Public Law 101-220  
101st Congress  
An Act  

To make technical and correcting changes in agriculture programs.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. OAT ACREAGE LIMITATION PROGRAM.

(a) IN GENERAL.—Effective only for the 1990 crop of feed grains, section 105C(0(2)(G) of the Agricultural Act of 1949 (7 U.S.C. 1444e(f)(2)(G)) is amended—

(1) by inserting “(i)” after the subparagraph designation; and

(2) by adding at the end the following new clause:

“(ii) In the case of the 1990 crop of oats, the Secretary may establish a percentage reduction for oats in accordance with paragraph (1) of less than 5 percent. If the Secretary does not establish a percentage reduction requirement for oats, the Secretary shall ensure that the crop acreage bases established for the farm and the farm acreage base are not increased as a result of this clause.”.

(b) CONFORMING AMENDMENTS.—Effective only for the 1990 crop of feed grains, section 105C of such Act is amended—

(1) in subsection (d)(1), by adding at the end the following new subparagraph:

“(E) This subsection shall not apply to the 1990 crop of oats.”; and

(2) in subsection (f)(1), by adding at the end the following new subparagraph:

“(E) As a condition of eligibility for loans, purchases, and payments for the 1990 crop of oats, the producers of oats on a farm may not plant oats in excess of the crop acreage base for the farm.”

SEC. 2. EXPORT ENHANCEMENT PROGRAM; PROMOTION OF UNITED STATES MEAT EXPORTS.

(a) COMMISSARIES.—During each of fiscal years 1990, 1991, and 1992, the Commodity Credit Corporation shall, in carrying out the export enhancement program established pursuant to section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)), promote the export of United States meat, including poultry products, to commissaries on military installations in the European Community.

(b) FUNDING.—

(1) IN GENERAL.—Except as provided in paragraph (2), of the amounts made available by the Commodity Credit Corporation to exporters, processors, and foreign importers under the authority of section 5(f) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(f)) in commodities of the Commodity Credit Corporation to enhance the export of United States commodities by making the price of such commodities competitive in the world market, the Commodity Credit Corporation shall make available to carry out subsection (a) not less than $14,000,000 in funds or commodities for fiscal year 1990, not less
than $9,300,000 in funds or commodities for fiscal year 1991, and not less than $4,600,000 in funds or commodities for fiscal year 1992.

(2) TRANSPORTATION COSTS.—Funds or commodities shall be made available under this section only to the extent that funds are made available by the Department of Defense for the costs of transporting the meat to the commissaries.

(c) REIMBURSEMENT OF CORPORATION.—Section 4 of the Act of July 16, 1943 (57 Stat. 566, chapter 241; 15 U.S.C. 713a) shall not apply to services performed, losses sustained, operating costs incurred, or commodities purchased or delivered by the Commodity Credit Corporation pursuant to this section.

SEC. 3. EGGS.

(a) EXEMPTED EGG PRODUCERS.—Section 12 of the Egg Research and Consumer Information Act (7 U.S.C. 2711) is amended to read as follows:

"SEC. 12. EXEMPTED EGG PRODUCERS AND BREEDING HEN FLOCKS, CONDITIONS AND PROCEDURES.

"(a) IN GENERAL.—The following shall be exempt from the specific provisions of this Act under such conditions and procedures as may be prescribed in the order or rules and regulations issued thereunder:

"(1) Any egg producer whose aggregate number of laying hens at any time during a 3-consecutive-month period immediately prior to the date assessments are due and payable has not exceeded 30,000 laying hens, as determined under subsection (b).

"(2) Any flock of breeding hens whose production of eggs is primarily utilized for the hatching of baby chicks.

"(b) NUMBER OF LAYING HENS.—

"(1) IN GENERAL.—For purposes of subsection (a)(1), the aggregate number of laying hens owned by an egg producer shall include—

"(A) in cases in which the producer is an individual, laying hens owned by such producer or members of such producer's family that are effectively under the control of such producer, as determined by the Secretary;

"(B) in cases in which the producer is a general partnership or similar entity, laying hens owned by the entity and all partners or equity participants in the entity; and

"(C) in cases in which the producer holds 50 percent or more of the stock or other beneficial interest in a corporation, joint stock company, association, cooperative, limited partnership, or other similar entity, laying hens owned by the entity.

Ownership of laying hens by a trust or similar entity shall be considered ownership by the beneficiaries of the trust or other entity.

"(2) STOCK OR BENEFICIAL INTERESTS.—For purposes of paragraph (1)(C), stock or other beneficial interest in an entity that is held by—

"(A) members of the producer's family described in paragraph (1)(A);

"(B) a general partnership or similar entity in which the producer is a partner or equity participant;
“(C) the partners or equity participants in an entity of the type described in subparagraph (B); or
“(D) a corporation, joint stock company, association, cooperative, limited partnership, or other similar entity in which the producer holds 50 percent or more of the stock or other beneficial interests,

shall be considered as held by the producer.”.

(b) Egg Promotion and Research Order.—

(1) Amendment.—The Secretary of Agriculture shall issue an amendment to the egg promotion and research order issued under the Egg Research and Consumer Information Act (7 U.S.C. 2701 et seq.) to implement the amendments made by this section. Such amendment shall be issued after public notice and opportunity for comment in accordance with section 553 of title 5, United States Code, and without regard to sections 556 and 557 of such title. The Secretary shall issue a proposed amendment to such order not later than 30 days after the date of enactment of this Act.

(2) Effective Date.—The amendment to the egg promotion and research order required by paragraph (1) shall become effective no later than March 1, 1990, and shall not be subject to a referendum under the Egg Research and Consumer Information Act (7 U.S.C. 2701 et seq.).

SEC. 4. PEANUTS.

Section 8b of the Agricultural Adjustment Act (7 U.S.C. 608b), reenacted with amendments by the Agricultural Marketing Agreement Act of 1987, is amended—

(1) by inserting “(a)” after the section designation; and

(2) by adding at the end the following:

“(b)(1) If an agreement with the Secretary is in effect with respect to peanuts pursuant to this section—

“(A) all peanuts handled by persons who have not entered into such an agreement with the Secretary shall be subject to inspection to the same extent and manner as is required by such agreement; and

“(B) no such peanuts shall be sold or otherwise disposed of for human consumption if such peanuts fail to meet the quality requirements of such agreement.

“(2) Violation of this subsection by a person who has not entered into such an agreement shall result in the assessment by the Secretary of a penalty equal to 140 percent of the support price for quota peanuts multiplied by the quantity of peanuts sold or disposed of in violation of subsection (b)(1)(B), as determined under section 108B of the Agricultural Act of 1949 (7 U.S.C. 1445c-2), for the marketing year for the crop with respect to which such violation occurs.”.

(c) Effective Date.—The amendment made by this section shall be effective with respect to the 1990 and subsequent crops of peanuts.

SEC. 5. RESEARCH INTO NEW COMMERCIAL PRODUCTS FROM NATURAL PLANT MATERIALS.

The National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by inserting after section 1473D (7 U.S.C. 3319d) the following new section:
"SEC. 1473E. RESEARCH INTO NEW COMMERCIAL PRODUCTS FROM NATURAL PLANT MATERIALS.

"The Secretary may—

"(1) conduct fundamental and applied research related to the development of new commercial products derived from natural plant materials for industrial, medical, and agricultural applications; and

"(2) participate with colleges and universities, other Federal agencies, and private sector entities in conducting such research."

SEC. 6. CALCULATION OF INSURANCE PREMIUMS PAID BY FARM CREDIT SYSTEM INSTITUTIONS.

(a) In General.—Section 5.55 of the Farm Credit Act of 1971 (12 U.S.C. 2277a-4) is amended—

(1) by striking subsection (a) and inserting the following:

"(a) AMOUNT IN FUND NOT EXCEEDING SECURE BASE AMOUNT.—

"(1) IN GENERAL.—Until the aggregate of amounts in the Farm Credit Insurance Fund exceeds the secure base amount, the annual premium due from any insured System bank for any calendar year shall be equal to the sum of—

"(A) the annual average principal outstanding for such year on loans made by the bank that are in accrual status, excluding the guaranteed portions of government-guaranteed loans provided for in subparagraph (C), multiplied by 0.0015;

"(B) the annual average principal outstanding for such year on loans made by the bank that are in nonaccrual status, multiplied by 0.0025; and

"(C)(i) the annual average principal outstanding for such year on the guaranteed portions of Federal Government-guaranteed loans made by the bank that are in accrual status, multiplied by 0.00015; and

"(ii) the annual average principal outstanding for such year on the guaranteed portions of State government-guaranteed loans made by the bank that are in accrual status, multiplied by 0.0003.

"(2) DEFINITION OF GOVERNMENT-GUARANTEED LOANS.—As used in this section and section 1.12(b), the term ‘government-guaranteed loans’ means loans or credits, or portions of loans or credits, that are guaranteed—

"(A) by the full faith and credit of the United States Government or any State government;

"(B) by an agency or other entity of the United States Government whose obligations are explicitly guaranteed by the United States Government; or

"(C) by an agency or other entity of a State government whose obligations are explicitly guaranteed by such State government.

(2) in subsection (b), by inserting after ‘for the following calendar year’ the following: ‘, as determined under subsection (a),’;

(3) in subsection (c), by inserting after ‘at such time’ the following: ‘adjusted downward to exclude an amount equal to the sum of (1) 90 percent of the guaranteed portions of principal outstanding on Federal Government-guaranteed loans in accrual status made by such banks and (2) 80 percent of the
guaranteed portions of principal outstanding on State government-guaranteed loans in accrual status made by such banks, as determined by the Corporation); and

(4) in subsection (d)—

(A) by striking "subsection (a)" in the material preceding paragraph (1) and inserting "subsections (a) and (c)";

(B) by striking "intermediate term" in the material preceding paragraph (1); and

(C) by striking paragraph (1) and inserting the following:

"(1) by any production credit association, or any other association making direct loans under authority provided under section 7.6, that is able to make such loans because such association is receiving, or has received, funds provided through the Farm Credit Bank;”.

(b) CONFORMING AMENDMENTS.—(1) The first sentence of subsection (b) of section 1.12 of the Farm Credit Act of 1971 (12 U.S.C. 2020(b)) is amended by inserting after "production credit association" the following: "other association making direct loans under the authority provided under section 7.6.”.

(2) The second sentence of subsection (b) of section 1.12 of the Farm Credit Act of 1971 (12 U.S.C. 2020(b)) is amended—

(A) in paragraph (1)—

(i) by inserting before "discounted with" the following: "funded by or”;

(ii) by inserting after "that are in accrual status," the following: "excluding the guaranteed portions of government-guaranteed loans provided for in paragraph (3),”; and

(iii) by striking "and" at the end;

(B) in paragraph (2)—

(i) by inserting before "discounted with" the following: "funded by or”;

(ii) by striking the period at the end and inserting ";" and

(C) by inserting after paragraph (2) the following:

"(3)(A) the annual average principal outstanding for such year on the guaranteed portions of Federal government-guaranteed loans made by the association, or by the other financing institution and funded by or discounted with the Farm Credit Bank, that are in accrual status, multiplied by 0.00015; and

(B) the annual average principal outstanding for such year on the guaranteed portions of State government-guaranteed loans made by the association, or by the other financing institution and funded by or discounted with the Farm Credit Bank, that are in accrual status, multiplied by 0.0003.”.

(3) Section 5.59(b)(1) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–8(b)(1)) is amended by inserting after "any production credit association,” the following: "any other association making direct loans under authority provided under section 7.6,”.

(4) Section 5.61(e) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–10(e)) is amended by inserting after “production credit association” the following: "and other association making direct loans under the authority provided under section 7.6”.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall be effective for insurance premiums due to the Farm Credit System Insurance Corporation under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) on or after January 1, 1990, based on the loan volume of each bank for each calendar year beginning with
calendar year 1989, and shall be effective for the calculation of the initial premium payment required under section 5.56(c) of the Farm Credit Act of 1971 (12 U.S.C. 2277a-5(c)).

SEC. 7. PURCHASES OF FINANCIAL ASSISTANCE CORPORATION STOCK BY FARM CREDIT SYSTEM INSTITUTIONS.

(a) DELAYED EFFECTIVE DATE FOR STOCK PURCHASE REQUIREMENTS.—Notwithstanding any other provision of law, the amendments to section 6.29 of the Farm Credit Act of 1971 (12 U.S.C. 2278b-9) made by section 646 of the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1989 (Public Law 100-460; 102 Stat. 2266) shall be effective on October 1, 1992.

(b) PAYMENTS.—

(1) FOUR ANNUAL PAYMENTS.—Notwithstanding any other provision of law, the Financial Assistance Corporation shall pay, out of the Financial Assistance Corporation Trust Fund (hereinafter in this section referred to as the "Trust Fund") established under section 6.25(b) of the Farm Credit Act of 1971 (12 U.S.C. 2278b-5(b)), to each of the institutions of the Farm Credit System that purchased stock in the Financial Assistance Corporation under section 6.29 of the Farm Credit Act of 1971, four annual payments as provided in this subsection.

(2) TIMING OF PAYMENTS.—The annual payments provided for by this subsection shall be made available as soon as practicable after October 1 of each of the calendar years 1989 through 1992.

(3) CALCULATION OF FIRST PAYMENT.—The first annual payment made available under this subsection shall be in an amount equal to—

(A) a percentage equal to 1.5 times the average rate of interest received by the Financial Assistance Corporation on assets of the Trust Fund from March 30, 1988, through September 30, 1989; times

(B) the difference between $177,000,000 and 4.4 percent of the cumulative amount of the bonds issued by the Financial Assistance Corporation through September 30, 1989.

(4) CALCULATION OF REMAINING PAYMENTS.—The second, third, and fourth annual payments made available under this subsection shall be in an amount equal to—

(A) a percentage equal to the average rate of interest received by the Financial Assistance Corporation on assets of the Trust Fund during each of the fiscal years 1990 through 1992; times

(B) the difference between $177,000,000 and 4.4 percent of the cumulative amount of the bonds issued by the Financial Assistance Corporation through September 30 of each of such fiscal years.

(5) DISTRIBUTION OF ANNUAL PAYMENTS.—Annual payments due under this subsection shall be made available to each institution described in paragraph (1) in an amount equal to the total amount of annual payments to be made available times the ratio of the amount of stock each institution purchased divided by $177,000,000.

SEC. 8. EXEMPTION OF CERTAIN INTEREST PAYMENTS BY THE UNITED STATES TREASURY FROM SEQUESTRATION.

Section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)(A)) is amended by inserting

12 USC 2278b-9 note.
"Farm Credit System Financial Assistance Corporation, interest payments (20-1850-0-1-351);" after "Exchange stabilization fund (20-4444-0-3-155);".

SEC. 9. DISASTER ASSISTANCE COVERAGE FOR EARTHQUAKES.

(a) ANNUAL CROPS.—(1) Section 104(d)(1) of the Disaster Assistance Act of 1989 is amended by inserting "ornamentals affected by earthquake and" after "including".

(2) Section 112(1) of such Act is amended by inserting "earthquake," after "hurricane".

(b) ORCHARDS.—(1) Section 121(a) of the Disaster Assistance Act of 1989 is amended to read as follows:

"(a) Loss.—Subject to the limitation in subsection (b), the Secretary of Agriculture shall provide assistance, as specified in section 122, to eligible orchardists that planted trees for commercial purposes but lost such trees as a result of freeze, earthquake, or related condition in 1989, as determined by the Secretary.".

(2) Section 122(1) of such Act is amended by inserting "earthquake," after "freeze".

(c) FOREST CROPS.—(1) Section 131(a) of the Disaster Assistance Act of 1989 is amended to read as follows:

"(a) Loss.—Subject to the limitation in subsection (b), the Secretary of Agriculture shall provide assistance, as specified in section 132, to eligible tree farmers that planted tree seedlings in 1988 or 1989 for commercial purposes but lost such seedlings as a result of drought, earthquake, or related condition in 1989, as determined by the Secretary.".

(2) Section 132(1) of such Act is amended by inserting "earthquake," after "drought".

(d) DISASTER ASSISTANCE FOR RURAL BUSINESS ENTERPRISES.—Section 401 of the Disaster Assistance Act of 1989 is amended—

(1) in paragraph (a)(1), by inserting "earthquake," after "excessive moisture"; and

(2) in paragraph (c)(2), by striking out "$200,000,000" and inserting "$300,000,000".


Section 807(b) of the Stewart B. McKinney Homeless Assistance Act (7 U.S.C. 2014 note) is amended by—

(1) striking "1989" and inserting "1990";

(2) redesignating paragraph (2) as paragraph (3); and

(3) inserting after paragraph (1) the following paragraph:

"(2) The Secretary shall adjust the level of benefits provided to households under the Food Stamp Act of 1977 (7 U.S.C. 2061 et seq.) during the period between September 30, 1989 and the effective date of this paragraph to ensure that the level of such benefits is no less than the level determined in accordance with the provisions of section 5(k)(2)(F) of the Food Stamp Act of 1977.".

SEC. 11. SUBMISSION OF ACTUAL YIELD DATA TO COUNTY COMMITTEES.

(a) SUBMISSION OF ACTUAL YIELD DATA TO COUNTY COMMITTEES.—Effective for the 1989 and 1990 crops of wheat, feed grains, upland cotton, and rice, section 506 of the Agricultural Act of 1949 (7 U.S.C. 1466) is amended by adding at the end the following new subsection:
“(e)(1) With respect to the 1989 and subsequent crop years, the Secretary shall allow producers to provide to county committees data with respect to the actual yield for each farm for each program crop. The Secretary shall maintain such data for at least five crop years after receipt in a manner that will permit the data to be used, if necessary, in the administration of the commodity programs for the 1989 and subsequent crops.

“(2) The Secretary shall provide timely notification to producers of the provisions of paragraph (1).

“(3) With respect to the 1989 crop year, the Secretary shall determine what the costs of each commodity program would be if farm program payment yields were determined in accordance with the methods prescribed in paragraph (4) and what the impact of such alternative methods would be on each commodity program and on producers participating in each commodity program.

“(4) The alternative methods of determining program payment yields for purposes of paragraph (3) shall include, at a minimum:

“(A) using producers’ actual yields for the current crop year;

“(B) allowing producers the option of choosing to use their actual yields or the county average yield for the current crop year; and

“(C) the yield derived on the basis of the average of the actual yield per harvested acre for the crop for each of the five crop years immediately preceding such crop year, excluding the crop year with the highest yield per harvested acre, the crop year with the lowest yield per harvested acre, and any crop year in which such crop was not planted on the farm.

Not later than January 30, 1990, the Secretary shall report the determinations under this subsection to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.”.

(b) Submission of Soybean Actual Yield Data to County Committees.—With respect to the 1989 and 1990 crop years, the Secretary shall allow producers of soybeans to provide to county committees (as defined in section 502 of the Agricultural Act of 1949 (7 U.S.C. 1462)) data with respect to the actual yield for each farm for each crop of soybeans. The Secretary shall maintain such data for at least five crop years after receipt in such a manner as to be easily accessible. The Secretary shall provide timely notification to producers of the provisions of this section.

SEC. 12. EXTENSION ON SALE OF RURAL DEVELOPMENT LOANS.

Section 1001 of the Omnibus Budget Reconciliation Act of 1986 (7 U.S.C. 1929a note) is amended by adding at the end the following new subsection:

“(h)(1) Notwithstanding the provisions of section 638 of the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1989 (Public Law 100–460), the Secretary of Agriculture shall offer to the issuer of any unsold note or other obligation described in paragraph (2)(A) for which such issuer made the good faith deposit described in paragraph (2)(A) the opportunity to purchase such note or other obligation consistent with the provisions of this subsection and subsections (f)(2) and (f)(3).

“(2) The provisions of this subsection shall apply only to those issuers who:

“(A) on or before March 9, 1989, made a good faith deposit under this section for fiscal year 1989 with the Secretary to
purchase a note or other obligation held in the Rural Development Insurance Fund; and

"(B) otherwise meet all eligibility criteria, as such criteria existed immediately prior to May 9, 1989, at the time the purchase occurs under this subsection.

"(3) The opportunity to purchase any such note or other obligation shall be held open, under the policies and procedures in effect under subsections (f)(2) and (f)(3) immediately prior to May 9, 1989, for 150 days after the date of enactment of this subsection. The Secretary shall not require any further good faith deposit from issuers who qualify under this subsection. The Secretary shall notify eligible issuers of the opportunity afforded under this subsection within 30 days after the date of enactment of this subsection and may require such issuers to express an intention to purchase their note or other obligation by a date certain.".

SEC. 13. PROHIBITION ON DUTY DRAWBACK CLAIMS BY EXPORTERS WHO USE CERTAIN EXPORT PROMOTION PROGRAMS.

(a) IN GENERAL.—The Secretary of Agriculture may provide that a person shall be ineligible for participation in an export program established under title I or title III of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.), or in any other export credit, credit guarantee, bonus, or other export program carried out through, or administered by, the Commodity Credit Corporation or carried out with funds made available pursuant to section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U.S.C. 612c) with respect to the export of any agricultural commodity or product that has been or will be used as the basis for a claim of a refund, as drawback, pursuant to section 313(j)(2) of the Tariff Act of 1930 (19 U.S.C. 1313(j)(2)), of any duty, tax, or fee imposed under Federal law on an imported commodity or product.

(b) VEGETABLE OIL.—A person shall be ineligible for participation in any of the export programs referred to in subsection (a) with respect to the export of vegetable oil or a vegetable oil product that has been or will be used as the basis for a claim of a refund, as a drawback, pursuant to section 313 of the Tariff Act of 1930, of any duty, tax, or fee imposed under Federal law on an imported commodity or product.

(c) CERTIFICATION.—A person applying to export any agricultural commodity or product under the export programs referred to in subsection (a) shall certify, in accordance with regulations issued under subsection (d), that none of the commodity or product has been or will be used as the basis for a claim of a refund specified in subsection (a), except that a person applying to export any vegetable oil or vegetable oil product under such programs shall certify that none of the vegetable oil or vegetable oil product has been or will be used as the basis for a claim of a refund specified in subsection (b).

(d) REGULATIONS.—The Secretary of Agriculture shall issue regulations to carry out this section.

(e) APPLICABILITY.—This section shall not apply to quantities of agricultural commodities and products with respect to which an exporter has entered into a contract, prior to the effective date of this section, for an export sale.
SEC. 14. REPAYMENT OF ADVANCE DEFICIENCY PAYMENTS.

Effective only for the 1988 crops of wheat, feed grains, upland cotton, and rice, produced by producers that qualified for assistance under section 201(a) of the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note) or section 101(a) of the Disaster Assistance Act of 1989 (7 U.S.C. 1421 note), if the Secretary of Agriculture determines that any portion of the advance deficiency payment made to producers for such crop under section 107C of the Agricultural Act of 1949 (7 U.S.C. 1445b-2) must be refunded, such refund shall not be required to be made prior to July 31, 1990.

Approved December 12, 1989.