

106TH CONGRESS  
1ST SESSION

# S. 1222

To amend the Trade Act of 1974 to provide trade adjustment assistance  
to farmers.

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## IN THE SENATE OF THE UNITED STATES

JUNE 15, 1999

Mr. CONRAD (for himself, Mr. GRASSLEY, Mr. DASCHLE, and Mr. BAUCUS)  
introduced the following bill; which was read twice and referred to the  
Committee on Finance

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## A BILL

To amend the Trade Act of 1974 to provide trade  
adjustment assistance to farmers.

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 “Trade Adjustment As-  
5       sistance for Farmers Act”.

6       **SEC. 2. TRADE ADJUSTMENT ASSISTANCE FOR FARMERS.**

7       (a) IN GENERAL.—Title II of the Trade Act of 1974  
8       (19 U.S.C. 2251 et seq.) is amended by adding at the end  
9       the following new chapter:

1   **“CHAPTER 6—ADJUSTMENT ASSISTANCE**  
2                           **FOR FARMERS**

3   **“SEC. 291. DEFINITIONS.**

4        “In this chapter:

5           “(1) AGRICULTURAL COMMODITY PRODUCER.—

6        The term ‘agricultural commodity producer’ means  
7        any person who is engaged in the production and  
8        sale of an agricultural commodity in the United  
9        States and who owns or shares the ownership and  
10       risk of loss of the agricultural commodity.

11          “(2) AGRICULTURAL COMMODITY.—The term  
12        ‘agricultural commodity’ means any agricultural  
13        commodity (including livestock) in its raw or natural  
14        state.

15          “(3) DULY AUTHORIZED REPRESENTATIVE.—  
16        The term ‘duly authorized representative’ means an  
17        association of agricultural commodity producers.

18          “(4) NATIONAL AVERAGE PRICE.—The term  
19        ‘national average price’ means the national average  
20        price paid to an agricultural commodity producer for  
21        an agricultural commodity in a marketing year as  
22        determined by the Secretary of Agriculture.

23          “(5) CONTRIBUTED IMPORTANTLY.—

24                “(A) IN GENERAL.—The term ‘contributed  
25        importantly’ means a cause which is important

1 but not necessarily more important than any  
2 other cause.

3 “(B) DETERMINATION OF CONTRIBUTED  
4 IMPORTANTLY.—The determination of whether  
5 imports of articles like or directly competitive  
6 with an agricultural commodity with respect to  
7 which the petition under this chapter was filed  
8 contributed importantly to a decline in the price  
9 of the agricultural commodity shall be made by  
10 the Secretary in consultation with the Secretary  
11 of Agriculture.

12 “(6) SECRETARY.—The term ‘Secretary’ means  
13 the Secretary of Labor.

14 **“SEC. 292. PETITIONS; GROUP ELIGIBILITY.**

15 “(a) IN GENERAL.—A petition for a certification of  
16 eligibility to apply for adjustment assistance under this  
17 chapter may be filed with the Secretary by a group of agri-  
18 cultural commodity producers or by their duly authorized  
19 representative. Upon receipt of the petition, the Secretary  
20 shall promptly publish notice in the Federal Register that  
21 the Secretary has received the petition and initiated an  
22 investigation.

23 “(b) HEARINGS.—If the petitioner, or any other per-  
24 son found by the Secretary to have a substantial interest  
25 in the proceedings, submits not later than 10 days after

1 the date of the Secretary's publication under subsection  
2 (a) a request for a hearing, the Secretary shall provide  
3 for a public hearing and afford such interested persons  
4 an opportunity to be present, to produce evidence, and to  
5 be heard.

6 “(c) GROUP ELIGIBILITY REQUIREMENTS.—The  
7 Secretary, after consultation with the Secretary of Agri-  
8 culture, shall certify a group of agricultural commodity  
9 producers as eligible to apply for adjustment assistance  
10 under this chapter if the Secretary determines—

11 “(1) that the national average price for the ag-  
12 ricultural commodity, or a class of goods within the  
13 agricultural commodity, produced by the group for  
14 the most recent marketing year for which the na-  
15 tional average price is available is less than 80 per-  
16 cent of the average of the national average price for  
17 such agricultural commodity, or such class of goods,  
18 for the 5 marketing years preceding the most recent  
19 marketing year; and

20 “(2) that either—

21 “(A) increases in imports of articles like or  
22 directly competitive with the agricultural com-  
23 modity, or class of goods within the agricultural  
24 commodity, produced by the group contributed

1           importantly to the decline in price described in  
2           paragraph (1); or

3           “(B) imports of articles like or directly  
4           competitive with the agricultural commodity, or  
5           class of goods within the agricultural com-  
6           modity, produced by the group account for a  
7           significant percentage of the domestic market  
8           for the agricultural commodity (or class of  
9           goods) and have contributed importantly to the  
10          decline in price described in paragraph (1).

11          “(d) SPECIAL RULE FOR QUALIFIED SUBSEQUENT  
12 YEARS.—A group of agricultural commodity producers  
13 certified as eligible under section 293 shall be eligible to  
14 apply for assistance under this chapter in any qualified  
15 year after the year the group is first certified, if the Sec-  
16 retary determines that—

17           “(1) the national average price for the agricul-  
18          tural commodity, or class of goods within the agri-  
19          cultural commodity, produced by the group for the  
20          most recent marketing year for which the national  
21          average price is available is equal to or less than the  
22          price determined under subsection (c)(1); and

23           “(2) the requirements of subsection (c)(2) (A)  
24          or (B) are met.

1       “(e) DETERMINATION OF QUALIFIED YEAR AND  
2 COMMODITY.—In this chapter:

3               “(1) QUALIFIED YEAR.—The term ‘qualified  
4 year’, with respect to a group of agricultural com-  
5 modity producers certified as eligible under section  
6 293, means each consecutive year after the year in  
7 which the group is certified that the Secretary  
8 makes the determination under subsection (c) or (d),  
9 as the case may be.

10              “(2) CLASSES OF GOODS WITHIN A COM-  
11 MODITY.—In any case in which there are separate  
12 classes of goods within an agricultural commodity,  
13 the Secretary shall treat each class as a separate  
14 commodity in determining group eligibility, the na-  
15 tional average price, and level of imports under this  
16 section and section 296.

17 **“SEC. 293. DETERMINATIONS BY SECRETARY.**

18       “(a) IN GENERAL.—As soon as possible after the  
19 date on which a petition is filed under section 292, but  
20 in any event not later than 60 days after that date, the  
21 Secretary shall determine whether the petitioning group  
22 meets the requirements of section 292(c) (or (d), as the  
23 case may be) and shall, if so, issue a certification of eligi-  
24 bility to apply for assistance under this chapter covering  
25 agricultural commodity producers in any group that meet

1 the requirements. Each certification shall specify the date  
 2 on which eligibility under this chapter begins.

3 “(b) NOTICE.—Upon making a determination on a  
 4 petition, the Secretary shall promptly publish a summary  
 5 of the determination in the Federal Register together with  
 6 the Secretary’s reasons for making the determination.

7 “(c) TERMINATION OF CERTIFICATION.—Whenever  
 8 the Secretary determines, with respect to any certification  
 9 of eligibility under this chapter, that the decline in price  
 10 for the agricultural commodity covered by the certification  
 11 is no longer attributable to the conditions described in sec-  
 12 tion 292, the Secretary shall terminate such certification  
 13 and promptly cause notice of such termination to be pub-  
 14 lished in the Federal Register together with the Sec-  
 15 retary’s reasons for making such determination.

16 **“SEC. 294. STUDY BY SECRETARY WHEN INTERNATIONAL**  
 17 **TRADE COMMISSION BEGINS INVESTIGATION.**

18 “(a) IN GENERAL.—Whenever the International  
 19 Trade Commission (in this chapter referred to as the  
 20 ‘Commission’) begins an investigation under section 202  
 21 with respect to an agricultural commodity, the Commis-  
 22 sion shall immediately notify the Secretary of the inves-  
 23 tigation. Upon receipt of the notification, the Secretary  
 24 shall immediately begin a study of—

1 “(1) the number of agricultural commodity pro-  
 2 ducers producing a like or directly competitive agri-  
 3 cultural commodity who have been or are likely to be  
 4 certified as eligible for adjustment assistance under  
 5 this chapter, and

6 “(2) the extent to which the adjustment of such  
 7 producers to the import competition may be facili-  
 8 tated through the use of existing programs.

9 “(b) REPORT.—The report of the Secretary of the  
 10 study under subsection (a) shall be made to the President  
 11 not later than 15 days after the day on which the Commis-  
 12 sion makes its report under section 202(f). Upon making  
 13 his report to the President, the Secretary shall also  
 14 promptly make it public (with the exception of information  
 15 which the Secretary determines to be confidential) and  
 16 shall have a summary of it published in the Federal Reg-  
 17 ister.

18 **“SEC. 295. BENEFIT INFORMATION TO AGRICULTURAL**  
 19 **COMMODITY PRODUCERS.**

20 “(a) IN GENERAL.—The Secretary shall provide full  
 21 information to producers about the benefit allowances,  
 22 training, and other employment services available under  
 23 this title and about the petition and application proce-  
 24 dures, and the appropriate filing dates, for such allow-  
 25 ances, training, and services. The Secretary shall provide



1 whatever assistance is necessary to enable groups to pre-  
 2 pare petitions or applications for program benefits under  
 3 this title.

4 “(b) NOTICE OF BENEFITS.—

5 “(1) IN GENERAL.—The Secretary shall mail  
 6 written notice of the benefits available under this  
 7 chapter to each agricultural commodity producer  
 8 that the Secretary has reason to believe is covered  
 9 by a certification made under this chapter.

10 “(2) OTHER NOTICE.—The Secretary shall pub-  
 11 lish notice of the benefits available under this chap-  
 12 ter to agricultural commodity producers that are  
 13 covered by each certification made under this chap-  
 14 ter in newspapers of general circulation in the areas  
 15 in which such producers reside.

16 **“SEC. 296. QUALIFYING REQUIREMENTS FOR AGRICUL-**  
 17 **TURAL COMMODITY PRODUCERS.**

18 “(a) IN GENERAL.—Payment of a trade adjustment  
 19 allowance shall be made to an adversely affected agricul-  
 20 tural commodity producer covered by a certification under  
 21 this chapter who files an application for such allowance  
 22 within 90 days after the date on which the Secretary  
 23 makes a determination and issues a certification of eligi-  
 24 bility under section 293, if the following conditions are  
 25 met:

1           “(1) The producer submits to the Secretary suf-  
 2           ficient information to establish the amount of agri-  
 3           cultural commodity covered by the application filed  
 4           under subsection (a), that was produced by the pro-  
 5           ducer in the most recent year.

6           “(2) The producer certifies that the producer  
 7           has not received cash benefits under any provision of  
 8           this title other than this chapter.

9           “(b) AMOUNT OF CASH BENEFITS.—

10           “(1) IN GENERAL.—An adversely affected agri-  
 11           cultural commodity producer described in subsection  
 12           (a) shall be entitled to adjustment assistance under  
 13           this chapter in an amount equal to the product of—

14           “(A) one-half of the difference between—

15           “(i) an amount equal to 80 percent of  
 16           the average of the national average price of  
 17           the agricultural commodity covered by the  
 18           application described in subsection (a) for  
 19           the 5 marketing years preceding the most  
 20           recent marketing year, and

21           “(ii) the national average price of the  
 22           agricultural commodity for the most recent  
 23           marketing year, and

1           “(B) the amount of the agricultural com-  
 2           modity produced by the agricultural commodity  
 3           producer in the most recent marketing year.

4           “(2) SPECIAL RULE FOR SUBSEQUENT QUALI-  
 5           FIED YEARS.—The amount of cash benefits for a  
 6           qualified year shall be determined in the same man-  
 7           ner as cash benefits are determined under paragraph  
 8           (1) except that the average national price of the ag-  
 9           ricultural commodity shall be determined under  
 10          paragraph (1)(A)(i) by using the 5-marketing-year  
 11          period used to determine the amount of cash bene-  
 12          fits for the first certification.

13          “(c) MAXIMUM AMOUNT OF CASH ASSISTANCE.—  
 14          The maximum amount of cash benefits an agricultural  
 15          commodity producer may receive in any 12-month period  
 16          shall not exceed \$10,000.

17          “(d) LIMITATIONS ON OTHER ASSISTANCE.—An ag-  
 18          ricultural commodity producer entitled to receive a cash  
 19          benefit under this chapter—

20                 “(1) shall not be eligible for any other cash  
 21                 benefit under this title, and

22                 “(2) shall be entitled to employment services  
 23                 and training benefits under sections 235 and 236.

24          **“SEC. 297. FRAUD AND RECOVERY OF OVERPAYMENTS.**

25          “(a) IN GENERAL.—

1           “(1) REPAYMENT.—If the Secretary, or a court  
2           of competent jurisdiction, determines that any per-  
3           son has received any payment under this chapter to  
4           which the person was not entitled, such person shall  
5           be liable to repay such amount to the Secretary, ex-  
6           cept that the Secretary may waive such repayment  
7           if the Secretary determines, in accordance with  
8           guidelines prescribed by the Secretary that—

9                   “(A) the payment was made without fault  
10                  on the part of such person, and

11                  “(B) requiring such repayment would be  
12                  contrary to equity and good conscience.

13           “(2) RECOVERY OF OVERPAYMENT.—Unless an  
14           overpayment is otherwise recovered, or waived under  
15           paragraph (1), the Secretary shall recover the over-  
16           payment by deductions from any sums payable to  
17           such person under this chapter.

18           “(b) FALSE STATEMENTS.—If the Secretary, or a  
19           court of competent jurisdiction, determines that a  
20           person—

21                  “(1) knowingly has made, or caused another to  
22                  make, a false statement or representation of a mate-  
23                  rial fact, or

24                  “(2) knowingly has failed, or caused another to  
25                  fail, to disclose a material fact,

1 and as a result of such false statement or representation,  
2 or of such nondisclosure, such person has received any  
3 payment under this chapter to which the person was not  
4 entitled, such person shall, in addition to any other pen-  
5 alty provided by law, be ineligible for any further pay-  
6 ments under this chapter.

7 “(c) NOTICE AND DETERMINATION.—Except for  
8 overpayments determined by a court of competent jurisdic-  
9 tion, no repayment may be required, and no deduction  
10 may be made, under this section until a determination  
11 under subsection (a)(1) by the Secretary has been made,  
12 notice of the determination and an opportunity for a fair  
13 hearing thereon has been given to the person concerned,  
14 and the determination has become final.

15 “(d) PAYMENT TO TREASURY.—Any amount recov-  
16 ered under this section shall be returned to the Treasury  
17 of the United States.

18 “(e) PENALTIES.—Whoever makes a false statement  
19 of a material fact knowing it to be false, or knowingly fails  
20 to disclose a material fact, for the purpose of obtaining  
21 or increasing for himself or for any other person any pay-  
22 ment authorized to be furnished under this chapter shall  
23 be fined not more than \$10,000 or imprisoned for not  
24 more than 1 year, or both.

1   **“SEC. 298. AUTHORIZATION OF APPROPRIATIONS.**

2       “There are authorized to be appropriated to the De-  
3   partment of Labor for fiscal years 2000 through 2004,  
4   such sums as may be necessary to carry out the purposes  
5   of this chapter.”.

(b) CONFORMING AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the items relating to chapter 5, the following:

## “CHAPTER 6—ADJUSTMENT ASSISTANCE FOR FARMERS

“Sec. 291. Definitions.

“Sec. 292. Petitions; group eligibility.

“Sec. 293. Determinations by Secretary.

“Sec. 294. Study by Secretary when International Trade Commission begins investigation.

“Sec. 295. Benefit information to agricultural commodity producers.

“Sec. 296. Qualifying requirements for agricultural commodity producers.

“Sec. 297. Fraud and recovery of overpayments.

“Sec. 298. Authorization of appropriations.”.

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