

SOUTH CAROLINA PEANUT PARITY ACT OF 2017

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OCTOBER 19, 2017.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. CONAWAY, from the Committee on Agriculture,  
submitted the following

R E P O R T

[To accompany H.R. 2521]

[Including cost estimate of the Congressional Budget Office]

The Committee on Agriculture, to whom was referred the bill (H.R. 2521) to amend the Farm Security and Rural Investment Act of 2002 to include South Carolina as a part of the Virginia/Carolina peanut producing region for purposes of appointment to the Peanut Standards Board, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

BRIEF EXPLANATION

This legislation amends the Farm Security and Rural Investment Act of 2002 to include South Carolina as a part of the Virginia/Carolina peanut producing region for purposes of appointment to the Peanut Standards Board.

PURPOSE AND NEED FOR LEGISLATION

The Farm Security and Rural Investment Act of 2002 (2002 Farm Bill) requires the Secretary of Agriculture to establish a Peanut Standards Board (Board) for the purpose of advising the Secretary on quality and handling standards for domestically produced and imported peanuts. The Board is comprised of 18 members equally divided between producers and industry representatives by region.

The Secretary appoints members to the Board, but is required to select three producers from each of the three regions (Southeast, Southwest, and Virginia/Carolina). As it is currently written, only the states of Virginia and North Carolina are considered a part of the Virginia/Carolina region.

H.R. 2521, the South Carolina Peanut Parity Act of 2017 would amend the 2002 Farm Bill to add South Carolina to the Virginia/Carolina region for purposes of appointments to the Peanut Standards Board. The bill would not change the number of position available on the board, nor would it impact the definitions of any of the other growing regions.

#### H.R. 2521, THE SOUTH CAROLINA PEANUT PARITY ACT OF 2017

##### SECTION-BY-SECTION

Sec. 1 is the short title of the bill.

Sec. 2 amends Section 1308 of the Farm Security and Rural Investment Act of 2002 to include South Carolina in the Virginia/Carolina peanut producing region for purposes of membership on the Peanut Standards Board.

##### COMMITTEE CONSIDERATION

###### I. HEARINGS

No hearings were held by the Committee on H.R. 2521, South Carolina Peanut Parity Act of 2017.

###### II. FULL COMMITTEE

The Committee on Agriculture met, pursuant to notice, with a quorum present, on October 4, 2017, to consider H.R. 2521, South Carolina Peanut Parity Act of 2017.

H.R. 2521 was placed before the Committee for consideration. Without objection, a first reading of the bill was waived and it was open for amendment at any point.

Chairman Conaway and Mr. Peterson were recognized for statements. There being no amendments, Mr. Peterson was recognized to offer a motion that the bill H.R. 2521 be reported favorably to the House with recommendation that it do pass. The motion was subsequently approved by voice vote.

At the conclusion of the meeting, Chairman Conaway advised Members that pursuant to the rules of the House of Representatives Members had until October 6, 2017, to file any supplemental, minority, additional, or dissenting views with the Committee.

Without objection, staff was given permission to make any necessary clerical, technical or conforming changes to reflect the intent of the Committee. Chairman Conaway thanked all the Members and adjourned the meeting.

##### COMMITTEE VOTES

In compliance with clause 3(b) of rule XIII of the House of Representatives, H.R. 2521 was reported by voice vote with a majority quorum present. There was no request for a recorded vote.

##### COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Agriculture's oversight findings and recommendations are reflected in the body of this report.

## BUDGET ACT COMPLIANCE (SECTIONS 308, 402, AND 423)

The provisions of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a)(1) of the Congressional Budget Act of 1974 (relating to estimates of new budget authority, new spending authority, new credit authority, or increased or decreased revenues or tax expenditures) are not considered applicable. The estimate and comparison required to be prepared by the Director of the Congressional Budget Office under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and sections 402 and 423 of the Congressional Budget Act of 1974 submitted to the Committee prior to the filing of this report are as follows:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, October 17, 2017.*

Hon. K. MICHAEL CONAWAY,  
*Chairman, Committee on Agriculture,  
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed revised cost estimate for H.R. 2521, the South Carolina Peanut Parity Act of 2017. This estimate makes clear that implementing the bill would not affect the number of board members and would have no budgetary effect.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Tiffany Arthur.

Sincerely,

KEITH HALL,  
*Director.*

Enclosure.

*H.R. 2521—South Carolina Peanut Parity Act of 2017*

H.R. 2521 would amend the Farm Security and Rural Investment Act of 2002 to include South Carolina as part of the Virginia-Carolina peanut producing region for purposes of appointing members to the Peanut Standards Board. That 18-member Board advises the Secretary of Agriculture on quality and handling standards for domestically-produced and imported peanuts.

Because the bill would not affect the number of board members or the duties of the board, CBO estimates that including South Carolina as a part of the Virginia-Carolina peanut producing region would have no effect on federal spending. Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

CBO estimates that enacting H.R. 2521 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 2521 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

This revised cost estimate supersedes the cost estimate for H.R. 2521 that CBO transmitted on October 13, 2017, and makes clear that implementing the bill would not affect the number of board members or its responsibilities. In the previous cost estimate, CBO estimated an insignificant cost to implement the bill. CBO now estimates that implementing the bill would have no budgetary effect.

The CBO staff contact for this cost estimate is Tiffany Arthur. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

#### PERFORMANCE GOALS AND OBJECTIVES

H.R. 2521 does not authorize funding, therefore, clause 3(c)(4) of rule XIII of the Rules of the House of Representatives is inapplicable.

#### COMMITTEE COST ESTIMATE

Pursuant to clause 3(d)(2) of rule XIII of the Rules of the House of Representatives, the Committee report incorporates the cost estimate prepared by the Director of the Congressional Budget Office pursuant to sections 402 and 423 of the Congressional Budget Act of 1974.

#### ADVISORY COMMITTEE STATEMENT

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

#### APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104-1).

#### FEDERAL MANDATES STATEMENT

The Committee adopted as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act (Public Law 104-4).

#### EARMARK STATEMENT REQUIRED BY CLAUSE 9 OF RULE XXI OF THE RULES OF HOUSE OF REPRESENTATIVES

H.R. 2521 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI of the Rules of the House Representatives.

#### DUPLICATION OF FEDERAL PROGRAMS

This bill does not establish or reauthorize a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

#### DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee does not believe that the legislation directs an executive branch official to conduct any specific rule making proceedings within the meaning of 5 U.S.C. 551.

## CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

**FARM SECURITY AND RURAL INVESTMENT ACT OF 2002**

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**TITLE I—COMMODITY PROGRAMS**

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**Subtitle C—Peanuts**

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**SEC. 1308. MISCELLANEOUS PROVISIONS.**

(a) **MANDATORY INSPECTION.**—All peanuts marketed in the United States shall be officially inspected and graded by Federal or Federal-State inspectors.

(b) **TERMINATION OF PEANUT ADMINISTRATIVE COMMITTEE.**—The Peanut Administrative Committee established under Marketing Agreement No. 146 issued pursuant to the Agricultural Adjustment Act (7 U.S.C. 601 et seq.), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is terminated.

(c) **PEANUT STANDARDS BOARD.**—

(1) **ESTABLISHMENT AND PURPOSE.**—The Secretary shall establish a Peanut Standards Board for the purpose of advising the Secretary regarding the establishment of quality and handling standards for domestically produced and imported peanuts.

(2) **MEMBERSHIP AND APPOINTMENT.**—

(A) **TOTAL MEMBERS.**—The Board shall consist of 18 members, with representation equally divided between peanut producers and peanut industry representatives.

(B) **APPOINTMENT PROCESS FOR PRODUCERS.**—The Secretary shall appoint—

(i) 3 producers from the Southeast (Alabama, Georgia, and Florida) peanut producing region;

(ii) 3 producers from the Southwest (Texas, Oklahoma, and New Mexico) peanut producing region; and

(iii) 3 producers from the Virginia/Carolina (Virginia and North Carolina) *Virginia, North Carolina, and South Carolina* peanut producing region.

(C) **APPOINTMENT PROCESS FOR INDUSTRY REPRESENTATIVES.**—The Secretary shall appoint 3 peanut industry representatives from each of the 3 peanut producing regions in the United States.

(3) **TERMS.**—

(A) IN GENERAL.—A member of the Board shall serve a 3-year term.

(B) INITIAL APPOINTMENT.—In making the initial appointments to the Board, the Secretary shall stagger the terms of the members so that—

(i) 1 producer member and peanut industry member from each peanut producing region serves a 1-year term;

(ii) 1 producer member and peanut industry member from each peanut producing region serves a 2-year term; and

(iii) 1 producer member and peanut industry member from each peanut producing region serves a 3-year term.

(4) CONSULTATION REQUIRED.—The Secretary shall consult with the Board in advance whenever the Secretary establishes or changes, or considers the establishment of or a change to, quality and handling standards for peanuts.

(5) FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Board.

(d) PRIORITY.—The Secretary shall make identifying and combating the presence of all quality concerns related to peanuts a priority in the development of quality and handling standards for peanuts and in the inspection of domestically produced and imported peanuts. The Secretary shall consult with appropriate Federal and State agencies to provide adequate safeguards against all quality concerns related to peanuts.

(e) CONSISTENT STANDARDS.—Imported peanuts shall be subject to the same quality and handling standards as apply to domestically produced peanuts.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—In addition to other funds that are available to carry out this section, there is authorized to be appropriated such sums as are necessary to carry out this section.

(2) TREATMENT OF BOARD EXPENSES.—The expenses of the Peanut Standards Board shall not be counted toward any general limitation on the expenses of advisory committees, panels, commissions, and task forces of the Department of Agriculture, whether enacted before, on, or after the date of enactment of this Act, unless the limitation specifically refers to this paragraph and specifically includes the Peanut Standards Board within the general limitation.

(g) TRANSITION RULE.—

(1) TEMPORARY DESIGNATION OF PEANUT ADMINISTRATIVE COMMITTEE MEMBERS.—Notwithstanding the appointment process specified in subsection (c) for the Peanut Standards Board, during the transition period, the Secretary may designate persons serving as members of the Peanut Administrative Committee on the day before the date of enactment of this Act to serve as members of the Peanut Standards Board for the purpose of carrying out the duties of the Board described in this section.

(2) FUNDS.—The Secretary may transfer any funds available to carry out the activities of the Peanut Administrative Com-

mittee to the Peanut Standards Board to carry out the duties of the Board described in this section.

(3) TRANSITION PERIOD.—In paragraph (1), the term “transition period” means the period beginning on the date of enactment of this Act and ending on the earlier of—

(A) the date the Secretary appoints the members of the Peanut Standards Board pursuant to subsection (c); or

(B) 180 days after the date of enactment of this Act.

(h) EFFECTIVE DATE.—This section shall take effect with the 2002 crop of peanuts.

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