To amend the Disaster Assistance Act of 1989 to avoid penalizing producers who planted a replacement crop on disaster-affected acreage, and for other purposes.

SEC. 110. NO DOUBLE PAYMENTS ON REPLANTED ACREAGE.

"(a) REDUCTION OF DISASTER PAYMENTS.—Effective only for producers on a farm who receive disaster payments under this subtitle for a crop of a commodity, the Secretary of Agriculture shall reduce such payments by an amount that reflects the net value (as determined under subsection (c)) of any crop such producers plant for harvest in 1989 to replace the crop for which disaster payments are received.

"(b) REPLACEMENT CROPS.—For purposes of subsection (a), a crop shall be considered to be planted to replace the crop for which disaster payments are received if (because of loss or damage to the first crop due to damaging weather or related condition in 1988 or 1989) the second crop is planted on acreage on which the producers planted, or were prevented from planting, the first crop.

"(c) ADMINISTRATION.—

"(1) DETERMINATION OF VALUE.—In carrying out this section, the Secretary shall—

"(A) only consider any production of the second crop that is in excess of 50 percent of the county average yield for such crop;

"(B) base the value of the excess second crop production on average market prices for the second crop during a representative period; and

"(C) reduce the value of such excess second crop production by 25 percent.

"(2) HISTORICAL CROPPING PATTERNS.—In carrying out this section, the Secretary shall take into account the historical cropping patterns of producers.

"(3) REDUCTION ONLY APPLICABLE TO REPLANTED ACREAGE.—The reduction provided for in this subsection shall only be applied against payments due with respect to acreage that was replanted.

"(4) FUTURE CROPPING PRACTICES.—In carrying out this section, the Secretary may make adjustments to the crop acreage bases to reflect crop rotation practices because of the occurrence of a natural disaster or other similar condition beyond the control of the producer in determining a fair and equitable crop acreage base.".
SEC. 2. MARKETING QUOTAS.

(a) Farm Poundage Quotas.—

(1) In general.—Section 319 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314e) is amended—

(A) in subsection (d)—

(i) by striking “October 1, 1982” and inserting “for the previous marketing year”; and

(ii) by striking “1978 crop year” and inserting “immediately preceding 5 crop years”; and

(B) in the second sentence of subsection (e), by striking “marketing year beginning October 1, 1982” each place it appears and inserting “previous marketing year”.

(2) Acreage—Poundage Quotas.—Section 317(a)(6)(B) of such Act (7 U.S.C. 1314c(a)(6)(B)) is amended by striking “years 1960 to 1964, inclusive, may be used, as determined by the Secretary” and inserting “immediately preceding 5 crop years shall be used by the Secretary”.

(b) Lease or Sale of Acreage Allotments.—Section 316(c) of such Act (7 U.S.C. 1314b(c)) is amended by striking all after the first sentence and inserting “The transfer shall be approved acre for acre.”

SEC. 3. COST REDUCTION OPTIONS.

Section 1009(d) of the Food Security Act of 1985 (7 U.S.C. 1308a(d)) is amended—

(1) by inserting after “nonrecourse loan program” the following “(including the program authorized by section 110 of the Agricultural Act of 1949 (7 U.S.C. 1445e))”;

(2) by striking “savings” and inserting “benefits”; and

(3) by striking “forfeited commodity,” and all that follows through the period at the end of the sentence and inserting “forfeited commodity.”