

108TH CONGRESS
1ST SESSION

H. R. 307

To provide emergency disaster assistance to agricultural producers to respond to severe crop losses and livestock losses incurred in 2001 and 2002, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 8, 2003

Mr. MORAN of Kansas (for himself, Mr. OSBORNE, Mr. LUCAS of Oklahoma, Mr. JOHNSON of Illinois, Mr. MCINTYRE, Mr. PETERSON of Minnesota, Mr. POMEROY, Mr. BOSWELL, Mr. BEREUTER, Mr. LAHOOD, Mr. SHIMKUS, Mr. GOODE, Mr. RYUN of Kansas, Mr. STUPAK, Mr. LATOURETTE, Mr. MOORE, Mr. WELLER, Mr. UDALL of New Mexico, Mrs. MUSGRAVE, Mrs. CUBIN, Mr. WALDEN of Oregon, Mr. REHBERG, and Mr. PETERSON of Pennsylvania) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To provide emergency disaster assistance to agricultural producers to respond to severe crop losses and livestock losses incurred in 2001 and 2002, and for other purposes.

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 “Farm Disaster Emer-
5 gency Assistance Act of 2003”.

1 **SEC. 2. FINDINGS.**

2 The Congress finds the following:

3 (1) Due in large part to weather-related disas-
4 ters in 2001 and 2002, increases in commodity
5 prices will result in cost savings under title I of the
6 Farm Security and Rural Investment Act of 2002 (7
7 U.S.C. 7901 et seq.) of approximately
8 \$5,600,000,000 in fiscal year 2003.

9 (2) The amount of funds made available by this
10 Act to compensate producers adversely impacted by
11 weather-related disasters that occurred in 2001 and
12 2002, together with actual expenditures under title
13 I of the Farm Security and Rural Investment Act of
14 2002, will still be less than the amount allocated for
15 agriculture in the budget baseline for fiscal year
16 2002.

17 **SEC. 3. CROP DISASTER ASSISTANCE.**

18 (a) ASSISTANCE AVAILABLE.—The Secretary of Agri-
19 culture (in this Act referred to as the “Secretary”) shall
20 use such sums as are necessary of funds of the Commodity
21 Credit Corporation to make emergency financial assist-
22 ance available to producers on a farm that have incurred
23 qualifying losses for the 2001 or 2002 crop of an agricul-
24 tural commodity due to damaging weather or related con-
25 dition, as determined by the Secretary.

1 (b) ADMINISTRATION.—The Secretary shall make as-
2 sistance available under this section in the same manner
3 as provided under section 815 of the Agriculture, Rural
4 Development, Food and Drug Administration, and Re-
5 lated Agencies Appropriations Act, 2001 (as enacted into
6 law by Public Law 106–387; 114 Stat. 1549A–55), includ-
7 ing using the same loss thresholds for quantity and quality
8 losses as were used in administering that section.

9 (c) ELECTION OF CROP YEAR.—If a producer in-
10 curred qualifying crop losses in both the 2001 and 2002
11 crop years, the producer shall elect to receive assistance
12 under this section for losses incurred in either the 2001
13 crop year or the 2002 crop year, but not both.

14 (d) PAYMENT LIMITATION.—

15 (1) LIMITATION.—Assistance provided under
16 this section to a producer for losses to a crop, to-
17 gether with the amounts specified in paragraph (2)
18 applicable to the same crop, may not exceed what
19 the value of the crop would have been in the absence
20 of the losses, as estimated by the Secretary.

21 (2) OTHER PAYMENTS.—In applying the limita-
22 tion in paragraph (1), the Secretary shall include the
23 following:

24 (A) Any crop insurance payment or pay-
25 ment under section 196 of the Federal Agricul-

1 tural Improvement and Reform Act of 1996 (7
2 U.S.C. 7333) that the producer receives for
3 losses to the same crop.

4 (B) The value of the crop that was not lost
5 (if any), as estimated by the Secretary.

6 **SEC. 4. ASSISTANCE FOR LIVESTOCK PRODUCERS.**

7 (a) ASSISTANCE AVAILABLE.—The Secretary shall
8 use such sums as are necessary of funds of the Commodity
9 Credit Corporation to make emergency financial assist-
10 ance, as authorized in section 10104 of the Farm Security
11 and Rural Investment Act of 2002 (Public Law 107–171;
12 7 U.S.C. 1472), available to livestock producers that have
13 incurred losses in a county that received an emergency
14 designation by the President or the Secretary in calendar
15 year 2001 or 2002. The Secretary may reserve a portion
16 of the funds available to carry out this section for the
17 American Indian Livestock Feed Program.

18 (b) ELECTION OF DISASTER YEARS.—If a producer
19 incurred livestock losses in a county that received an emer-
20 gency designation by the President or Secretary in both
21 calendar year 2001 and 2002, the producer shall elect to
22 receive assistance under this section for losses incurred in
23 either 2001 or 2002, but not both.

24 (c) RELATION TO OTHER PAYMENTS.—Assistance
25 provided under this section to a producer for livestock

1 losses shall be reduced (but not below zero) by any amount
2 received by the producer for the same losses under the
3 livestock loss compensation program announced by the
4 Secretary on September 19, 2002.

5 (d) ADJUSTED GROSS INCOME LIMITATION.—The
6 Secretary shall apply the adjusted gross income limitation
7 under section 1001D of the Food Security Act of 1985
8 (7 U.S.C. 1308–3a) to the provision of assistance under
9 this section in lieu of any other income limitation that the
10 Secretary would otherwise apply to the provision of such
11 assistance.

12 **SEC. 5. INELIGIBILITY FOR PAYMENTS.**

13 (a) DEFINITIONS.—In this section:

14 (1) INSURABLE COMMODITY.—The term “insur-
15 able commodity” means an agricultural commodity
16 (excluding livestock) for which the producers on a
17 farm are eligible to obtain a policy or plan of insur-
18 ance under the Federal Crop Insurance Act (7
19 U.S.C. 1501 et seq.).

20 (2) NONINSURABLE COMMODITY.—The term
21 “noninsurable commodity” means an eligible crop
22 for which the producers on a farm are eligible to ob-
23 tain assistance under section 196 of the Federal Ag-
24 riculture Improvement and Reform Act of 1996 (7
25 U.S.C. 7333).

1 (b) INELIGIBILITY.—Except as provided in sub-
2 section (c), the producers on a farm shall not be eligible
3 for assistance under section 3 with respect to losses to
4 an insurable commodity or noninsurable commodity if the
5 producers on the farm—

6 (1) in the case of an insurable commodity, did
7 not obtain a policy or plan of insurance for the in-
8 surable commodity under the Federal Crop Insur-
9 ance Act for the crop incurring the losses; and

10 (2) in the case of a noninsurable commodity,
11 did not file the required paperwork, and pay the ad-
12 ministrative fee by the applicable State filing dead-
13 line, for the noninsurable commodity under section
14 196 of the Federal Agriculture Improvement and
15 Reform Act of 1996 for the crop incurring the
16 losses.

17 (c) CONTRACT WAIVER.—The Secretary may waive
18 the application of subsection (b) to the producers on a
19 farm if the producers on the farm enter into a contract
20 with the Secretary under which the producers on the farm
21 agree—

22 (1) in the case of an insurable commodity, to
23 obtain a policy or plan of insurance under the Fed-
24 eral Crop Insurance Act for the insurable commodity
25 for each of the next three crops that provides a level

1 of coverage at least equal to the level available under
2 catastrophic risk protection; and

3 (2) in the case of a noninsurable commodity, to
4 file the required paperwork, and pay the administra-
5 tive fee by the applicable State filing deadline, for
6 the noninsurable commodity for each of the next
7 three crops under section 196 of the Federal Agri-
8 culture Improvement and Reform Act of 1996.

9 (d) EFFECT OF VIOLATION.—On violation of a con-
10 tract under subsection (c) by a producer, the producer
11 shall reimburse the Secretary for the full amount of the
12 assistance provided to the producer under section 3. In
13 the case of an insurable commodity, the Secretary shall
14 also impose a civil money penalty for the violation in an
15 amount equal to the producer-cost of a 65/100 crop insur-
16 ance policy on each crop for which the producer agreed
17 to purchase crop insurance, but did not, in the three-year
18 period.

19 **SEC. 6. REPLENISHMENT OF SECTION 32 FUNDS.**

20 The Secretary shall transfer \$250,000,000 of funds
21 of the Commodity Credit Corporation to the account avail-
22 able to the Secretary under section 32 of the Act of Au-
23 gust 24, 1935 (7 U.S.C. 612c).

1 **SEC. 7. COMMODITY CREDIT CORPORATION.**

2 The Secretary shall use the funds, facilities, and au-
3 thorities of the Commodity Credit Corporation to carry
4 out this Act.

5 **SEC. 8. REGULATIONS.**

6 (a) IN GENERAL.—The Secretary of Agriculture may
7 promulgate such regulations as are necessary to imple-
8 ment this Act.

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

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

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

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

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

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