

103^D CONGRESS
2^D SESSION

H. R. 4817

To promote the use of vegetable oils derived from soybeans and other oilseeds in industrial products and to authorize the Secretary of Agriculture to undertake certain activities to increase domestic and export demand for such vegetable oils.

IN THE HOUSE OF REPRESENTATIVES

JULY 22, 1994

Mr. JOHNSON of South Dakota (for himself, Mr. EMERSON, Mr. SLATTERY, Mr. MINGE, Mr. EWING, Mr. ROBERTS, Mr. SARPALIUS, Mr. POMEROY, Mr. BARLOW, Mr. GRANDY, Mr. GLICKMAN, Mr. DURBIN, Mr. LIGHTFOOT, Mr. PETERSON of Minnesota, Mr. SKELTON, Mr. VOLKMER, Mr. DICKEY, Mr. BISHOP, and Mr. NUSSLE) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To promote the use of vegetable oils derived from soybeans and other oilseeds in industrial products and to authorize the Secretary of Agriculture to undertake certain activities to increase domestic and export demand for such vegetable oils.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Vegetable Oil Use Pro-
5 motion Act”.

1 **SEC. 2. PROMOTION OF INCREASED DEMAND FOR AND USE**
2 **OF VEGETABLE OILS DERIVED FROM CER-**
3 **TAIN OILSEEDS.**

4 (a) VEGETABLE OIL INDUSTRIAL PRODUCTS
5 FUND.—

6 (1) ESTABLISHMENT.—There is established
7 within the Commodity Credit Corporation a fund to
8 be known as the “Vegetable Oil Industrial Products
9 Fund”, which shall to be administered and used by
10 the Secretary of Agriculture to carry out subsection
11 (b).

12 (2) CONTENTS OF FUND.—The Fund shall con-
13 sist of amounts deposited in the Fund by the Sec-
14 retary in each of the fiscal years 1995 through 2000
15 from amounts available to the Commodity Credit
16 Corporation, as follows:

17 (A) \$7,800,000 for fiscal year 1995.

18 (B) \$15,500,000 for fiscal year 1996.

19 (C) \$23,300,000 for fiscal year 1997.

20 (D) \$31,100,000 for fiscal year 1998.

21 (E) \$38,900,000 for fiscal year 1999.

22 (F) \$46,700,000 for fiscal year 2000.

23 (3) AVAILABILITY OF FUND.—Amounts in the
24 Fund shall remain available to the Secretary until
25 expended.

1 (b) USE OF FUND TO PROMOTE INDUSTRIAL PROD-
2 UCTS CONTAINING VEGETABLE OILS.—The Secretary
3 shall use amounts in the Fund to make grants to promote
4 the increased commercial use of industrial products that
5 contain, as an ingredient, vegetable oils produced from eli-
6 gible oilseeds. For each fiscal year in which amounts are
7 available in the Fund, the Secretary shall solicit grant ap-
8 plications from persons whose manufacturing operations
9 are located in the United States and that desire financial
10 assistance to begin or expand production of such industrial
11 products. The applications shall be in such form, shall con-
12 tain such information, and shall be submitted at such
13 time, as the Secretary may prescribe. On the basis of such
14 applications, the Secretary shall select as grant recipients
15 to the extent practicable those persons whose manufactur-
16 ing operations will use the greatest possible amount of
17 vegetable oils produced from eligible oilseeds in compari-
18 son to the amount of assistance requested.

19 (c) LIMITATION ON AMOUNT OF ASSISTANCE.—A
20 person may not receive more than 10 percent of the total
21 assistance provided by the Secretary in any fiscal year
22 from the Fund.

23 (d) ANNUAL ESTIMATES OF VEGETABLE OIL
24 STOCKS.—Not later than October 1 and April 1 of each
25 fiscal year, the Secretary shall announce an estimate of—

1 (1) the amount of vegetable oil to be produced
2 in the United States from oilseeds grown in the
3 United States and consumed domestically or ex-
4 ported from the United States during that fiscal
5 year; and

6 (2) the amount of such vegetable oil likely to
7 remain available in public and private stocks in the
8 United States at the end of the marketing year.

9 (e) ACTIVITIES TO INCREASE DEMAND FOR VEGETA-
10 BLE OIL.—If the October 1 estimate of end-of-year stocks
11 of vegetable oil produced in the United States from oil-
12 seeds grown in the United States, as a percentage of total
13 domestic and export demand, exceeds the average percent-
14 age of end-of-year stocks to total demand during fiscal
15 years 1985 through 1994, the Secretary shall use existing
16 authorities to promote an increase in domestic and export
17 demand for such vegetable oil by an amount that will pre-
18 vent end-of-year stocks from exceeding this level. If the
19 April 1 estimate indicates a significant change in the
20 stocks to use ratio from the October 1 estimate, the Sec-
21 retary shall adjust the vegetable oil demand expansion ac-
22 tivities to reflect this change. The authorities that the Sec-
23 retary may use to effect an increase in domestic and ex-
24 port demand for such vegetable oil shall include the follow-
25 ing:

1 (1) Purchasing for donation to meet critical
2 human dietary needs in developing countries.

3 (2) Purchasing for donation to emerging de-
4 mocracies, with the proceeds from any subsequent
5 sale required to be used for economic development,
6 infrastructure improvements, or activities that foster
7 development of markets for United States agricul-
8 tural products in recipient countries.

9 (3) Purchasing for donation or discounted sale
10 to producers of industrial products that contain, as
11 an ingredient, vegetable oils produced from eligible
12 oilseeds, to promote the increased commercial use of
13 such products.

14 (f) DEFINITIONS.—For purposes of this section:

15 (1) FUND.—The term “Fund” means the Vege-
16 table Oil Industrial Products Fund.

17 (2) OILSEEDS.—The term “oilseeds” means
18 soybeans, corn, cottonseed, sunflower seed, flaxseed,
19 canola, rapeseed, safflower, and mustard seed.

20 (3) SECRETARY.—The term “Secretary” means
21 the Secretary of Agriculture.

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