

112TH CONGRESS  
1ST SESSION

# S. 1905

To amend the Federal Crop Insurance Act to support crop insurance for specialty crops, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

NOVEMBER 18, 2011

Mrs. GILLIBRAND introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

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## A BILL

To amend the Federal Crop Insurance Act to support crop insurance for specialty crops, 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 “Specialty Crop Insur-  
5 ance Act of 2011”.

6 **SEC. 2. ADVANCE PAYMENTS FOR UNDERSERVED REGIONS**  
7 **AND CROPS.**

8 Section 522(b)(2) of the Federal Crop Insurance Act  
9 (7 U.S.C. 1522(b)(2)) is amended by striking subpara-  
10 graph (E) and inserting the following:

1 “(E) APPROVAL.—

2 “(i) IN GENERAL.—The Board may  
3 approve up to 50 percent of the projected  
4 total research and development costs to be  
5 paid in advance to an applicant, in accord-  
6 ance with the procedures developed by the  
7 Board for the making of the payments, if,  
8 after consideration of the reviewer reports  
9 described in subparagraph (D) and such  
10 other information as the Board determines  
11 appropriate, the Board determines—

12 “(I) the concept, in good faith,  
13 will likely result in a viable and mar-  
14 ketable policy consistent with section  
15 508(h);

16 “(II) in the sole opinion of the  
17 Board, the concept, if developed into a  
18 policy and approved by the Board,  
19 would provide crop insurance cov-  
20 erage—

21 “(aa) in a significantly im-  
22 proved form;

23 “(bb) to a crop or region not  
24 traditionally served by the Fed-  
25 eral crop insurance program; or

1 “(cc) in a form that ad-  
2 dresses a recognized flaw or  
3 problem in the program;

4 “(III) the applicant agrees to  
5 provide such reports as the Corpora-  
6 tion determines are necessary to mon-  
7 itor the development effort;

8 “(IV) the proposed budget and  
9 timetable are reasonable; and

10 “(V) the concept proposal meets  
11 any other requirements that the  
12 Board determines appropriate.

13 “(ii) WAIVER.—The Board may waive  
14 the 50-percent cap on costs paid under  
15 clause (i) if, in the sole discretion of the  
16 Board, the Board determines that—

17 “(I) the concept proposal pro-  
18 vides coverage for a region or crop  
19 that is underserved by the Federal  
20 crop insurance program, including  
21 specialty crops; and

22 “(II) the submitter of the con-  
23 cept proposal does not have sufficient  
24 financial resources to fund the devel-

1                   opment of the concept or the submis-  
2                   sion.”.

3 **SEC. 3. AUTHORITY TO CONDUCT RESEARCH AND DEVEL-**  
4 **OPMENT.**

5       (a) IN GENERAL.—Section 522(c) of the Federal  
6 Crop Insurance Act (7 U.S.C. 1522(c)) is amended—

7           (1) in the subsection heading by striking “CON-  
8       TRACTING”;

9           (2) in paragraph (1), in the matter preceding  
10       subparagraph (A), by striking “may enter into con-  
11       tracts to carry out research and development to”  
12       and inserting “may conduct activities or enter into  
13       contracts to carry out research and development to  
14       maintain or improve existing policies or develop new  
15       policies to”;

16       (3) in paragraph (2)—

17           (A) in subparagraph (A), by inserting  
18       “conduct research and development or” after  
19       “The Corporation may”; and

20           (B) in subparagraph (B), by inserting  
21       “conducting research and development or” after  
22       “Before”;

23       (4) in paragraph (5), by inserting “after expert  
24       review in accordance with section 505(e)” after “ap-  
25       proved by the Board”; and

1           (5) in paragraph (6), by striking “a pasture,  
 2           range, and forage program” and inserting “policies  
 3           that increase participation by producers of under-  
 4           served agricultural commodities, including specialty  
 5           crops”.

6           (b) FUNDING.—Section 522(e) of the Federal Crop  
 7 Insurance Act (7 U.S.C. 1522(e)) is amended—

8           (1) in paragraph (2)—

9                   (A) by striking “(A) AUTHORITY.—” and  
 10           inserting “(A) CONDUCTING AND CONTRACTING  
 11           FOR RESEARCH AND DEVELOPMENT.—”;

12                   (B) in subparagraph (A), by inserting  
 13           “conduct research and development and” after  
 14           “the Corporation may use to”; and

15                   (C) in subparagraph (B), by inserting  
 16           “conduct research and development and” after  
 17           “for the fiscal year to”;

18           (2) in paragraph (3), by striking “to provide ei-  
 19           ther reimbursement payments or contract pay-  
 20           ments”; and

21           (3) by striking paragraph (4).

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