

117TH CONGRESS
2D SESSION

H. R. 8590

To provide assistance to certain small family farmers and ranchers, and
for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 29, 2022

Mr. DAVID SCOTT of Georgia introduced the following bill; which was referred
to the Committee on Agriculture

A BILL

To provide assistance to certain small family farmers and
ranchers, 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 “Small Family Farmer
5 And Rancher Relief Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) **BEGINNING FARMER OR RANCHER.**—The
9 term “beginning farmer or rancher” has the mean-

1 ing given the term in section 502(b) of the Federal
2 Crop Insurance Act (7 U.S.C. 1502(b)).

3 (2) CATTLE.—The term “cattle” includes
4 steers, heifers, fed cattle, feeder cattle, and calves.

5 (3) LIVESTOCK RISK PROTECTION INSURANCE
6 POLICY.—The term “livestock risk protection insur-
7 ance policy” means the livestock risk protection in-
8 surance policy authorized pursuant to section 508(h)
9 of the Federal Crop Insurance Act (7 U.S.C.
10 1508(h)) and offered by the Risk Management
11 Agency of the Department of Agriculture.

12 (4) VETERAN FARMERS OR RANCHERS.—The
13 term “veteran farmer or rancher” has the meaning
14 given the term in section 502(b) of the Federal Crop
15 Insurance Act (7 U.S.C. 1502(b)).

16 **SEC. 3. ADDITIONAL PREMIUM ASSISTANCE FOR SMALL**
17 **RANCHERS, BEGINNING FARMERS OR**
18 **RANCHERS, AND VETERAN FARMERS OR**
19 **RANCHERS UNDER LIVESTOCK RISK PROTEC-**
20 **TION INSURANCE POLICIES.**

21 (a) ADDITIONAL PREMIUM ASSISTANCE FOR ELIGI-
22 BLE LIVESTOCK OPERATIONS.—

23 (1) IN GENERAL.—With respect to livestock
24 risk protection insurance policies, producers eligible
25 under subsection (c) shall receive premium assist-

1 ance that is 20 percentage points greater than the
2 premium assistance that would otherwise be avail-
3 able under such policies.

4 (2) NO DUPLICATIVE COVERAGE.—Producers
5 receiving premium assistance under this section shall
6 be ineligible for livestock risk protection premium
7 assistance for beginning farmers or ranchers or vet-
8 eran farmers or ranchers.

9 (3) APPLICABILITY.—With respect to the first
10 reinsurance year that begins after the date of the
11 enactment of this Act, and each reinsurance year
12 thereafter, the additional premium assistance under
13 this subsection shall apply to producers eligible
14 under this section, beginning farmers or ranchers,
15 and veteran farmers or ranchers who obtain cov-
16 erage under a livestock risk protection insurance pol-
17 icy.

18 (b) ADDITIONAL ADMINISTRATIVE AND OPERATING
19 COSTS REIMBURSEMENT.—Notwithstanding section
20 508(k)(4) of the Federal Crop Insurance Act (7 U.S.C.
21 1508(k)(4)), in the case of a livestock risk protection pol-
22 icy obtained by a livestock producer receiving premium as-
23 sistance under this section, the rate to reimburse approved
24 insurance providers and agents for the administrative and
25 operating costs of the providers and agents with respect

1 to such policy shall be at least 25 percent of the premium
2 used to define loss ratio.

3 (c) ELIGIBILITY.—To be eligible to receive premium
4 assistance under this section, a livestock operation within
5 the United States or the territories thereof or on Tribal
6 lands, shall have a cumulative number of cattle sold that
7 is less than or equal to 100 in one year.

8 (d) OUTREACH AND EDUCATION.—The Secretary of
9 Agriculture shall—

10 (1) make available additional education oppor-
11 tunities and prioritize outreach to eligible livestock
12 operations, beginning farmers or ranchers, and vet-
13 eran farmers or ranchers with respect to risk man-
14 agement for livestock and the assistance available
15 under this section; and

16 (2) conduct outreach to approved insurance
17 providers and agents with respect to the livestock
18 risk protection insurance policies and the additional
19 administrative and operating costs reimbursement
20 under subsection (b).

21 **SEC. 4. BEEF CATTLE SPREAD COVERAGE PROGRAM.**

22 (a) IN GENERAL.—Not later than 180 days after the
23 date of the enactment of this Act, the Secretary of Agri-
24 culture, acting through the Administrator of the Farm
25 Service Agency (in this section referred to as the “Sec-

1 retary”), shall establish a program under which the Sec-
2 retary will provide payments to eligible producers when the
3 choice boxed beef cutout values, dressed fed cattle prices,
4 and retail beef values (in this section referred to as “the
5 spread”) exceeds the coverage threshold level specified in
6 subsection (b).

7 (b) COVERAGE THRESHOLD LEVEL.—The coverage
8 threshold level specified in this subsection, with respect to
9 the sale of beef, is the level that is reached when the farm-
10 er’s share falls below 51.7 percent.

11 (c) BEEF CATTLE SPREAD PAYMENT.—

12 (1) IN GENERAL.—The Secretary shall make
13 payments to eligible producers at a rate equal to the
14 difference between—

15 (A) the 80th percentile of the 10-year his-
16 torical average spread; and

17 (B) the current spread.

18 (2) APPLICATION OF PAYMENT.—A payment
19 made under this section shall be applied on a per
20 animal basis for the number of cattle sold by eligible
21 producers up to 100 head.

22 (3) SECRETARIAL ADJUSTMENT.—Beginning on
23 the date that is 5 years after the date of the enact-
24 ment of this Act, the Secretary may reassess and ad-

1 just years contained in the 10-year historical average
2 spread referred to in paragraph (1).

3 (4) TIMING.—The Secretary shall issue a pay-
4 ment on a quarterly basis for months in which the
5 coverage threshold level specified in subsection (b) is
6 met.

7 (5) CERTIFICATION.—Before making a pay-
8 ment under this section, the Secretary shall require
9 that an eligible producer certify to the Secretary the
10 number of beef cattle sold.

11 (d) PAYMENT OF FEE.—

12 (1) AMOUNT OF FEE.—An eligible producer
13 seeking a payment under this section shall pay a fee
14 to the Secretary on an annual basis in the amount
15 of \$100. The Secretary shall collect such fee in the
16 first quarter of the respective calendar year.

17 (2) USE OF FEE.—The Secretary shall use fees
18 collected under this subsection to administer the
19 program under this section.

20 (3) WAIVER OF FEE.—The fee under this sub-
21 section may be waived for limited resource farmers,
22 beginning farmers, veteran farmers, or socially dis-
23 advantaged farmers.

24 (e) ELIGIBLE PRODUCER.—

1 (1) IN GENERAL.—In this section, the term “el-
2 igible producer” means a livestock producer—

3 (A)(i) within the United States (including
4 the territories thereof) or Tribal lands, with a
5 cumulative number of beef cattle sold in one
6 calendar year that is less than or equal to 100
7 head; or

8 (ii) that owns multiple operations within
9 the United States (including the territories
10 thereof) or Tribal lands with a cumulative num-
11 ber of beef cattle sold in a calendar year across
12 such multiple operations that is less than or
13 equal to 100 head;

14 (B) that has paid the fee specified in sub-
15 section (d) during the applicable registration
16 period; and

17 (C) that has owned such cattle for a period
18 of 60 days or longer.

19 (2) SHARED OWNERSHIP.—In applying the defi-
20 nition under paragraph (1), the Secretary shall con-
21 sider, in the case of an operation controlled by mul-
22 tiple producers, only one producer in such operation
23 to be an eligible producer.

24 (3) ADJUSTED GROSS INCOME LIMITATION.—In
25 determining whether a livestock producer meets the

1 definition under paragraph (1), the Secretary shall
2 apply the adjusted gross income payment limitation
3 described in section 1001D of the Food Security Act
4 of 1985 (7 U.S.C. 1308–3a).

5 (f) REGISTRATION AND OPERATION.—

6 (1) IN GENERAL.—Not later than 180 days
7 after the date of the enactment of this Act, the Sec-
8 retary shall specify the manner and form by which
9 an eligible producer may register to receive a pay-
10 ment under this section.

11 (2) TREATMENT OF MULTI-PRODUCER BEEF
12 CATTLE OPERATIONS.—In the case of an eligible
13 producer that is a beef cattle operation operated by
14 more than 1 beef cattle producer, all of the beef cat-
15 tle producers of the operation shall be treated as a
16 single beef cattle operation for purposes of receiving
17 a payment under this section.

18 (g) OUTREACH AND EDUCATION.—The Secretary
19 shall make available additional education opportunities
20 and prioritize outreach to eligible ranchers, beginning
21 farmers or ranchers, and veteran farmers or ranchers with
22 respect to risk management for livestock and the assist-
23 ance available under this section.

24 (h) REGULATIONS.—

1 (1) IN GENERAL.—Except as otherwise pro-
2 vided in this subsection, not later than 90 days after
3 the date of the enactment of this Act, the Secretary
4 shall promulgate such regulations as are necessary
5 to implement this section.

6 (2) PROCEDURE.—The promulgation of the reg-
7 ulations and administration of this section shall be
8 made without regard to—

9 (A) the notice and comment provisions of
10 section 553 of title 5, United States Code; and

11 (B) chapter 35 of title 44, United States
12 Code (commonly known as the “Paperwork Re-
13 duction Act”).

14 (3) CONGRESSIONAL REVIEW OF AGENCY RULE-
15 MAKING.—In carrying out this subsection, the Sec-
16 retary shall use the authority provided under section
17 808 of title 5, United States Code.

18 **SEC. 5. SMALL RANCHER MARKET ACCESS.**

19 (a) IN GENERAL.—The Secretary of Agriculture, act-
20 ing through the Administrator of the Agricultural Mar-
21 keting Service (in this section referred to as the “Sec-
22 retary”), shall establish a program under which the Sec-
23 retary shall award grants to eligible cattle producers, co-
24 operatives of such cattle producers, or other eligible enti-
25 ties, for the purposes of aggregating, adding value to, and

1 marketing beef cattle, beef, and beef food products to local
2 markets with a focus on direct-to-consumer and direct-to-
3 institution sales.

4 (b) COVERED ACTIVITIES.—An eligible cattle pro-
5 ducer that is the recipient of a grant under this section
6 may use funds received through the grant to further the
7 marketing of cattle and meat, and the purpose described
8 in subsection (a) including for any of the following items:

9 (1) The purchase of facilities, including land or
10 processing equipment.

11 (2) Construction or related infrastructure.

12 (3) Financial and business planning services.

13 (4) Butcher and mobile processing.

14 (5) Aggregation and distribution services.

15 (6) Department of Agriculture process
16 verification.

17 (7) Costs associated with meeting Federal and
18 State inspection standards.

19 (8) Labeling and packaging.

20 (9) Technical assistance relating to starting and
21 operating a cooperative or food hub.

22 (10) Establishing a small, local, cattle feeding
23 operation (as defined by the Secretary).

24 (11) Refrigeration and frozen storage expenses,
25 including refrigerated transportation.

1 (12) Costs associated with meeting institutional
2 procurement guidelines.

3 (13) Value-added activities that enable pro-
4 ducers to distinguish their cattle in such a way that
5 would capture premiums.

6 (14) Value-added production practices.

7 (15) Other costs associated with the develop-
8 ment, coordination, and expansion of direct pro-
9 ducer-to-consumer and producer-to-institution mar-
10 keting, including participating in farmers' markets,
11 roadside stands, community supported agriculture
12 programs, online sales, and other value-added local
13 and regional marketing activity.

14 (c) APPLICATION OF EXISTING EXEMPTIONS.—The
15 Secretary shall take such steps as may be necessary to
16 extend any exemptions in effect as of the date of the enact-
17 ment of this Act with respect to land use by the Depart-
18 ment of Agriculture to an eligible cattle producer using
19 funds received through a grant awarded under this section
20 to carry out an activity described in paragraph (1), (2),
21 or (3) of subsection (b).

22 (d) GRANT TERMS.—

23 (1) DURATION.—The term of a grant under
24 this section may not exceed 5 years.

1 (2) MAXIMUM AMOUNT.—The amount of a
2 grant under this section to a single grant recipient
3 shall not exceed \$500,000.

4 (e) PRIORITY.—In awarding grants under this sec-
5 tion, the Secretary shall give priority to—

6 (1) historically underserved farmers or ranchers
7 or limited resource producers; or

8 (2) eligible cattle producers described in para-
9 graphs (3) through (8) of subsection (f).

10 (f) ELIGIBLE CATTLE PRODUCER DEFINED.—In this
11 section, the term “eligible cattle producer” means—

12 (1) a cattle producer with 100 head or fewer of
13 cattle;

14 (2) a cooperative of small cattle producers, of
15 which a majority of its members own 100 head or
16 fewer of cattle;

17 (3) a non-profit organization;

18 (4) a land-grant college or university;

19 (5) a minority serving institution eligible to re-
20 ceive funds under section 371 of the Higher Edu-
21 cation Act of 1965 (20 U.S.C. 1067q);

22 (6) a Tribal government;

23 (7) a food hub; or

- 1 (8) a community supported agriculture entity
- 2 with experience working with small cattle producers
- 3 and cooperatives.

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