

105TH CONGRESS
2D SESSION

H. R. 4580

To amend the Agricultural Market Transition Act to provide supplemental payments to farm owners and producers who have entered into production flexibility contracts under that Act.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 16, 1998

Mr. BARRETT of Nebraska (for himself, Mr. MORAN of Kansas, Mr. EWING, Mr. PICKERING, Mr. BLUNT, Mr. LEACH, Mr. COOKSEY, Mr. NETHERCUTT, Mr. SMITH of Michigan, Mr. BEREUTER, Mr. CHAMBLISS, Mr. HILL, Mr. LAHOOD, Mr. RYUN, Mr. LEWIS of Kentucky, Mrs. EMERSON, Mr. BUNNING, Mr. WELLER, Mr. CRAPO, Mr. LUCAS of Oklahoma, and Mr. WATTS of Oklahoma) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Agricultural Market Transition Act to provide supplemental payments to farm owners and producers who have entered into production flexibility contracts under that Act.

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 “Agricultural Trade
5 Emergency Response Act of 1998”.

1 **SEC. 2. SUPPLEMENTAL PAYMENTS UNDER SUBTITLE B OF**
2 **AGRICULTURAL MARKET TRANSITION ACT.**

3 (a) FINDINGS.—Congress finds the following:

4 (1) United States exports of agricultural com-
5 modities declined substantially in 1997 and 1998
6 primarily as a result of the economic and financial
7 crisis in Asia.

8 (2) Export sales of United States wheat, feed
9 grains, rice, and upland cotton have declined by 20
10 percent because of the Asian financial crisis.

11 (3) As a result, producers who are parties to
12 production flexibility contracts under subtitle B of
13 the Agricultural Market Transition Act (7 U.S.C.
14 7211 et seq.) have experienced low crop prices and
15 a severe decline in farm income.

16 (4) The severity of the decline in farm income
17 places producers in such temporary financial jeop-
18 ardy that a supplemental payment under the Agri-
19 cultural Market Transition Act is required to assist
20 them in coping with financial conditions beyond
21 their control.

22 (b) AUTHORITY TO PROVIDE SUPPLEMENTAL PAY-
23 MENT.—Subtitle B of the Agricultural Market Transition
24 Act (7 U.S.C. 7211 et seq.) is amended by adding at the
25 end the following new section:

1 **“SEC. 119. PROVISION OF SUPPLEMENTAL PAYMENTS.**

2 “(a) **AUTHORITY TO PROVIDE.**—In addition to the
3 contract payment determined and paid under a production
4 flexibility contract for fiscal years 1998 and 1999, the Sec-
5 retary shall make a supplemental payment under this sec-
6 tion in connection with that contract for each of those fis-
7 cal years.

8 “(b) **AMOUNT OF PAYMENT.**—The amount of the
9 supplemental payment made in connection with a produc-
10 tion flexibility contract for each of the fiscal years 1998
11 and 1999 shall be equal to 20 percent of the amount of
12 the contract payment determined for that contract for the
13 applicable fiscal year under section 114.

14 “(c) **TIME FOR PAYMENT.**—

15 “(1) **FISCAL YEAR 1998.**—The supplemental
16 payment for fiscal year 1998 for an owner or pro-
17 ducer eligible for the payment shall be made not
18 later than 30 days after the date of the enactment
19 of this section.

20 “(2) **FISCAL YEAR 1999.**—The supplemental
21 payment for fiscal year 1999 for an owner or pro-
22 ducer shall be made in connection with the contract
23 payment for that fiscal year or as soon thereafter as
24 practicable.

25 “(d) **SHARING OF PAYMENT.**—As is the case with
26 contract payments, the Secretary shall provide for the

1 sharing of the supplemental payment made in connection
2 with a production flexibility contract among the owners
3 and producers subject to that contract on a fair and equi-
4 table basis.

5 “(e) EFFECT OF VIOLATIONS OF CONTRACT.—A sup-
6 plemental payment shall be treated as a contract payment
7 for purposes of section 116.”.

○