

106TH CONGRESS
1ST SESSION

H. R. 734

To prohibit the Secretary of Agriculture from discounting loan deficiency payments under the Agricultural Market Transition Act for club wheat and to compensate club wheat producers who received discounted loan deficiency payments as a result of the erroneous decision of the Department of Agriculture to assess a premium adjustment against club wheat.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 1999

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

A BILL

To prohibit the Secretary of Agriculture from discounting loan deficiency payments under the Agricultural Market Transition Act for club wheat and to compensate club wheat producers who received discounted loan deficiency payments as a result of the erroneous decision of the Department of Agriculture to assess a premium adjustment against club wheat.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. EQUALIZATION OF LOAN DEFICIENCY PAY-**
2 **MENTS FOR CLUB WHEAT PRODUCERS.**

3 (a) PREMIUM ADJUSTMENT PROHIBITED.—In mak-
4 ing loan deficiency payments available under section 135
5 of the Agricultural Market Transition Act (7 U.S.C. 7235)
6 to producers of club wheat, the Secretary of Agriculture
7 may not assess a premium adjustment on the amount that
8 would otherwise be computed for club wheat under the sec-
9 tion to reflect the premium that is paid for club wheat
10 to ensure its availability to create a blended specialty prod-
11 uct known as western white wheat.

12 (b) RETROACTIVE APPLICATION.—

13 (1) COMPENSATION REQUIRED.—As soon as
14 practicable after the date of the enactment of this
15 Act, the Secretary of Agriculture shall make a pay-
16 ment to each producer of club wheat that received
17 a discounted loan deficiency payment under section
18 135 of the Agricultural Market Transition Act (7
19 U.S.C. 7235) before that date as a result of the as-
20 sessment of a premium adjustment against club
21 wheat. The amount of the payment for a producer
22 shall be equal to the difference between—

23 (A) the loan deficiency payment that would
24 have been made to the producer in the absence
25 of the premium adjustment; and

1 (B) the loan deficiency payment actually
2 received by the producer.

3 (2) FUNDING SOURCE.—The Secretary shall
4 use funds available to provide marketing assistance
5 loans and loan deficiency payments under subtitle C
6 of the Agricultural Market Transition Act (7 U.S.C.
7 7231 et seq.) to make the payments required by this
8 subsection.

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