

111TH CONGRESS
2^D SESSION

H. R. 5779

To reduce deficits and Government spending through the elimination of
wasteful agriculture subsidies and programs.

IN THE HOUSE OF REPRESENTATIVES

JULY 20, 2010

Mr. HIMES (for himself, Mr. PETERS, and Mr. WELCH) introduced the
following bill; which was referred to the Committee on Agriculture

A BILL

To reduce deficits and Government spending through the
elimination of wasteful agriculture subsidies and programs.

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 “Reduce and End our Deficits Using Commonsense Elimi-
6 nations in the Agriculture Program Act”.

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

Sec. 1. Short title; table of contents.

Sec. 2. Termination of Federal commodity storage payments on behalf of cotton
and peanut producers.

Sec. 3. Termination of Forest Service Economic Action Program.

- Sec. 4. Termination of authority to provide grants to manufacturers of worsted wool fabrics.
- Sec. 5. Termination of Department of Agriculture health care services program for the Delta region.
- Sec. 6. Termination of authority to provide energy generation, transmission, and distribution facilities efficiency grants and loans in rural communities with extremely high energy costs.
- Sec. 7. Revised adjusted gross income limitations for receipt of direct payments, counter-cyclical payments, marketing loan gains, loan deficiency payments, and other agricultural payments or benefits.
- Sec. 8. Imposition of new limits on payments to producers of certain agricultural commodities.
- Sec. 9. One percent reduction in payment acres for commodity programs.
- Sec. 10. Reduction in funding for market access program.
- Sec. 11. Reduction in reimbursement rate paid to private insurance companies under crop insurance program.
- Sec. 12. Prohibition on timber sales in the Southwestern, Pacific Southwest, and Alaska regions of the National Forest System, where Federal expenditures for sales have been significantly higher than offsetting receipts.

1 **SEC. 2. TERMINATION OF FEDERAL COMMODITY STORAGE**

2 **PAYMENTS ON BEHALF OF COTTON AND PEA-**

3 **NUT PRODUCERS.**

4 (a) COTTON.—Section 1204 of the Food, Conserva-
 5 tion, and Energy Act of 2008 (7 U.S.C. 8734) is amended
 6 by striking subsection (g).

7 (b) PEANUTS.—Section 1307(a) of the Food, Con-
 8 servation, and Energy Act of 2008 (7 U.S.C. 8757(a)) is
 9 amended by striking paragraph (6).

10 **SEC. 3. TERMINATION OF FOREST SERVICE ECONOMIC AC-**
 11 **TION PROGRAM.**

12 The Secretary of Agriculture shall terminate the Eco-
 13 nomic Action Program administered by the Forest Service,
 14 which provides technical and financial assistance to com-
 15 munities and groups to enhance rural economies through
 16 the utilization of forest and related natural resources.

1 **SEC. 4. TERMINATION OF AUTHORITY TO PROVIDE GRANTS**
2 **TO MANUFACTURERS OF WORSTED WOOL**
3 **FABRICS.**

4 Section 4002(c) of the Wool Suit and Textile Trade
5 Extension Act of 2004 (Public Law 108–429; 7 U.S.C.
6 7101 note) is amended by striking paragraph (6).

7 **SEC. 5. TERMINATION OF DEPARTMENT OF AGRICULTURE**
8 **HEALTH CARE SERVICES PROGRAM FOR THE**
9 **DELTA REGION.**

10 Section 379G of the Consolidated Farm and Rural
11 Development Act (7 U.S.C. 2008u) is repealed.

12 **SEC. 6. TERMINATION OF AUTHORITY TO PROVIDE ENERGY**
13 **GENERATION, TRANSMISSION, AND DIS-**
14 **TRIBUTION FACILITIES EFFICIENCY GRANTS**
15 **AND LOANS IN RURAL COMMUNITIES WITH**
16 **EXTREMELY HIGH ENERGY COSTS.**

17 Section 19 of the Rural Electrification Act of 1936
18 (7 U.S.C. 918a) is repealed.

19 **SEC. 7. REVISED ADJUSTED GROSS INCOME LIMITATIONS**
20 **FOR RECEIPT OF DIRECT PAYMENTS,**
21 **COUNTER-CYCLICAL PAYMENTS, MARKETING**
22 **LOAN GAINS, LOAN DEFICIENCY PAYMENTS,**
23 **AND OTHER AGRICULTURAL PAYMENTS OR**
24 **BENEFITS.**

25 (a) **NON-FARM INCOME LIMITATION FOR COM-**
26 **MODITY PROGRAMS.**—Section 1001D(b)(1)(A) of the

1 Food Security Act of 1985 (7 U.S.C. 1308–3a(b)(1)(A))
2 is amended by striking “\$500,000” and inserting “the fol-
3 lowing:

4 “(i) \$500,000, during the 2009
5 through 2010 crop, program, or fiscal
6 years, as appropriate.

7 “(ii) \$420,000, during the 2011 crop,
8 program, or fiscal year, as appropriate.

9 “(iii) \$340,000, during the 2012 crop,
10 program, or fiscal year, as appropriate.

11 “(iv) \$250,000, during the 2013 and
12 subsequent crop, program, or fiscal years,
13 as appropriate.”.

14 (b) FARM INCOME LIMITATION FOR DIRECT PAY-
15 MENTS.—Section 1001D(b)(1)(B) of the Food Security
16 Act of 1985 (7 U.S.C. 1308–3a(b)(1)(B)) is amended by
17 striking “\$750,000” and inserting “the following:

18 “(i) \$750,000, during the 2009
19 through 2010 crop years.

20 “(ii) \$670,000, during the 2011 crop
21 year.

22 “(iii) \$590,000, during the 2012 crop
23 year.

24 “(iv) \$500,000, during the 2013 and
25 subsequent crop years.”.

1 (c) NON-FARM INCOME LIMITATION FOR CONSERVA-
2 TION PROGRAMS.—Section 1001D(b)(2)(A) of the Food
3 Security Act of 1985 (7 U.S.C. 1308–3a(b)(2)(A)) is
4 amended—

5 (1) in clause (i), by striking “\$1,000,000” and
6 inserting “the amount specified in clause (iii)”; and

7 (2) by adding at the end the following new
8 clause:

9 “(iii) DECLINING LIMITATION
10 AMOUNTS.—For purposes of clause (i), the
11 following average adjusted gross non-farm
12 income limitations apply:

13 “(I) \$1,000,000, during the 2009
14 through 2010 crop, program, or fiscal
15 years, as appropriate.

16 “(II) \$920,000, during the 2011
17 crop, program, or fiscal year, as ap-
18 propriate.

19 “(III) \$840,000, during the 2012
20 crop, program, or fiscal year, as ap-
21 propriate.

22 “(IV) \$750,000, during the 2013
23 and subsequent crop, program, or fis-
24 cal years, as appropriate.”.

1 **SEC. 8. IMPOSITION OF NEW LIMITS ON PAYMENTS TO PRO-**
2 **DUCERS OF CERTAIN AGRICULTURAL COM-**
3 **MODITIES.**

4 (a) COVERED COMMODITIES GENERALLY.—

5 (1) DIRECT PAYMENTS.—Section 1001(b)(1)(A)
6 of the Food Security Act of 1985 (7 U.S.C.
7 1308(b)(1)(A)) is amended by striking “\$40,000”
8 and inserting “\$20,000”.

9 (2) COUNTER-CYCLICAL PAYMENTS.—Section
10 1001(b)(2) of the Food Security Act of 1985 (7
11 U.S.C. 1308(b)(2)) is amended by striking
12 “\$65,000” and inserting “\$32,500”.

13 (3) ACRE AND COUNTER-CYCLICAL PAY-
14 MENTS.—Section 1001(b)(3)(A) of the Food Secu-
15 rity Act of 1985 (7 U.S.C. 1308(b)(3)(A)) is amend-
16 ed by striking “\$65,000” and inserting “\$32,500”.

17 (b) PEANUTS.—

18 (1) DIRECT PAYMENTS.—Section 1001(c)(1)(A)
19 of the Food Security Act of 1985 (7 U.S.C.
20 1308(c)(1)(A)) is amended by striking “\$40,000”
21 and inserting “\$20,000”.

22 (2) COUNTER-CYCLICAL PAYMENTS.—Section
23 1001(c)(2) of the Food Security Act of 1985 (7
24 U.S.C. 1308(c)(2)) is amended by striking
25 “\$65,000” and inserting “\$32,500”.

1 (3) ACRE AND COUNTER-CYCLICAL PAY-
2 MENTS.—Section 1001(c)(3)(A) of the Food Secu-
3 rity Act of 1985 (7 U.S.C. 1308(c)(3)(A)) is amend-
4 ed by striking “\$65,000” and inserting “\$32,500”.

5 **SEC. 9. ONE PERCENT REDUCTION IN PAYMENT ACRES**
6 **FOR COMMODITY PROGRAMS.**

7 (a) COVERED COMMODITIES GENERALLY.—Section
8 1001 of the Food, Conservation, and Energy Act of 2008
9 (7 U.S.C. 8702) is amended by striking paragraph (11)
10 and inserting the following new paragraph:

11 “(11) PAYMENT ACRES.—The term ‘payment
12 acres’ means—

13 “(A) in the case of direct payments—

14 “(i) for each of the 2009 and 2010
15 crop years, 83.3 percent of the base acres
16 for the covered commodity on a farm on
17 which direct payments are made;

18 “(ii) for the 2011 crop year, 82.3 per-
19 cent of the base acres for the covered com-
20 modity on a farm on which direct pay-
21 ments are made; and

22 “(iii) for the 2012 crop year, 84 per-
23 cent of the base acres for the covered com-
24 modity on a farm on which direct pay-
25 ments are made; and

1 “(B) in the case of counter-cyclical pay-
2 ments—

3 “(i) for each of the 2009 and 2010
4 crop years, 85 percent of the base acres for
5 the covered commodity on a farm on which
6 counter-cyclical payments are made; and

7 “(ii) for each of the 2011 and 2012
8 crop years, 84 percent of the base acres for
9 the covered commodity on a farm on which
10 counter-cyclical payments are made.”.

11 (b) PEANUTS.—Section 1301 of the Food, Conserva-
12 tion, and Energy Act of 2008 (7 U.S.C. 8751) is amended
13 by striking paragraph (5) and inserting the following new
14 paragraph:

15 “(5) PAYMENT ACRES.—The term ‘payment
16 acres’ means—

17 “(A) in the case of direct payments—

18 “(i) for each of the 2009 and 2010
19 crop years, 83.3 percent of the base acres
20 of peanuts on a farm on which direct pay-
21 ments are made;

22 “(ii) for the 2011 crop year, 82.3 per-
23 cent of the base acres of peanuts on a
24 farm on which direct payments are made;
25 and

1 “(iii) for the 2012 crop year, 84 per-
2 cent of the base acres of peanuts on a
3 farm on which direct payments are made;
4 and

5 “(B) in the case of counter-cyclical pay-
6 ments—

7 “(i) for each of the 2009 and 2010
8 crop years, 85 percent of the base acres of
9 peanuts on a farm on which counter-cycli-
10 cal payments are made; and

11 “(ii) for each of the 2011 and 2012
12 crop years, 84 percent of the base acres of
13 peanuts on a farm on which counter-cycli-
14 cal payments are made.”.

15 **SEC. 10. REDUCTION IN FUNDING FOR MARKET ACCESS**
16 **PROGRAM.**

17 Section 211(c)(1)(A) of the Agricultural Trade Act
18 of 1978 (7 U.S.C. 5641(c)(1)(A)) is amended by striking
19 “and \$200,000,000 for each of fiscal years 2008 through
20 2012” and inserting “\$200,000,000 for each of fiscal
21 years 2008 through 2010, and \$160,000,000 for each of
22 fiscal years 2011 and 2012”.

1 **SEC. 11. REDUCTION IN REIMBURSEMENT RATE PAID TO**
2 **PRIVATE INSURANCE COMPANIES UNDER**
3 **CROP INSURANCE PROGRAM.**

4 Section 508(k) of the Federal Crop Insurance Act (7
5 U.S.C. 1508(k)) is amended—

6 (1) in subparagraph (A), by striking clauses (i)
7 and (ii) and inserting the following new clauses:

8 “(i) for the 1998 reinsurance year, 27
9 percent of the premium used to define loss
10 ratio;

11 “(ii) for each of the 1999 through
12 2010 reinsurance years, 24.5 percent of
13 the premium used to define loss ratio; and

14 “(iii) for each of the 2011 and subse-
15 quent reinsurance years, 20.9 percent of
16 the premium used to define loss ratio.”;

17 (2) by striking subparagraph (E); and

18 (3) by redesignating subparagraph (F) as sub-
19 paragraph (E), and in such subparagraph, by strik-
20 ing “subparagraphs (A) through (E)” and inserting
21 “subparagraphs (A) through (D)”.

1 **SEC. 12. PROHIBITION ON TIMBER SALES IN THE SOUTH-**
2 **WESTERN, PACIFIC SOUTHWEST, AND ALAS-**
3 **KA REGIONS OF THE NATIONAL FOREST SYS-**
4 **TEM, WHERE FEDERAL EXPENDITURES FOR**
5 **SALES HAVE BEEN SIGNIFICANTLY HIGHER**
6 **THAN OFFSETTING RECEIPTS.**

7 The Secretary of Agriculture may not conduct, or au-
8 thorize others to conduct, any timber sale under section
9 14 of the National Forest Management Act of 1976 (16
10 U.S.C. 472a) in the Southwestern, Pacific Southwest, or
11 Alaska region of the National Forest System, where Fed-
12 eral expenditures to support timber sales have been sig-
13 nificantly higher than offsetting receipts, until the Sec-
14 retary certifies to Congress that timber sales in the region
15 will generate receipts at least equal to Federal expendi-
16 tures to support the sales.

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