

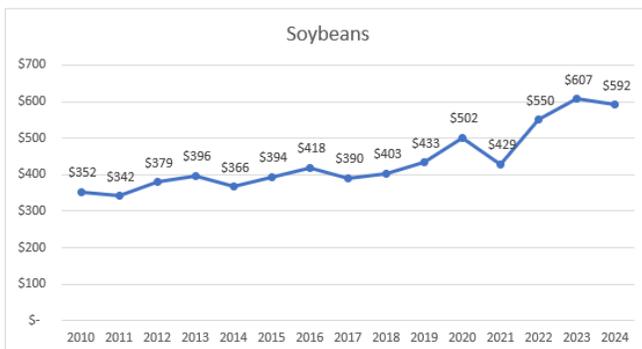
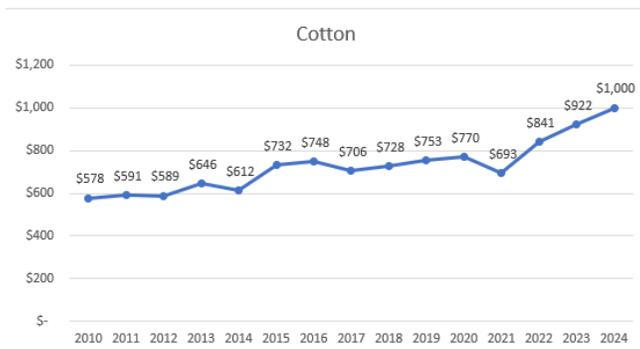
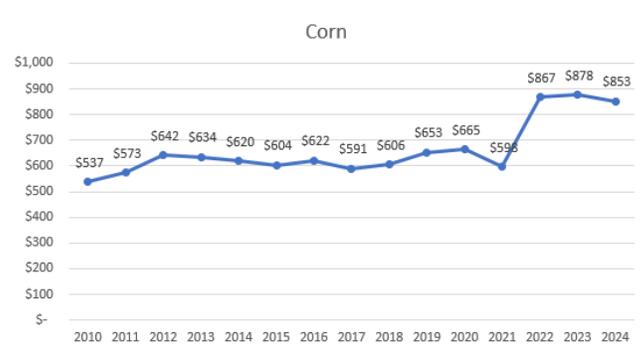
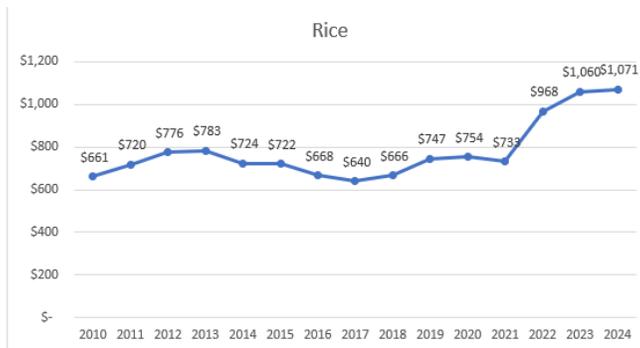
## House Ag Committee Passes Farm Bill

The House Committee on Agriculture passed the Farm, Food and National Security Act of 2024, its version of the 2024 farm bill, early today (May 24). Farm Bureau supports the bill, as it addresses many priority policy issues important to our members.

### Key Provisions

Farm Bureau policy supports higher statutory reference prices (SRP) and higher marketing loan rates (MLR) to more accurately reflect the cost of production. Since the current reference prices were established in the 2014 bill and were unchanged in the 2018 bill, the average cost of production across program crops has increased over 30%. The tables below use data from the University of Arkansas Division of Agriculture Enterprise Budgets to show the dramatic increases in cost of production for Arkansas producers.

### Arkansas Average Cost of Production 2010-2024



The bill continues both the Price Loss Coverage (PLC) and Agriculture Risk Coverage (ARC) programs, along with the marketing loan program. It includes a 10%-20% increase in statutory reference prices (SRP) for all covered commodities. The maximum effective reference price is also increased due to the increase in the SRP. A modest increase in marketing loan rates (MLR) is also included in the bill.

Commodity	Current SRP	New SRP	Current MLR	New MLR
Rice	\$14.00	\$16.90	\$7.00	\$7.70
Seed /Upland Cotton	\$0.37	\$0.42	\$0.45-\$0.52	\$0.55
Soybeans	\$8.40	\$10.00	\$6.20	\$6.82
Corn	\$3.70	\$4.10	\$2.20	\$2.42
Wheat	\$5.50	\$6.35	\$3.38	\$3.72
Peanuts	\$535	\$630.00	\$0.1775	\$0.1950

Other Farm Bureau priorities that are addressed:

An annual election between ARC and PLC.

An increase in the ARC guarantee to 90% of the benchmark revenue for both ARC-IC and ARC-CO.

An increase in the maximum payment rate for ARC-IC and ARC-CO to 12.5% of benchmark revenue.

Adds up to 30 million base acres for farms where planted acres exceed base acres on the farm.

Increases the payment limit to \$155,000 for producers with more than 75% of their income from agriculture, and indexes payments for inflation.

The adjusted gross income limit of \$900,000 is unchanged and does not apply for disaster programs in Title 1 and the Non-Insured Crop Disaster Assistance Program for producers with more than 75% of their income from agriculture.

Improvements to dairy programs that will provide more support for farmers.

Improvements to standing disaster programs that should provide access to more producers.

Enhancements to conservation programs through reallocation of Inflation Reduction Act conservation funds to existing working-lands programs like the Environmental Quality Incentives Program (EQIP), The Conservation Stewardship Program (CSP), and the Regional Conservation Partnership Program (RCPP).

Sen. Debbie Stabenow (D-Mich.), Chair of the Senate Committee on Agriculture, Agriculture, Nutrition, and Forestry, has released some details from her farm bill proposal. It includes a 5% increase in the SRP for a few commodities that have not seen an increase in their effective reference price. That would increase rice to \$14.70/cwt and seed cotton to \$0.385/lb. The bill would also reduce the AGI to \$700,000, and make tenants ineligible for participation if the landowner exceeds the AGI limit. This could result in many producers losing eligibility to participate in safety-net programs, even though they do not meet the AGI limit.

Sen. John Boozman (R-Ark.), Ranking member of the Senate Committee on Agriculture, has announced that he will provide his own framework soon, but also noted that the House bill accomplishes many of the priorities set by Senate Republicans.

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