



# **Congress passes reconciliation legislation**

**July 3, 2025**

U.S. capitol

Just before the July 4 holiday, Congress passed the One Big Beautiful Bill Act, giving Republicans a major policy win by extending the 2017 tax cuts, boosting defense and immigration spending, rolling back clean energy investments, cutting Medicare and SNAP, and raising the debt ceiling by \$5 trillion. The bill also made significant changes to agriculture and nutrition programs, adding \$67 billion for farm programs and conservation while cutting SNAP funding by nearly \$190 billion. Despite these changes, key parts of the farm bill remain unresolved and will need to be addressed later in the year through a "skinny" farm bill though bipartisan cooperation remains uncertain.

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Just before the July 4 holiday, Congress approved the One Big Beautiful Bill Act (OBBA) with Republicans securing a major victory in their domestic policy agenda. In addition to permanently extending the 2017 tax cuts, the bill includes new spending on defense and immigration enforcement, rolls back many of the Biden era investments in clean energy, cuts Medicare and nutrition assistance, and lifts the nation's debt limit by \$5 trillion.

Also included in the bill are significant changes to nutrition and agricultural programs. The bill provides \$67 billion in new spending for farm bill programs, which includes increases for reference prices, cutting crop insurance premiums, expanding trade promotion initiatives, and funding for research programs. The bill also moved \$16 billion in conservation funding from the Inflation Reduction Act into the farm bill, permanently increasing funding for four voluntary conservation programs EQIP, CSP, RCPP, and ACEP. The final bill still includes \$37 million for the Foundation for Food and Agriculture Research (FFAR) and \$1.25 billion for construction and renovation for research facilities. However, the farm program investments come at the expense of the Supplemental Nutrition Assistance Program (SNAP), which was cut by nearly \$190 billion.

While reconciliation made funding changes to several farm bill programs, considerable unfinished business remains for the rest of the farm bill. Farm bill provisions that were not included in reconciliation need to be addressed by the end of the calendar year in what is being referred to as a "skinny" farm bill. After the partisan reconciliation process; however, it remains to be seen how willing Democrats will be to work with Republicans to complete the farm bill process later this year.

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