

Union Calendar No. 60

107TH CONGRESS
1ST SESSION**H. R. 2213****[Report No. 107-111]**

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

IN THE HOUSE OF REPRESENTATIVES

JUNE 19, 2001

Mr. COMBEST introduced the following bill; which was referred to the Committee on Agriculture

JUNE 26, 2001

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on June 19, 2001]

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. MARKET LOSS ASSISTANCE.**
- 4 *(a) ASSISTANCE AUTHORIZED.—The Secretary of Ag-*
- 5 *riculture (referred to in this Act as the “Secretary”) shall,*

1 *to the maximum extent practicable, use \$4,622,240,000 of*
 2 *funds of the Commodity Credit Corporation to make a mar-*
 3 *ket loss assistance payment to owners and producers on a*
 4 *farm that are eligible for a final payment for fiscal year*
 5 *2001 under a production flexibility contract for the farm*
 6 *under the Agriculture Market Transition Act (7 U.S.C.*
 7 *7201 et seq.).*

8 (b) *AMOUNT.—The amount of assistance made avail-*
 9 *able to owners and producers on a farm under this section*
 10 *shall be proportionate to the amount of the total contract*
 11 *payments received by the owners and producers for fiscal*
 12 *year 2001 under a production flexibility contract for the*
 13 *farm under the Agricultural Market Transition Act.*

14 **SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.**

15 *The Secretary shall use \$423,510,000 of funds of the*
 16 *Commodity Credit Corporation to make a supplemental*
 17 *payment under section 202 of the Agricultural Risk Protec-*
 18 *tion Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note)*
 19 *to producers of the 2000 crop of oilseeds that previously re-*
 20 *ceived a payment under such section.*

21 **SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.**

22 *The Secretary shall use \$54,210,000 of funds of the*
 23 *Commodity Credit Corporation to provide a supplemental*
 24 *payment under section 204(a) of the Agricultural Risk Pro-*
 25 *tection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421*

1 *note) to producers of quota peanuts or additional peanuts*
 2 *for the 2000 crop year that previously received a payment*
 3 *under such section. The Secretary shall adjust the payment*
 4 *rate specified in such section to reflect the amount made*
 5 *available for payments under this section.*

6 **SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.**

7 (a) *SUPPLEMENTAL PAYMENT.*—*The Secretary shall*
 8 *use \$129,000,000 of funds of the Commodity Credit Cor-*
 9 *poration to provide a supplemental payment under section*
 10 *204(b) of the Agricultural Risk Protection Act of 2000 (Pub-*
 11 *lic Law 106–224; 7 U.S.C. 1421 note) to eligible persons*
 12 *(as defined in such section) that previously received a pay-*
 13 *ment under such section.*

14 (b) *SPECIAL RULE FOR GEORGIA.*—*The Secretary*
 15 *may make payments under this section to eligible persons*
 16 *in Georgia only if the State of Georgia agrees to use the*
 17 *sum of \$13,000,000 to make payments at the same time,*
 18 *or subsequently, to the same persons in the same manner*
 19 *as provided for the Federal payments under this section,*
 20 *as required by section 204(b)(6) of the Agricultural Risk*
 21 *Protection Act of 2000.*

22 **SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.**

23 *The Secretary shall use \$16,940,000 of funds of the*
 24 *Commodity Credit Corporation to provide a supplemental*
 25 *payment under section 814 of the Agriculture, Rural Devel-*

1 *opment, Food and Drug Administration, and Related Agen-*
 2 *cies Appropriations Act, 2001 (as enacted by Public Law*
 3 *106–387), to producers of wool, and producers of mohair,*
 4 *for the 2000 marketing year that previously received a pay-*
 5 *ment under such section. The Secretary shall adjust the*
 6 *payment rate specified in such section to reflect the amount*
 7 *made available for payments under this section.*

8 **SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.**

9 *The Secretary shall use \$84,700,000 of funds of the*
 10 *Commodity Credit Corporation to provide supplemental as-*
 11 *sistance under section 204(e) of the Agricultural Risk Pro-*
 12 *tection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421*
 13 *note) to producers and first-handlers of the 2000 crop of*
 14 *cottonseed that previously received assistance under such*
 15 *section.*

16 **SEC. 7. SPECIALTY CROPS.**

17 *(a) BASE STATE GRANTS.—The Secretary shall use*
 18 *\$26,000,000 of funds of the Commodity Credit Corporation*
 19 *to make grants to the several States and the Commonwealth*
 20 *of Puerto Rico to be used to support activities that promote*
 21 *agriculture. The amount of the grant shall be—*

- 22 *(1) \$500,000 to each of the several States; and*
 23 *(2) \$1,000,000 to the Commonwealth of Puerto*
 24 *Rico.*

1 (b) *GRANTS FOR VALUE OF PRODUCTION.*—*The Sec-*
2 *retary shall use \$133,400,000 of funds of the Commodity*
3 *Credit Corporation to make a grant to each of the several*
4 *States in an amount that represents the proportion of the*
5 *value of specialty crop production in the State in relation*
6 *to the national value of specialty crop production, as fol-*
7 *lows:*

- 8 (1) *California, \$63,320,000.*
- 9 (2) *Florida, \$16,860,000.*
- 10 (3) *Washington, \$9,610,000.*
- 11 (4) *Idaho, \$3,670,000.*
- 12 (5) *Arizona, \$3,430,000.*
- 13 (6) *Michigan, \$3,250,000.*
- 14 (7) *Oregon, \$3,220,000.*
- 15 (8) *Georgia, \$2,730,000.*
- 16 (9) *Texas, \$2,660,000.*
- 17 (10) *New York, \$2,660,000.*
- 18 (11) *Wisconsin, \$2,570,000.*
- 19 (12) *North Carolina, \$1,540,000.*
- 20 (13) *Colorado, \$1,510,000.*
- 21 (14) *North Dakota, \$1,380,000.*
- 22 (15) *Minnesota, \$1,320,000.*
- 23 (16) *Hawaii, \$1,150,000.*
- 24 (17) *New Jersey, \$1,100,000.*
- 25 (18) *Pennsylvania, \$980,000.*

- 1 (19) *New Mexico*, \$900,000.
- 2 (20) *Maine*, \$880,000.
- 3 (21) *Ohio*, \$800,000.
- 4 (22) *Indiana*, \$660,000.
- 5 (23) *Nebraska*, \$640,000.
- 6 (24) *Massachusetts*, \$640,000.
- 7 (25) *Virginia*, \$620,000.
- 8 (26) *Maryland*, \$500,000.
- 9 (27) *Louisiana*, \$460,000.
- 10 (28) *South Carolina*, \$440,000.
- 11 (29) *Tennessee*, \$400,000.
- 12 (30) *Illinois*, \$400,000.
- 13 (31) *Oklahoma*, \$390,000.
- 14 (32) *Alabama*, \$300,000.
- 15 (33) *Delaware*, \$290,000.
- 16 (34) *Mississippi*, \$250,000.
- 17 (35) *Kansas*, \$210,000.
- 18 (36) *Arkansas*, \$210,000.
- 19 (37) *Missouri*, \$210,000.
- 20 (38) *Connecticut*, \$180,000.
- 21 (39) *Utah*, \$140,000.
- 22 (40) *Montana*, \$140,000.
- 23 (41) *New Hampshire*, \$120,000.
- 24 (42) *Nevada*, \$120,000.
- 25 (43) *Vermont*, \$120,000.

1 (44) *Iowa, \$100,000.*

2 (45) *West Virginia, \$90,000.*

3 (46) *Wyoming, \$70,000.*

4 (47) *Kentucky, \$60,000.*

5 (48) *South Dakota, \$40,000.*

6 (49) *Rhode Island, \$40,000.*

7 (50) *Alaska, \$20,000.*

8 (c) *SPECIALTY CROP PRIORITY.—As a condition on*
 9 *the receipt of a grant under this section, a State shall agree*
 10 *to give priority to the support of specialty crops in the use*
 11 *of the grant funds.*

12 (d) *SPECIALTY CROP DEFINED.—In this section, the*
 13 *term “specialty crop” means any agricultural crop, except*
 14 *wheat, feed grains, oilseeds, cotton, rice, peanuts, and to-*
 15 *bacco.*

16 **SEC. 8. COMMODITY ASSISTANCE PROGRAM.**

17 *The Secretary shall use \$10,000,000 of funds of the*
 18 *Commodity Credit Corporation to make a grant to each of*
 19 *the several States to be used by the States to cover direct*
 20 *and indirect costs related to the processing, transportation,*
 21 *and distribution of commodities to eligible recipient agen-*
 22 *cies. The grants shall be allocated to States in the manner*
 23 *provided under section 204(a) of the Emergency Food As-*
 24 *sistance Act of 1983 (7 U.S.C. 7508(a)).*

1 **SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY**

2 **PAYMENTS FOR COTTON PRODUCERS.**

3 (a) *CONDITIONS ON PAYMENT TO STATE.*—Subsection
 4 (b) of section 1121 of the Agriculture, Rural Development,
 5 Food and Drug Administration, and Related Agencies Ap-
 6 propriations Act, 1999 (as contained in section 101(a) of
 7 division A of Public Law 105–277 (7 U.S.C. 1421 note),
 8 and as amended by section 754 of the Agriculture, Rural
 9 Development, Food and Drug Administration, and Related
 10 Agencies Appropriations Act, 2001 (as enacted by Public
 11 Law 106–387; 114 Stat. 1549A–42), is amended to read
 12 as follows:

13 “(b) *CONDITIONS ON PAYMENT TO STATE.*—The Sec-
 14 retary of Agriculture shall make the payment to the State
 15 of Georgia under subsection (a) only if the State—

16 “(1) contributes \$5,000,000 to the indemnity
 17 fund and agrees to expend all amounts in the indem-
 18 nity fund by not later than January 1, 2002 (or as
 19 soon as administratively practical thereafter), to pro-
 20 vide compensation to cotton producers as provided in
 21 such subsection;

22 “(2) requires the recipient of a payment from the
 23 indemnity fund to repay the State, for deposit in the
 24 indemnity fund, the amount of any duplicate pay-
 25 ment the recipient otherwise recovers for such loss of
 26 cotton, or the loss of proceeds from the sale of cotton,

1 *up to the amount of the payment from the indemnity*
 2 *fund; and*

3 *“(3) agrees to deposit in the indemnity fund the*
 4 *proceeds of any bond collected by the State for the*
 5 *benefit of recipients of payments from the indemnity*
 6 *fund, to the extent of such payments.”.*

7 *(b) ADDITIONAL DISBURSEMENTS FROM THE INDEM-*
 8 *NITY FUND.—Subsection (d) of such section is amended to*
 9 *read as follows:*

10 *“(d) ADDITIONAL DISBURSEMENT TO COTTON GIN-*
 11 *NERS.—The State of Georgia shall use funds remaining in*
 12 *the indemnity fund, after the provision of compensation to*
 13 *cotton producers in Georgia under subsection (a) (including*
 14 *cotton producers who file a contingent claim, as defined and*
 15 *provided in section 5.1 of chapter 19 of title 2 of the Official*
 16 *Code of Georgia), to compensate cotton ginner (as defined*
 17 *and provided in such section) that—*

18 *“(1) incurred a loss as the result of—*

19 *“(A) the business failure of any cotton*
 20 *buyer doing business in Georgia; or*

21 *“(B) the failure or refusal of any such cot-*
 22 *ton buyer to pay the contracted price that had*
 23 *been agreed upon by the ginner and the buyer for*
 24 *cotton grown in Georgia on or after January 1,*

1 1997, and had been purchased or contracted by
2 the ginner from cotton producers in Georgia;

3 “(2) paid cotton producers the amount which the
4 cotton ginner had agreed to pay for such cotton re-
5 ceived from such cotton producers in Georgia; and

6 “(3) satisfy the procedural requirements and
7 deadlines specified in chapter 19 of title 2 of the Offi-
8 cial Code of Georgia applicable to cotton ginner
9 claims.”.

10 (c) *CONFORMING AMENDMENT.*—Subsection (c) of such
11 section is amended by striking “Upon the establishment of
12 the indemnity fund, and not later than October 1, 1999,
13 the” and inserting “The”.

14 **SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING**
15 **LOAN DEFICIENCY PAYMENTS AND MAR-**
16 **KETING LOAN GAINS.**

17 Notwithstanding section 1001(2) of the Food Security
18 Act of 1985 (7 U.S.C. 1308(1)), the total amount of the pay-
19 ments specified in section 1001(3) of that Act that a person
20 shall be entitled to receive for one or more contract commod-
21 ities and oilseeds under the Agricultural Market Transition
22 Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may
23 not exceed \$150,000.

1 **SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.**

2 (a) *DEADLINE FOR EXPENDITURES.*—All expenditures
3 required by this Act shall be made not later than September
4 30, 2001. Any funds made available by this Act and re-
5 maining unexpended by October 1, 2001, shall be deemed
6 to be unexpendable, and the authority provided by this Act
7 to expend such funds is rescinded effective on that date.

8 (b) *TOTAL AMOUNT OF EXPENDITURES.*—The total
9 amount expended under this Act may not exceed
10 \$5,500,000,000. If the payments required by this Act would
11 result in expenditures in excess of such amount, the Sec-
12 retary shall reduce such payments on a pro rata basis as
13 necessary to ensure that such expenditures do not exceed
14 such amount.

15 **SEC. 12. REGULATIONS.**

16 (a) *PROMULGATION.*—As soon as practicable after the
17 date of the enactment of this Act, the Secretary and the
18 Commodity Credit Corporation, as appropriate, shall pro-
19 mulgate such regulations as are necessary to implement this
20 Act and the amendments made by this Act. The promulga-
21 tion of the regulations and administration of this Act shall
22 be made without regard to—

23 (1) the notice and comment provisions of section
24 553 of title 5, United States Code;

25 (2) the Statement of Policy of the Secretary of
26 Agriculture effective July 24, 1971 (36 Fed. Reg.

1 13804), relating to notices of proposed rulemaking
2 and public participation in rulemaking; and

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

6 (b) CONGRESSIONAL REVIEW OF AGENCY RULE-
7 MAKING.—In carrying out this section, the Secretary shall
8 use the authority provided under section 808 of title 5,
9 United States Code.

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