

107TH CONGRESS
1ST SESSION

H. R. 2552

To require the payment of an indemnity to sugar beet producers in the State of Minnesota for losses sustained to the 2000 crop of sugar beets as a result of a late season freeze when the damage to the sugar beets did not fully manifest itself until after delivery of the crop to the processor.

IN THE HOUSE OF REPRESENTATIVES

JULY 18, 2001

Mr. KENNEDY of Minnesota introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To require the payment of an indemnity to sugar beet producers in the State of Minnesota for losses sustained to the 2000 crop of sugar beets as a result of a late season freeze when the damage to the sugar beets did not fully manifest itself until after delivery of the crop to the processor.

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. INDEMNITY MANDATED FOR CERTAIN SUGAR**
2 **BEET PRODUCERS FOR 2000 CROP YEAR**
3 **LOSSES.**

4 (a) AVAILABILITY OF INDEMNITY.—The Federal
5 Crop Insurance Corporation shall administer the sugar
6 beet crop insurance provisions contained in section
7 457.109 of title 7, Code of Federal Regulations, to guar-
8 antee the payment of an indemnity to sugar beet pro-
9 ducers in certain counties in the State of Minnesota that
10 suffered late season freeze damage to their 2000 sugar
11 beet crop, as described in Bulletin No. MGR–01–010 of
12 the Risk management Agency, dated March 2, 2001.

13 (b) CALCULATION OF INDEMNITY.—Producers cov-
14 ered by the bulletin shall receive an indemnity under this
15 section that is calculated in the manner prescribed by sec-
16 tion 13(e) of the sugar beet crop insurance provisions,
17 subject to the following:

18 (1) The indemnity shall be calculated on all
19 beets damaged in the freeze, without regard to
20 whether the sugar beets were discarded or processed
21 by the processor.

22 (2) All sugar beets of the 2000 crop received by
23 that processor after October 6, 2000, shall be
24 deemed to have failed to meet the minimum accept-
25 able standards of the applicable sugar beet processor
26 contract.

1 (3) The “gross dollar value of all damaged
2 sugar beets on the unit” (as used in section 13(e)(1)
3 of the sugar beet crop insurance provisions) shall be
4 deemed to mean the value of the payment owed to
5 the producer for such sugar beets from that coopera-
6 tive.

7 (c) WAIVER OF CERTAIN REQUIREMENTS.—The in-
8 demnity required to be paid pursuant to this section shall
9 be paid without regard to the requirement for timely no-
10 tice of damage or loss under the crop insurance policy and
11 notwithstanding any other provision of law.

12 (d) PROTECTION FOR INSURANCE PROVIDERS.—Not-
13 withstanding the terms of the Standard Reinsurance
14 Agreement in effect for the 2000 crop year between the
15 Federal Crop Insurance Corporation and participating in-
16 surance companies, the Corporation shall compensate each
17 private insurance provider for any indemnities the pro-
18 vider pays, and associated loss adjustment and other ex-
19 penses the provider incurs, as a result of implementation
20 of this section. Claims paid by the Corporation under this
21 section shall not be considered as part of any reinsurance
22 pool for purposes of the annual settlement under the
23 Standard Reinsurance Agreement.

24 (e) REVIEW TO AVOID REPETITION OF SITUA-
25 TION.—The Federal Crop Insurance Corporation shall

1 enter into a contract for a review of the operation of the
2 sugar beet policy to recommend changes to the policy to
3 ensure that sugar beet producers are effectively covered
4 from the peril of late season freezes as occurred with the
5 2000 crop in Minnesota. The Corporation shall amend the
6 policy in time for the 2003 crop year to implement the
7 recommendations developed in the review.

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