

2023 Farm Bill Legislative Side-By-Side

AGRICULTURAL MANAGEMENT ASSISTANCE (AMA)

Program Description

The <u>Agricultural Management Assistance</u> (AMA) program helps agricultural producers manage financial risk through crop diversification, marketing assistance, and adoption of conservation practices. USDA's Natural Resources Conservation Service administers the conservation provisions of the program while the Agricultural Marketing Service and Risk Management Agency implement the production diversification and marketing provisions.

Climate Highlights

The AMA program helps agricultural producers adopt conservation practices by covering up to 75 percent of their cost. These conservation practices, such as <u>agroforestry</u>, <u>cover crops</u>, and <u>tillage</u> <u>management</u>, mitigate climate change and build resilience to climate impacts. AMA is available in 16 states where crop insurance rates are low.

Funding

Mandatory funding for AMA is permanently authorized at \$10 million for each fiscal year (FY).

Key Changes

• This resource will be updated as the House and Senate legislative Farm Bill texts are released.

Legislative Side-By-Side

Current Law 7 USC §1524 (October 2022)	House Version	Senate Version
 (b) Agricultural management assistance (1) Authority The Secretary shall provide financial assistance to producers in the States of Connecticut, Delaware, Hawaii, Maryland, Massachusetts, Maine, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia, and Wyoming. (2) Uses A producer may use financial assistance provided under this subsection to— (A) construct or improve— (i) watershed management structures; or (ii) irrigation structures; (B) plant trees to form windbreaks or to improve water quality; (C) mitigate financial risk through production or marketing diversification or resource conservation practices, including— (i) soil erosion control; (ii) integrated pest management; (iii) organic farming; or (iv) to develop and implement a plan to create marketing opportunities for the producer, including through value-added processing; (D) enter into futures, hedging, or options contracts in a manner designed to help reduce production, price, or revenue risk; (E) enter into agricultural trade options as a hedging transaction to reduce production, price, or revenue risk; or (F) conduct any other activity relating to an activity described in subparagraphs (A) through (E), as determined by the Secretary. (3) Payment limitation The total amount of payments made to a person (as defined in section 1308(5) ³ of this title) (before the amendment made by section 1603(a) ³ of the Food, Conservation, and Energy Act of 2008) under this subsection for any year may not exceed \$50,000. (4) Commodity Credit Corporation. 	This resource will be updated as the House legislative Farm Bill text is released.	This resource will be updated as the Senate legislative Farm Bill text is released.

(B) Funding
(i) In general
Except as provided in clause (ii), the Commodity Credit
Corporation shall make available to carry out this subsection
not less than \$10,000,000 for each fiscal year.
(ii) Exception for certain fiscal years
For each of fiscal years 2008 through 2014, the Commodity
Credit Corporation shall make available to carry out this
subsection \$15,000,000.
(C) Certain uses
Of the amounts made available to carry out this subsection for a
fiscal year, the Commodity Credit Corporation shall use not less
than—
(i) 50 percent to carry out subparagraphs (A), (B), and (C) of
paragraph (2) through the Natural Resources Conservation
Service;
(ii) 10 percent to provide organic certification cost share
assistance through the Agricultural Marketing Service; and
(iii) 40 percent to conduct activities to carry out subparagraph
(F) of paragraph (2) through the Risk Management Agency.
(i) of paragraph (2) through the Nisk Management Agency.

Compiled by: Savannah Bertrand

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This resource is available electronically (with hyperlinks and endnotes) at <u>www.eesi.org/papers</u>.

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