

Calendar No. 102

107TH CONGRESS
1ST SESSION**S. 1246**

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

IN THE SENATE OF THE UNITED STATES

JULY 25, 2001

Mr. HARKIN, from the Committee on Agriculture, Nutrition, and Forestry, reported the following original bill; which was read twice and placed on the calendar

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 “Emergency Agricultural Assistance Act of 2001”.

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—MARKET LOSS ASSISTANCE

- Sec. 101. Market loss assistance.
- Sec. 102. Oilseeds.
- Sec. 103. Peanuts.
- Sec. 104. Sugar.
- Sec. 105. Honey.
- Sec. 106. Wool and mohair.
- Sec. 107. Cottonseed.
- Sec. 108. Commodity purchases.
- Sec. 109. Loan deficiency payments.
- Sec. 110. Milk.
- Sec. 111. Pulse crops.
- Sec. 112. Tobacco.
- Sec. 113. Apples.

TITLE II—CONSERVATION

- Sec. 201. Conservation reserve program.
- Sec. 202. Wetlands reserve program.
- Sec. 203. Environmental quality incentives program.
- Sec. 204. Wildlife Habitat Incentive Program.
- Sec. 205. Farmland protection program.
- Sec. 206. Risk management conservation assistance.

TITLE III—NUTRITION

- Sec. 301. Bonus commodities.
- Sec. 302. Information and assistance concerning reimbursement options.
- Sec. 303. Distribution of commodities.
- Sec. 304. Seniors Farmers' Market Nutrition Pilot Program.

TITLE IV—CREDIT AND RURAL DEVELOPMENT

Subtitle A—Credit

- Sec. 401. Farm energy emergency loans.
- Sec. 402. Definition of rural area for community programs guaranteed loans.

Subtitle B—Rural Development

- Sec. 411. Value-added intermediary relending program.
- Sec. 412. Business and industry loans.
- Sec. 413. Value-added agricultural product market development grants.
- Sec. 414. Regulations; notice of acceptance of applications.
- Sec. 415. Funding.

TITLE V—RESEARCH

- Sec. 501. Sustainable agriculture technology development and transfer program.
- Sec. 502. Senior Scientific Research Service.

TITLE VI—DISASTER ASSISTANCE

- Sec. 601. Crop and pasture flood compensation program.
- Sec. 602. Purchase of floodplain easements.
- Sec. 603. Compensation of producers for forage losses due to army worms.

TITLE VII—MISCELLANEOUS

Sec. 701. National organic certification cost-share program.
 Sec. 702. Use of value-added commodities.

TITLE VII—ADMINISTRATION

Sec. 801. Obligation period.
 Sec. 802. Commodity Credit Corporation.
 Sec. 803. Regulations.

1 **TITLE I—MARKET LOSS** 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 **SEC. 102. OILSEEDS.**

2 (a) IN GENERAL.—The Secretary shall use
 3 \$500,000,000 of funds of the Commodity Credit Corpora-
 4 tion to make payments to producers of the 2001 crop of
 5 oilseeds that are eligible to obtain a marketing assistance
 6 loan under section 131 of the Agricultural Market Transi-
 7 tion Act (7 U.S.C. 7231).

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

11 (1) a payment rate determined by the Sec-
 12 retary;

13 (2) the acreage of the producers on the farm
 14 for the oilseed, as determined under subsection (c);
 15 and

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

18 (c) ACREAGE.—

19 (1) IN GENERAL.—Except as provided in para-
 20 graph (2), the acreage of the producers on the farm
 21 for an oilseed under subsection (b)(2) shall be equal
 22 to the number of acres planted to the oilseed by the
 23 producers on the farm during the 1998, 1999, or
 24 2000 crop year, whichever is greatest, as reported by
 25 the producers on the farm to the Secretary (includ-
 26 ing any acreage reports that are filed late).

1 (2) NEW PRODUCERS.—In the case of pro-
 2 ducers on a farm that planted acreage to an oilseed
 3 during the 2001 crop year but not the 1998, 1999,
 4 or 2000 crop year, the acreage of the producers for
 5 the oilseed under subsection (b)(2) shall be equal to
 6 the number of acres planted to the oilseed by the
 7 producers on the farm during the 2001 crop year,
 8 as reported by the producers on the farm to the Sec-
 9 retary (including any acreage reports that are filed
 10 late).

11 (d) YIELD.—

12 (1) SOYBEANS.—Except as provided in para-
 13 graph (3), in the case of soybeans, the yield of the
 14 producers on a farm under subsection (b)(3) shall be
 15 equal to the greater of—

16 (A) the average county yield per harvested
 17 acre for each of the 1996 through 2000 crop
 18 years, excluding the crop year with the greatest
 19 yield per harvested acre and the crop year with
 20 the lowest yield per harvested acre; or

21 (B) the actual yield of the producers on
 22 the farm for the 1998, 1999, or 2000 crop
 23 year.

24 (2) OTHER OILSEEDS.—Except as provided in
 25 paragraph (3), in the case of oilseeds other than soy-

1 beans, the yield of the producers on a farm under
2 subsection (b)(3) shall be equal to the greater of—

3 (A) the average national yield per har-
4 vested acre for each of the 1996 through 2000
5 crop years, excluding the crop year with the
6 greatest yield per harvested acre and the crop
7 year with the lowest yield per harvested acre; or

8 (B) the actual yield of the producers on
9 the farm for the 1998, 1999, or 2000 crop
10 year.

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

17 (A) the average county yield per harvested
18 acre for each of the 1996 through 2000 crop
19 years, excluding the crop year with the greatest
20 yield per harvested acre and the crop year with
21 the lowest yield per harvested acre; or

22 (B) the actual yield of the producers on
23 the farm for the 2001 crop.

24 (4) DATA SOURCE.—To the maximum extent
25 available, the Secretary shall use data provided by

1 the National Agricultural Statistics Service to carry
2 out this subsection.

3 **SEC. 103. PEANUTS.**

4 The Secretary shall use \$55,210,000 of funds of the
5 Commodity Credit Corporation to provide a supplemental
6 payment under section 204(a) of the Agricultural Risk
7 Protection Act of 2000 (7 U.S.C. 1421 note; Public Law
8 106–224) to producers of quota peanuts or additional pea-
9 nuts for the 2000 crop year that received a payment under
10 that section.

11 **SEC. 104. SUGAR.**

12 (a) **MARKETING ASSESSMENT.**—Section 156(f) of the
13 Agricultural Market Transition Act (7 U.S.C. 7272(f))
14 shall not apply with respect to the 2001 crop of sugarcane
15 and sugar beets.

16 (b) **EMERGENCY FINANCIAL ASSISTANCE FOR 2000**
17 **CROP OF SUGAR BEETS.**—Notwithstanding section
18 815(d)(1) of the Agriculture, Rural Development, Food
19 and Drug Administration, and Related Agencies Appro-
20 priations Act, 2001 (114 Stat. 1549, 1549A–56), in mak-
21 ing payments under that section for quality losses for the
22 2000 crop of sugar beets of producers on a farm in an
23 area covered by Manager’s Bulletin MGR–01–010 issued
24 by the Federal Crop Insurance Corporation on March 2,
25 2001—

1 (1) the Secretary shall calculate the amount of
 2 a quality loss, regardless of whether the sugar beets
 3 are processed, on an aggregate basis by cooperative;

4 (2) the Secretary shall make the quality loss
 5 payments to a cooperative for distribution to cooper-
 6 ative members; and

7 (3) the amount of a quality loss, regardless of
 8 whether the sugar beets are processed, shall be equal
 9 to the difference between—

10 (A) the per unit payment that the pro-
 11 ducers on the farm would have received for the
 12 crop from the cooperative if the crop had not
 13 suffered a quality loss; and

14 (B) the average per unit payment that the
 15 producers on the farm received from the cooper-
 16 ative for the affected sugar beets.

17 **SEC. 105. HONEY.**

18 (a) IN GENERAL.—The Secretary shall use funds of
 19 the Commodity Credit Corporation to make nonrecourse
 20 loans available to producers of the 2001 crop of honey on
 21 fair and reasonable terms and conditions, as determined
 22 by the Secretary.

23 (b) LOAN RATE.—The loan rate for a loan under sub-
 24 section (a) for honey shall be equal to 85 percent of the
 25 simple average price received by producers of honey, as

1 determined by the Secretary, during the marketing years
2 for the immediately preceding 5 crops of honey, excluding
3 the year in which the average price was the highest and
4 the year in which the average price was the lowest.

5 **SEC. 106. WOOL AND MOHAIR.**

6 (a) IN GENERAL.—The Secretary shall use
7 \$16,940,000 of funds of the Commodity Credit Corpora-
8 tion to provide a supplemental payment under section 814
9 of the Agriculture, Rural Development, Food and Drug
10 Administration, and Related Agencies Appropriations Act,
11 2001 (114 Stat. 1549, 1549A–55), to producers of wool,
12 and producers of mohair, for the 2000 marketing year
13 that received a payment under that section.

14 (b) PAYMENT RATE.—The Secretary shall adjust the
15 payment rate specified in that section to reflect the
16 amount made available for payments under this section.

17 **SEC. 107. COTTONSEED.**

18 (a) FISCAL YEAR 2001.—The Secretary shall use
19 \$34,000,000 of funds of the Commodity Credit Corpora-
20 tion for fiscal year 2001 to provide assistance to producers
21 and first handlers of the 2000 crop of cottonseed.

22 (b) FISCAL YEAR 2002.—The Secretary shall use
23 \$66,000,000 of funds of the Commodity Credit Corpora-
24 tion for fiscal year 2002 to provide assistance to producers
25 and first handlers of the 2001 crop of cottonseed.

1 **SEC. 108. COMMODITY PURCHASES.**

2 (a) IN GENERAL.—The Secretary shall use
3 \$220,000,000 of funds of the Commodity Credit Corpora-
4 tion to purchase agricultural commodities, especially agri-
5 cultural commodities that have experienced low prices dur-
6 ing the 2000 or 2001 crop years, such as apples, apricots,
7 asparagus, bell peppers, bison meat, black beans, black-
8 eyed peas, blueberries (wild and cultivated), cabbage, can-
9 taloupe, cauliflower, chickpeas, cranberries, cucumbers,
10 dried plums, dry peas, eggplants, lemons, lentils, melons,
11 onions, peaches (including freestone), pears, potatoes
12 (summer and fall), pumpkins, raisins, raspberries, red tart
13 cherries, snap beans, spinach, strawberries, sweet corn, to-
14 matoes, and watermelons.

15 (b) GEOGRAPHIC DIVERSITY.—The Secretary is en-
16 couraged to purchase agricultural commodities under this
17 section in a manner that reflects the geographic diversity
18 of agricultural production in the United States, particu-
19 larly agricultural production in the Northeast and Mid-
20 Atlantic States.

21 (c) OTHER PURCHASES.—The Secretary shall ensure
22 that purchases of agricultural commodities under this sec-
23 tion are in addition to purchases by the Secretary under
24 any other law.

25 (d) TRANSPORTATION AND DISTRIBUTION COSTS.—
26 The Secretary may use not more than \$20,000,000 of the

1 funds made available under subsection (a) to provide as-
 2 sistance to States to cover costs incurred by the States
 3 in transporting and distributing agricultural commodities
 4 purchased under this section.

5 (e) PURCHASES FOR SCHOOL NUTRITION PRO-
 6 GRAMS.—The Secretary shall use not less than
 7 \$55,000,000 of the funds made available under subsection
 8 (a) to purchase agricultural commodities of the type dis-
 9 tributed under section 6(a) of the Richard B. Russell Na-
 10 tional School Lunch Act (42 U.S.C. 1755(a)) for distribu-
 11 tion to schools and service institutions in accordance with
 12 section 6(a) of that Act.

13 **SEC. 109. LOAN DEFICIENCY PAYMENTS.**

14 Section 135(a)(2) of the Agricultural Market Transi-
 15 tion Act (7 U.S.C. 7235(a)(2)) is amended by striking
 16 “2000 crop year” and inserting “each of the 2000 and
 17 2001 crop years”.

18 **SEC. 110. MILK.**

19 (a) EXTENSION OF MILK PRICE SUPPORT PRO-
 20 GRAM.—Section 141 of the Agricultural Market Transi-
 21 tion Act (7 U.S.C. 7251) is amended by striking “2001”
 22 each place it appears in subsections (b)(4) and (h) and
 23 inserting “2002”.

1 (b) REPEAL OF RECOURSE LOAN PROGRAM FOR
 2 PROCESSORS.—Section 142 of the Agricultural Market
 3 Transition Act (7 U.S.C. 7252) is repealed.

4 **SEC. 111. PULSE CROPS.**

5 (a) IN GENERAL.—The Secretary shall use
 6 \$20,000,000 of funds of the Commodity Credit Corpora-
 7 tion to provide assistance in the form of a market loss
 8 assistance payment to owners and producers on a farm
 9 that grow dry peas, lentils, or chickpeas (collectively re-
 10 ferred to in this section as a “pulse crop”).

11 (b) COMPUTATION.—A payment to owners and pro-
 12 ducers on a farm under this section for a pulse crop shall
 13 be equal to the product obtained by multiplying—

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

16 (2) the acreage of the producers on the farm
 17 for the pulse crop determined under subsection (c).

18 (c) ACREAGE.—

19 (1) IN GENERAL.—The acreage of the pro-
 20 ducers on the farm for a pulse crop under subsection
 21 (b)(2) shall be equal to the number of acres planted
 22 to the pulse crop by the owners and producers on
 23 the farm during the 1998, 1999, or 2000 crop year,
 24 whichever is greatest.

1 (2) BASIS.—For the purpose of paragraph (1),
 2 the number of acres planted to a pulse crop by the
 3 owners and producers on the farm for a crop year
 4 shall be based on (as determined by the Sec-
 5 retary)—

6 (A) the number of acres planted to the
 7 pulse crop for the crop year, as reported to the
 8 Secretary by the owners and producers on the
 9 farm, including any acreage that is included in
 10 reports that are filed late; or

11 (B) the number of acres planted to the
 12 pulse crop for the crop year for the purpose of
 13 the Federal crop insurance program established
 14 under the Federal Crop Insurance Act (7
 15 U.S.C. 1501 et seq.).

16 **SEC. 112. TOBACCO.**

17 (a) TOBACCO PAYMENTS.—

18 (1) DEFINITIONS.—In this subsection:

19 (A) ELIGIBLE PERSON.—The term “eligi-
 20 ble person” means a person that—

21 (i) owns a farm for which, regardless
 22 of temporary transfers or undermar-
 23 ketings, a basic quota or allotment for eli-
 24 gible tobacco is established for the 2001
 25 crop year under part I of subtitle B of title

1 III of the Agricultural Adjustment Act of
2 1938 (7 U.S.C. 1311 et seq.);

3 (ii) controls the farm from which,
4 under the quota or allotment for the rel-
5 evant period, eligible tobacco is marketed,
6 could have been marketed, or can be mar-
7 keted, taking into account temporary
8 transfers; or

9 (iii) grows, could have grown, or can
10 grow eligible tobacco that is marketed,
11 could have been marketed, or can be mar-
12 keted under the quota or allotment for the
13 2001 crop year, taking into account tem-
14 porary transfers.

15 (B) ELIGIBLE TOBACCO.—The term “eligi-
16 ble tobacco” means each of the following kinds
17 of tobacco:

18 (i) Flue-cured tobacco, comprising
19 types 11, 12, 13, and 14.

20 (ii) Fire-cured tobacco, comprising
21 types 21, 22, and 23.

22 (iii) Dark air-cured tobacco, com-
23 prising types 35 and 36.

24 (iv) Virginia sun-cured tobacco, com-
25 prising type 37.

1 (v) Burley tobacco, comprising type
2 31.

3 (vi) Cigar-filler and cigar-binder to-
4 bacco, comprising types 42, 43, 44, 54,
5 and 55.

6 (2) PAYMENTS.—Not later than September 30,
7 2002, the Secretary shall use funds of the Com-
8 modity Credit Corporation to make payments under
9 this subsection.

10 (3) POUNDAGE PAYMENT QUANTITIES.—For
11 the purposes of this subsection, individual tobacco
12 quotas and allotments shall be converted to pound-
13 age payment quantities as follows:

14 (A) FLUE-CURED AND BURLEY TO-
15 BACCO.—In the case of Flue-cured tobacco
16 (types 11, 12, 13, and 14) and Burley tobacco
17 (type 31), the poundage payment quantity shall
18 equal the number of pounds of the basic pound-
19 age quota of the kind of tobacco, irrespective of
20 temporary transfers or undermarketings, under
21 part I of subtitle B of title III of the Agricul-
22 tural Adjustment Act of 1938 (7 U.S.C. 1311
23 et seq.) for the 2001 crop year.

24 (B) OTHER KINDS OF ELIGIBLE TO-
25 BACCO.—In the case of each other kind of eligi-

1 ble tobacco, individual allotments shall be con-
2 verted to poundage payment quantities by
3 multiplying—

4 (i) the number of acres that may, irre-
5 spective of temporary transfers or under-
6 marketings, be devoted, without penalty, to
7 the production of the kind of tobacco
8 under the allotment under part I of sub-
9 title B of title III of the Agricultural Ad-
10 justment Act of 1938 (7 U.S.C. 1311 et
11 seq.) for the 2001 crop year; by

12 (ii)(I) in the case of fire-cured tobacco
13 (type 21), 1,630 pounds per acre;

14 (II) in the case of fire-cured tobacco
15 (types 22 and 23), 2,601 pounds per acre;

16 (III) in the case of dark air-cured to-
17 bacco (types 35 and 36), 2,337 pounds per
18 acre;

19 (IV) in the case of Virginia sun-cured
20 tobacco (type 37), 1,512 pounds per acre;
21 and

22 (V) in the case of cigar-filler and
23 cigar-binder tobacco (types 42, 43, 44, 54,
24 and 55), 2,165 pounds per acre.

1 (4) AVAILABLE PAYMENT AMOUNTS.—The
 2 available payment amount for pounds of a payment
 3 quantity under paragraph (2) shall be equal to—

4 (A) in the case of fire-cured tobacco (types
 5 21, 22, and 23) and dark air-cured tobacco
 6 (types 35 and 36), 16.12 cents per pound; and

7 (B) in the case of each other kind of eligi-
 8 ble tobacco not covered by subparagraph (A),
 9 8.06 cents per pound.

10 (5) DIVISION OF PAYMENTS AMONG ELIGIBLE
 11 PERSONS.—

12 (A) IN GENERAL.—Payments available
 13 with respect to a pound of payment quantity, as
 14 determined under paragraph (4), shall be made
 15 available to eligible persons in accordance with
 16 this paragraph.

17 (B) FLUE-CURED AND CIGAR TOBACCO.—
 18 In the case of payments made available in a
 19 State under paragraph (2) for Flue-cured to-
 20 bacco (types 11, 12, 13, and 14) and cigar-filler
 21 and cigar-binder tobacco (types 42, 43, 44, 54,
 22 and 55), the Secretary shall distribute (as de-
 23 termined by the Secretary)—

(i) 50 percent of the payments to eligible persons that are owners described in paragraph (1)(A)(i); and

(ii) 50 percent of the payments to eligible persons that are growers described in paragraph (1)(A)(iii).

(C) OTHER KINDS OF ELIGIBLE TOBACCO.—In the case of payments made available in a State under paragraph (2) for each other kind of eligible tobacco not covered by subparagraph (A), the Secretary shall distribute (as determined by the Secretary)—

(i) $33\frac{1}{3}$ percent of the payments to eligible persons that are owners described in paragraph (1)(A)(i);

(ii) $33\frac{1}{3}$ percent of the payments to eligible persons that are controllers described in paragraph (1)(A)(ii); and

(iii) $33\frac{1}{3}$ percent of the payments to eligible persons that are growers described in paragraph (1)(A)(iii).

(6) STANDARDS.—In carrying out this subsection, the Secretary shall use, to the maximum extent practicable, the same standards for payments that were used for making payments under section

1 204(b) of the Agricultural Risk Protection Act of
2 2000 (7 U.S.C. 1421 note; Public Law 106–224).

3 (7) JUDICIAL REVIEW.—A determination by the
4 Secretary under this subsection shall not be subject
5 to judicial review.

6 (b) GRADING OF PRICE-SUPPORT TOBACCO.—

7 (1) IN GENERAL.—Not later than November
8 30, 2001, the Secretary shall conduct a referendum
9 among producers of each kind of tobacco that is eli-
10 gible for price support under the Agricultural Act of
11 1949 (7 U.S.C. 1421 et seq.) to determine whether
12 the producers favor the mandatory grading of the
13 tobacco by the Secretary.

14 (2) MANDATORY GRADING.—If the Secretary
15 determines that mandatory grading of each kind of
16 tobacco described in paragraph (1) is favored by a
17 majority of the producers voting in the referendum,
18 effective for the 2002 and subsequent marketing
19 years, the Secretary shall ensure that all kinds of
20 the tobacco are graded at the time of sale.

21 (3) JUDICIAL REVIEW.—A determination by the
22 Secretary under this subsection shall not be subject
23 to judicial review.

1 **SEC. 113. APPLES.**

2 (a) IN GENERAL.—The Secretary shall use
3 \$150,000,000 of funds of the Commodity Credit Corpora-
4 tion to make payments to apple producers to provide relief
5 for the loss of markets during the 2000 crop year.

6 (b) PAYMENT QUANTITY.—

7 (1) IN GENERAL.—Subject to paragraph (2),
8 the payment quantity of apples for which the pro-
9 ducers on a farm are eligible for payments under
10 this section shall be equal to the quantity of the
11 2000 crop of apples produced by the producers on
12 the farm.

13 (2) MAXIMUM QUANTITY.—The payment quan-
14 tity of apples for which the producers on a farm are
15 eligible for payments under this section shall not ex-
16 ceed 5,000,000 pounds of apples produced on the
17 farm.

18 (c) LIMITATIONS.—Subject to subsection (b)(2), the
19 Secretary shall not establish a payment limitation, or
20 gross income eligibility limitation, with respect to pay-
21 ments made under this section.

22 (d) APPLICABILITY.—This section applies only with
23 respect to the 2000 crop of apples and producers of that
24 crop.

1 **TITLE II—CONSERVATION**

2 **SEC. 201. CONSERVATION RESERVE PROGRAM.**

3 (a) **TECHNICAL ASSISTANCE.**—Notwithstanding sec-
4 tion 11 of the Commodity Credit Corporation Charter Act
5 (15 U.S.C. 714i), in addition to amounts made available
6 under section 801 of the Agriculture, Rural Development,
7 Food and Drug Administration, and Related Agencies Ap-
8 propriations Act, 2001 (114 Stat. 1549, 1549A–49), the
9 Secretary shall use \$44,000,000 of funds of the Com-
10 modity Credit Corporation to provide technical assistance
11 under the conservation reserve program established under
12 subchapter B of chapter 1 of subtitle D of title XII of
13 the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

14 (b) **EXTENSION OF CONTRACTS.**—Notwithstanding
15 section 1231(e)(1) of the Food Security Act of 1985 (16
16 U.S.C. 3831(e)(1)), an owner or operator that has entered
17 into a contract under the conservation reserve program
18 that would otherwise expire during calendar year 2001
19 may extend the contract for 1 year.

20 (c) **PAYMENTS.**—

21 (1) **IN GENERAL.**—Subject to paragraph (2),
22 during the 2001 and 2002 calendar years, the Sec-
23 retary shall include among practices that are eligible
24 for payments under the conservation reserve
25 program—

1 (A) the preservation of shallow water areas
2 for wildlife;

3 (B) the establishment of permanent vege-
4 tative cover, such as contour grass strips and
5 cross-wind trap strips; and

6 (C) the preservation of wellhead protection
7 areas.

8 (2) OTHER PRACTICES.—The Secretary shall
9 administer paragraph (1) in a manner that does not
10 reduce the amount of payments made by the Sec-
11 retary for other practices under the conservation re-
12 serve program.

13 (d) PILOT PROGRAM FOR ENROLLMENT OF WET-
14 LAND AND BUFFER ACREAGE IN CONSERVATION RE-
15 SERVE.—

16 (1) IN GENERAL.—Section 1231(h)(4)(B) of
17 the Food Security Act of 1985 (16 U.S.C.
18 3831(h)(4)(B)) is amended by inserting “(which
19 may include emerging vegetation in water)” after
20 “vegetative cover”.

21 (2) CONFORMING AMENDMENT.—Section
22 1232(a)(4) of the Food Security Act of 1985 (16
23 U.S.C. 3832(a)(4)) is amended by inserting “(which
24 may include emerging vegetation in water)” after
25 “vegetative cover”.

1 **SEC. 202. WETLANDS RESERVE PROGRAM.**

2 (a) MAXIMUM ENROLLMENT.—Notwithstanding sec-
3 tion 1237(b)(1) of the Food Security Act of 1985 (16
4 U.S.C. 3837(b)(1)) and section 808 of the Agriculture,
5 Rural Development, Food and Drug Administration, and
6 Related Agencies Appropriations Act, 2001 (114 Stat.
7 1549, 1549A–52), subject to subsection (b), the Secretary
8 shall use \$200,000,000 of funds of the Commodity Credit
9 Corporation for enrollment of additional acres beginning
10 in fiscal year 2002 in the wetlands reserve program estab-
11 lished under subchapter C of chapter 1 of subtitle D of
12 title XII of the Food Security Act of 1985 (16 U.S.C.
13 3837 et seq.).

14 (b) TECHNICAL ASSISTANCE; MONITORING AND
15 MAINTENANCE EXPENSES.—Notwithstanding section 11
16 of the Commodity Credit Corporation Charter Act (15
17 U.S.C. 714i), of the funds made available under sub-
18 section (a), the Secretary shall use—

19 (1) not less than \$12,000,000, but not more
20 than \$15,000,000, to provide technical assistance
21 under the wetlands reserve program; and

22 (2) not less than \$8,000,000, but not more
23 than \$10,000,000, for monitoring and maintenance
24 expenses incurred by the Secretary for land enrolled
25 in the wetlands reserve program as of the date of
26 enactment of this Act.

1 **SEC. 203. ENVIRONMENTAL QUALITY INCENTIVES PRO-**
2 **GRAM.**

3 In addition to amounts made available under section
4 1241 of the Food Security Act of 1985 (16 U.S.C. 3841),
5 the Secretary shall use \$250,000,000 of funds of the Com-
6 modity Credit Corporation to carry out the environmental
7 quality incentives program established under chapter 4 of
8 subtitle D of title XII of the Food Security Act of 1985
9 (16 U.S.C. 3839aa et seq.).

10 **SEC. 204. WILDLIFE HABITAT INCENTIVE PROGRAM.**

11 In addition to amounts made available under section
12 387(c) of the Federal Agriculture Improvement and Re-
13 form Act of 1996 (16 U.S.C. 3836a(c)), the Secretary
14 shall use \$7,000,000 of funds of the Commodity Credit
15 Corporation to carry out the Wildlife Habitat Incentive
16 Program established under section 387 of that Act.

17 **SEC. 205. FARMLAND PROTECTION PROGRAM.**

18 (a) IN GENERAL.—In addition to amounts made
19 available under section 388(c) of the Federal Agriculture
20 Improvement and Reform Act of 1996 (16 U.S.C. 3830
21 note; Public Law 104–127) and section 211(a) of the Ag-
22 ricultural Risk Protection Act of 2000 (16 U.S.C. 3830
23 note; Public Law 106–224), the Secretary shall use
24 \$40,000,000 of funds of the Commodity Credit Corpora-
25 tion to make payments under the farmland protection pro-

1 gram established under section 388 of the Federal Agri-
 2 culture Improvement and Reform Act of 1996 to—

3 (1) any agency of any State or local govern-
 4 ment, or federally recognized Indian tribe, including
 5 farmland protection boards and land resource coun-
 6 cils established under State law; and

7 (2) any organization that—

8 (A) is organized for, and at all times since
 9 the formation of the organization has been op-
 10 erated principally for, 1 or more of the con-
 11 servation purposes specified in clauses (i), (ii),
 12 and (iii) of section 170(h)(4)(A) of the Internal
 13 Revenue Code of 1986;

14 (B) is an organization described in section
 15 501(c)(3) of that Code that is exempt from tax-
 16 ation under section 501(a) of that Code;

17 (C) is described in section 509(a)(2) of
 18 that Code; or

19 (D) is described in section 509(a)(3) of
 20 that Code and is controlled by an organization
 21 described in section 509(a)(2) of that Code.

22 (b) TECHNICAL ASSISTANCE.—Notwithstanding sec-
 23 tion 11 of the Commodity Credit Corporation Charter Act
 24 (15 U.S.C. 714i), of the funds made available under sub-
 25 section (a), the Secretary may use not more than

1 \$3,000,000 to provide technical assistance under the
2 farmland protection program.

3 **SEC. 206. RISK MANAGEMENT CONSERVATION ASSISTANCE.**

4 (a) IN GENERAL.—Notwithstanding sections 201
5 through 205, subject to subsection (d), of the amount of
6 funds made available under this title (other than section
7 201(a)), the Secretary shall use \$100,000,000 to address
8 critical risk management needs (including such needs
9 under programs specified in subsection (b)) in States that
10 are described in section 522(c)(1)(A) of the Federal Crop
11 Insurance Act (7 U.S.C. 1522(c)(1)(A)).

12 (b) MINIMUM AMOUNT.—Subject to subsection (d),
13 the minimum amount each State described in subsection
14 (a) shall receive under subsection (a) shall be \$5,000,000.

15 (c) PROGRAMS.—For the purpose of subsection (a),
16 the programs specified in this subsection are—

17 (1) the wetlands reserve program established
18 under subchapter C of chapter 1 of subtitle D of
19 title XII of the Food Security Act of 1985 (16
20 U.S.C. 3837 et seq.);

21 (2) the environmental quality incentives pro-
22 gram established under chapter 4 of subtitle D of
23 title XII of the Food Security Act of 1985 (16
24 U.S.C. 3839aa et seq.);

1 (3) the Wildlife Habitat Incentive Program es-
 2 tablished under section 387 of the Federal Agri-
 3 culture Improvement and Reform Act of 1996 (16
 4 U.S.C. 3836a); and

5 (4) the farmland protection program established
 6 under section 388 of the Federal Agriculture Im-
 7 provement and Reform Act of 1996 (16 U.S.C. 3830
 8 note; Public Law 104–127).

9 (d) OTHER STATES.—The Secretary shall use any
 10 funds made available under subsection (a) that have not
 11 been obligated by June 1, 2002, to provide assistance
 12 under the environmental quality incentives program estab-
 13 lished under chapter 4 of subtitle D of title XII of the
 14 Food Security Act of 1985 (16 U.S.C. 3839aa et seq.)
 15 in States that are not described in section 522(c)(1)(A)
 16 of the Federal Crop Insurance Act (7 U.S.C.
 17 1522(c)(1)(A)).

18 **TITLE III—NUTRITION**

19 **SEC. 301. BONUS COMMODITIES.**

20 Section 6(e)(1)(B) of the Richard B. Russell National
 21 School Lunch Act (42 U.S.C. 1755(e)(1)(B)) is amended
 22 by striking “2001” and inserting “2002”.

1 **SEC. 302. INFORMATION AND ASSISTANCE CONCERNING**
2 **REIMBURSEMENT OPTIONS.**

3 Section 11(f) of the Richard B. Russell National
4 School Lunch Act (42 U.S.C. 1759a(f)) is amended—

5 (1) in paragraph (1)(E), by striking “2001”
6 and inserting “2003”; and

7 (2) in paragraph (2)—

8 (A) by striking subparagraph (A) and in-
9 serting the following:

10 “(A) IN GENERAL.—The Secretary shall
11 submit to the Committee on Education and the
12 Workforce of the House of Representatives and
13 the Committee on Agriculture, Nutrition and
14 Forestry of the Senate—

15 “(i) not later than January 1, 2003,
16 an interim report on the activities of the
17 State agencies receiving grants under this
18 subsection; and

19 “(ii) not later than January 1, 2004,
20 a final report on the activities of the State
21 agencies receiving grants under this sub-
22 section.”; and

23 (B) in subparagraph (B), by striking “re-
24 port” and inserting “reports”.

1 **SEC. 303. DISTRIBUTION OF COMMODITIES.**

2 (a) IN GENERAL.—The Secretary shall use
 3 \$10,000,000 of funds of the Commodity Credit Corpora-
 4 tion to cover direct and indirect costs related to the proc-
 5 essing, transportation, and distribution of commodities to
 6 eligible recipient agencies under the Emergency Food As-
 7 sistance Act of 1983 (7 U.S.C. 7501 et seq.).

8 (b) ALLOCATION.—Funds made available under sub-
 9 section (a) shall be allocated to States in accordance with
 10 section 204(a) of the Emergency Food Assistance Act of
 11 1983 (7 U.S.C. 7508(a)).

12 **SEC. 304. SENIORS FARMERS' MARKET NUTRITION PILOT**
 13 **PROGRAM.**

14 The Secretary shall use \$20,000,000 of funds of the
 15 Commodity Credit Corporation to carry out the Seniors
 16 Farmers' Market Nutrition Pilot Program announced on
 17 November 2, 2000 (65 Fed. Reg. 65825).

18 **TITLE IV—CREDIT AND RURAL**
 19 **DEVELOPMENT**
 20 **Subtitle A—Credit**

21 **SEC. 401. FARM ENERGY EMERGENCY LOANS.**

22 (a) IN GENERAL.—Section 321(a) of the Consoli-
 23 dated Farm and Rural Development Act (7 U.S.C.
 24 1961(a)) is amended—

25 (1) in the first sentence—

1 (A) by striking “aquaculture operations
 2 have” and inserting “aquaculture operations (i)
 3 have”; and

4 (B) by striking “the Disaster Relief and
 5 Emergency Assistance Act:” and inserting “the
 6 Robert T. Stafford Disaster Relief and Emer-
 7 gency Assistance Act (42 U.S.C. 5121 et seq.),
 8 or (ii) have suffered or are likely to suffer sub-
 9 stantial economic injury on or after June 1,
 10 2000, as the result of a sharp and significant
 11 increase in energy costs or input costs from en-
 12 ergy sources occurring on or after June 1,
 13 2000, in connection with an energy emergency
 14 declared by the President or the Secretary.”;

15 (2) in the third sentence, by striking “the Dis-
 16 aster Relief and Emergency Assistance Act” and in-
 17 serting “the Robert T. Stafford Disaster Relief and
 18 Emergency Assistance Act (42 U.S.C. 5121 et seq.)
 19 or by an energy emergency declared by the President
 20 or the Secretary”; and

21 (3) in the fourth sentence—

22 (A) by inserting “or energy emergency”
 23 after “natural disaster” each place it appears;
 24 and

1 (B) by inserting “or declaration” after
 2 “emergency designation”.

3 (b) FUNDING.—Funds available for emergency loans
 4 under subtitle C of the Consolidated Farm and Rural De-
 5 velopment Act (7 U.S.C. 1961 et seq.) to meet the needs
 6 resulting from natural disasters shall be available to carry
 7 out the amendments made by subsection (a).

8 (c) GUIDELINES.—Not later than 30 days after the
 9 date of enactment of this Act, the Secretary shall issue
 10 such guidelines as the Secretary determines to be nec-
 11 essary to carry out the amendments made by subsection
 12 (a).

13 (d) REPORT.—Not later than 18 months after the
 14 date of final publication by the Secretary of the guidelines
 15 issued under subsection (c), the Secretary shall submit to
 16 the Committee on Agriculture of the House of Representa-
 17 tives and the Committee on Agriculture, Nutrition, and
 18 Forestry of the Senate a report on the effectiveness of
 19 loans made available as a result of the amendments made
 20 by subsection (a), together with recommendations for im-
 21 provements to the loans, if any.

22 **SEC. 402. DEFINITION OF RURAL AREA FOR COMMUNITY**
 23 **PROGRAMS GUARANTEED LOANS.**

24 (a) IN GENERAL.—Section 730 of the Agriculture,
 25 Rural Development, Food and Drug Administration, and

1 Related Agencies Appropriations Act, 2000 (Public Law
 2 106–78; 113 Stat. 1164; 7 U.S.C. 2009 note), is amended
 3 by inserting “(other than the Community Programs Guar-
 4 anteed Loans program)” after “Housing Service”.

5 (b) CONFORMING AMENDMENT.—Section 735 of the
 6 Agriculture, Rural Development, Food and Drug Adminis-
 7 tration, and Related Agencies Appropriations Act, 1999
 8 (Public Law 105–277; 112 Stat. 2681–29), is repealed.

9 **Subtitle B—Rural Development**

10 **SEC. 411. VALUE-ADDED INTERMEDIARY RELENDING** 11 **PROGRAM.**

12 Section 310B of the Consolidated Farm and Rural
 13 Development Act (7 U.S.C. 1932) is amended by adding
 14 at the end the following:

15 “(h) VALUE-ADDED INTERMEDIARY RELENDING
 16 PROGRAM.—

17 “(1) IN GENERAL.—In accordance with this
 18 subsection, the Secretary shall make loans under the
 19 intermediary relending program established under
 20 section 1323(b)(2)(C) of the Food Security Act of
 21 1985 (7 U.S.C. 1932 note; Public Law 99–198).

22 “(2) LOANS.—Using funds made available to
 23 carry out this subsection, the Secretary shall make
 24 loans to eligible intermediaries to make loans to ulti-
 25 mate recipients, under the terms and conditions of

1 the intermediary relending program, for projects to
 2 establish, enlarge, and operate enterprises that add
 3 value to agricultural commodities and products of
 4 agricultural commodities.

5 “(3) ELIGIBLE INTERMEDIARIES.—Inter-
 6 mediaries that shall be eligible to receive loans under
 7 paragraph (2) shall include State agencies.

8 “(4) PREFERENCE FOR BIOENERGY
 9 PROJECTS.—In making loans using loan funds made
 10 available under paragraph (2), an eligible inter-
 11 mediary shall give preference to bioenergy projects
 12 in accordance with regulations promulgated by the
 13 Secretary.

14 “(5) COMPOSITION OF CAPITAL.—The capital
 15 for a project carried out by an ultimate recipient
 16 and assisted with loan funds made available under
 17 paragraph (2) shall be comprised of—

18 “(A) not more than 15 percent of the total
 19 cost of a project; and

20 “(B) not less than 50 percent of the equity
 21 funds provided by agricultural producers.

22 “(6) LOAN CONDITIONS.—

23 “(A) TERMS OF LOANS.—A loan made to
 24 an intermediary using loan funds made avail-

1 able under paragraph (2) shall have a term of
2 not exceed 30 years.

3 “(B) INTEREST.—The interest rate on
4 such a loan shall be—

5 “(i) in the case of each of the first 2
6 years of the loan period, 0 percent; and

7 “(ii) in the case of each of the re-
8 maining years of the loan period, 2 per-
9 cent.

10 “(7) LIMITATIONS ON AMOUNT OF LOAN FUNDS
11 PROVIDED.—

12 “(A) IN GENERAL.—Except as provided in
13 subparagraph (B), an intermediary or ultimate
14 recipient shall be eligible to receive not more
15 than \$2,000,000 of the loan funds made avail-
16 able under paragraph (2).

17 “(B) STATE AGENCIES.—Subparagraph
18 (A) shall not apply in the case of a State agen-
19 cy with respect to loan funds provided to the
20 State agency as an intermediary.”.

21 **SEC. 412. BUSINESS AND INDUSTRY LOANS.**

22 (a) IN GENERAL.—The Secretary shall use funds
23 made available under section 415(a)(2) to pay the cost of
24 business and industry guaranteed loans under section

1 310B(a)(1) of the Consolidated Farm and Rural Develop-
 2 ment Act (7 U.S.C. 1932(a)(1)).

3 (b) USE OF FUNDS.—To the maximum extent prac-
 4 ticable, loan funds made available under subsection (a)
 5 shall be used in conjunction with value-added intermediary
 6 relending program loan funds made available by section
 7 310B(h) of the Consolidated Farm and Rural Develop-
 8 ment Act (as added by section 411), except that the aggre-
 9 gate of all such loan funds (including the amount of guar-
 10 anteed loans) made available for a project shall comprise
 11 not more than 65 percent of the cost of a project.

12 (c) FEES.—Section 310B(a) of the Consolidated
 13 Farm and Rural Development Act (7 U.S.C. 1932(a)) is
 14 amended by adding at the end the following: “The amount
 15 of a fee paid by a borrower to the Secretary for a business
 16 and industry direct or guaranteed loan under paragraph
 17 (1) shall not exceed 2 percent of the amount of the loan.”.

18 **SEC. 413. VALUE-ADDED AGRICULTURAL PRODUCT MAR-**
 19 **KET DEVELOPMENT GRANTS.**

20 The Secretary shall use funds made available under
 21 section 415(a)(3) to award grants for projects under the
 22 terms and conditions provided in section 231(a) of the Ag-
 23 ricultural Risk Protection Act of 2000 (Public Law 106–
 24 224; 7 U.S.C. 1621 note), except that the Secretary shall
 25 give preference to bioenergy projects.

1 **SEC. 414. REGULATIONS; NOTICE OF ACCEPTANCE OF**
 2 **APPLICATIONS.**

3 (a) IN GENERAL.—Not later than 75 days after the
 4 date of enactment of this Act, the Secretary shall promul-
 5 gate final regulations to carry out this subtitle and the
 6 amendments made by this subtitle.

7 (b) NOTICE OF ACCEPTANCE OF APPLICATIONS.—
 8 Not later than 20 days after the date of promulgation of
 9 regulations under subsection (a), the Secretary shall pub-
 10 lish in the Federal Register a notice that the Secretary
 11 is accepting applications for grants and loans for which
 12 funds are made available under this subtitle and the
 13 amendments made by this subtitle.

14 **SEC. 415. FUNDING.**

15 (a) IN GENERAL.—On October 1, 2001, out of any
 16 funds in the Treasury not otherwise appropriated, the Sec-
 17 retary of the Treasury shall transfer to the Secretary—

18 (1) \$18,000,000 for the cost of loans to carry
 19 out section 310B(h) of the Consolidated Farm and
 20 Rural Development Act (as added by section 411);

21 (2) \$5,000,000 for the cost of loans to carry
 22 out section 412; and

23 (3) \$20,000,000 to carry out section 413.

24 (b) ENTITLEMENT.—The Secretary shall be entitled
 25 to receive the funds transferred under subsection (a) and
 26 shall accept the funds.

1 (c) AVAILABILITY OF NEW BUDGET AUTHORITY.—
 2 For the purposes of section 504(b)(1) of the Federal Cred-
 3 it Reform Act of 1990 (2 U.S.C. 661c(b)(1)), this section
 4 shall be considered to be an appropriations Act.

5 **TITLE V—RESEARCH**

6 **SEC. 501. SUSTAINABLE AGRICULTURE TECHNOLOGY** 7 **DEVELOPMENT AND TRANSFER PROGRAM.**

8 In addition to funds made available under section
 9 1629(i) of the Food, Agriculture, Conservation, and Trade
 10 Act of 1990 (7 U.S.C. 5832(i)), the Secretary shall use
 11 \$3,000,000 of funds of the Commodity Credit Corporation
 12 for fiscal year 2002 to make producer grants under chap-
 13 ter 3 of subtitle B of title XVI of that Act (7 U.S.C. 5831
 14 et seq.).

15 **SEC. 502. SENIOR SCIENTIFIC RESEARCH SERVICE.**

16 Subtitle B of title VI of the Agricultural Research,
 17 Extension, and Education Reform Act of 1998 (7 U.S.C.
 18 7651 et seq.) is amended by adding at the end the fol-
 19 lowing:

20 **“SEC. 620. SENIOR SCIENTIFIC RESEARCH SERVICE.**

21 “(a) IN GENERAL.—There is established in the De-
 22 partment of Agriculture the Senior Scientific Research
 23 Service (referred to in this section as the ‘Service’).

24 “(b) MEMBERS.—

1 “(1) IN GENERAL.—Subject to paragraphs (2)
2 through (4), the Secretary shall appoint the mem-
3 bers of the Service.

4 “(2) QUALIFICATIONS.—To be eligible for ap-
5 pointment to the Service, an individual shall—

6 “(A) have conducted outstanding research
7 in the field of agriculture or forestry;

8 “(B) have earned a doctoral level degree at
9 an institution of higher education (as defined in
10 section 101 of the Higher Education Act of
11 1965 (20 U.S.C. 1001)); and

12 “(C) meet qualification standards pre-
13 scribed by the Director of the Office of Per-
14 sonnel Management for appointment to a posi-
15 tion at level GS–15 of the General Schedule.

16 “(3) NUMBER.—The Secretary shall appoint
17 not more than 100 individuals to serve as members
18 of the Service at any time.

19 “(4) OTHER REQUIREMENTS.—Subject to sub-
20 section (d)(2), the Secretary may appoint and em-
21 ploy a member of the Service without regard to—

22 “(A) the provisions of title 5, United
23 States Code, governing appointments in the
24 competitive service;

1 “(B) the provisions of subchapter I of
 2 chapter 35 of title 5, United States Code, relat-
 3 ing to retention preference;

4 “(C) the provisions of chapter 43 of title 5,
 5 United States Code, relating to performance ap-
 6 praisal and performance actions;

7 “(D) the provisions of chapter 51 and sub-
 8 chapter III of chapter 53 of title 5, United
 9 States Code, relating to classification and Gen-
 10 eral Schedule pay rates; and

11 “(E) the provisions of chapter 75 of title
 12 5, United States Code, relating to adverse ac-
 13 tions.

14 “(c) PERFORMANCE APPRAISAL SYSTEM.—The Sec-
 15 retary shall develop a performance appraisal system for
 16 members of the Service that is designed to—

17 “(1) provide for the systematic appraisal of the
 18 employment performance of the members; and

19 “(2) encourage excellence in employment per-
 20 formance by the members.

21 “(d) COMPENSATION.—

22 “(1) IN GENERAL.—Subject to paragraph (2),
 23 the Secretary shall determine the compensation of
 24 members of the Service.

1 “(2) LIMITATIONS.—The rate of pay for a
2 member of the Service shall—

3 “(A) not be less than the minimum rate
4 payable for a position at level GS–15 of the
5 General Schedule; and

6 “(B) not be more than the rate payable for
7 a position at level I of the Executive Schedule,
8 unless the rate is approved by the President
9 under section 5377(d)(2) of title 5, United
10 States Code.

11 “(e) RETIREMENT CONTRIBUTIONS.—

12 “(1) IN GENERAL.—On the request of a mem-
13 ber of the Service who was an employee of an insti-
14 tution of higher education (as defined in section 101
15 of the Higher Education Act of 1965 (20 U.S.C.
16 1001)) immediately prior to appointment as a mem-
17 ber of the Service and who retains the right to con-
18 tinue to make contributions to the retirement system
19 of the institution, the Secretary may contribute an
20 amount not to exceed 10 percent of the basic pay of
21 the member to the retirement system of the institu-
22 tion on behalf of the member.

23 “(2) FEDERAL RETIREMENT SYSTEM.—

24 “(A) IN GENERAL.—Subject to subpara-
25 graph (B), a member for whom a contribution

1 is made under paragraph (1) shall not, as a re-
2 sult of serving as a member of the Service, be
3 covered by, or earn service credit under, chapter
4 83 or 84 of title 5, United States Code.

5 “(B) ANNUAL LEAVE.—Service of a mem-
6 ber of the Service described in subparagraph
7 (A) shall be creditable for determining years of
8 service under section 6303(a) of title 5, United
9 States Code.

10 “(f) INVOLUNTARY SEPARATION.—

11 “(1) IN GENERAL.—Subject to paragraph (2)
12 and notwithstanding the provisions of title 5, United
13 States Code, governing appointment in the competi-
14 tive service, in the case of an individual who is sepa-
15 rated from the Service involuntarily and without
16 cause—

17 “(A) the Secretary may appoint the indi-
18 vidual to a position in the competitive civil serv-
19 ice at level GS–15 of the General Schedule; and

20 “(B) the appointment shall be a career ap-
21 pointment.

22 “(2) EXCEPTED CIVIL SERVICE.—In the case of
23 an individual described in paragraph (1) who imme-
24 diately prior to appointment as a member of the
25 Service was not a career appointee in the civil serv-

1 ice or the Senior Executive Service, the appointment
 2 of the individual under paragraph (1)—

3 “(A) shall be to the excepted civil service;
 4 and

5 “(B) may not exceed a period of 2 years.”.

6 **TITLE VI—DISASTER** 7 **ASSISTANCE**

8 **SEC. 601. CROP AND PASTURE FLOOD COMPENSATION** 9 **PROGRAM.**

10 (a) DEFINITION OF COVERED LAND.—In this sec-
 11 tion:

12 (1) IN GENERAL.—The term “covered land”
 13 means land that—

14 (A) was unusable for agricultural produc-
 15 tion during the 2001 crop year as the result of
 16 flooding;

17 (B) was used for agricultural production
 18 during at least 1 of the 1992 through 2000
 19 crop years; and

20 (C) is a contiguous parcel of land of at
 21 least 1 acre.

22 (2) EXCLUSIONS.—The term “covered land” ex-
 23 cludes any land for which a producer is insured, en-
 24 rolled, or assisted during the 2001 crop year
 25 under—

1 (A) a policy or plan of insurance author-
 2 ized under the Federal Crop Insurance Act (7
 3 U.S.C. 1501 et seq.);

4 (B) the noninsured crop assistance pro-
 5 gram operated under section 196 of the Agri-
 6 cultural Market Transition Act (7 U.S.C.
 7 7333);

8 (C) any crop disaster program established
 9 for the 2001 crop year;

10 (D) the conservation reserve program es-
 11 tablished under subchapter B of chapter 1 of
 12 subtitle D of title XII of the Food Security Act
 13 of 1985 (16 U.S.C. 3831 et seq.);

14 (E) the wetlands reserve program estab-
 15 lished under subchapter C of chapter 1 of sub-
 16 title D of title XII of the Food Security Act of
 17 1985 (16 U.S.C. 3837 et seq.);

18 (F) any emergency watershed protection
 19 program or Federal easement program that
 20 prohibits crop production or grazing; or

21 (G) any other Federal or State water stor-
 22 age program, as determined by the Secretary.

23 (b) COMPENSATION.—The Secretary shall use not
 24 more than \$24,000,000 of funds of the Commodity Credit

1 Corporation to compensate producers with covered land
 2 for losses from long-term flooding.

3 (c) PAYMENT RATE.—The payment rate for com-
 4 pensation provided to a producer under this section shall
 5 be equal to the average county cash rental rate per acre
 6 established by the National Agricultural Statistics Service
 7 for the 2001 crop year.

8 (d) PAYMENT LIMITATION.—The total amount of
 9 payments made to a person (as defined in section 1001(5)
 10 of the Food Security Act of 1985 (7 U.S.C. 1308(5)))
 11 under this section may not exceed \$40,000.

12 **SEC. 602. PURCHASE OF FLOODPLAIN EASEMENTS.**

13 (a) IN GENERAL.—The Secretary shall use
 14 \$10,000,000 of funds of the Commodity Credit Corpora-
 15 tion for fiscal year 2002 to purchase permanent easements
 16 under the emergency watershed protection program.

17 (b) PRIORITY.—In carrying out this section, the Sec-
 18 retary shall provide a higher priority to the purchase of
 19 easements on floodplains of the Mississippi River and the
 20 Missouri River.

21 **SEC. 603. COMPENSATION OF PRODUCERS FOR FORAGE**
 22 **LOSSES DUE TO ARMY WORMS.**

23 (a) IN GENERAL.—The Secretary shall use not more
 24 than \$25,000,000 of funds of the Commodity Credit Cor-

1 poration to provide payments to producers of forage crops
2 for losses due to army worms.

3 (b) AMOUNT.—

4 (1) IN GENERAL.—The amount of a payment
5 made to a producer under this section shall be equal
6 to 65 percent of the average price received by pro-
7 ducers of a forage crop in the crop year (as deter-
8 mined under paragraph (2)) for any deficiency in
9 production greater than 35 percent of the estab-
10 lished yield for the crop for the crop year, as deter-
11 mined by the Secretary.

12 (2) AVERAGE PRICE.—For the purpose of para-
13 graph (1), the average price received by producers of
14 a forage crop shall be equal to the simple average
15 price received by producers of the crop, as deter-
16 mined by the Secretary, during the immediately pre-
17 ceding 5 crop years, excluding the year in which the
18 average price was the highest and the year in which
19 the average price was the lowest.

20 (3) ADMINISTRATION.—Except as provided in
21 paragraph (1), the amount of a payment made to a
22 producer under this section shall be made in accord-
23 ance with the terms and conditions specified in sec-
24 tion 196 of the Agricultural Market Transition Act
25 (7 U.S.C. 7333).

1 **TITLE VII—MISCELLANEOUS**

2 **SEC. 701. NATIONAL ORGANIC CERTIFICATION COST-SHARE** 3 **PROGRAM.**

4 (a) IN GENERAL.—The Secretary (acting through the
5 Agricultural Marketing Service) shall use \$3,500,000 of
6 funds of the Commodity Credit Corporation for fiscal year
7 2002 to establish a national organic certification cost-
8 share program to assist producers and handlers of agricul-
9 tural products in obtaining certification under the national
10 organic production program established under the Organic
11 Foods Production Act of 1990 (7 U.S.C. 6501 et seq.).

12 (b) FEDERAL SHARE.—

13 (1) IN GENERAL.—Subject to paragraph (2),
14 the Secretary shall pay under this section not more
15 than 75 percent of the costs incurred by a producer
16 or handler in obtaining certification under the na-
17 tional organic production program, as certified to
18 and approved by the Secretary.

19 (2) MAXIMUM AMOUNT.—The maximum
20 amount of a payment made to a producer or handler
21 under this section shall be \$500.

22 **SEC. 702. USE OF VALUE-ADDED COMMODITIES.**

23 Section 204(b)(1) of the Agricultural Trade Develop-
24 ment and Assistance Act of 1954 (7 U.S.C. 1724(b)(1))
25 is amended by inserting “(including crude degummed soy-

1 bean oil and soybean meal)” after “processed, fortified,
2 or bagged commodities”.

3 **TITLE VII—ADMINISTRATION**

4 **SEC. 801. OBLIGATION PERIOD.**

5 (a) FISCAL YEAR 2001.—Except as otherwise pro-
6 vided in this Act, the Secretary and the Commodity Credit
7 Corporation shall obligate and expend funds only during
8 fiscal year 2001 to carry out the following:

9 (1) Section 101.

10 (2) Section 107(a).

11 (b) FISCAL YEAR 2002.—

12 (1) IN GENERAL.—Except as otherwise pro-
13 vided in this Act, the Secretary and the Commodity
14 Credit Corporation shall obligate and, to the max-
15 imum extent practicable, expend funds during fiscal
16 year 2002 to carry out the following:

17 (A) Title I (other than sections 101 and
18 107(a)).

19 (B) Title II.

20 (C) Sections 303 and 304.

21 (D) Subtitle B of title IV.

22 (E) Section 501.

23 (F) Title VI.

24 (G) Section 701.

1 (2) AVAILABILITY.—Funds described in para-
2 graph (1) shall remain available until expended.

3 **SEC. 802. COMMODITY CREDIT CORPORATION.**

4 Except as otherwise provided in this Act, the Sec-
5 retary shall use the funds, facilities, and authorities of the
6 Commodity Credit Corporation to carry out this Act.

7 **SEC. 803. REGULATIONS.**

8 (a) IN GENERAL.—The Secretary may promulgate
9 such regulations as are necessary to implement this Act
10 and the amendments made by this Act.

11 (b) PROCEDURE.—The promulgation of the regula-
12 tions and administration of the amendments made by this
13 Act shall be made without regard to—

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

16 (2) the Statement of Policy of the Secretary of
17 Agriculture effective July 24, 1971 (36 Fed. Reg.
18 13804), relating to notices of proposed rulemaking
19 and public participation in rulemaking; and

20 (3) chapter 35 of title 44, United States Code
21 (commonly known as the “Paperwork Reduction
22 Act”).

23 (c) CONGRESSIONAL REVIEW OF AGENCY RULE-
24 MAKING.—In carrying out this section, the Secretary shall

- 1 use the authority provided under section 808 of title 5,
- 2 United States Code.

Calendar No. 102

107TH CONGRESS
1ST SESSION

S. 1246

A BILL

To respond to the continuing economic crisis
adversely affecting American agricultural pro-
ducers.

JULY 25, 2001

Read twice and placed on the calendar