



Congressional Budget Office

November 4, 2016

CBO's Agriculture Baseline

Economists Summit

National Council of Farmer Cooperatives

National Farmers Union

American Farm Bureau Federation

Jim Langley

Budget Analysis Division

The projections in this presentation underlie CBO's August 2016 baseline for farm programs.

CBO provides **objective, nonpartisan** information to the Congress.

The agency makes **baseline projections** of federal spending, revenues, and deficits under current law.

CBO produces **three baselines** during the year:

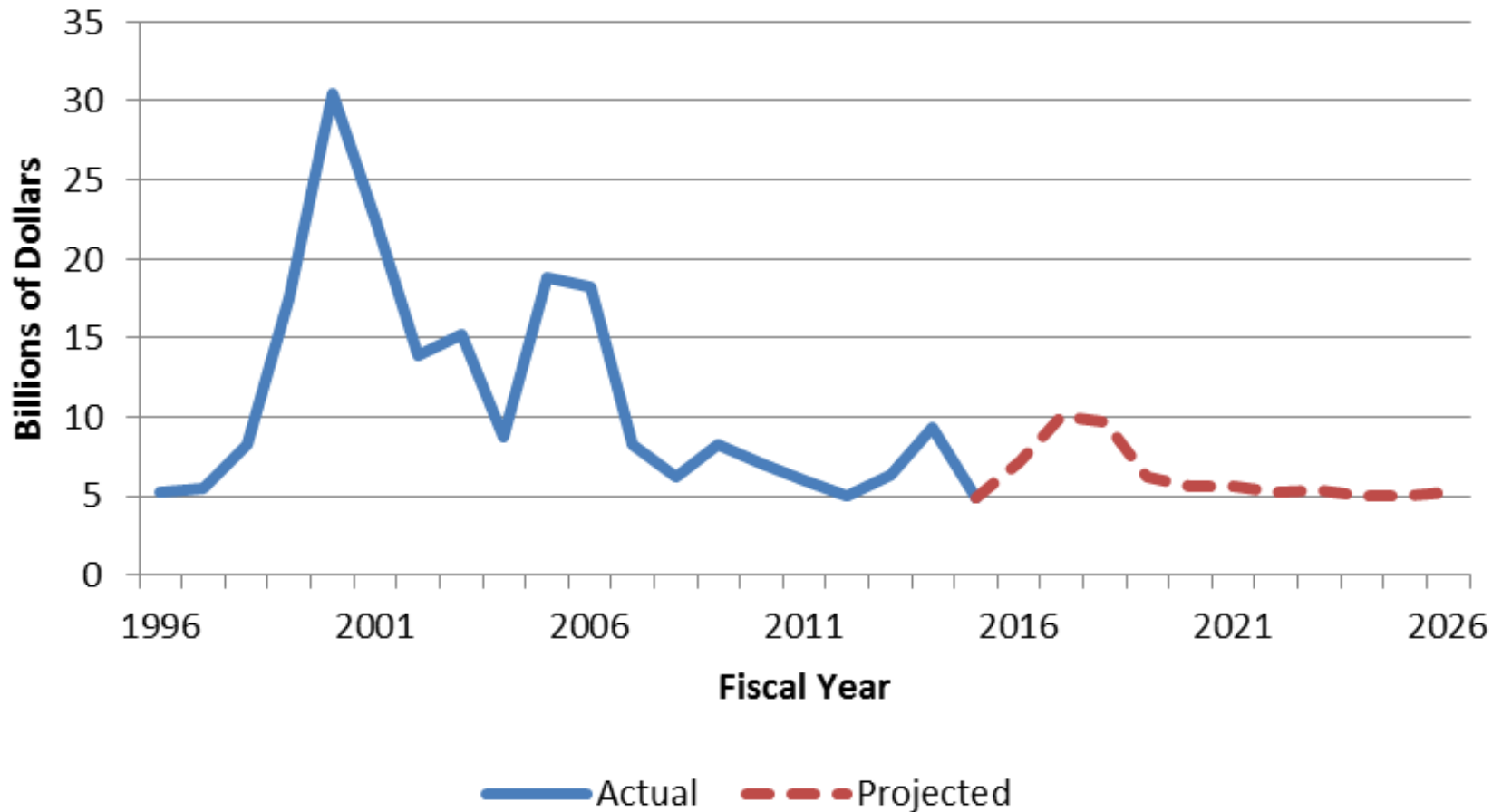
- January
- March
- August

CBO produces **estimates of the effects of changes in federal policies**, including:

- Legislation being developed by Congressional committees; and
- Conceptual proposals being discussed in the Congress or elsewhere.

CBO makes **no recommendations**.

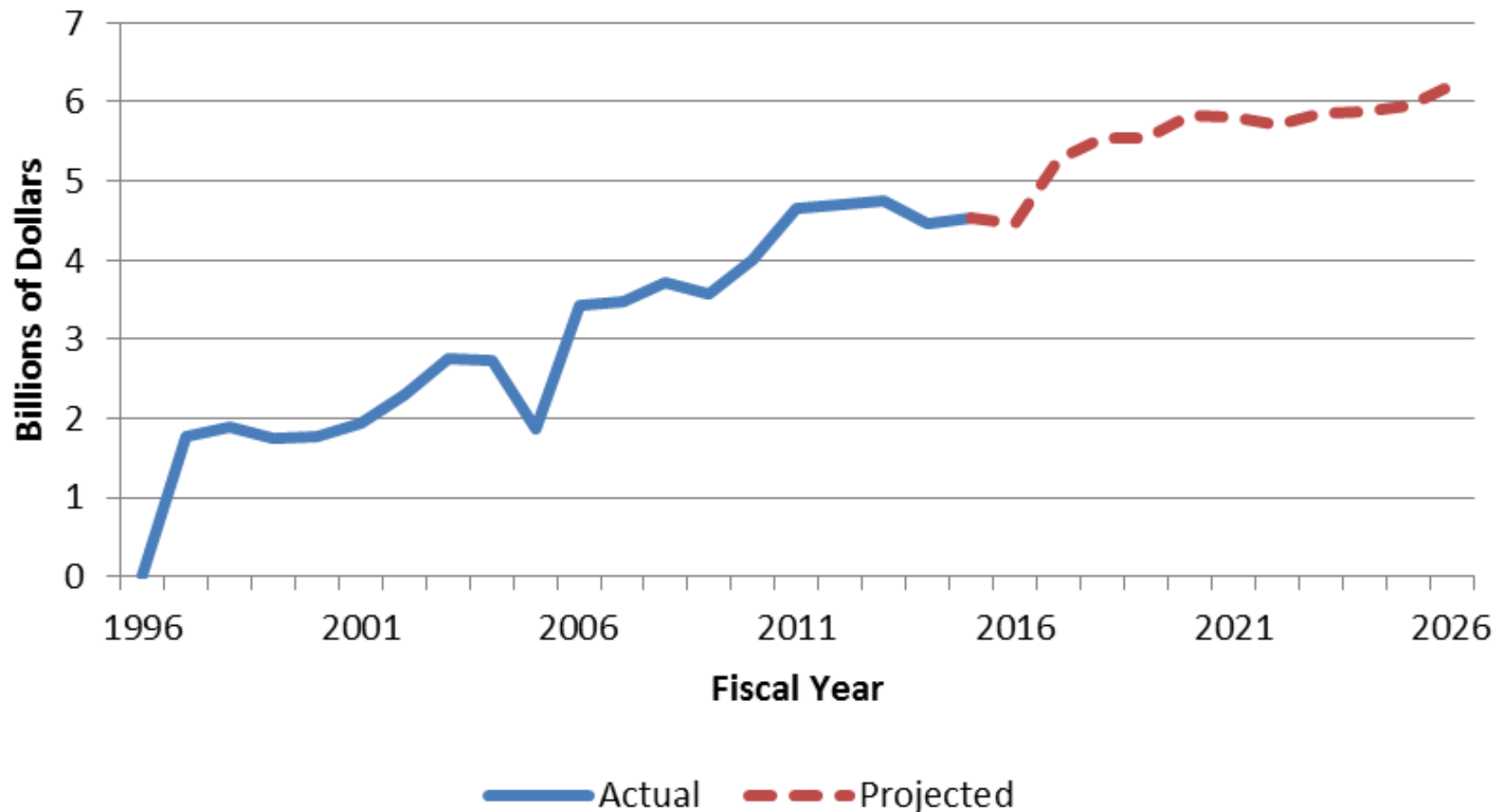
Commodity Credit Corporation Support and Related Outlays



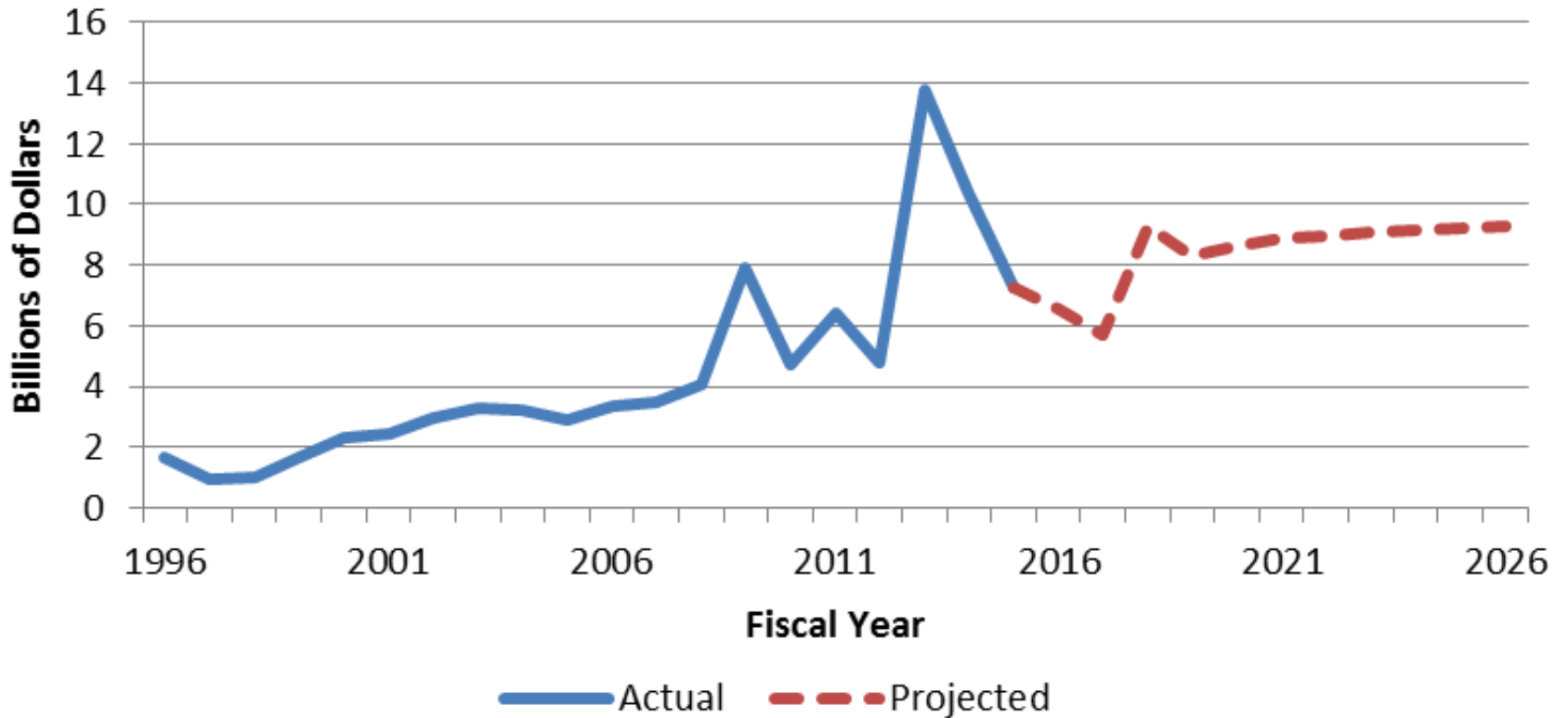
Commodity Outlays in CBO's August 2016 Baseline

	2016-2021	2022-2026	2016-2026
	(Millions of Dollars)		
Feed Grains	17,071	7,588	24,659
Wheat	7,896	4,592	12,488
Rice	3,401	2,009	5,410
Upland Cotton	1,454	608	2,061
Soybeans	5,048	2,262	7,310
Peanuts	3,358	2,874	6,232
Other Commodities	1,248	823	2,071
Dairy	502	130	632
Total	39,978	20,886	60,864

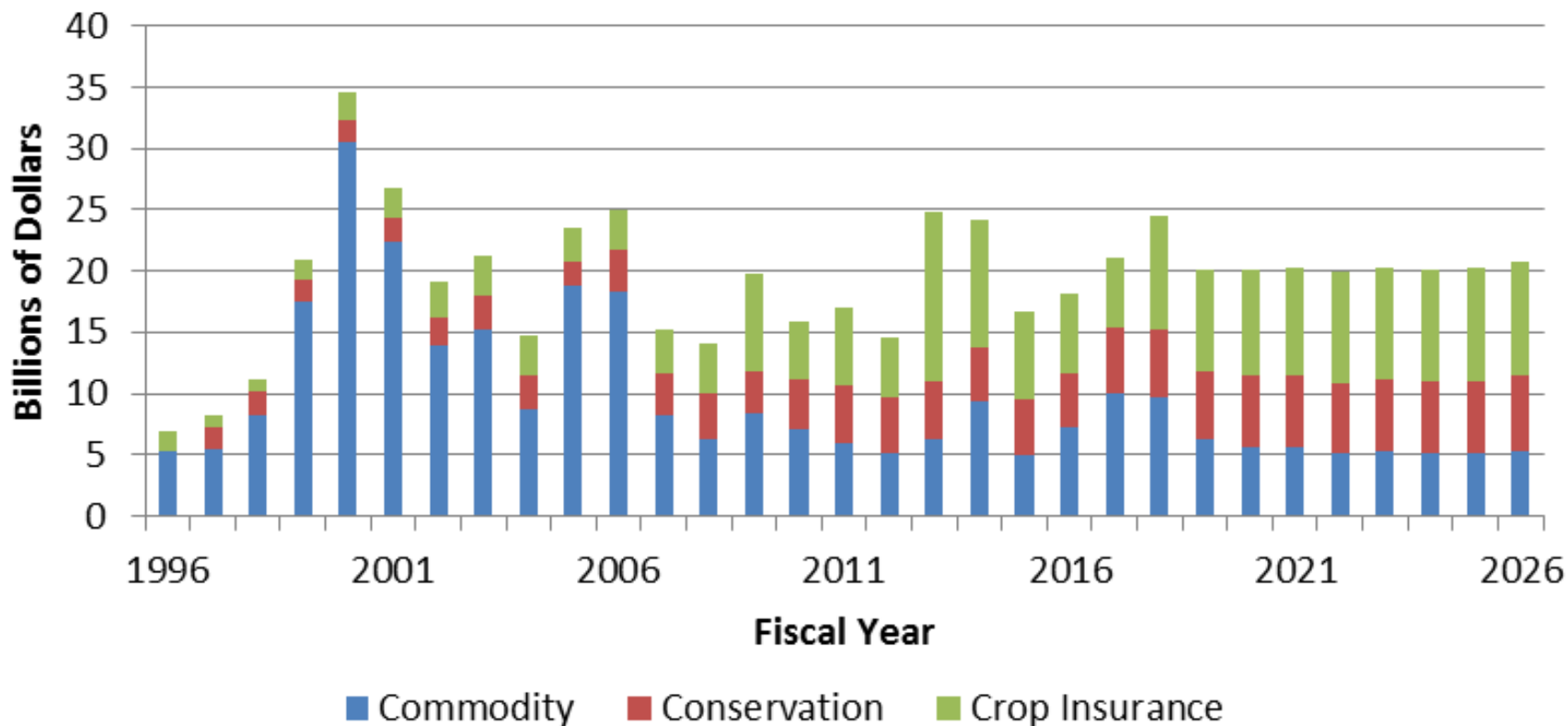
Commodity Credit Corporation Conservation Outlays



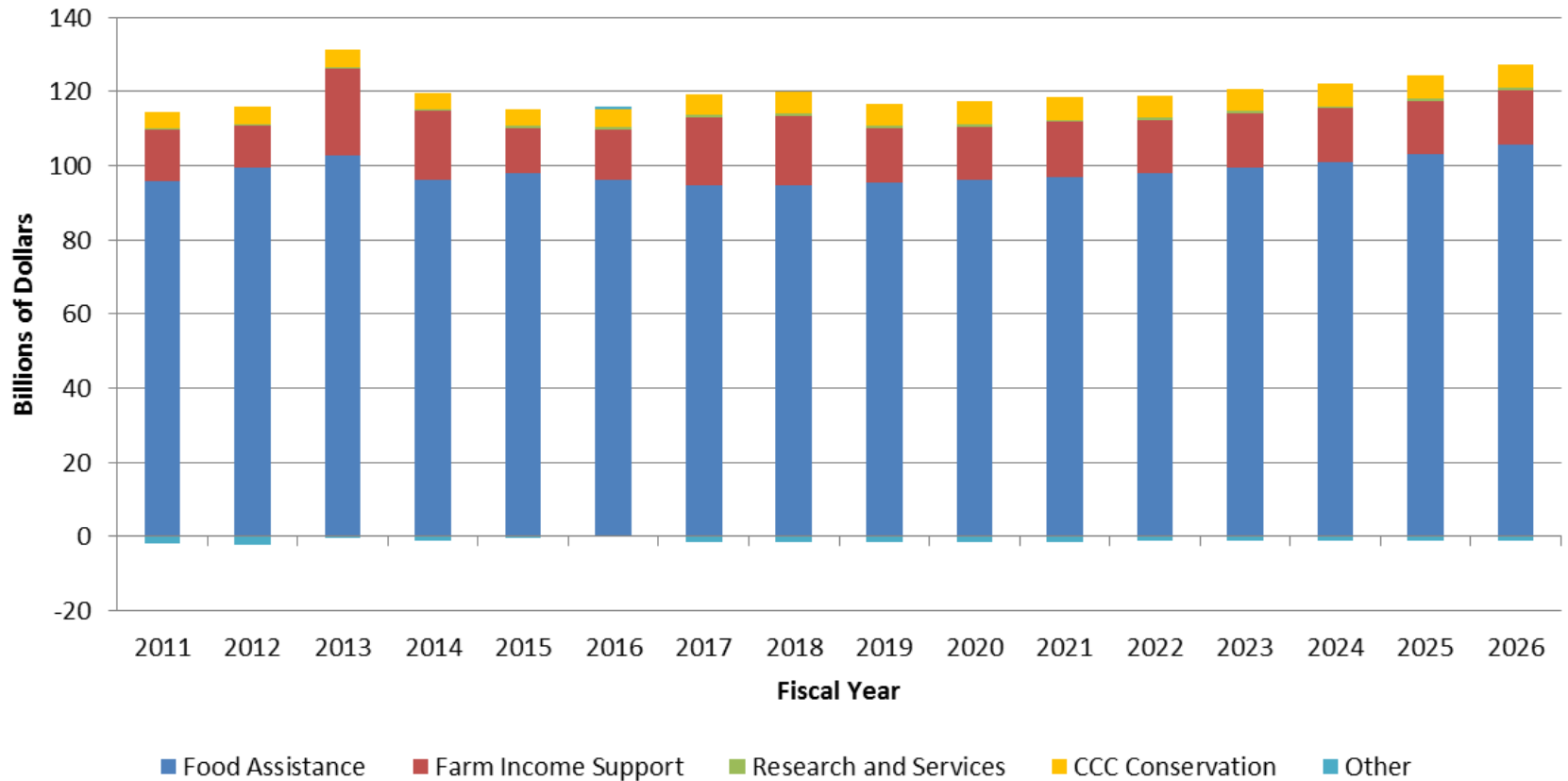
Federal Crop Insurance Corporation Outlays



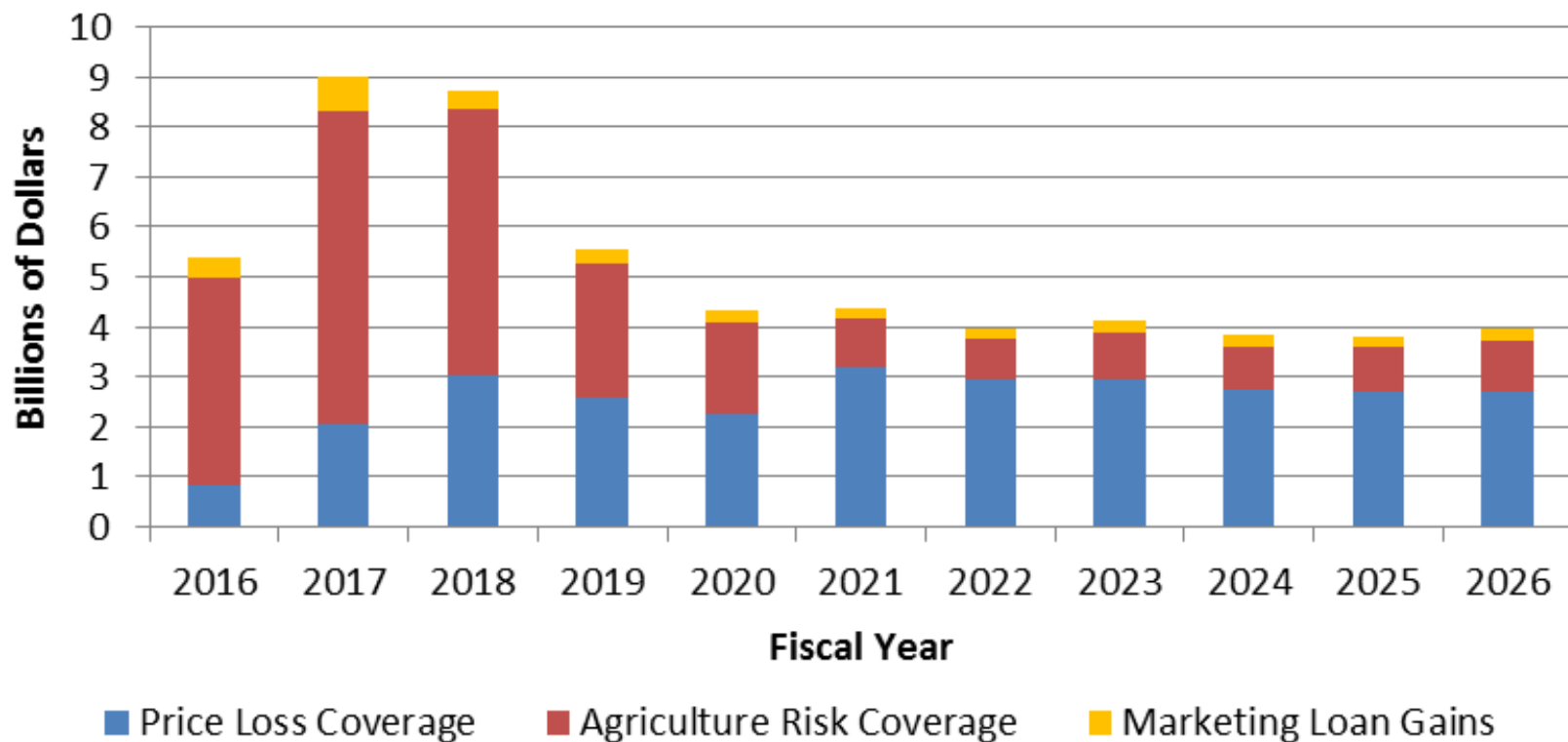
Commodity Credit Corporation and Federal Crop Insurance Corporation Outlays



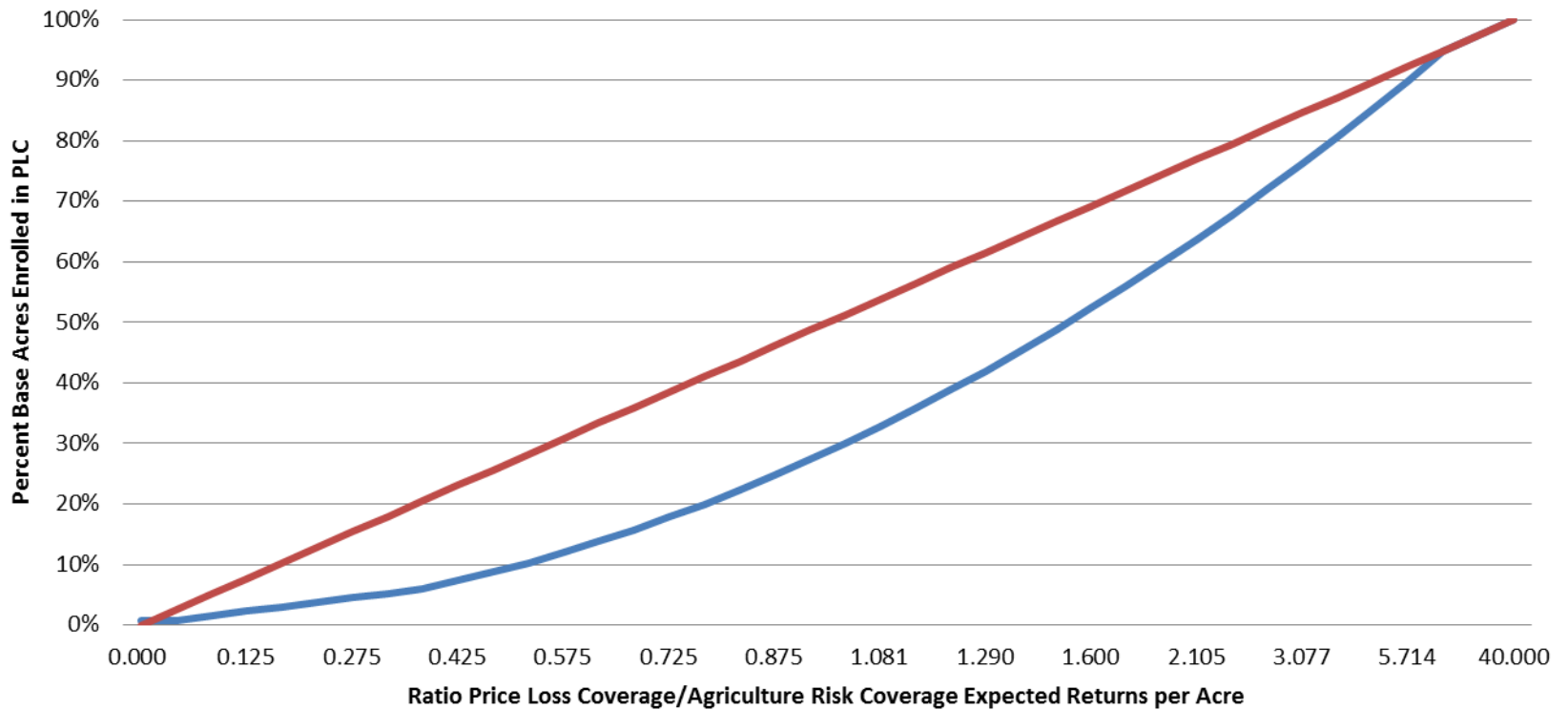
USDA Mandatory Outlays



Commodity Program Outlays



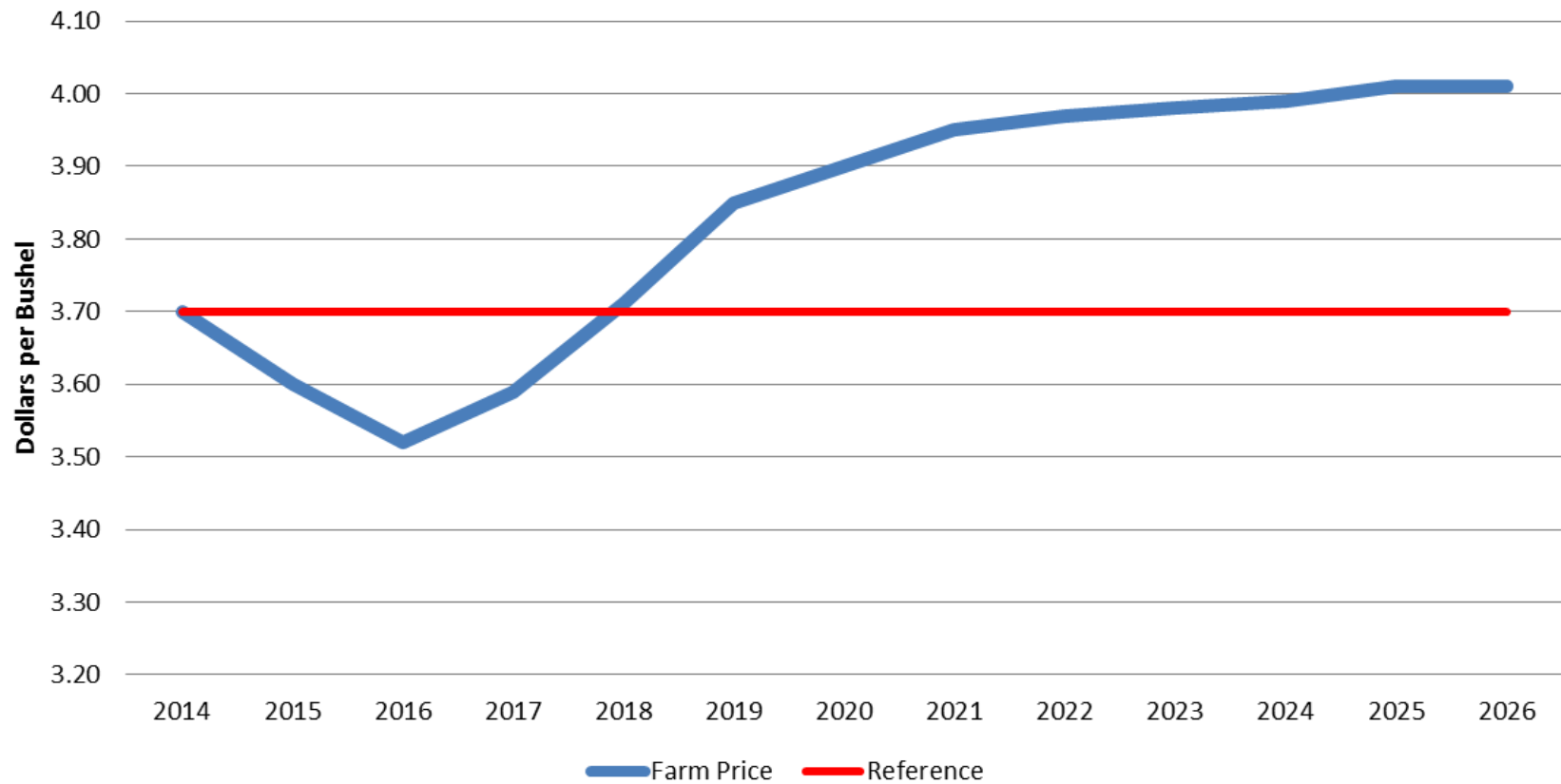
Price Loss Contract Participation



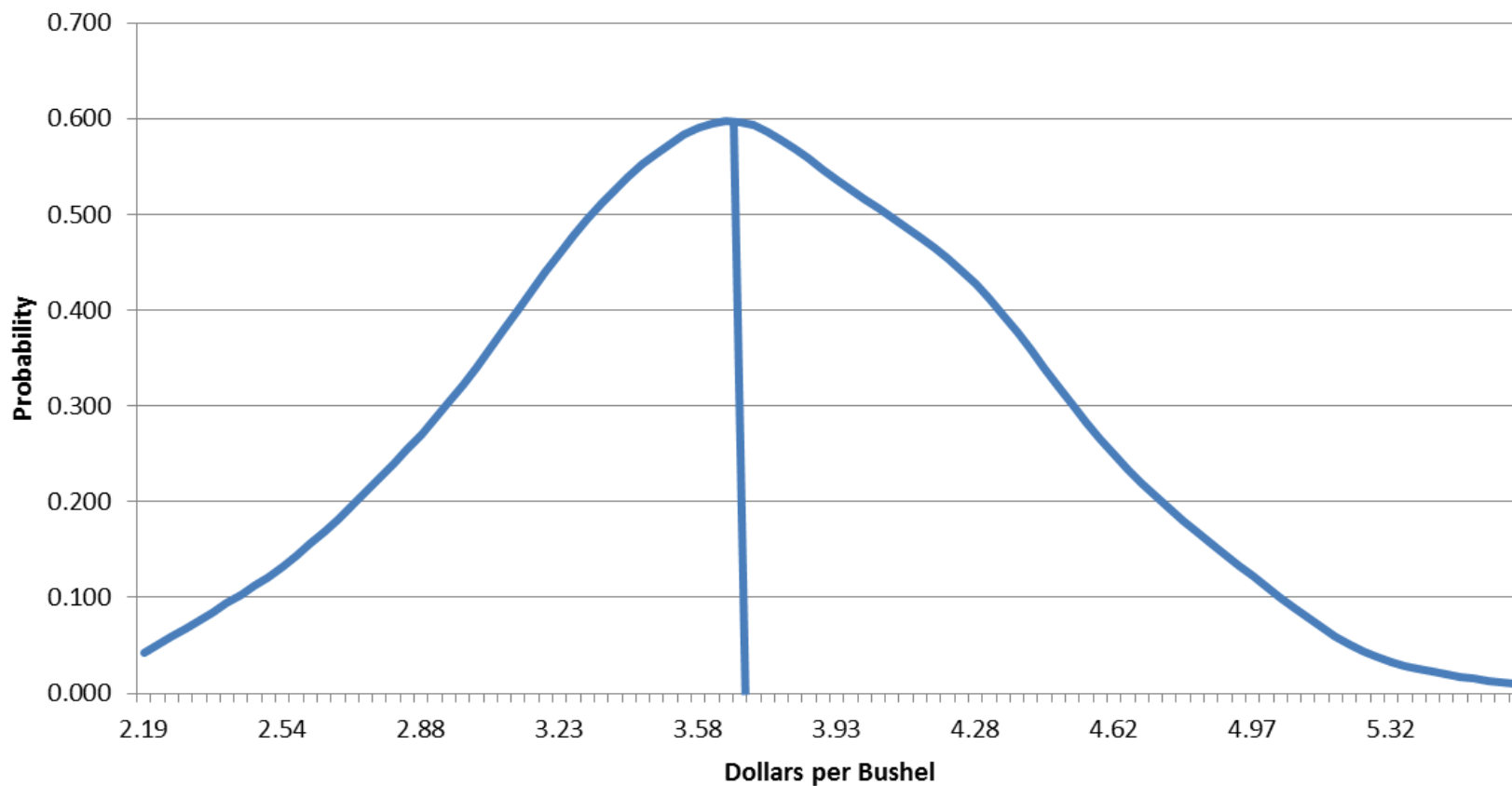
Participation in Commodity Programs

	Actual	Projected
	2014-2018	2019-2023
	(Percent)	
Corn		
Price Loss Coverage	6.61%	79.49%
Agriculture Risk Coverage	93.08%	20.20%
Soybeans		
Price Loss Coverage	3.10%	69.23%
Agriculture Risk Coverage	96.55%	30.42%
Wheat		
Price Loss Coverage	42.46%	84.62%
Agriculture Risk Coverage	55.56%	13.40%

Corn Program Prices



Corn Price – Illustrative Distribution Around the Median



The estimates are meant to reflect the **middle of the distribution** of possible outcomes.