

August 1, 2012

Honorable Frank D. Lucas Chairman Committee on Agriculture U.S. House of Representatives Washington, DC 20515

Dear Mr. Chairman:

CBO has prepared an estimate of the effects on direct spending of H.R. 6233, the Agricultural Disaster Assistance Act of 2012, as introduced on July 31, 2012.

CBO estimates that enacting this legislation would reduce direct spending by \$256 million over the 2013-2022 period, relative to spending projected under CBO's current baseline (see enclosed table). Because H.R. 6233 would affect direct spending, pay-as-you-go procedures apply. Enacting the bill would not affect federal revenues. CBO estimates that implementing the bill would not affect spending subject to future appropriations. CBO has not reviewed the legislation for intergovernmental or private-sector mandates.

If you need further details on this estimate, we would be pleased to provide them. The CBO staff contact is Jim Langley.

Sincerely, for Wobert

Douglas W. Elmendorf

Enclosure

cc: Honorable Collin C. Peterson Ranking Member

ESTIMATED EFFECTS ON DIRECT SPENDING OF H.R. 6233, THE AGRICULTURAL DISASTER ASSISTANCE ACT OF 2012, AS INTRODUCED ON JULY 31, 2012

	By Fiscal Year, in Millions of Dollars											
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013- 2017	2013- 2022
CHANGES IN OUTLAYS FROM DIRECT SPENDING												
Supplemental Agricultural Disaster Assistance												
Livestock Indemnity Program	78	9	0	0	0	0	0	0	0	0	87	87
Livestock Forage Program	235	27	0	0	0	0	0	0	0	0	262	262
Emergency Assistance for Livestock, Bees, Fish	17	3	0	0	0	0	0	0	0	0	20	20
Tree Assistance Program	13	3	0	0	0	0	0	0	0	0	16	16
Payment Limitations	<u>-2</u>	<u>0</u> 42	<u>0</u> 0	<u>0</u> 0	<u>0</u> 0	<u>0</u> 0	0	<u>0</u> 0	<u>0</u> 0	<u>0</u>	<u>-2</u>	-2
Subtotal, Supplemental Disaster Assistance	341	42	0	0	0	0	<u>0</u> 0	0	0	0	383	383
Conservation Programs												
Conservation Stewardship Program	-5	-31	-31	-31	-31	-36	-31	-31	-31	-31	-129	-289
Environmental Quality Incentives Program	-82	<u>-76</u>	-40	-41	-37	<u>-37</u> -73	<u>-37</u> -68	<u>0</u>	0	<u>0</u>	-276	<u>-350</u>
Subtotal, Conservation Programs	<u>-82</u> -87	-107	<u>-40</u> -71	<u>-41</u> -72	<u>-37</u> -68	-73	-68	<u>0</u> -31	<u>0</u> -31	-31	-405	-639
Total Changes in Direct Spending	254	-65	-71	-72	-68	-73	-68	-31	-31	-31	-22	-256

Source: Congressional Budget Office.

Note: Components may not sum to totals because of rounding.