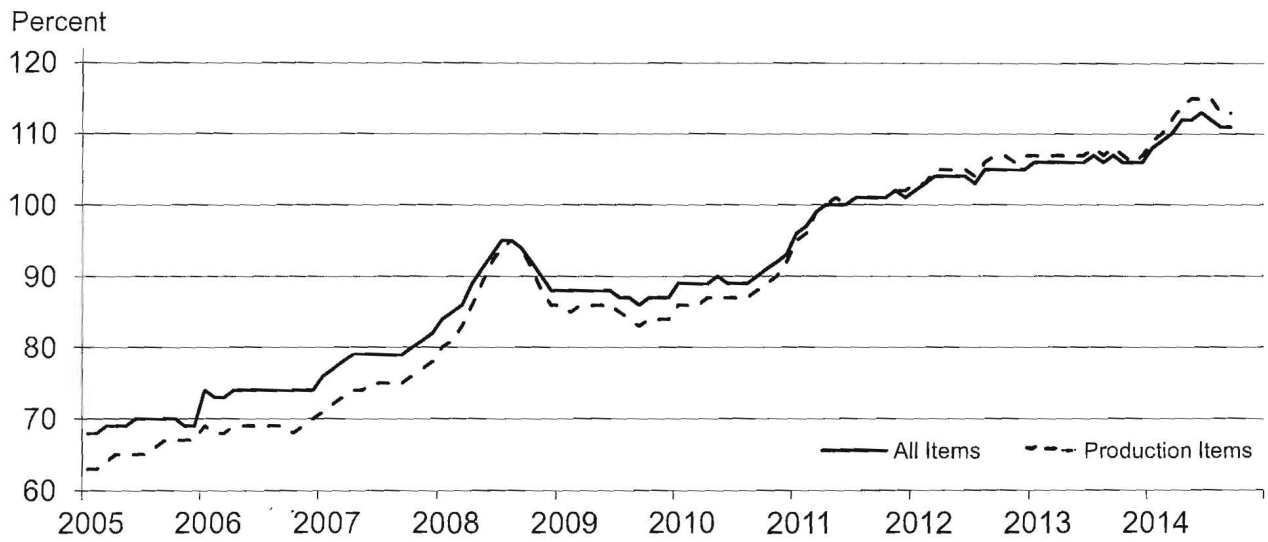


Prices Received for Poultry by Month – United States

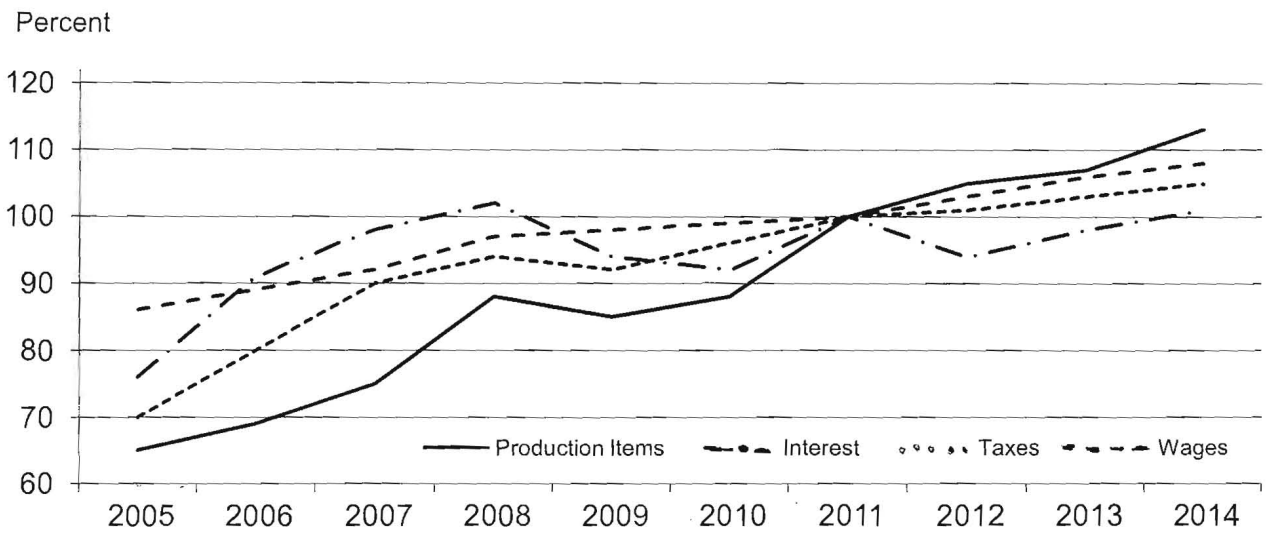
Dollars per pound



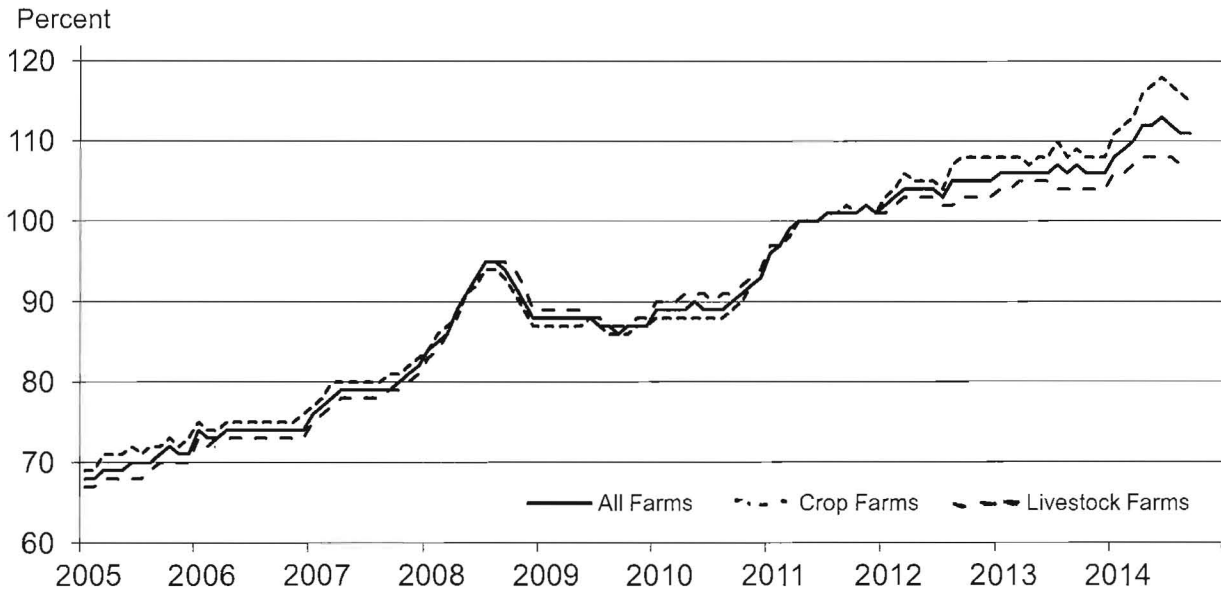
Paid Indexes by Month, All Items and Production Items – United States: 2011=100



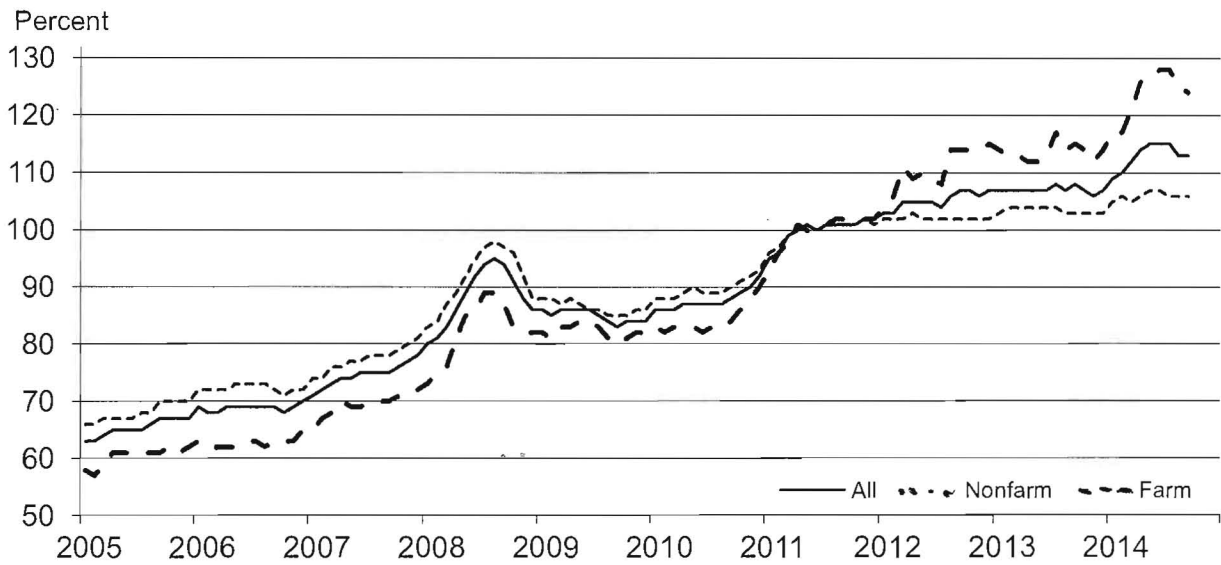
Paid Indexes, Annual Averages, Production Items, Interest, Taxes, and Wages – United States: 2011=100



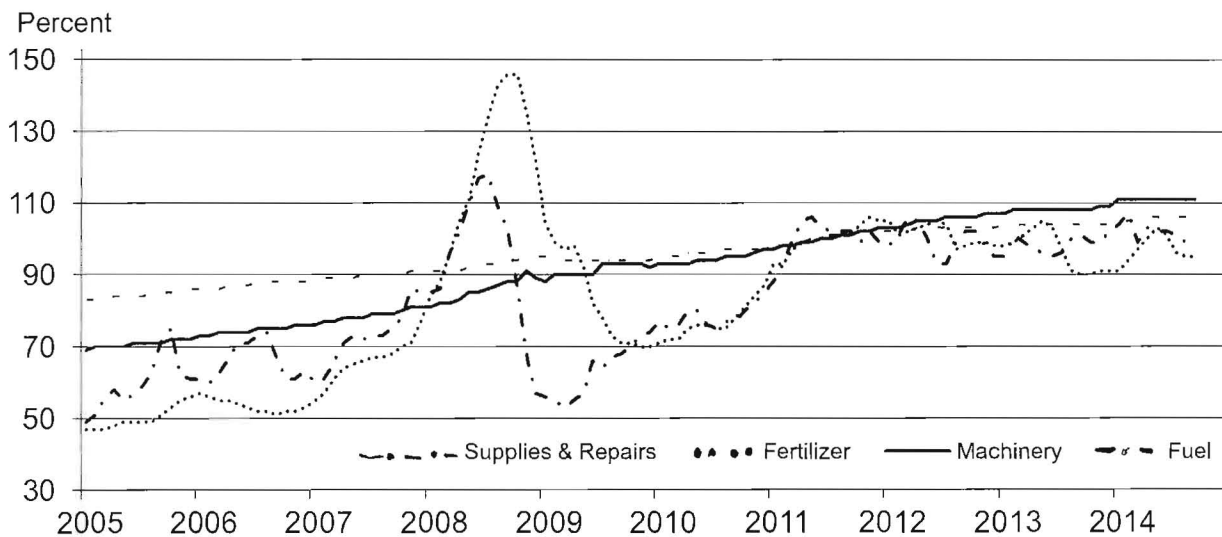
Paid Indexes by Farm Type and Month, All Items – United States: 2011=100



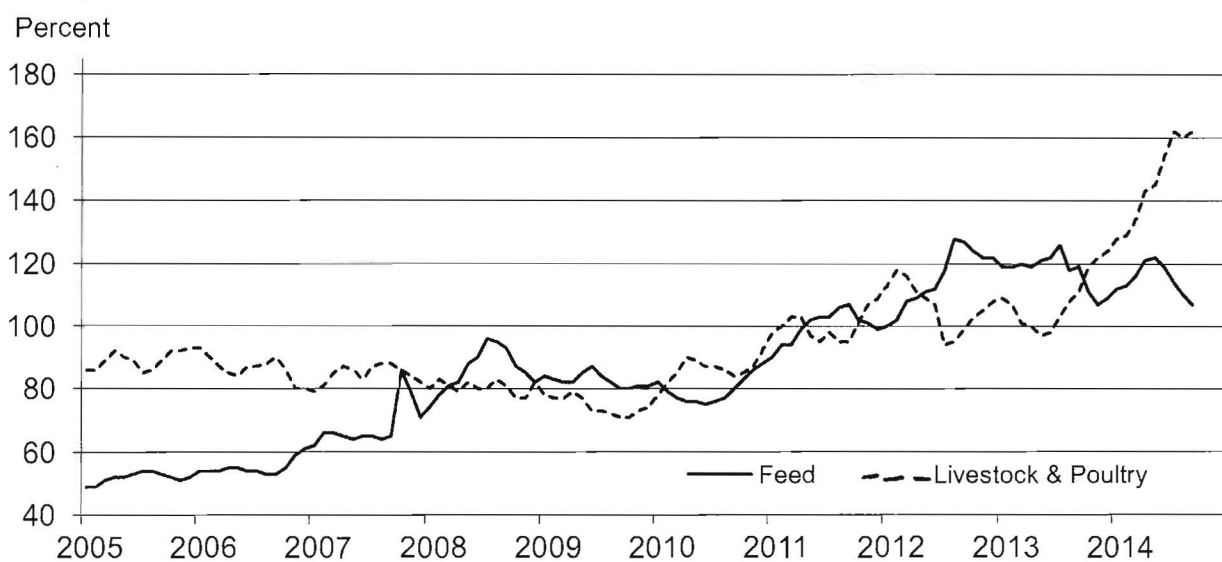
Paid Indexes by Origin and Month, All Production Items – United States: 2011=100



Paid Indexes by Non-Farm Sector and Month, Supplies & Repairs, Fertilizer, Machinery, and Fuel – United States: 2011=100



Paid Indexes by Month, Feed and Livestock & Poultry – United States: 2011=100



III. Chronology of Key Congressional Fiscal and Agricultural Policy Debates and Decisions, FY2008-2014

(prepared by Miguel Albert Novoa)

CHRONOLOGY OF MAJOR FISCAL POLICY DECISIONS & FARM BILL DEVELOPMENTS (FY 2011 – FY 2014)

Fiscal Year 2011

Dec. 2011	The 111th Congress' lame-duck session passes continuing resolution funding govt. until Mar. 5, 2011, and extends Bush Tax Cuts until Jan. 1, 2013
Apr. 2011	After several minor continuing resolutions passed in prior months, the 112th Congress enacts one to fund govt. for remainder of the fiscal year
May 2011	Lawmakers consider using a budget sequester to force a budget deal; govt. reaches its debt-ceiling, but negotiations to extend it are inconclusive
Aug. 2011	Bipartisan deal increases the debt-limit, ending the 2011 Debt-ceiling Crisis, and creates a Super Committee to develop a ten-year fiscal budget deficit-reduction plan; threat of a budget sequester is placed to take effect on Jan. 2, 2013, if Super Committee negotiations fail

Fiscal Year 2012

Nov. 2011	Govt. continues to be funded by short-term continuing resolutions; Super Committee fails to reach an agreement, placing in motion the sequester
	Ag. No farm bill deal reached due to failed negotiations between bicameral Ag. committee leaders; FY 2012 Ag. appropriations bill is passed
Dec. 2011	After continuing to operate with continuing resolutions, the govt. passes an omnibus appropriations bill to fund itself for rest of the fiscal year
May 2012	Disagreement over FY 2013 budget continue in spite of the looming sequester; CBO warns of an impending fiscal cliff to occur at year's end
Sep. 2012	After reaching a budget agreement in late June, Congress passes a continuing resolution to fund govt. until Mar. 27, 2013, and averts a shutdown
	Ag. 2008 Farm Bill is allowed to expire; Senate passed its version of a new farm bill in June, but House farm bill extension plan failed in July

Fiscal Year 2013

Jan. 2013	Fiscal cliff negotiations failed last month, but the govt. averts it by keeping most of the Bush Tax Cuts and postponing sequester to Mar. 2013
	Ag. The 2008 Farm Bill is extended until Sep. 30, 2013, as part of a legislative package to avoid the fiscal cliff
Feb. 2013	The 2013 Debt-ceiling Crisis, which started in January, is suspended until May 18, 2013; govt. focuses on plans to postpone looming sequester
Mar. 2013	Budget sequester takes effect despite last-minute attempts at preventing it; continuing resolution enacted to fund govt. for rest of the fiscal year
May 2013	Suspension of debt-ceiling ends, forcing the Treasury to resort to extraordinary measures; CBO warns this can last only until Oct. or Nov. 2013
Sep. 2013	Disagreements over the length of a continuing resolution and the legislation attached to it, prevent the govt. from functioning in fiscal year 2014
	Ag. House passes a two-part farm bill proposal, a nutrition-only and a farm-only versions, but combines them again in late Sep. 2013

Fiscal Year 2014

Oct. 2013	Govt. shuts down until continuing resolution passes to fund it until Jan. 16, 2014; debt-ceiling was raised until Feb. 7, 2014, thus resolving crisis
	Ag. The 2008 Farm Bill extension expires; bicameral negotiations start with the objective to develop a new five-year farm bill
Dec. 2013	Congress passes compromise budget deal that plans to shift FY 2014 and FY 2015 sequester cuts from discretionary to direct spending

	programs
Jan. 2014	After passing a short-term continuing resolution, an omnibus appropriations bill is enacted to fund the govt. for the remainder of the fiscal year
Feb. 2014	Another debt-ceiling crisis is avoided by lifting the limit until Mar. 15, 2015
Ag.	Following months of negotiation, the 2014 Farm Bill is passed by both legislative chambers and enacted on Feb. 7, 2014

CHRONOLOGY OF RELEVANT EVENTS THAT LED TO CHANGES IN FISCAL AND AGRICULTURE POLICIES (FY 2008 – FY 2014)

DATE	MACRO FISCAL POLICY	AGRICULTURAL POLICY	
FY 2008	Oct. 01, 2007	• CONTINUING RESOLUTION enacted to fund govt. until Nov. 17, 2007	
	Nov. 13, 2007	• CONTINUING RESOLUTION enacted to fund govt. until Dec. 15, 2007 • Includes the FY 2008 Defense APPROPRIATIONS BILL	
	Dec. 2007	• Start of <i>The Great Recession</i> , per NBER	
	Dec. 14, 2007	• CONTINUING RESOLUTION enacted to fund govt. until Dec. 22, 2007	
	Dec. 21, 2007	• CONTINUING RESOLUTION enacted to fund govt. until Jan. 01, 2008	
	Dec. 27, 2007	• President Bush signs <i>Consolidated Appropriations Act 2008</i> , an omnibus APPROPRIATIONS BILL that funds the government for the remainder of FY 2008.	• APPROPRIATIONS BILL for FY 2008 Agriculture is included
	Feb. 04, 2008	• President George W. Bush proposes FY 2009 federal budget	
	May 20, 2008	• Senate & House negotiators agree on FY 2009 federal budget	
	May 21, 2008		• President Bush vetoes the <i>Food, Conservation, and Energy Act of 2008</i> (the 2008 U.S. Farm Bill)
	June 05, 2008	• Congress passes the FY 2009 federal budget • DEBT-CEILING is raised to \$10.615 trillion	
	June 18, 2008		• President's veto is overridden by Congress: The <i>Food, Conservation, and Energy Act of 2008</i> (Farm Bill) is enacted
	Sep. 30, 2008	• <i>Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009</i> , enacted as a CONTINUING RESOLUTION to fund government until March 07, 2009. <small>REFER TO 12/27/2007</small>	
FY 2009	Oct. 03, 2008	• <i>Emergency Economic Stabilization Act 2008</i> is enacted • Popularly known as the “Financial System Bailout” • DEBT-CEILING is raised to \$11.315 trillion	
	Nov. 04, 2008	• U.S. General Elections: Barack Obama is elected president • Democrats increase majority in House and Senate	
	Jan. 03, 2009	111th Congress begins its session	
	Jan. 20, 2009	• Barack Obama becomes the 44 th President of the United States	
	Feb. 17, 2009	• <i>American Recovery and Reinvestment Act of 2009</i> • Act serves as a Great Recession relief and stimulus plan • DEBT-CEILING is raised to \$12.104 trillion	
	Feb. 26, 2009	• President Obama proposes his federal budget for FY 2010	
	Mar. 06, 2009	• CONTINUING RESOLUTION enacted to fund govt. until Mar. 12, 2009	
	Mar. 11, 2009	• President Obama signs <i>FY 2009 Omnibus Appropriations Act</i>	• APPROPRIATIONS BILL for FY 2009 Agriculture is included

	<ul style="list-style-type: none"> • This APPROPRIATIONS BILL funds govt. for remainder of FY 2009 	
	<ul style="list-style-type: none"> • Apr. 27, 2009 Senate and House negotiators agree on FY 2010 federal budget 	
	<ul style="list-style-type: none"> • Apr. 29, 2009 President's budget passes Congress along Democrat party lines 	
	<ul style="list-style-type: none"> • June 2009 End of <i>The Great Recession</i>, per NBER 	
	<ul style="list-style-type: none"> • July 01, 2009 <i>Car Allowance Rebate System</i> (“Cash for Clunkers”) starts • Objective: boost auto sales and provide economic stimulus 	
	<ul style="list-style-type: none"> • Aug. 24, 2009 <i>Car Allowance Rebate System</i> ends 	
FY 2010	<ul style="list-style-type: none"> • Oct. 01, 2009 CONTINUING RESOLUTION enacted to fund government until September 01, 2009 <u>REFER TO 03/11/2009</u> • APPROPRIATIONS BILL enacted for FY 2010 Legislative Branch 	
	<ul style="list-style-type: none"> • Oct. 16, 2009 	<ul style="list-style-type: none"> • APPROPRIATIONS BILL enacted for FY 2010 Agriculture
	<ul style="list-style-type: none"> • Oct. 28, 2009 APPROPRIATIONS BILL enacted for FY 2010 Homeland Security • APPROPRIATIONS BILL enacted for FY 2010 Energy and Water 	
	<ul style="list-style-type: none"> • Oct. 30, 2009 CONTINUING RESOLUTION enacted to fund govt. until Dec. 19, 2009 • APPROPRIATIONS BILL enacted for FY 2010 Interior and Development 	
	<ul style="list-style-type: none"> • Dec. 16, 2009 <i>Consolidated Appropriations Act, 2010</i>, enacted as an omnibus APPROPRIATIONS BILL for all remaining appropriations but defense 	
	<ul style="list-style-type: none"> • Dec. 19, 2009 President Obama does not sign CONTINUING RESOLUTION to fund government until Dec. 23, 2009, due to it being unnecessary • APPROPRIATIONS BILL enacted for FY 2010 Defense, covering the last of the bills needed for FY 2010 government funding 	
	<ul style="list-style-type: none"> • Dec. 24, 2009 DEBT-CEILING is raised to \$12.394 trillion 	
	<ul style="list-style-type: none"> • Feb. 01, 2010 President Obama proposes his federal budget for FY 2011 	
	<ul style="list-style-type: none"> • Feb. 12, 2010 DEBT-CEILING is raised to \$14.294 trillion 	
	<ul style="list-style-type: none"> • Mar. 23, 2010 <i>Patient Protection and Affordable Care Act</i> (Obamacare) enacted 	
	<ul style="list-style-type: none"> • Mar. 30, 2010 <i>Health Care and Education Reconciliation Act of 2010</i> enacted • Amends health care bill 	
	<ul style="list-style-type: none"> • Apr. 22, 2010 Budget Committee passes the FY 2011 budget resolution 	
	<ul style="list-style-type: none"> • Sep. 30, 2010 <i>Continuing Appropriations Act, 2011</i>, a CONTINUING RESOLUTION, enacted to fund FY 2011 govt. until Dec. 04, 2010 <u>REFER TO 12/19/2009</u> 	
FY 2011	<ul style="list-style-type: none"> • Nov. 02, 2010 U.S. Midterm Elections: Republicans gain majority in House, Democrats retain Senate majority but lose 6 seats to Republicans 	
	<ul style="list-style-type: none"> • Dec. 04, 2010 <i>Joint resolution making further continuing appropriations for fiscal year 2011, and for other purposes</i>, a CONTINUING RESOLUTION, enacted to fund government until December 19, 2010 	
	<ul style="list-style-type: none"> • <i>Tax Relief, Unemployment Insurance Reauthorization, and Job</i> 	

Dec. 16, 2010	<p><i>Creation Act of 2010</i>, approved by Congress</p> <ul style="list-style-type: none"> • Extends “Bush Tax Cuts” through FY 2012 	
Dec. 17, 2010	<p><i>Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010</i> is enacted</p> <ul style="list-style-type: none"> • Extends "Bush Tax Cuts" until December 31, 2012 • <i>Joint resolution making further continuing appropriations for fiscal year 2011, and for other purposes</i>, enacted • Funds government through December 21, 2010 	
Dec. 18, 2010	<ul style="list-style-type: none"> • CONTINUING RESOLUTION enacted to fund government until December 22, 2010 REFER TO 12/04/2010 	
Dec. 22, 2010	<ul style="list-style-type: none"> • CONTINUING RESOLUTION enacted to fund govt. until Mar. 05, 2011 	
Jan. 03, 2011	<p>112th Congress begins its session</p>	
Feb. 14, 2011	<ul style="list-style-type: none"> • President Obama proposes FY 2012 federal budget 	
Mar. 02, 2011	<ul style="list-style-type: none"> • CONTINUING RESOLUTION enacted to fund govt. until Mar. 19, 2011 	
Mar. 18, 2011	<ul style="list-style-type: none"> • CONTINUING RESOLUTION enacted to fund govt. until Apr. 09, 2011 	
Apr. 09, 2011	<ul style="list-style-type: none"> • Full annual budget deal made hours before government shutdown • CONTINUING RESOLUTION enacted to fund govt. until Apr. 16, 2011 	
Apr. 13, 2011	<ul style="list-style-type: none"> • President Obama proposes a new FY 2012 budget in a speech 	
Apr. 15, 2011	<ul style="list-style-type: none"> • CONTINUING RESOLUTION enacted to fund govt. for rest of FY 2011 • House Republicans pass their FY 2012 "Ryan Budget" plan 	
May 09, 2011	<ul style="list-style-type: none"> • Lawmakers begin discussions on the possibility of applying an across-the-board cut threat, or SEQUESTER, to force budget deal 	
May 16, 2011	<ul style="list-style-type: none"> • Government reaches the DEBT-CEILING REFER TO 02/12/2010 • Treasury Secretary Timothy Geithner provides an Aug. 2, 2011, deadline to raise the debt ceiling or risk defaulting on bills 	
May 24, 2011	<ul style="list-style-type: none"> • Democrats, led by Vice President Joe Biden, begin negotiating with Republicans, led by House Majority Leader Eric Cantor and Senate Minority Whip Jon Kyl, to discuss deficit reduction and the DEBT-CEILING crisis. REFER TO 05/16/2011 	
May 25, 2011	<ul style="list-style-type: none"> • President Obama's FY 2012 budget plan defeated in Congress • House "Ryan Budget" FY 2012 plan is defeated in Senate 	
May 31, 2011	<ul style="list-style-type: none"> • House defeats bill that would raise DEBT-CEILING • Republicans make clear that their goal in preventing a rise in the debt-ceiling is to achieve deficit-reduction 	<ul style="list-style-type: none"> • House Agriculture Appropriations Subcommittee approves fiscal 2012 discretionary spending draft bill, cutting more than 13 percent from fiscal 2011 level
June 16, 2011		<ul style="list-style-type: none"> • <i>Fiscal 2012 Agriculture Appropriations Bill</i>: <ul style="list-style-type: none"> • Funds various programs in USDA and related agencies • Totals \$125.5 billion for FY 2012 funding • Reduces over \$7 billion from President’s budget request

			<ul style="list-style-type: none"> • Reduces discretionary spending \$2.7 billion from 2010 level.
	June 23, 2011	<ul style="list-style-type: none"> • The DEBT-CEILING negotiations end after Republicans Cantor and Kyl walk out over disagreements about taxes <u>REFER TO 05/24/2011</u> 	
	July 19, 2011	<ul style="list-style-type: none"> • House passes the <i>Cut, Cap and Balance Act</i> that authorizes the rise of the DEBT-CEILING on the condition a Balanced Budget amendment is first passed in Congress. 	
	July 22, 2011	<ul style="list-style-type: none"> • Senate tables the <i>Cut, Cap and Balance Act</i>, without discussion 	
	July 25, 2011	<ul style="list-style-type: none"> • Republicans and Democrats work on separate deficit reduction plans, including DEBT-CEILING proposals 	
	July 29, 2011	<ul style="list-style-type: none"> • House passes Budget Control Act of 2011, with provisions to raise DEBT-CEILING and reduce spending. Senate again tables it. 	
	July 30, 2011	<ul style="list-style-type: none"> • Senate Majority Leader Reid's deficit reduction and DEBT-CEILING plan fails to pass the House 	
	July 31, 2011	<ul style="list-style-type: none"> • President Obama announces that Democrat & Republican leaders reached an agreement to end the DEBT-CEILING crisis 	
	Aug. 02, 2011	<ul style="list-style-type: none"> • President Obama signs the <i>Budget Control Act of 2011</i> • Creates a Congressional Super Committee to develop a deficit reduction plan over 10 years, in addition to \$917 billion cuts and initial debt limit increase of \$900 billion • Ends the 2011 DEBT-CEILING crisis; prevents sovereign default • Places threat of SEQUESTER to take effect on January 2, 2013, if the Super Committee fails to reach agreement on a total budget deal that does not reach a 10 year, \$1.2 trillion deficit reduction plan by November 23, 2011. <u>REFER TO 05/09/2011</u> • Assumption that this would not be allowed by either party 	
	Sep. 23, 2011	<ul style="list-style-type: none"> • Senate rejects House bill seeking, through budget cuts, transfer money to the Federal Emergency Management Agency (FEMA) for Hurricane Irene relief • Fear of government shutdown grows due to lack of funds • However, FEMA affirms funds are enough 	
	Sep. 26, 2011	<ul style="list-style-type: none"> • Senate passes 2 continuing resolutions to avert govt. shutdown 	
	Sep. 29, 2011	<ul style="list-style-type: none"> • House passes one of the aforementioned Senate resolutions • Funds government until November 18, 2011 	
	Sep. 30, 2011	<ul style="list-style-type: none"> • CONTINUING RESOLUTION enacted to fund government until October 05, 2011 <u>REFER TO 04/15/2011</u> 	
FY	Oct. 04, 2011	<ul style="list-style-type: none"> • House passes another of the aforementioned Senate resolutions 	
	Oct. 05, 2011	<ul style="list-style-type: none"> • CONTINUING RESOLUTION enacted to fund govt. until Nov. 18, 2011 	

2012	Oct. 14, 2011		<ul style="list-style-type: none"> • House and Senate Agriculture Committee leaders agree to present new farm bill proposal by November 1, 2011
	Nov. 01, 2011		<ul style="list-style-type: none"> • House and Senate Agriculture Committee leaders miss their own farm bill deadline • Fiscal 2012 minibus Agriculture appropriations bill passed by the Senate: <ul style="list-style-type: none"> • Also funds Commerce/Justice/Science, Transport/Housing, Urban Development, • Totals \$19.78 billion discretionary spending for FY 2012 • Cuts mandatory conservation programs by 12%, or \$726 million from FY 2011. • Agriculture spending bill passed by the Senate, part of 3-bill package (Agriculture, Commerce/Justice/Science, & Transportation/Housing and Urban Development)
	Nov. 11, 2011	<ul style="list-style-type: none"> • President Obama announces to Super Committee leaders that he would not accept any measures that seek to remove even a part of SEQUESTER. <u>REFER TO 08/02/2011</u> 	
	Nov. 14, 2011		<ul style="list-style-type: none"> • House adopts conference report on agriculture spending bill
	Nov. 17, 2011		<ul style="list-style-type: none"> • Senate clears the agriculture spending bill: <i>Consolidated and Further Continuing Appropriations Act, 2012</i> passes Congress <ul style="list-style-type: none"> • Result of resolved contrasts between House & Senate bills • \$137 billion in total FY 2012 spending for USDA & FDA <ul style="list-style-type: none"> • Includes \$116.8 billion in mandatory funding, • \$367 million in emergency spending for disaster relief, and • \$19.8 billion in discretionary funding. • Provides \$19.8 billion in discretionary spending; \$350 million below last year • Extends FY 2011 funding levels through December 16, 2011 for programs that have not received an FY 2012 appropriation; avoids November 18 shutdown.
	Nov. 18, 2011	<ul style="list-style-type: none"> • CONTINUING RESOLUTION, also called a minibus appropriations bill, is enacted to fund govt. until December 17, 2011. <u>REFER TO 10/05/2011</u> 	<ul style="list-style-type: none"> • APPROPRIATIONS BILL enacted for FY 2012 Agriculture • House and Senate Agriculture Committee leaders expected to reach a deal on a new farm bill ("2011 Farm Bill"), but cannot agree on overall deficit reductions
	Nov. 22, 2011	<ul style="list-style-type: none"> • Congressional Super Committee is disbanded after failing to reach an agreement on cuts to budget spending • The SEQUESTER, \$1.2 trillion cuts in defense and domestic spending on Jan. 2, 2013, looms over the budget. <u>REFER TO 11/11/2011</u> • President Obama threatens to veto any attempt at stopping the 	<ul style="list-style-type: none"> • Farm bill deal is not reached.

	cuts in order to force Congress to reach an agreement	
Dec. 15, 2011	<ul style="list-style-type: none"> • Remaining FY 2012 appropriations combined to form the <i>Consolidated Appropriations Act, 2012</i> 	
Dec. 16, 2011	<ul style="list-style-type: none"> • CONTINUING RESOLUTION enacted to fund govt. until Dec. 18, 2011 	
Dec. 17, 2011	<ul style="list-style-type: none"> • CONTINUING RESOLUTION enacted to fund govt. until Dec. 24, 2011 	
Dec. 23, 2011	<ul style="list-style-type: none"> • <i>Consolidated Appropriations Act, 2012</i>, is enacted as an omnibus APPROPRIATIONS BILL to fund govt. for rest of FY 2012 	
Feb. 01, 2012		<ul style="list-style-type: none"> • Chair of Senate Agriculture Committee announces hearings for 2012 Farm Bill: <ul style="list-style-type: none"> • February 15: Energy & economic growth for Rural America • February 29: Strengthens conservation through 2012 Farm Bill • March 7: Health food initiatives, local production, nutrition • March 21: Risk management & commodities in 2012 Farm Bill
Feb. 13, 2012	<ul style="list-style-type: none"> • President Obama proposes his federal budget for FY 2013 • White House announces that, if this budget is accepted in full, it would serve as a replacement to the SEQUESTER. <u>REFER TO 11/22/2011</u> 	
Apr. 02, 2012	<ul style="list-style-type: none"> • House adopt Ryan Budget as their FY 2013 budget resolution • If Senate accepts the House resolution, it could pave the way to, during the reconciliation process, avoid the SEQUESTER 	
Apr. 26, 2012		<ul style="list-style-type: none"> • Senate Agriculture Committee approves draft 2012 Farm Bill • Senate Appropriations Committee approves FY 2013 Agriculture Appropriations
May 28, 2012	<ul style="list-style-type: none"> • Congressional Budget Office warns about the dangers of an impending FISCAL CLIFF on the economy at the year's end. 	
June 6, 2012		<ul style="list-style-type: none"> • House Appropriations Subcommittee approves FY 2013 Agriculture Appropriations
June 19, 2012		<ul style="list-style-type: none"> • House Appropriations Committee approves FY 2013 Agriculture Appropriations <ul style="list-style-type: none"> • Includes \$19.4 billion in discretionary funding, a cut of \$365 million below last year's level, and a cut of \$1.7 billion below the President's budget request. • Totals \$140.7 billion for discretionary and mandatory funding, a reduction of more than \$3.7 billion from the President's request.
June 21, 2012		<ul style="list-style-type: none"> • Senate passes the 2012 Farm Bill: <i>Agriculture Reform, Food, and Jobs Act</i> • House delays farm bill debate back to July 11, to "assess the political situation"
June 27, 2012	<ul style="list-style-type: none"> • House Budget Committee passes bill that would require the 	

	Office of Management and Budget to identify how the SEQUESTER would be carried out. <u>REFER TO 04/02/2012</u>	
June 29, 2012	<ul style="list-style-type: none"> • Congress reaches FY 2013 budget deal • Funds will continue at FY 2012 levels until March 2013 	
July 12, 2012		<ul style="list-style-type: none"> • House Agriculture Committee passes its 2012 Farm Bill • Speaker Boehner refuses to guarantee it time in the floor prior to September 30
July 18, 2012	<ul style="list-style-type: none"> • House passes bill to require OMB to identify how the SEQUESTER would be carried out. <u>REFER TO 06/27/2012</u> 	
July 25, 2012	<ul style="list-style-type: none"> • Senate passes bill to require OMB to identify how the SEQUESTER would be carried out. 	
July 27, 2012		<ul style="list-style-type: none"> • House majority leadership file for extension to 2008 farm bill • FY 2013 Agriculture Appropriations still not passed, raising concern for the looming sequester
July 31, 2012	<ul style="list-style-type: none"> • Congress announces FY 2013 budget deal: Funds FY 2012 levels until March 2013 • House previously passed 6 of 12 spending bills, while the Senate passed none 	<ul style="list-style-type: none"> • Tentative 2008 farm bill extension is pulled out of consideration
Aug. 02, 2012		<ul style="list-style-type: none"> • House passes disaster bill for aid amidst worsening drought • Cuts \$639 million from two conservation programs (Conservation Stewardship Program and the Environmental Quality Incentives Program) • \$383 million for livestock producers & some fruit growers • Remaining cut goes to deficit reduction. • Senate does not pass disaster bill; claims its passed farm bill already addresses the problem • House blames Senate for not taking disaster bill action • Senate blames house for not passing the new farm bill
Sep. 12, 2012	<ul style="list-style-type: none"> • House passes bill requiring the President to submit by October 15, 2012, a plan to replace SEQUESTER cuts with other reductions 	
Sep. 13, 2012	<ul style="list-style-type: none"> • House passes continuing resolution to fund government <ul style="list-style-type: none"> • Extends FY 2012 funding levels until March 27, 2013 • All regular FY 2013 appropriations bills are placed on hold • Seeks alternative to defense cuts in SEQUESTER <u>REFER TO 09/12/2012</u> 	<ul style="list-style-type: none"> • Farm bill conservation programs prevented from new enrollments in FY 2013: Conservation Stewardship Program, Wetlands Reserve Program, Grassland Reserve Program, and Chesapeake Bay Watershed Initiative.
Sep. 18, 2012		<ul style="list-style-type: none"> • Spokesperson for House Agriculture Committee, Chair Frank Lucas, states neither a new farm bill nor an extension of the existing farm bill will have a floor vote • September 30, 2012, expiration date of 2008 farm bill looms
Sep. 22, 2012	<ul style="list-style-type: none"> • Senate passes the same continuing resolution passed in House 	

	Sep. 28, 2012	<ul style="list-style-type: none"> • Funds government until March 27, 2013 • CONTINUING RESOLUTION enacted to fund govt. until Mar. 27, 2013 • Averts a looming government shutdown • Funds government for beginning of FY 2013 REFER TO 12/23/2011 	
FY 2013	Nov. 06, 2012	<ul style="list-style-type: none"> • U.S. General Elections: Barack Obama is re-elected president • Democrats increase numbers in the House and Senate, but Republicans retain majority in House 	
	Nov. 7, 2012		<ul style="list-style-type: none"> • U.S. Elections affect composition of agriculture committees in House and Senate
	Nov. 16, 2012	<ul style="list-style-type: none"> • Congressional leaders and President Obama have inaugural FISCAL CLIFF bipartisan negotiations REFER TO 05/28/2012 • Negotiations include plans for SEQUESTER REFER TO 09/13/2012 	
	Dec. 12, 2012		<ul style="list-style-type: none"> • Week saw the agriculture “gang of four” work on a farm bill deal to bypass the House and Senate conference committees. • Members: Senate Agriculture Chair Debbie Stabenow, and Pat Roberts; House Agriculture Chair and Ranking Member Frank Lucas, and Collin Peterson. • Agreement unclear; disagreements on the structure of new commodity subsidies
	Dec. 17, 2012	<ul style="list-style-type: none"> • House Speaker John Boehner presents his fiscal cliff “Plan B” • Boehner ends any further bipartisan fiscal cliff negotiations with Congressional leaders and President Obama • Return to partisan politics; ignores all of the White House agreements reached up to this point 	
	Dec. 21, 2012		<ul style="list-style-type: none"> • Bipartisan farm bill 2012 deal becomes more unlikely due to the end of bipartisan negotiations
	Dec. 20, 2012	<ul style="list-style-type: none"> • Speaker Boehner unexpectedly has House vote on his “Plan B” • Combines votes on tax cuts and spending cuts; • "Plan B" has no relation to prior bipartisan negotiations • Later in the day, Speaker Boehner stopped his plan when it was clear that he did not have the Republican votes needed to pass it 	
	Dec. 31, 2012		<ul style="list-style-type: none"> • Senate passes extension of 2008 Farm Bill up to September 30, 2013, as part of a larger legislative package that seeks to avoid a government fiscal cliff
	Jan. 01, 2013	<ul style="list-style-type: none"> • <i>American Taxpayer Relief Act of 2012</i> is enacted to • Averts FISCAL CLIFF and budget SEQUESTER REFER TO 11/16/2012 • The 2013 DEBT-CEILING crisis begins REFER TO 08/02/2011 	<ul style="list-style-type: none"> • House approves the Senate farm bill extension as part of a larger legislative package to avert fiscal cliff
	Jan. 02, 2013		<ul style="list-style-type: none"> • President Obama signs farm bill extension into law

Jan. 03, 2013	113th Congress begins its session	
Jan. 23, 2013	<ul style="list-style-type: none"> • House passes <i>No Budget, No Pay Act of 2013</i>, which plans to suspend the DEBT-CEILING until May 18, 2013. REFER TO 01/01/2013 • Additional provision demands a Senate budget resolution by April 15, 2014, or face a 2-year delay in getting paychecks • Senate Majority Leader Harry Reid states that Senate plans to adopt the House measure, but portrays it as Democrat victory and belittles the delayed paycheck provision • Senate Budget Committee Chair Patty Murray signals Senate Budget Committee would make a budget resolution this year, something that has not been done in past years <ul style="list-style-type: none"> • For the past two years, <i>Budget Control Act of 2011</i> replaced non-binding budget resolution • Third leading Senate Democrat, Chuck Schumer, may seek a “budget reconciliation” process in May 2013 budget bill, to deal with tax reform & revenue increases, and spending cuts. <ul style="list-style-type: none"> • Under reconciliation, multiple Congress committees quickly produce spending cuts or revenue increase measures by the same date, and then get the proposals together in a single bill that is not subject to Senate filibusters • Decision to move to reconciliation remains a great debate • House promises made by Republican leaders indicate that delay on resolving the DEBT-CEILING will allow the House FY 2014 budget resolution to include a balanced-budget path for 2023 	<ul style="list-style-type: none"> • Tentative plan for “budget reconciliation” could help enact a new 5-year farm bill
Jan. 31, 2013	<ul style="list-style-type: none"> • Senate passes <i>No Budget, No Pay Act of 2013</i>, which includes the DEBT-CEILING suspension deal 	<ul style="list-style-type: none"> • Passage of debt-ceiling deal by Congress possibly will delay farm bill and agriculture appropriations debates until June 2013
Feb. 04, 2013	<ul style="list-style-type: none"> • President Obama signs the <i>No Budget, No Pay Act of 2013</i> • Postpones DEBT-CEILING crisis to May 18, 2013 REFER TO 01/23/2013 	
Feb. 12, 2013		<ul style="list-style-type: none"> • Senators Chuck Grassley, Tim Johnson, Mike Enzi, and Sherrod Brown introduce the <i>Farm Program Integrity Act</i>, a bipartisan bill seeking fiscal responsibility <ul style="list-style-type: none"> • Aims a hard cap on farm program payments to close current loopholes & ensure payments go to working farmers instead of mega-farms and absentee investors
Feb. 14, 2013	<ul style="list-style-type: none"> • Senate Appropriations Committee has hearing about SEQUESTER • Senate majority leader Harry Reid announces the <i>American Family Economic Protection Act</i>, a spending cuts & revenue increase package to avoid sequestration <ul style="list-style-type: none"> • Proposal would cut defense spending and net farm bill spending each by \$27.5 billion over upcoming decade 	<ul style="list-style-type: none"> • Senate Agriculture Committee holds crop insurance and farm conservation hearing • Senate Appropriations Committee holds hearing on impact of sequester, including effects on USDA and agriculture sector: <ul style="list-style-type: none"> • Up to 2 billion pounds of meat, 2.8 to 3.3 billion pounds of poultry, and over 200 million pounds of egg products would

	<ul style="list-style-type: none"> • Bill would also raise an additional \$55 billion by closing two tax dodges and placing a minimum tax on millionaires to counteract the effect of tax loopholes • The SEQUESTER would be delayed to January 2014, assuming a larger deficit reduction is reached at that time <u>REFER TO 01/01/2013</u> 	<ul style="list-style-type: none"> • be lost, causing a \$10 billion industry loss • <i>American Family Economic Protection Act</i> announced by Senator Harry Reid has a series of farm policy components: <ul style="list-style-type: none"> • Proposal would end direct payments and restore farm bill programs that were left out of the farm bill extension portion of the fiscal cliff deal of January 1, 2013 • It would immediately help fund livestock disaster assistance • Proposal would cut net farm bill spending by \$27.5 billion over coming decade • It would eliminate commodity production subsidy yields of \$31 billion, but also reinvests \$3.5 billion to pay for a full farm bill extension, including programs left stranded by earlier farm bill extension and disaster assistance
<p>Feb. 27, 2013</p>	<ul style="list-style-type: none"> • Senate begins debating two proposals, one Democratic and another Republican, in order to address looming budget sequester • Republican plan leaves \$85 billion budget cuts in place, instead of across-the-board cuts via the sequester; allow President Obama until March 15, 2013, to design plan exempting some budgets from cuts, doubling down on others • Democratic plan: updated version of Senator Reid’s proposal • Cuts deficit by \$110 billion using targeted spending cuts and revenue increases; postpones sequestration • Bill replaces immediate automatic cuts with \$110 billion in deficit reduction, raising \$55 billion closing tax loopholes and cutting spending \$55 billion. Half of savings are from defense spending and the other from Farm Bill 	<ul style="list-style-type: none"> • Democratic senators present updated version of Senator Reid’s proposal. Farm-related portion of it does the following: <ul style="list-style-type: none"> • Removes Farm Bill spending from inclusion in sequester • Raises \$31 billion by ending out-of-date direct payment commodity production subsidy program • Reinvests \$3.5 billion of the \$31 billion saved to restore funding to Farm Bill programs left out when Congress passed the 2008 Farm Bill extension • Fixes earlier legislative mistake so 2013 farmer sign-up for Conservation Stewardship Program can proceed; without fix there is no 2013 sign-up, which would result in a \$1 billion loss to long-term farm bill conservation funding
<p>Feb. 31, 2013</p>	<ul style="list-style-type: none"> • Democrat proposal fails in Senate (51 favor, 49 against); needed 60 votes to pass, not a majority • Republican proposal fails to pass Senate (38 favor, 62 against) 	<ul style="list-style-type: none"> • Aforementioned Democrat proposal fails to pass Senate
<p>Mar. 01, 2013</p>	<ul style="list-style-type: none"> • The SEQUESTER (budget sequestration) takes place, causing across-the-board cuts <u>REFER TO 02/14/2013</u> 	<ul style="list-style-type: none"> • Sequester takes effect after no deal is reached in Congress • Largest cuts are from commodity programs and the second largest from conservation programs. Food stamps exempt by statute; crop insurance exempt by administrative decision • Raises possibility that new 5-year farm bill will cut farm spending by more than the sequester amount; the new larger cuts could be written to replace sequester cuts or to simply add to them. • Unlikely that any action on a new farm bill will happen before the May budget and debt ceiling debates reach an end • USDA Secretary Tom Vilsack explains the sequester's impact

		<p>on FY 2013:</p> <ul style="list-style-type: none"> • Decline in farm loans, conservation technical assistance, rural housing programs, agricultural research, and the WIC program for women and infants.
<p>Mar. 04, 2013</p>	<ul style="list-style-type: none"> • House Appropriations Committee Chairman Hal Rogers introduces a continuing resolution to fund government for the remainder of FY 2013 • Existing budget funding set to expire on March 27, 2013 	<ul style="list-style-type: none"> • House continuing resolution set to increase funding for direct farm operating loans by \$200 million and guaranteed farm ownership loans by \$500 million • Resolution set to extend mandatory spending cuts of FY 2012 appropriations bill <ul style="list-style-type: none"> • \$350 million cut for the Environmental Quality Incentives Program for FY 2013 • \$35 million cut for Wildlife Habitat Incentives Program for FY 2013 • \$50 million cut for FY 2013 Farmland Protection Program • \$5 million cut for Agricultural Management Assistance Program for FY 2013 • Continues cut that shut down Conservation Stewardship Program for 2013
<p>Mar. 06, 2013</p>	<ul style="list-style-type: none"> • House passes continuing resolution, FY 2013 funding extension 	
<p>Mar. 11, 2013</p>	<ul style="list-style-type: none"> • Senate proposes appropriations legislation to fund government through FY 2013 • Like House, Senate bill has SEQUESTER cuts <u>REFER TO 03/01/2013</u> • House bill uses FY 2012 funding levels as starting point for cuts, but Senate uses FY 2013 funding levels that House & Senate leaders of Appropriations Committees last agreed <ul style="list-style-type: none"> • Programs that received substantial funding increases in last year's negotiated but unfinished funding bill receive better funding in Senate proposal • Because of additional 2.513% across-the-board cut in Senate versus additional 0.998% House cut, Senate proposal provides less money than House for programs otherwise funded at or near FY 2012 levels 	<ul style="list-style-type: none"> • Senate proposes appropriations legislation to fund government through FY 2013 • Gives \$20.532 billion in discretionary agriculture spending, <ul style="list-style-type: none"> • Even with the cut, total spending is \$1 billion higher than the FY 2012 levels • Most of that \$1 billion goes to the Women, Infants and Children (WIC) program and the FDA for implementing Food Safety Modernization Act • Decreases fund levels for direct & guaranteed ownership & operating loans • Senate proposal fixes technical error preventing USDA from conducting FY 2013 sign-up for Conservation Stewardship Program; equals \$1 billion in farm bill conservation spending
<p>Mar. 12, 2013</p>	<ul style="list-style-type: none"> • House presents its FY 2014 Budget Resolution • 8 committees, including agriculture, to cut spending by \$1 billion over ten years to achieve budget reconciliation 	<ul style="list-style-type: none"> • House presents its FY 2014 Budget Resolution <ul style="list-style-type: none"> • Cuts \$184 billion on farm bill spending <ul style="list-style-type: none"> • \$135 billion of it comes from the Supplemental Nutrition Assistance Program • \$31 billion cuts split between commodity program & crop insurance subsidies • 8 committees, including agriculture, to cut spending by \$1 billion over ten years to achieve budget reconciliation

Mar. 13, 2013	<ul style="list-style-type: none"> • Senate presents its FY 2014 Budget Resolution • Finance Committee to generate \$975 billion in ten-year savings by reforming the tax code to achieve budget reconciliation 	<ul style="list-style-type: none"> • Senate presents its FY 2014 Budget Resolution • Cuts \$23 billion on farm bill spending <ul style="list-style-type: none"> • Cuts come from commodity & crop insurance spending • Cuts are smaller and more consistent with what Senate and House Agriculture Committee accepted as part of the last year's farm bill debate • No budget reconciliation plan specifically agriculture
Mar. 20, 2013	<ul style="list-style-type: none"> • Senate passes appropriations legislation, the <i>Consolidated and Further Continuing Appropriations Act, 2013</i>, to fund government through FY 2013 	
Mar. 21, 2013	<ul style="list-style-type: none"> • House passes appropriations legislation, the <i>Consolidated and Further Continuing Appropriations Act, 2013</i>, to fund government through FY 2013 • House passes FY 2014 budget resolution; has a spending outline for next 10 years 	<ul style="list-style-type: none"> • House passes its FY 2014 budget resolution • Cuts farm bill spending by \$184 billion over ten years. <ul style="list-style-type: none"> • About \$18 billion come from farm bill conservation title spending cuts
Mar. 23, 2013	<ul style="list-style-type: none"> • Senate passes the FY 2014 budget 	
Mar. 26, 2013	<ul style="list-style-type: none"> • CONTINUING RESOLUTION enacted to fund govt. for the remainder of FY 2013 REFER TO 09/28/2012 	
Apr. 09, 2013		<ul style="list-style-type: none"> • The <i>Local Farms, Food, and Jobs Act of 2013</i> is introduced in the Senate and the House of Representatives <ul style="list-style-type: none"> • Introduced due to Congress not passing a new five-year farm bill in 2012 • Invests little over \$100 million for production, aggregation, processing, marketing, and distribution barriers that limit growth in local and regional food markets
Apr. 10, 2013	<ul style="list-style-type: none"> • President Obama proposes his federal budget for FY 2014 • Proposal replaces the SEQUESTER starting in FY 2014, ending these across-the-board cuts REFER TO 03/11/2013 • Budget would achieve approximately \$600 billion in deficit reduction over ten years through a mix of tax increases and spending reductions. • Budget would decrease discretionary spending by \$202 billion over ten years starting in 2014 	<ul style="list-style-type: none"> • President's budget proposal would give \$22.6 billion in discretionary funding to USDA, close to the amount in 2012. • Proposal includes cuts to mandatory conservation programs, and requests level or decreased funding for other sustainable agriculture programs. • Plan eliminates direct payments, reduces crop insurance subsidies, and increases funds for renewable energy programs and for the Agriculture and Food Research Initiative (AFRI)
Apr. 16, 2013		<ul style="list-style-type: none"> • USDA Secretary Tom Vilsack discusses USDA requests in the FY 2014 budget with House Appropriations Subcommittee <ul style="list-style-type: none"> • FDA requests FY 2014 FDA funding of \$4.7 billion. This is an increase of \$670 million above FY 2013 FDA funding
Apr. 26, 2013		<ul style="list-style-type: none"> • Agriculture Committee leaders announce that they plans to start again the 2013 Farm Bill process

		<ul style="list-style-type: none"> • Senate Agriculture Committee Chairwoman Stabenow plans to make last year’s Senate-passed farm bill starting point for debate in Committee. • Bill would achieve \$23 billion in savings that last year’s bill achieved, and that the cuts to achieve the savings will be distributed as they were in last year’s bill • Senate Majority Leader Reid announced hopes to have full debate on bill before the June immigration reform debates • House Agriculture Committee Chairman Lucas plans to hold the House Agriculture Committee farm bill mark-up on May 15, and intends to change bill framework to achieve \$38 billion in savings (instead of last proposed \$35 billion) • Intends to take more cuts than last year from SNAP and from conservation, especially Conservation Stewardship Program and the Conservation Reserve Program, and less from commodity subsidies
May 09, 2013		<ul style="list-style-type: none"> • Farm Bill 2013 draft released by Senate Agriculture Committee
May 10, 2013		<ul style="list-style-type: none"> • House Agriculture Committee releases their farm bill draft
May 14, 2013		<ul style="list-style-type: none"> • Senate Ag. Committee voted new farm bill out of committee • Maintains much of the proposed 2012 Farm Bill, but drops subsidy reduction on crop insurance premium for farmers and investors making more than \$750,000 per year
May 18, 2013	<ul style="list-style-type: none"> • The DEBT-CEILING suspension ends. <u>REFER TO 02/04/2013</u> • Treasury begins using extraordinary measures to continue borrowing for a limited time. Congressional Budget Office projects this lasting until October or November 2013. 	<ul style="list-style-type: none"> • Senate and House Agriculture Committees held respective committee Farm Bill 2013 “markup” sessions in this week
May 24, 2013		<ul style="list-style-type: none"> • Senate Appropriations Subcommittee holds hearing on the USDA’s FY 2014 budget requests for conservation, rural development, credit and renewable energy programs
June 05, 2013		<ul style="list-style-type: none"> • House Agriculture Appropriations Subcommittee approves FY 2014 Agriculture appropriations bill
June 06, 2013		<ul style="list-style-type: none"> • Senate invokes <i>cloture</i>, or limit of debate, on 2013 Farm Bill
June 10, 2013		<ul style="list-style-type: none"> • Senate passes its version of the 2013 Farm Bill • Conservation programs cut nearly \$6 billion over ten years
June 13, 2013		<ul style="list-style-type: none"> • House Appropriations Committee approves FY 2014 agricultural appropriations bill • Sets discretionary funds at \$19.5 billion (\$1.3 billion below FY 2013 levels, but nearly equal except for sequester cuts)
June 20, 2013		<ul style="list-style-type: none"> • House fails to pass the 2013 Farm Bill (vote of 230-195)

	June 21, 2013		<ul style="list-style-type: none"> • Senate Appropriations Committee approves FY 2014 agricultural appropriations bill <ul style="list-style-type: none"> • \$20.93 billion in funding for agriculture, rural development, nutrition and food safety programs
	July 11, 2013		<ul style="list-style-type: none"> • House Republicans pass a farm-only Farm Bill for FY 2013, excluding the parts on nutrition (SNAP) for a separate bill
	July 15, 2013		<ul style="list-style-type: none"> • Senate Agriculture Committee Chairwoman Stabenow calls for a formal Farm Bill conference to begin with the House <ul style="list-style-type: none"> • Primary goal is to pass new farm bill prior to the expiration of the old farm bill on September 30, 2013 • House not yet sent the passed farm-only Farm Bill to Senate
	July 16, 2013		<ul style="list-style-type: none"> • House sends their passed farm-only Farm Bill to Senate
	Aug. 01, 2013		<ul style="list-style-type: none"> • Senate officially appoints Farm Bill conference members, but House has not yet decided on its members for the conference
	Sep. 10, 2013	<ul style="list-style-type: none"> • House Appropriations Committee releases draft for continuing resolution for FY 2014. It would fund most programs until December 15, 2013, at levels provided in FY 2013. 	<ul style="list-style-type: none"> • Under House proposal, previously passed FY 2014 agriculture appropriations bills would be discarded. Instead, agriculture programs would be funded at FY 2013 levels.
	Sep. 16, 2013		<ul style="list-style-type: none"> • House releases text of nutrition-only 2013 Farm Bill <ul style="list-style-type: none"> • Approximately \$39 billion cuts for SNAP
	Sep. 19, 2013		<ul style="list-style-type: none"> • House passes its nutrition-only 2013 Farm Bill <ul style="list-style-type: none"> • No provision to merge this bill with its other half.
	Sep. 20, 2013	<ul style="list-style-type: none"> • House passes its continuing resolution for FY 2014. Extends FY 2013 funds for most programs until December 15, 2013. 	
	Sep. 27, 2013	<ul style="list-style-type: none"> • Senate passes amendments to House's continuing resolution bill <ul style="list-style-type: none"> • Removes House provision that defunded Affordable Care Act • Removes House provision prioritizing debt payments above other government functions to take effect if Congress does not raise the DEBT-CEILING in October REFER TO 05/18/2013 • Reduces length of continuing resolution funding extension to November 15, 2013, instead of December 15, 2013. • Senate's continuing resolution otherwise follows House version, including a \$987 billion cap on total government spending. • Senate continuing resolution also does not include its prior position in favor of removing sequester cuts. 	
	Sep. 28, 2013	<ul style="list-style-type: none"> • House approves rule to allow debate over government funding bill without further delays 	<ul style="list-style-type: none"> • House rule combines the previously passed farm-only and nutrition-only farm bills into a single bill
	Sep. 30, 2013	<ul style="list-style-type: none"> • Hours prior to fiscal year end, Senate passed many CONTINUING RESOLUTIONS to fund government through November 15, 2013. • House insisted that funding bill also delay, for one year, the 	

	<p>individual mandate of the Affordable Care Act (Obamacare);</p> <ul style="list-style-type: none"> • Senate rejected this inclusion into the continuing resolution. • House and Senate sent their versions of the many CONTINUING RESOLUTION back-and-forth until just before midnight; no deal was reached in time. <u>REFER TO 03/26/2013</u> 	
FY 2014	<p>Oct. 01, 2013</p> <ul style="list-style-type: none"> • United States federal government shutdown starts 	<ul style="list-style-type: none"> • 2008 Farm Bill extension expires
	<p>Oct. 10, 2013</p> <ul style="list-style-type: none"> • President Obama meets with House leaders for discussion on a House proposal to provide a six-week increase in debt-ceiling without providing funding to end the current shutdown. • Proposal supported by Republicans, opposed by Democrats 	
	<p>Oct. 12, 2013</p>	<ul style="list-style-type: none"> • House completes actions to have a conference with Senate over the final version of a new, five-year farm bill.
	<p>Oct. 16, 2013</p> <ul style="list-style-type: none"> • Congress passes the <i>Continuing Appropriations Act, 2014</i>, to end partial government shutdown and 2013 DEBT-CEILING crisis 	
	<p>Oct. 17, 2013</p> <ul style="list-style-type: none"> • President Obama signs <i>Continuing Appropriations Act, 2014</i> 	
	<p>Oct. 18, 2013</p> <ul style="list-style-type: none"> • <i>Continuing Appropriations Act, 2014</i>, a CONTINUING RESOLUTION is enacted to fund govt. until Jan. 16, 2014 <u>REFER TO 09/30/2013</u> • DEBT-CEILING raised until Feb. 7, 2014 <u>REFER TO 09/27/2013</u> • Resolves government shutdown that lasted 16 days • Congress directs itself to negotiate a FY 2014 budget resolution and to report a deal by December 13, 2013 	
	<p>Oct. 30, 2013</p>	<ul style="list-style-type: none"> • Start of official bicameral conference negotiations over the development of a new farm bill
	<p>Dec. 10, 2013</p> <ul style="list-style-type: none"> • Budget agreement reached by both chambers of Congress; establishes discretionary spending level of \$1.014 trillion. 	
	<p>Dec. 11, 2013</p> <ul style="list-style-type: none"> • House Budget Committee Chair Paul Ryan and Senate Budget Committee Chair Patty Murray present compromise budget deal • Plans to eliminate \$63 billion in automatic sequestration cuts to discretionary spending programs in FY 2014 and FY 2015. • Will have same net impact on deficit reduction by extending SEQUESTER cuts to direct (mandatory) spending programs by two years. <u>REFER TO 04/10/2013</u> 	
	<p>Dec. 12, 2013</p> <ul style="list-style-type: none"> • House passes the compromise 2014 budget deal 	
	<p>Dec. 18, 2013</p> <ul style="list-style-type: none"> • Senate passes the compromise 2014 budget deal 	
	<p>Dec. 26, 2013</p> <ul style="list-style-type: none"> • Compromise budget deal is signed into law. 	
<p>Jan. 13, 2014</p> <ul style="list-style-type: none"> • House and Senate appropriators release FY 2014 omnibus appropriations bill and report, which aims to fund government through the remainder of FY 2014. 		

Jan. 15, 2014	<ul style="list-style-type: none"> • CONTINUING RESOLUTION enacted to fund govt. until Jan. 19, 2014 	
Jan. 16, 2014	<ul style="list-style-type: none"> • Congress passes bill to fund government until Sep. 30, 2014 	
Jan. 17, 2014	<ul style="list-style-type: none"> • Omnibus APPROPRIATIONS BILL enacted to fund the government for the remainder of FY 2014 	<ul style="list-style-type: none"> • APPROPRIATIONS BILL enacted for FY 2014 Agriculture
Jan. 29, 2014		<ul style="list-style-type: none"> • Farm Bill 2014 is passed by the House of Representatives
Feb. 04, 2014		<ul style="list-style-type: none"> • U.S. Farm Bill 2014 is passed by the Senate
Feb. 07, 2014	<ul style="list-style-type: none"> • Suspension of the DEBT-CEILING ends REFER TO 10/18/2013 • Treasury reportedly implements accounting methods to prevent the United States from defaulting on its payments • Treasury Secretary Jack Lew indicates that US credit will be in danger if DEBT-CEILING is not raised by February 27, 2014. 	<ul style="list-style-type: none"> • Agricultural Act of 2014 (U.S. Farm Bill 2014) is enacted • Saves \$23 billion over 10 years, the same sum proposed in the 2011 farm bill (if including direct farm bill savings and the sequester cuts, both outside of the bill’s scope).
Feb. 11, 2014	<ul style="list-style-type: none"> • Congress extends SEQUESTER cuts for another year to 2024. The cuts were originally ending in 2021, but prior budget deals raised it to 2022 and 2023. REFER TO 12/11/2013 • House passes <i>Temporary Debt Limit Extension Act</i> that lifts the DEBT-CEILING REFER TO 02/07/2014 	
Feb. 12, 2014	<ul style="list-style-type: none"> • Senate passes <i>Temporary Debt Limit Extension Act</i> 	
Feb. 15, 2014	<ul style="list-style-type: none"> • <i>Temporary Debt Limit Extension Act</i> is enacted, thus lifting the DEBT-CEILING until March 15, 2015 	
Mar. 04, 2014	<ul style="list-style-type: none"> • President Obama proposes his federal budget for FY 2015 	<ul style="list-style-type: none"> • Budget request for USDA is \$23 billion, down almost a billion dollars from FY 2014 level
Mar. 28, 2014	<ul style="list-style-type: none"> • House and Senate Agriculture Appropriations Subcommittees held hearings during week to examine presidential FY 2015 federal budget request 	
Apr. 01, 2014	<ul style="list-style-type: none"> • House Republicans release FY 2015 House budget resolution • Senate does not plan a budget resolution this year, because it reached a two-year budget deal with the House last year that covers fiscal year 2015. • Republican budget serves as the House’s counter-proposal to the president’s budget for future appropriations 	<ul style="list-style-type: none"> • Farm Bill included \$16.5 billion in savings (\$23 billion if considering sequestration), but House budget proposes an additional \$148 billion cuts to farm and nutrition programs in the 2014 Farm Bill
Apr. 02, 2014	<ul style="list-style-type: none"> • House Budget Committee approves proposed budget resolution 	
Apr. 11, 2014	<ul style="list-style-type: none"> • House passes its FY 2015 budget resolution • House Appropriations Committee approves, on this week, two of twelve appropriations bills for FY 2015 <ul style="list-style-type: none"> • The bills are the Military Construction and Veteran Affairs Bill, and the Legislative Branch bill funding Congress 	
Apr. 30, 2014	<ul style="list-style-type: none"> • House passes FY 2015 appropriations bill for the Military Construction-Veterans Affairs 	

	May 07, 2014		<ul style="list-style-type: none"> • Senate Agriculture Committee holds hearing to discuss the USDA’s progress in implementing the 2014 Farm Bill
	May 20, 2014		<ul style="list-style-type: none"> • House Agriculture Appropriations Subcommittee passes its FY 2015 funding bill; Senate Agriculture Appropriations Subcommittee also passes its version of bill later in the day
	May 22, 2014		<ul style="list-style-type: none"> • Senate Appropriations Committee approves its agriculture funding bill for FY 2015. Bill funds USDA and FDA activities for the FY 2015, beginning on October 1, 2014.
	May 29, 2014		<ul style="list-style-type: none"> • House Agriculture Appropriations Committee passes funding bill for FY 2015.
	June 12, 2014		<ul style="list-style-type: none"> • House began debating FY 2015 Agriculture Appropriations Bill, but the unexpected election loss of Republican majority leader (Eric Cantor) prevented the continuation of the process
	June 19, 2014		<ul style="list-style-type: none"> • Senate Majority Leader Harry Reid postpones consideration of Senate’s three-part FY 2015 spending package (Agriculture, Commerce-Justice-Science, and Transportation-Housing and Urban Development).
	Sep. 30, 2014	End of Fiscal Year 2014	