H. R. 7051

To provide Federal relief to hog producers, especially family farmers and independent producers, who have been forced to euthanize hogs due to the COVID–19 pandemic, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 28, 2020

Mr. KING of Iowa introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To provide Federal relief to hog producers, especially family farmers and independent producers, who have been forced to euthanize hogs due to the COVID–19 pandemic, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EMERGENCY ASSISTANCE FOR MARKET-READY HOG LOSSES.

(a) IN GENERAL.—The Secretary shall use the funds of the Commodity Credit Corporation to provide emergency relief to covered producers to aid in the reduction of intentional depopulation losses of market-ready hogs
due to the closure or the reduction in processing capacity
of a processing plant related to the COVID–19 pandemic.

(b) Payment Rate for Covered Producers.—In
the case of a closure or the reduction in processing capac-
ity of a processing plant related to the COVID–19 pan-
demic, with respect to the losses of market-ready hogs due
to such closure or reduction incurred by a covered pro-
ducer, the Secretary shall reimburse—

(1) for the first 50,000 hogs of such covered
producer, 70 percent of the cost of such losses of
such covered producer;

(2) for up to 50,000 hogs in addition to para-
graph (1), 55 percent of the cost of such losses of
such covered producer;

(3) for up to 100,000 hogs in addition to para-
graphs (1) and (2), 45 percent of the cost of such
losses of such covered producer; and

(4) for any amount of hogs in addition to para-
graphs (1), (2), and (3), 35 percent of the cost of
such losses of such covered producer.

(c) Valuation.—In determining the amount of
losses for purposes of the payment rates under subsection
(b), the Secretary shall use the average weekly price (as
determined by the Secretary) for a market-ready hog, as
determined by the Secretary. In no case shall the pay-
ments made under subsection (b) with respect to the losses of a covered producer exceed the actual market value of market-ready hogs on the day on which the covered producer began to suffer such losses.

(d) Verification.—The Secretary may not make a payment for the losses of market-ready hogs of a covered producer under subsection (b) unless a veterinarian certifies—

(1) that such hogs are market-ready hogs; and

(2) the number of such hogs for which the covered producer claims a loss.

(e) Packer-Owned and Foreign-Owned Hogs Excluded.—The Secretary may not make payments under subsection (b) for—

(1) any hog losses for which the covered producer does not provide sufficient documentation of ownership;

(2) the losses of packer-owned hogs; or

(3) the losses of hogs of a producer that is owned, in whole or in part, by any person who is not a United States citizen, lawful permanent resident, or entity.

(f) Applicability.—This section shall apply for the period beginning on April 1, 2020, and ending on the date that national processing capacity of hog processing plants
is equal to or greater than such capacity on February 1, 2020, as determined by the Secretary.

(g) DEFINITIONS.—In this section:

(1) COVERED PRODUCER.—The term “covered producer” means a person or legal entity that assumes the production and market risks associated with the agricultural production of hogs (as such terms are defined in section 2(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 183(a))).

(2) MARKET-READY.—The term “market-ready” means, with respect to a hog, a hog that is at least 300 pounds and ready for market, as determined by the Secretary.

(3) PACKER.—The term “packer” has the meaning given the term in section 201 of the Packers and Stockyards Act, 1921 (7 U.S.C. 191) except such term does not include a packer with invested shares of less than or equal to 10 percent in a facility that slaughters less than or equal to 5 million hogs a year.

(4) SECRETARY.—The term “Secretary” means the Secretary of Agriculture.