

107TH CONGRESS
1ST SESSION

H. R. 2213

To respond to the continuing economic crisis adversely affecting American agricultural producers.

IN THE HOUSE OF REPRESENTATIVES

JUNE 19, 2001

Mr. COMBEST introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To respond to the continuing economic crisis adversely affecting American agricultural producers.

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; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Crop Year 2001 Agricultural Economic Assistance Act”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—AGRICULTURAL ASSISTANCE

Sec. 101. Market loss assistance.

Sec. 102. Oilseeds.

Sec. 103. Other commodities.

- Sec. 104. Payments in lieu of loan deficiency payments for grazed acreage.
 Sec. 105. Expansion of producers eligible for loan deficiency payments.
 Sec. 106. Loan deficiency payments and marketing loan gains.
 Sec. 107. Milk price support program.

TITLE II—ADMINISTRATION

- Sec. 201. Regulations.
 Sec. 202. Commodity Credit Corporation reimbursement.
 Sec. 203. Technical corrections regarding existing cotton producer indemnity fund.

1 **TITLE I—AGRICULTURAL** 2 **ASSISTANCE**

3 **SEC. 101. MARKET LOSS ASSISTANCE.**

4 (a) IN GENERAL.—The Secretary of Agriculture (re-
 5 ferred to in this Act as the “Secretary”) shall use funds
 6 of the Commodity Credit Corporation to provide assist-
 7 ance in the form of a market loss assistance payment to
 8 owners and producers on a farm that are eligible for a
 9 final payment for fiscal year 2001 under a production
 10 flexibility contract for the farm under the Agricultural
 11 Market Transition Act (7 U.S.C. 7201 et seq.).

12 (b) AMOUNT AND MANNER.—In providing payments
 13 under this section, the Secretary shall—

14 (1) use the same contract payment rates as are
 15 used under section 802(b) of the Agriculture, Rural
 16 Development, Food and Drug Administration, and
 17 Related Agencies Appropriations Act, 2000 (7
 18 U.S.C. 1421 note; Public Law 106–78); and

19 (2) provide the payments in a manner that is
 20 consistent with section 802(c) of that Act.

1 (c) TIMING.—The Secretary shall make the payments
2 required by this section not earlier than September 1,
3 2001, but not later than September 30, 2001.

4 **SEC. 102. OILSEEDS.**

5 (a) IN GENERAL.—The Secretary shall use
6 \$500,000,000 of funds of the Commodity Credit Corpora-
7 tion to make payments to producers of the 2001 crop of
8 oilseeds that are eligible to obtain a marketing assistance
9 loan under section 131 of the Agricultural Market Transi-
10 tion Act (7 U.S.C. 7231).

11 (b) COMPUTATION.—A payment to producers on a
12 farm under this section for an oilseed shall be equal to
13 the product obtained by multiplying—

14 (1) a payment rate determined by the Sec-
15 retary;

16 (2) the acreage of the producers on the farm
17 for the oilseed, as determined under subsection (c);
18 and

19 (3) the yield of the producers on the farm for
20 the oilseed, as determined under subsection (d).

21 (c) ACREAGE.—

22 (1) IN GENERAL.—Except as provided in para-
23 graph (2), the acreage of the producers on the farm
24 for an oilseed under subsection (b)(2) shall be equal
25 to the number of acres planted to the oilseed by the

1 producers on the farm during the 1998, 1999, or
2 2000 crop year, whichever is greatest, as reported by
3 the producers on the farm to the Secretary (includ-
4 ing any acreage reports that are filed late).

5 (2) NEW PRODUCERS.—Except as provided in
6 paragraph (3), in the case of producers on a farm
7 that planted acreage to an oilseed during the 2001
8 crop year, but not the 1998, 1999, or 2000 crop
9 year, the acreage of the producers for the oilseed
10 under subsection (b)(2) shall be equal to the number
11 of acres planted to the oilseed by the producers on
12 the farm during the 2001 crop year, as reported by
13 the producers on the farm to the Secretary (includ-
14 ing any acreage reports that are filed late).

15 (d) YIELD.—

16 (1) SOYBEANS.—Except as provided in para-
17 graph (3), in the case of soybeans, the yield of the
18 producers on a farm under subsection (b)(3) shall be
19 equal to the greatest of—

20 (A) the average county yield per harvested
21 acre for each of the 1996 through 2000 crop
22 years, excluding the crop year with the highest
23 yield per harvested acre and the crop year with
24 the lowest yield per harvested acre; or

1 (B) the actual yield of the producers on
2 the farm for the 1998, 1999, or 2000 crop
3 year.

4 (2) OTHER OILSEEDS.—Except as provided in
5 paragraph (3), in the case of oilseeds other than soy-
6 beans, the yield of the producers on a farm under
7 subsection (b)(3) shall be equal to the greatest of—

8 (A) the average national yield per har-
9 vested acre for each of the 1996 through 2000
10 crop years, excluding the crop year with the
11 highest yield per harvested acre and the crop
12 year with the lowest yield per harvested acre; or

13 (B) the actual yield of the producers on
14 the farm for the 1998, 1999, or 2000 crop
15 year.

16 (3) NEW PRODUCERS.—In the case of pro-
17 ducers on a farm that planted acreage to an oilseed
18 during the 2001 crop year but not the 1998, 1999,
19 or 2000 crop year, the yield of the producers on a
20 farm under subsection (b)(3) shall be equal to the
21 greater of—

22 (A) the average county yield per harvested
23 acre for each of the 1996 through 2000 crop
24 years, excluding the crop year with the highest

1 yield per harvested acre and the crop year with
2 the lowest yield per harvested acre; or

3 (B) the actual yield of the producers on
4 the farm for the 2001 crop.

5 (4) DATA SOURCE.—To the maximum extent
6 available, the Secretary shall use data provided by
7 the National Agricultural Statistics Service to carry
8 out this subsection.

9 (e) TIMING.—The Secretary shall make the payments
10 required by this section not earlier than October 1, 2001,
11 but not later than September 30, 2002.

12 **SEC. 103. OTHER COMMODITIES.**

13 (a) SURPLUS SPECIALTY CROP PURCHASES.—

14 (1) PURCHASES REQUIRED.—The Secretary
15 shall use \$220,000,000 of funds of the Commodity
16 Credit Corporation to purchase specialty crops that
17 have experienced low prices during the 2000 or 2001
18 crop years, including apples, apricots, black-eyed
19 peas, cherries, chickpeas, citrus, cranberries, dried
20 plums, dry peas, grapefruit, lentils, melons, onions,
21 peaches, pears, potatoes, raisins, and raspberries.
22 The Secretary shall ensure that purchases of spe-
23 cialty crops under this subsection will not displace
24 purchases by the Secretary under any other law.

1 (2) ASSISTANCE TO STATES.—The Secretary
2 may use up to \$20,000,000 of the amount made
3 available under paragraph (1) to provide assistance
4 to States to cover costs incurred by the States in
5 transporting and distributing the commodities pur-
6 chased pursuant to such paragraph.

7 (3) TIMING.—The Secretary shall make the
8 purchases required by this subsection not earlier
9 than October 1, 2001, but not later than September
10 30, 2002.

11 (b) PEANUTS.—The Secretary shall use funds of the
12 Commodity Credit Corporation to provide payments to
13 producers of peanuts for the 2001 crop year. The amount
14 of the payment made to producers on a farm shall be equal
15 to the product obtained by multiplying—

16 (1) the quantity of peanuts actually produced
17 by the producers on the farm; and

18 (2) a payment rate equal to \$30.00 per ton.

19 (c) ANIMAL FIBER PRODUCTION.—The Secretary
20 shall use funds of the Commodity Credit Corporation to
21 make payments to producers of wool, and producers of
22 mohair, for the 2001 marketing year. The payment rate
23 shall be equal to—

24 (1) in the case of wool, 20 cents per pound; and

25 (2) in the case of mohair, 40 cents per pound.

1 (d) SUGAR.—Section 156(f) of the Agricultural Mar-
2 ket Transition Act (7 U.S.C. 7272(f)) shall not apply with
3 respect to the 2001 crop of sugar beets and sugarcane.

4 (e) TOBACCO.—

5 (1) ADDITIONAL PAYMENT UNDER EXISTING
6 AUTHORITY.—The Secretary shall use \$129,000,000
7 of funds of the Commodity Credit Corporation to
8 make additional payments under section 204(b) of
9 the Agricultural Risk Protection Act of 2000 (Public
10 Law 106–224; 7 U.S.C. 1421 note) to eligible per-
11 sons, as defined in paragraph (1)(A) of such section.
12 The requirements applicable to the allocation of
13 these funds among States, among farms in a State,
14 and among eligible persons, as specified in para-
15 graphs (3), (4), and (5) of such section, shall be ad-
16 justed by the Secretary to reflect the additional
17 amount made available for payments under such sec-
18 tion.

19 (2) TIMING.—Notwithstanding the payment
20 dates specified in section 204(b) of the Agricultural
21 Risk Protection Act of 2000, of the amount made
22 available under paragraph (1), the Secretary shall—

23 (A) expend \$34,000,000 before September
24 30, 2001; and

1 (B) expend the remainder during the pe-
2 riod beginning on October 1, 2001, and ending
3 on September 30, 2002.

4 **SEC. 104. PAYMENTS IN LIEU OF LOAN DEFICIENCY PAY-**
5 **MENTS FOR GRAZED ACREAGE.**

6 (a) **ELIGIBLE PRODUCERS.**—Effective for the 2002
7 crop year, in the case of a producer that would be eligible
8 for a loan deficiency payment under section 135 of the
9 Agricultural Market Transition Act (7 U.S.C. 7235) for
10 wheat, barley, or oats, but that elects to use acreage plant-
11 ed to the wheat, barley, or oats for the grazing of livestock,
12 the Secretary shall make a payment to the producer under
13 this section if the producer enters into an agreement with
14 the Secretary to forgo any other harvesting of the wheat,
15 barley, or oats on that acreage.

16 (b) **PAYMENT AMOUNT.**—The amount of a payment
17 made to a producer on a farm under this section shall
18 be equal to the amount determined by multiplying—

19 (1) the loan deficiency payment rate determined
20 under section 135(c) of the Agricultural Market
21 Transition Act (7 U.S.C. 7235(c)) in effect, as of
22 the date of the agreement, for the county in which
23 the farm is located; by

24 (2) the payment quantity determined by
25 multiplying—

1 (A) the quantity of the grazed acreage on
2 the farm with respect to which the producer
3 elects to forgo harvesting of wheat, barley, or
4 oats; and

5 (B) the established yield for the crop on
6 the farm, as determined by the Secretary.

7 (c) TIME, MANNER, AND AVAILABILITY OF PAY-
8 MENT.—

9 (1) TIME AND MANNER.—A payment under this
10 section shall be made at the same time and in the
11 same manner as loan deficiency payments are made
12 under section 135 of the Agricultural Market Tran-
13 sition Act (7 U.S.C. 7235), except that the payment
14 shall be made not later than September 30, 2002.

15 (2) AVAILABILITY.—The Secretary shall estab-
16 lish an availability period for the payment author-
17 ized by this section that, subject to the date speci-
18 fied in paragraph (1), is consistent with the avail-
19 ability period for wheat, barley, and oats established
20 by the Secretary for marketing assistance loans au-
21 thorized by subtitle C of the Agricultural Market
22 Transition Act (7 U.S.C. 7231 et seq.).

23 (d) PROHIBITION ON CROP INSURANCE COV-
24 ERAGE.—A 2002 crop of wheat, barley, or oats planted
25 on acreage that a producer elects, in the agreement re-

1 quired by subsection (a), to use for the grazing of livestock
2 in lieu of any other harvesting of the crop shall not be
3 eligible for insurance under the Federal Crop Insurance
4 Act (7 U.S.C. 1501 et seq.) or noninsured crop assistance
5 under section 196 of the Agricultural Market Transition
6 Act (7 U.S.C. 7333).

7 (e) FUNDING.—The Secretary shall use funds of the
8 Commodity Credit Corporation to carry out this section.

9 **SEC. 105. EXPANSION OF PRODUCERS ELIGIBLE FOR LOAN**
10 **DEFICIENCY PAYMENTS.**

11 Section 135(a)(2) of the Agricultural Market Transi-
12 tion Act (7 U.S.C. 7235(a)(2)) is amended by striking
13 “2000 crop year” and inserting “2000 and 2001 crop
14 years”.

15 **SEC. 106. LOAN DEFICIENCY PAYMENTS AND MARKETING**
16 **LOAN GAINS.**

17 (a) PAYMENT LIMITATIONS.—Notwithstanding sec-
18 tion 1001(2) of the Food Security Act of 1985 (7 U.S.C.
19 1308(1)), the total amount of the payments specified in
20 section 1001(3) of that Act that a person shall be entitled
21 to receive for one or more contract commodities and oil-
22 seeds under the Agricultural Market Transition Act (7
23 U.S.C. 7201 et seq.) during the 2001 crop year may not
24 exceed \$150,000.

1 (b) TREATMENT OF PRODUCERS WHO LOST BENE-
2 FICIAL INTEREST.—The Secretary shall allow a producer
3 that marketed or redeemed a quantity of an eligible 2001
4 crop for which the producer did not receive, either because
5 of operation of section 1001(2) of the Food Security Act
6 of 1985 (7 U.S.C. 1308(2)) or for any other reason, a
7 loan deficiency payment or marketing loan gain under sec-
8 tion 134 or 135 of the Agricultural Market Transition Act
9 (7 U.S.C. 7234, 7235) before the quantity was marketed
10 or redeemed to receive such payment or gain as of the
11 date on which the quantity was marketed or redeemed.

12 **SEC. 107. MILK PRICE SUPPORT PROGRAM.**

13 (a) EXTENSION OF PROGRAM.—Section 141 of the
14 Agricultural Market Transition Act (7 U.S.C. 7251) is
15 amended—

16 (1) in subsection (b), by adding at the end the
17 following new paragraph:

18 “(5) During the period beginning on January 1,
19 2002, and ending on August 31, 2002, \$9.90.”; and

20 (2) in subsection (h), by striking “December
21 31, 2001” both places it appears and inserting “Au-
22 gust 31, 2002”.

23 (b) REPEAL OF RECOURSE LOAN PROGRAM FOR
24 PROCESSORS.—Section 142 of the Agricultural Market
25 Transition Act (7 U.S.C. 7252(e)) is repealed.

1 **TITLE II—ADMINISTRATION**

2 **SEC. 201. REGULATIONS.**

3 (a) PROMULGATION.—As soon as practicable after
4 the date of the enactment of this Act, the Secretary and
5 the Commodity Credit Corporation, as appropriate, shall
6 promulgate such regulations as are necessary to imple-
7 ment this Act and the amendments made by this Act. The
8 promulgation of the regulations and administration of this
9 Act shall be made without regard to—

10 (1) the notice and comment provisions of sec-
11 tion 553 of title 5, United States Code;

12 (2) the Statement of Policy of the Secretary of
13 Agriculture effective July 24, 1971 (36 Fed. Reg.
14 13804), relating to notices of proposed rulemaking
15 and public participation in rulemaking; and

16 (3) chapter 35 of title 44, United States Code
17 (commonly known as the “Paperwork Reduction
18 Act”).

19 (b) CONGRESSIONAL REVIEW OF AGENCY RULE-
20 MAKING.—In carrying out this section, the Secretary shall
21 use the authority provided under section 808 of title 5,
22 United States Code.

1 **SEC. 202. COMMODITY CREDIT CORPORATION REIMBURSE-**
2 **MENT.**

3 (a) REIMBURSEMENT REQUIREMENT.—Out of any
4 moneys in the Treasury not otherwise appropriated, the
5 Secretary of the Treasury shall use such sums as may be
6 necessary to reimburse the Commodity Credit Corporation
7 for net realized losses sustained, but not previously reim-
8 bursed, under title I.

9 (b) TIMING.—

10 (1) FISCAL YEAR 2001.—The reimbursement re-
11 quired under subsection (a) shall be provided not
12 later than September 30, 2001, to offset the losses
13 of the Commodity Credit Corporation sustained on
14 account of the Secretary's use of Commodity Credit
15 Corporation funds—

16 (A) to provide market loss assistance
17 under section 101; and

18 (B) to provide the payments required
19 under section 103(e) before the deadline speci-
20 fied in paragraph (2)(A) of such section.

21 (2) FISCAL YEAR 2002.—The reimbursement re-
22 quired under subsection (a) for other Commodity
23 Credit Corporation losses sustained under title I
24 shall be provided not earlier than October 1, 2001,
25 but not later than September 30, 2002.

1 **SEC. 203. TECHNICAL CORRECTIONS REGARDING EXISTING**
2 **COTTON PRODUCER INDEMNITY FUND.**

3 (a) CONDITIONS ON PAYMENT TO STATE.—Sub-
4 section (b) of section 1121 of the Agriculture, Rural De-
5 velopment, Food and Drug Administration, and Related
6 Agencies Appropriations Act, 1999 (as contained in sec-
7 tion 101(a) of division A of Public Law 105–277 (7 U.S.C.
8 1421 note), and as amended by section 754 of the Agri-
9 culture, Rural Development, Food and Drug Administra-
10 tion, and Related Agencies Appropriations Act, 2001 (as
11 enacted by Public Law 106–387; 114 Stat. 1549A–42),
12 is amended to read as follows:

13 “(b) CONDITIONS ON PAYMENT TO STATE.—The
14 Secretary of Agriculture shall make the payment to the
15 State of Georgia under subsection (a) only if the State—

16 “(1) contributes \$5,000,000 to the indemnity
17 fund and agrees to expend all amounts in the indem-
18 nity fund by not later than January 1, 2002 (or as
19 soon as administratively practical thereafter), to pro-
20 vide compensation to cotton producers as provided in
21 such subsection;

22 “(2) requires the recipient of a payment from
23 the indemnity fund to repay the State, for deposit
24 in the indemnity fund, the amount of any duplicate
25 payment the recipient otherwise recovers for such
26 loss of cotton, or the loss of proceeds from the sale

1 of cotton, up to the amount of the payment from
2 the indemnity fund; and

3 “(3) agrees to deposit in the indemnity fund the
4 proceeds of any bond collected by the State for the
5 benefit of recipients of payments from the indemnity
6 fund, to the extent of such payments.”.

7 (b) ADDITIONAL DISBURSEMENTS FROM THE IN-
8 DEMNITY FUND.—Subsection (d) of such section is
9 amended to read as follows:

10 “(d) ADDITIONAL DISBURSEMENT TO COTTON GIN-
11 NERS.—The State of Georgia shall use funds remaining
12 in the indemnity fund, after the provision of compensation
13 to cotton producers in Georgia under subsection (a) (in-
14 cluding cotton producers who file a contingent claim, as
15 defined and provided in section 5.1 of chapter 19 of title
16 2 of the Official Code of Georgia), to compensate cotton
17 ginner (as defined and provided in such section) that—

18 “(1) incurred a loss as the result of—

19 “(A) the business failure of any cotton
20 buyer doing business in Georgia; or

21 “(B) the failure or refusal of any such cot-
22 ton buyer to pay the contracted price that had
23 been agreed upon by the ginner and the buyer
24 for cotton grown in Georgia on or after Janu-
25 ary 1, 1997, and had been purchased or con-

1 tracted by the ginner from cotton producers in
2 Georgia;

3 “(2) paid cotton producers the amount which
4 the cotton ginner had agreed to pay for such cotton
5 received from such cotton producers in Georgia; and

6 “(3) satisfy the procedural requirements and
7 deadlines specified in chapter 19 of title 2 of the Of-
8 ficial Code of Georgia applicable to cotton ginner
9 claims.”.

10 (c) CONFORMING AMENDMENT.—Subsection (c) of
11 such section is amended by striking “Upon the establish-
12 ment of the indemnity fund, and not later than October
13 1, 1999, the” and inserting “The”.

○