Agriculture, Rural Development, Food and Drug Administration, and Related Agencies

DISCRETIONARY

$2.6
SAVINGS IN MILLIONS[1]

Repeal the USDA Catfish Inspection Program

The Food and Drug Administration regulates domestic and imported seafood, but the 2008 farm bill created a special exception requiring the USDA to regulate catfish that is sold for human consumption. This program, implementation of which is just now beginning, would impose costly duplication because facilities that process seafood, including catfish, would have to comply with both FDA and USDA regulations. The evidence does not support the health justifications for the more intrusive inspection program, which has engendered widespread bipartisan opposition and has been criticized repeatedly by the U.S. Government Accountability Office (for example, in a 2012 report with the not-so-subtle title *Seafood Safety: Responsibility for Inspecting Catfish Should Not Be Assigned to USDA*).[2]

ADDITIONAL READING

- Daren Bakst, "Addressing Waste, Abuse, and Extremism in USDA Programs," Heritage Foundation *Backgrounder* No. 2916, May 30, 2014.
- U.S. Government Accountability Office, *Seafood Safety: Responsibility for Inspecting Catfish Should Not Be Assigned to USDA*, GAO-12-411, May 2012.

PROPOSAL	STATUS	EXPLANATION
President's Budget (FY2020)	NOT ADDRESSED	

DISCRETIONARY

$754
SAVINGS IN MILLIONS[3]

Eliminate the USDA Conservation Technical Assistance Program

The USDA's Natural Resources Conservation Service runs this costly program that offers landowners technical assistance on natural resource management. This assistance includes help in maintaining private lands, complying with laws, enhancing recreational activities, and improving the aesthetic character of private land. Private landowners are the best stewards of a given property and, if necessary, can seek private solutions to conservation challenges.

Federal taxpayers should not be forced to subsidize advice for which landowners should be paying on their own. In addition, this government intervention could be crowding out the private solutions that should be available to private landowners.

ADDITIONAL READING

- Daren Bakst, "Addressing Waste, Abuse, and Extremism in USDA Programs," Heritage Foundation *Backgrounder* No. 2916, May 30, 2014.

PROPOSAL	STATUS	EXPLANATION
President's Budget (FY2020)	PARTIALLY INCLUDED	Reduces spending by $107 million compared to FY 2019.

MIXED

$493
SAVINGS IN MILLIONS[4]

Eliminate the USDA Rural Business Cooperative Service

The RBCS maintains a wide range of financial assistance programs for rural businesses. It also has a significant focus on renewable energy and global warming, including subsidies for biofuels. Rural businesses are fully capable of running themselves, investing, and seeking assistance through private means. The fact that these businesses are in rural areas does not change the fact that they can and should succeed on their own merits, just as any other business must. Private capital will find its way to worthy investments.

The government should not be in the business of picking winners and losers when it comes to private investments or energy sources. Instead of funneling taxpayer dollars to businesses in rural communities, the federal government should identify and remove the obstacles to those businesses that it has created.

ADDITIONAL READING

- Daren Bakst, "Addressing Waste, Abuse, and Extremism in USDA Programs," Heritage Foundation *Backgrounder* No. 2916, May 30, 2014.

PROPOSAL	STATUS	EXPLANATION
President's Budget (FY2020)	PARTIALLY INCLUDED	Reduces spending slightly compared to FY 2019.

MANDATORY

$5.0
SAVINGS IN BILLIONS[5]

Repeal the USDA Agricultural Risk Coverage and Price Loss Coverage Programs

The ARC and PLC programs are two major subsidy programs that apply to about 20 commodities. On a crop-by-crop basis, farmers can participate in the ARC program or the PLC program. The ARC program protects farmers from shallow losses, providing payments when their actual revenues fall below 86 percent of the expected revenues for their crops. The PLC program provides payments to farmers when commodity prices fall below a fixed, statutorily established reference price.

These programs go far beyond providing a safety net for farmers. Most farmers succeed even though they receive little to no taxpayer assistance. If they do receive assistance, it is usually to help with a disaster or crop loss. Yet a small number of producers growing a small number of commodities receive significant amounts of taxpayer dollars, including through the ARC and PLC programs.

According to the Congressional Research Service, from 2014–2016, 94 percent of farm program support went to just six commodities—corn, cotton, peanuts, rice, soybeans, and wheat—that together account for only 28 percent of farm receipts.[6] Even worse, this assistance is generally not provided to help with actual disasters but to help ensure farmers meet revenue goals.

The ARC and PLC programs are a major part of this excessive and inappropriate assistance to a small group of favored producers. In a December 2018 report, the Congressional Budget Office identified elimination of Title I programs (including the ARC and PLC programs) as an option for reducing the deficit,[7] observing that "agricultural producers have access to a variety of other federal assistance programs, such as subsidized crop insurance and farm credit assistance programs."[8]

ADDITIONAL READING

- Daren Bakst, ed., "Farms and Free Enterprise: A Blueprint for Agricultural Policy," Heritage Foundation *Mandate for Leadership Series*, 2016.
- Daren Bakst, Josh Sewell, and Brian Wright, "Addressing Risk in Agriculture," Heritage Foundation *Special Report* No. 189, September 8, 2016.
- Daren Bakst, "Significant—and Necessary—Farm Subsidy Reforms for the Next Farm Bill," Heritage Foundation *Issue Brief* No. 4839, April 17, 2018.
- Daren Bakst, "What You Should Know About Who Receives Farm Subsidies," Heritage Foundation *Backgrounder* No. 3306, April 16, 2018.

PROPOSAL	STATUS	EXPLANATION
President's Budget (FY2020)	NOT ADDRESSED	

MANDATORY

$9.7
SAVINGS IN BILLIONS[9]

Include a Work Requirement for Able-Bodied Adult Food Stamp Recipients

The food stamp program is the second largest of the government's 89 means-tested welfare programs. The number of food stamp recipients has risen dramatically from about 17.2 million in 2000 to 40.3 million in 2018. Costs have risen from $19.8 billion in FY 2000 to $73.7 billion in FY 2017.

Food stamp assistance should be directed to those who are most in need. Able-bodied adults who receive food stamps should be required to work, prepare for work, or look for work in exchange for this assistance. Work requirements not only help to ensure that food stamps are directed to those who need them most, but also promote the principle of self-sufficiency by directing individuals toward work. Policymakers should also structure the work requirement so that it does not discourage marriage, which is one of the most important pathways out of poverty.

The U.S. Department of Agriculture recently announced a proposed rule that would strengthen existing work requirements for able-bodied adults who are without dependents. This is a step in the right direction, but Congress should expand work requirements for nearly *all* able-bodied adults who receive food stamps in ways that encourage, not discourage, marriage.

ADDITIONAL READING

- Jamie Bryan Hall, "Here Are 2 Ways Trump Can Help Americans Move from Food Stamps to Work," The Daily Signal, December 18, 2018.
- Robert Rector, Jamie Bryan Hall, and Mimi Teixeira, "Five Steps Congress Can Take to Encourage Work in the Food Stamps Program," Heritage Foundation *Issue Brief* No. 4840, April 20, 2018.
- Robert Rector, Rachel Sheffield, Kevin D. Dayaratna, and Jamie Bryan Hall, "Maine Food Stamp Work Requirement Cuts Non-Parent Caseload by 80 Percent," Heritage Foundation *Backgrounder* No. 3091, February 8, 2016.

PROPOSAL	STATUS	EXPLANATION
President's Budget (FY2020)	INCLUDED	Requires able-bodied SNAP participants (18–65 years of age) to engage in at least 20 hours of work or work-related activities per week.

MANDATORY

$525
SAVINGS IN MILLIONS[10]

End Broad-Based Categorical Eligibility for Food Stamps

Categorical eligibility traditionally allows individuals who receive cash welfare assistance from programs such as Temporary Assistance for Needy Families to enroll in food stamps automatically. Under "broad-based categorical eligibility," states can now loosen income limits and bypass asset tests for potential recipients of food stamps. Individuals or families can simply receive some type of TANF "service" and automatically become categorically eligible for food stamps. Because TANF services are available to households with incomes higher than those that are eligible for TANF cash assistance, states can extend food stamp benefits to those with higher incomes than otherwise would be permissible.

Moreover, broad-based categorical eligibility allows states to waive asset tests entirely. An individual with a temporarily low income can receive a TANF service and then become categorically eligible for food stamps even if he or she has a large amount of savings. Policymakers should end broad-based categorical eligibility to ensure that food stamps are focused on helping those who are truly in need.

ADDITIONAL READING

- Robert Rector and Katherine Bradley, "Reforming the Food Stamp Program," Heritage Foundation *Backgrounder* No. 2708, July 25, 2012.
- Rachel Sheffield, "How to Reform Food Stamps," Heritage Foundation *Issue Brief* No. 4045, September 12, 2013.

PROPOSAL	STATUS	EXPLANATION
President's Budget (FY2020)	INCLUDED	Limits categorical eligibility to recipients of SSI or TANF cash benefits.

MANDATORY

$560
SAVINGS IN MILLIONS[11]

Eliminate the "Heat and Eat" Loophole in Food Stamps

Using a loophole known as "heat and eat," states can artificially boost a household's food stamp benefit. The amount of food stamps a household receives is based on its "countable" income (income minus certain deductions). Households that receive benefits from the Low-Income Heat and Energy Assistance Program are eligible for a larger utility deduction. In order to make households eligible for the higher deduction and thus for greater food stamp benefits, states have distributed LIHEAP checks for amounts as small as $1 to food stamp recipients.

Although the 2014 farm bill tightened this loophole by requiring that a household must receive more than $20 annually in LIHEAP payments to be eligible for the larger utility deduction and subsequently higher food stamp benefits, some states have continued to use it by paying more than $20 per year. Policymakers should eliminate this loophole.

ADDITIONAL READING

- Rachel Sheffield, "How to Reform Food Stamps," Heritage Foundation *Issue Brief* No. 4045, September 12, 2013.
- Daren Bakst and Rachel Sheffield, "Eight Things to Watch for in the Farm Bill," Heritage Foundation *Issue Brief* No. 4101, December 4, 2013.

PROPOSAL	STATUS	EXPLANATION
President's Budget (FY2020)	NOT ADDRESSED	Contains a number of proposals, including standardizing how states account for utility costs and eliminating eligibility loopholes, but does not seek elimination of the policy.

DISCRETIONARY

$28
SAVINGS IN MILLIONS[12]

Eliminate Funding for the Community Eligibility Provision

The community eligibility provision is a policy that was implemented by the Healthy, Hunger-Free Kids Act of 2010. It expands free school meals to include students regardless of family income. Under this provision, if 40 percent of students in a school, group of schools, or school district are identified as eligible for free meals because they receive benefits from another means-tested welfare program like food stamps, then all students can receive free meals.

The community eligibility provision is essentially a backdoor approach to universal school meals. Schools should not be providing welfare to middle-class and wealthy students. Ending the community eligibility provision would ensure that free meals are going only to students from low-income families. No further funding should be used to implement this provision.

PROPOSAL	STATUS	EXPLANATION
President's Budget (FY2020)	PARTIALLY INCLUDED	Closes a participation loophole in the CEP by limiting eligibility only to individual schools that meet the 40 percent threshold.

MANDATORY

$0

(NO SAVINGS)[13]

Eliminate the USDA Sugar Program

The USDA sugar program uses price supports and marketing allotments that limit how much sugar processors can sell each year. It also restricts imports of sugar. As a result of government intervention to limit supply, the price of American sugar is consistently higher than (and at times twice as high as) world prices.[14]

This program may benefit a small number of sugar growers and harvesters, but it does so at the expense of sugar-using industries and consumers. An International Trade Administration report found that "[f]or each sugar growing and harvesting job saved through high U.S. sugar prices, nearly three confectionery manufacturing jobs are lost."[15] The program is also a hidden tax on consumers: Recent studies have found that it costs consumers as much as $3.7 billion a year.[16]

ADDITIONAL READING

- Daren Bakst, ed., "Farms and Free Enterprise: A Blueprint for Agricultural Policy," Heritage Foundation *Mandate for Leadership Series*, 2016.
- Daren Bakst, Josh Sewell, and Brian Wright, "Addressing Risk in Agriculture," Heritage Foundation *Special Report* No. 189, September 8, 2016.

PROPOSAL	STATUS	EXPLANATION
President's Budget (FY2020)	NOT ADDRESSED	

MANDATORY

$1.9
SAVINGS IN BILLIONS[17]

Eliminate USDA Revenue-Based Crop Insurance Policies

Any reasonable concept of a taxpayer-funded safety net for farmers would require a significant crop loss, but this program does not require yield losses for farmers to receive indemnities. There are generally two types of federal crop insurance: yield-based, which protects farmers from yields that are lower than expected due to events beyond the control of farmers, such as weather and crop disease, and revenue-based, which protects farmers from dips in expected revenue due to low prices, low yields, or both. Revenue-based policies, which are more popular than yield-based policies because they do not require yield losses, accounted for 77 percent of all policies earning premiums in 2014.[18] Farmers can even have greater yields than expected and still receive indemnity payments if commodity prices are lower than expected.

The federal government should not be in the business of insuring price or revenue; agricultural producers, like other businesses, should not be insulated from market forces or guaranteed financial success at the expense of taxpayers. Revenue-based crop insurance is unnecessarily generous and should be eliminated. Taxpayer-subsidized crop insurance should be limited to yield insurance as it was in the past.

ADDITIONAL READING

- Daren Bakst, ed., "Farms and Free Enterprise: A Blueprint for Agricultural Policy," Heritage Foundation *Mandate for Leadership Series*, 2016.
- Daren Bakst, Josh Sewell, and Brian Wright, "Addressing Risk in Agriculture," Heritage Foundation *Special Report* No. 189, September 8, 2016.

PROPOSAL	STATUS	EXPLANATION
President's Budget (FY2020)	NOT ADDRESSED	

MANDATORY

$200
SAVINGS IN MILLIONS[19]

Eliminate the USDA Market Access Program

MAP subsidizes trade associations, businesses, and other private entities to help them market and promote their products overseas. Under MAP, taxpayers have recently helped to fund international wine tastings, organic hair products for cats and dogs, and a reality television show in India.

It is not government's role to advance the marketing interests of certain industries or businesses. Taxpayers should not be forced to subsidize the marketing that private businesses can do on their own.

ADDITIONAL READING

- Daren Bakst, "Addressing Waste, Abuse, and Extremism in USDA Programs," Heritage Foundation *Backgrounder* No. 2916, May 30, 2014.
- Senator Tom Coburn, "Treasure Map: The Market Access Program's Bounty of Waste, Loot and Spoils Plundered from Taxpayers," June 2012.

PROPOSAL	STATUS	EXPLANATION
President's Budget (FY2020)	REJECTED	Maintains funding at FY 2019 levels.

MANDATORY

$200
SAVINGS IN MILLIONS[20]

Reduce Premium Subsidies in the Federal Crop Insurance Program

Taxpayers pay on average 62 percent of crop insurance premiums, but farmers pay only 38 percent for their own policies. This is an unreasonable and unnecessary burden on taxpayers, yet the concept of reducing premium subsidies has wide support, including in President Donald Trump's fiscal 2019 budget and President Barack Obama's fiscal 2014 budget, as well as from the Government Accountability Office.[21]

Critics will argue that reducing premium subsidies would hurt participation in the crop insurance program. However, the research overwhelmingly indicates otherwise. According to the Government Accountability Office, "The [Obama] administration, CBO, and other researchers say that a modest reduction in premium subsidies would have little impact on program participation, and that incentives, such as the continued high level of premium subsidies, would likely keep farmers in the program."[22]

The CBO found that reducing premium subsidies by 15 percentage points to 47 percent would reduce the number of insured acres (300 million) by just one-half of 1 percent, to 298.5 million acres. It also explained that 1.5 percent of insured acres would have lower coverage levels. The CBO estimated that this reform would save $8.1 billion over 10 years.[23] According to the CBO, reducing the premium subsidy to 40 percent would save $16.9 billion over 10 years (but only $200 million in FY 2020 because of the time it would take to implement).[24] This would presumably affect crop insurance participation more than reducing the subsidy to a 47 percent level would, but the CBO notes that "[a]n argument in favor of this option is that cutting the federal subsidies for premiums would probably not substantially affect participation in the program."[25] In addition, for participating farmers, this subsidy would remain very generous.

This subsidy reform has massive benefits and would likely entail little cost. Quite simply, it should be a no-brainer for Congress.

ADDITIONAL READING

- Daren Bakst, ed., "Farms and Free Enterprise: A Blueprint for Agricultural Policy," Heritage Foundation *Mandate for Leadership Series*, 2016.
- Daren Bakst, Josh Sewell, and Brian Wright, "Addressing Risk in Agriculture," Heritage Foundation *Special Report* No. 189, September 8, 2016.
- Daren Bakst, "Significant—and Necessary—Farm Subsidy Reforms for the Next Farm Bill," Heritage Foundation *Issue Brief* No, 4839, April 17, 2018.

PROPOSAL	STATUS	EXPLANATION
President's Budget (FY2020)	PARTIALLY INCLUDED	Reduces the premium subsidy to 50%.

POLICY RIDERS

Withhold funding for federal fruit-supply and vegetable-supply restrictions in marketing orders. In June 2015, the Supreme Court of the United States decided *Horne v. Department of Agriculture*,[26] a case involving the federal government's authority to fine raisin growers who did not hand over part of their crop to the government. The Court held that forcing growers to turn over their raisins was a taking of private property requiring just compensation. Although the "raisin case" received much attention because of the outrageous nature of the government's actions, it is far from unique. In particular, the USDA uses its power to enforce a number of cartels through industry agreements known as marketing orders. Fruit and vegetable marketing orders[27] allow the federal government to authorize supply restrictions (volume controls), limiting the amounts that agricultural producers may sell. Marketing orders are bad enough, but at a minimum, Congress should stop funding these volume controls that limit how much of their own fruits and vegetables farmers may sell and should get the government out of the market and cartel management business.[28]

Prohibit funding for national school-meal standards. The USDA's school-meal standards for the Healthy, Hunger-Free Kids Act of 2010 have failed. They are a burden on schools and have led to many negative outcomes. In September 2015, the Government Accountability Office found that since the implementation of these standards, participation in the school lunch program had declined, food waste remained a significant problem, and some schools had dropped out of the school lunch program at least partly because of the standards.[29] Some schools have even had to draw from their education funds to cover the costs imposed by these standards.[30] No funding should be used to implement or enforce these standards. Any new standards should give states and local educational authorities much greater flexibility and respect the role of parents in helping their children make dietary decisions.

ENDNOTES

1. Savings of $2.6 million for FY 2020 are based on estimates from the U.S. Department of Agriculture's Food Safety and Inspection Service (as reported by the Government Accountability Office) pursuant to a transfer of the program's administration. Under a final rule (9 CFR §§ 530–561, issued December 2, 2015, effective March 1, 2016, and with a full compliance date of September 1, 2017), catfish inspection was transferred from the FDA to the FSIS. Subsequently, the FSIS revised its estimated annual cost of the program downward from $14 million to $2.6 million annually. See U.S. Government Accountability Office, "Duplication & Cost Savings: Agriculture: Catfish Inspection," last updated October 18, 2017, https://www.gao.gov/duplication/action_tracker/Catfish_Inspection/action1 (accessed March 6, 2019), and U.S. Department of Agriculture, *2019 President's Budget: Food Safety and Inspection Service*, https://www.obpa.usda.gov/22fsis2019notes.pdf (accessed March 6, 2019).
2. U.S. Government Accountability Office, *Seafood Safety: Responsibility for Inspecting Catfish Should Not Be Assigned to USDA*, GAO–12–411, May 2012, http://www.gao.gov/products/GAO-12-411 (accessed March 10, 2019).
3. Savings of $754 million for FY 2020 are based on the most recent estimated spending level of $754 million for FY 2018 as found in U.S. Department of Agriculture, *FY 2019 Budget Summary*, p. 24, https://www.usda.gov/sites/default/files/documents/usda-fy19-budget-summary.pdf (accessed March 6, 2019). Heritage experts assume that the FY 2018 spending level remains constant in FY 2019.
4. Savings of $493 million for FY 2020 are based on the CBO's most recent January 2019 baseline spending projections. See Congressional Budget Office, *CBO's January 2019 Baseline for Farm Programs*, January 28, 2019, https://www.cbo.gov/system/files?file=2019-01/51317-2019-01-usda.pdf (accessed March 11, 2019). Savings include $115 million in discretionary spending and $378 million in mandatory spending.
5. Savings of $4.97 billion for FY 2020 are based on projections for the ARC and PLC as reported in Congressional Budget Office, *CBO's April 2018 Baseline for Farm Programs*, April 9, 2018, https://www.cbo.gov/sites/default/files/recurringdata/51317-2018-04-usda.pdf (accessed March 6, 2019). Estimated savings of $4.808 billion in FY 2020 include $2.653 billion for the PLC; $2.137 billion for the ARC-CO (county); and $18 million for the ARC-IC (individual coverage). Ibid., pp. 6 and 9. All $4.808 billion in savings represents mandatory spending.
6. Randy Schnepf, "Farm Safety-Net Payments Under the 2014 Farm Bill: Comparison by Program Crop," Congressional Research Service *Report for Members and Committees of Congress*, August 11, 2017, https://fas.org/sgp/crs/misc/R44914.pdf (accessed March 6, 2019).
7. Congressional Budget Office, *Options for Reducing the Deficit: 2019 to 2028*, December 2018, https://www.cbo.gov/system/files?file=2018-12/54667-budgetoptions.pdf (accessed March 6, 2019).
8. Ibid., p. 18.
9. Savings of $9.7 billion for FY 2020 are based on analysis contained in Robert Rector, Rachel Sheffield, Kevin D. Dayaratna, and Jamie Bryan Hall, "Maine Food Stamp Work Requirement Cuts Non-Parent Caseload by 80 Percent," Heritage Foundation *Backgrounder* No. 3091, February 8, 2016, http://www.heritage.org/research/reports/2016/02/maine-food-stamp-work-requirement-cuts-non-parent-caseload-by-80-percent. All $9.7 billion in savings represents mandatory spending.
10. Savings of $525 million for FY 2020 are based on the CBO's analysis of the impact of previously proposed legislation that would have enacted this reform. Specifically, we use the CBO's FY 2020 estimate for "Sec. 4006, Update to Categorical Eligibility" because 2020 represents the first full year of the proposal's implementation. See Congressional Budget Office, "H.R. 2, Agriculture and Nutrition Act of 2018, As Ordered Reported by the House Committee on Agriculture on April 18, 2018," *Cost Estimate*, May 2, 2018, https://www.cbo.gov/system/files?file=2018-07/hr2_1.pdf (accessed March 6, 2019), p. 7. All $525 million in savings represents mandatory spending.
11. Savings of $560 million for FY 2020 are based on estimated savings from a proposal that would have enacted this change. Specifically, we use the estimated FY 2020 savings for "Sec. 4010, Availability of Standard Utility Allowances Based on Receipt of Energy Assistance," because FY 2020 represents the first full year of implementation. See Congressional Budget Office, "H.R. 2, Agriculture and Nutrition Act of 2018, As Ordered Reported by the House Committee on Agriculture on April 18, 2018," p. 7. All $560 million in savings represents mandatory spending.
12. Savings of $28 million in FY 2020 are based on Congressional Budget Office, "Healthy, Hunger-Free Kids Act of 2010, As Ordered Reported by the Senate Committee on Agriculture, Nutrition and Forestry on March 24, 2010," *Cost Estimate*, April 20, 2010, https://www.cbo.gov/publication/21418 (accessed March 11, 2019).
13. Savings of $0 million in FY 2020 are based on the CBO's estimated FY 2020 cost of the program. Although the CBO estimates zero cost in FY 2020, it projects that the sugar program will have a total cost of $119 million over the 2020–2029 period. Congressional Budget Office, *CBO's January 2019 Baseline for Farm Programs*.
14. Agralytica, "Economic Effects of the Sugar Program Since the 2008 Farm Bill & Policy Implications for the 2013 Farm Bill," June 3, 2013, http://fairsugarpolicy.org/wordpress/wp-content/uploads/2018/03/AgralyticaEconomicEffectsPaperJune2013.pdf (accessed March 11, 2019).
15. U.S. Department of Commerce, International Trade Administration, *Employment Changes in U.S. Food Manufacturing: The Impact of Sugar Prices*, undated, p. 2, https://www.trade.gov/mas/ian/build/groups/public/@tg_ian/documents/webcontent/tg_ian_002705.pdf (accessed March 11, 2019).
16. Agralytica, "Economic Effects of the Sugar Program Since the 2008 Farm Bill & Policy Implications for the 2013 Farm Bill." See also John C. Beghin and Amani Elobeid, "The Impact of the U.S. Sugar Program Redux," Iowa State University, Center for Agricultural and Rural Development *Working Paper* No. 13-WP 538, May 2013, https://www.card.iastate.edu/products/publications/pdf/13wp538.pdf (accessed March 11, 2019).

17. Savings of at least $1.92 billion for FY 2020 are based on a CBO analysis of federal crop insurance costs that provides estimated savings for a more limited proposal to restrict the way producers' costs are estimated for revenue-based policies by requiring that costs be based on the projected price of crops at the time the policy is issued instead of providing for the greater of the projected price and the actual harvest price. Although this proposal would not eliminate revenue-based crop insurance policies entirely, it would limit their costs. The CBO estimates that this change in revenue-based policies would save $19.2 billion over the 2018–2027 period, for an average of $1.92 billion per year. Congressional Budget Office, *Options to Reduce the Budgetary Cost of the Federal Crop Insurance Program*, December 2017, https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/53375-federalcropinsuranceprogram.pdf (accessed March 4, 2019). All $1.92 billion in savings represents mandatory spending.
18. Dennis A. Shields, "Federal Crop Insurance: Background," Congressional Research Service *Report for Members and Committees of Congress*, August 13, 2015, https://fas.org/sgp/crs/misc/R40532.pdf (accessed March 11, 2019).
19. Savings of $200 million for FY 2020 are based on estimates for federal farm program costs in Congressional Budget Office, *CBO's April 2018 Baseline for Farm Programs*. All $200 million in savings represents mandatory spending.
20. Savings of $200 million are based on the CBO's projected savings from reducing the subsidy level to 40 percent. The CBO projects $16.8 billion in savings over 10 years, but it projects only $200 million for FY 2020 because the full savings would not be realized immediately. Congressional Budget Office, *Options for Reducing the Deficit: 2019 to 2028*, pp. 19–20.
21. U.S. Department of Agriculture, *FY 2019 Budget Summary*, revised February 16 2018, https://www.obpa.usda.gov/budsum/fy19budsum.pdf (accessed March 11, 2019); U.S. Department of Agriculture, *FY 2014 Budget Summary and Annual Performance Plan*, https://www.obpa.usda.gov/budsum/FY14budsum.pdf (accessed March 11, 2019); U.S. Government Accountability Office, *Crop Insurance: Savings Would Result from Program Changes and Greater Use of Data Mining*, GAO-12-256, March 2012, https://www.gao.gov/assets/590/589305.pdf (accessed March 11, 2019); and Government Accountability Office, *Crop Insurance: Considerations in Reducing Federal Premium Subsidies*, GAO-14-700, August 2014, https://www.gao.gov/assets/670/665267.pdf (accessed March 11, 2019), discussing premium subsidy data and focusing on recommendation to reduce premium subsidy for revenue policies.
22. U.S. Government Accountability Office, *Crop Insurance: Considerations in Reducing Federal Premium Subsidies*, p. 29.
23. Congressional Budget Office, *Options to Reduce the Budgetary Costs of the Federal Crop Insurance Program*, p. 21.
24. Congressional Budget Office, *Options for Reducing the Deficit: 2019 to 2028*, p. 19.
25. For a discussion of the 40 percent premium subsidy level as identified by the CBO, see ibid., pp. 19–20.
26. *Horne v. Department of Agriculture*, 135 S. Ct. 2419 (2015), https://www.law.cornell.edu/supremecourt/text/14-275 (accessed March 11, 2019).
27. These marketing orders cover fruits, vegetables, and specialty crops. See U.S. Department of Agriculture, Agricultural Marketing Service, "Specialty Crops Marketing Orders & Agreements," https://www.ams.usda.gov/rules-regulations/moa/fv (accessed March 11, 2019), and U.S. Department of Agriculture, Agricultural Marketing Service, "Fruit, Vegetables, & Specialty Crops Marketing Orders and Agreements," May 2017, https://www.ams.usda.gov/publications/content/fruit-vegetables-specialty-crop-marketing-orders-and-agreements (accessed March 11, 2019). There also are milk marketing orders, but they are different from fruit and vegetable marketing orders. See U.S. Department of Agriculture, Agricultural Marketing Service, "Federal Milk Marketing Orders," http://www.ams.usda.gov/rules-regulations/moa/dairy (accessed March 11, 2019), and U.S. Department of Agriculture, Agricultural Marketing Service, "Federal Milk Marketing Order Program: Understanding the Milk Order Amendment Process," April 2013, https://www.ams.usda.gov/sites/default/files/media/DairyMarketingOrderAmendmentBrochure.pdf (accessed March 11, 2019).
28. Daren Bakst, "The Federal Government Should Stop Limiting the Sale of Certain Fruits and Vegetables," Heritage Foundation *Issue Brief* No. 4466, September 29, 2015, http://www.heritage.org/research/reports/2015/09/the-federal-government-should-stop-limiting-the-sale-of-certain-fruits-and-vegetables.
29. U.S. Government Accountability Office, *School Nutrition: USDA Has Efforts Underway to Help Address Ongoing Challenges Implementing Changes in Nutrition Standards*, GAO–15–656, September 2015, https://www.gao.gov/assets/680/672477.pdf (accessed March 11, 2019).
30. Erik Wasson, "Michelle's Meals Turn Off the Kids," *The Hill*, May 21, 2014, http://thehill.com/policy/finance/206734-michelles-meals-turn-off-the-kids (accessed March 11, 2019).