

109TH CONGRESS
1ST SESSION

H. R. 3754

To provide disaster assistance to agricultural producers for 2005 crop and livestock losses, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 13, 2005

Mr. POMEROY introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committees on Resources and Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide disaster assistance to agricultural producers for 2005 crop and livestock losses, and for other purposes.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Emergency Agricultural Disaster Assistance Act of
6 2005”.

7 (b) TABLE OF CONTENTS.—The table of contents of
8 this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—AGRICULTURAL PRODUCTION LOSSES

- Sec. 101. Crop disaster assistance.
- Sec. 102. Livestock assistance program.
- Sec. 103. Conservation programs.
- Sec. 104. Disaster relief for small business concerns damaged by drought.
- Sec. 105. Assistance to fisheries for red tide outbreak in New England.
- Sec. 106. Flooded crop and grazing land.
- Sec. 107. Regulations.

TITLE II—NUTRITIONAL SUPPLEMENTAL ASSISTANCE AND
AGRICULTURAL ECONOMIC STIMULUS

- Sec. 201. Replenishment of Section 32.
- Sec. 202. Extension of marketing loans.
- Sec. 203. Supplemental economic loss payments.
- Sec. 204. National dairy market loss payments.

TITLE III—EMERGENCY DESIGNATION

- Sec. 301. Emergency designation.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) **ADDITIONAL COVERAGE.**—The term “addi-
4 tional coverage” has the meaning given the term in
5 section 502(b)(1) of the Federal Crop Insurance Act
6 (7 U.S.C. 1502(b)(1)).

7 (2) **INSURABLE COMMODITY.**—The term “insur-
8 able commodity” means an agricultural commodity
9 (excluding livestock) for which the producers on a
10 farm are eligible to obtain a policy or plan of insur-
11 ance under the Federal Crop Insurance Act (7
12 U.S.C. 1501 et seq.).

13 (3) **LIVESTOCK.**—The term “livestock” in-
14 cludes—

15 (A) cattle;

16 (B) bison;

1 (C) sheep;

2 (D) swine; and

3 (E) other livestock, as determined by the
4 Secretary.

5 (4) NONINSURABLE COMMODITY.—The term
6 “noninsurable commodity” means a crop for which
7 the producers on a farm are eligible to obtain assist-
8 ance under section 196 of the Federal Agriculture
9 Improvement and Reform Act of 1996 (7 U.S.C.
10 7333).

11 (5) SECRETARY.—The term “Secretary” means
12 the Secretary of Agriculture.

13 **TITLE I—AGRICULTURAL** 14 **PRODUCTION LOSSES**

15 **SEC. 101. CROP DISASTER ASSISTANCE.**

16 (a) IN GENERAL.—The Secretary shall use such
17 sums as are necessary of funds of the Commodity Credit
18 Corporation to make emergency financial assistance au-
19 thorized under this section available to producers on a
20 farm that have incurred qualifying losses described in sub-
21 section (c).

22 (b) ADMINISTRATION.—

23 (1) IN GENERAL.—Except as provided in para-
24 graph (2), the Secretary shall make assistance avail-
25 able under this section in the same manner as pro-

1 vided under section 815 of the Agriculture, Rural
 2 Development, Food and Drug Administration and
 3 Related Agencies Appropriations Act, 2001 (Public
 4 Law 106–387; 114 Stat. 1549A–55), including
 5 using the same loss thresholds for quantity and eco-
 6 nomic losses as were used in administering that sec-
 7 tion, except that the loss threshold shall be 25 per-
 8 cent instead of 35 percent and the payment rate
 9 shall be 50 percent of the established price, instead
 10 of 65 percent.

11 (2) LOSS THRESHOLDS FOR QUALITY
 12 LOSSES.—In the case of a payment for quality loss
 13 for a crop under subsection (c)(2), the loss thresh-
 14 olds for quality loss for the crop shall be determined
 15 under subsection (d).

16 (c) QUALIFYING LOSSES.—Assistance under this sec-
 17 tion may be made available for losses due to damaging
 18 weather or any related condition (including losses due to
 19 crop diseases and insects and delayed harvest) associated
 20 with crops that are (as determined by the Secretary) any
 21 combination of (as determined by the producers on a
 22 farm)—

- 23 (1) quantity losses for the 2005 crop;
- 24 (2) quality losses for the 2005 crop; or
- 25 (3) severe economic losses for the 2005 crop.

1 (d) QUALITY LOSSES.—

2 (1) IN GENERAL.—Subject to paragraph (3),
3 the amount of a payment made to producers on a
4 farm for a quality loss for a crop under subsection
5 (c)(2) shall be equal to the amount obtained by mul-
6 tiplying—

7 (A) 75 percent of the payment quantity de-
8 termined under paragraph (2); by

9 (B) 50 percent of the payment rate deter-
10 mined under paragraph (3).

11 (2) PAYMENT QUANTITY.—For the purpose of
12 paragraph (1)(A), the payment quantity for quality
13 losses for a crop of a commodity on a farm shall
14 equal the lesser of—

15 (A) the actual production of the crop of
16 the commodity on the farm; or

17 (B) the quantity of expected production of
18 the crop of the commodity on the farm, using
19 the formula used by the Secretary to determine
20 quantity losses for the crop of the commodity
21 under subsection (c)(1).

22 (3) PAYMENT RATE.—For the purpose of para-
23 graph (1)(B) and in accordance with paragraphs (5)
24 and (6), the payment rate for quality losses for a

1 crop of a commodity on a farm shall be equal to the
2 difference between—

3 (A) the per unit market value that the
4 units of the crop affected by the quality loss
5 would have had if the crop had not suffered a
6 quality loss; and

7 (B) the per unit market value of the units
8 of the crop affected by the quality loss.

9 (4) ELIGIBILITY.—For producers on a farm to
10 be eligible to obtain a payment for a quality loss for
11 a crop under subsection (c)(2), the amount obtained
12 by multiplying the per unit loss determined under
13 paragraph (1) by the number of units affected by
14 the quality loss shall be at least 25 percent of the
15 value that all affected production of the crop would
16 have had if the crop had not suffered a quality loss.

17 (5) MARKETING CONTRACTS.—In the case of
18 any production of a commodity that is sold pursuant
19 to 1 or more marketing contracts (regardless of
20 whether the contract is entered into by the pro-
21 ducers on the farm before or after harvest) and for
22 which appropriate documentation exists, the quan-
23 tity designated in the contracts shall be eligible for
24 quality loss assistance based on the 1 or more prices
25 specified in the contracts.

1 (6) OTHER PRODUCTION.—For any additional
2 production of a commodity for which a marketing
3 contract does not exist or for which production con-
4 tinues to be owned and produced by the producers
5 on a farm, quality losses shall be based on the aver-
6 age local market discounts for reduced quality, as
7 determined by the appropriate State committee of
8 the Farm Service Agency.

9 (7) QUALITY ADJUSTMENTS AND DISCOUNTS.—
10 The appropriate State committee of the Farm Serv-
11 ice Agency shall identify the appropriate quality ad-
12 justment and discount factors to be considered in
13 carrying out this subsection, including the average
14 local discount or loans made by the Farm Service
15 Agency or crop insurance coverage under the Fed-
16 eral Crop Insurance Act (7 U.S.C. 1501 et seq.).

17 (8) ELIGIBLE PRODUCTION.—The Secretary
18 shall carry out this subsection in a fair and equitable
19 manner for all eligible production, including the pro-
20 duction of fruits and vegetables, other specialty
21 crops, and field crops.

22 (e) ELIGIBILITY FOR ASSISTANCE.—

23 (1) IN GENERAL.—Except as provided in para-
24 graph (2), the producers on a farm shall not be eli-
25 gible for assistance under this section with respect

1 to losses to an insurable commodity or noninsurable
2 commodity if the producers on the farm—

3 (A) in the case of an insurable commodity,
4 did not obtain a policy or plan of insurance for
5 the insurable commodity under the Federal
6 Crop Insurance Act (7 U.S.C. 1501 et seq.) for
7 the crop incurring the losses;

8 (B) in the case of a noninsurable com-
9 modity, did not file the required paperwork, and
10 pay the administrative fee by the applicable
11 State filing deadline, for the noninsurable com-
12 modity under section 196 of the Federal Agri-
13 culture Improvement and Reform Act of 1996
14 (7 U.S.C. 7333) for the crop incurring the
15 losses;

16 (C) had average adjusted gross income (as
17 defined by section 1001D(a) of the Food Secu-
18 rity Act of 1985 (7 U.S.C. 1308–3a(a)), of
19 greater than \$2,500,000 in 2004; or

20 (D) were not in compliance with highly
21 erodible land conservation and wetland con-
22 servation provisions.

23 (2) CONTRACT WAIVER.—The Secretary may
24 waive paragraph (1) with respect to the producers

1 on a farm if the producers enter into a contract with
2 the Secretary under which the producers agree—

3 (A) in the case of an insurable commodity,
4 to obtain a policy or plan of insurance under
5 the Federal Crop Insurance Act (7 U.S.C. 1501
6 et seq.) providing additional coverage for the in-
7 surable commodity for each of the next 2 crops,
8 at a coverage level this provides—

9 (i) not less than 65 percent of the ac-
10 tual production history for the crop pro-
11 duced on the farm; and

12 (ii) 100 percent of the expected mar-
13 ket price or a comparable coverage (as de-
14 termined by the Federal Crop Insurance
15 Corporation); and

16 (B) in the case of a noninsurable com-
17 modity, to file the required paperwork and pay
18 the administrative fee by the applicable State
19 filing deadline, for the noninsurable commodity
20 for each of the next 2 crops under section 196
21 of the Federal Agriculture Improvement and
22 Reform Act of 1996 (7 U.S.C. 7333).

23 (3) EFFECT OF VIOLATION.—In the event of
24 the violation of a contract under paragraph (2) by
25 a producer, the producer shall reimburse the Sec-

1 retary for the full amount of the assistance provided
2 to the producer under this section.

3 (f) TIMING.—

4 (1) IN GENERAL.—Subject to paragraph (2),
5 the Secretary shall make payments to producers on
6 a farm for a crop under this section not later than
7 60 days after the date the producers on the farm
8 submit to the Secretary a completed application for
9 the payments.

10 (2) INTEREST.—If the Secretary does not make
11 payments to the producers on a farm by the date de-
12 scribed in paragraph (1), the Secretary shall pay to
13 the producers on a farm interest on the payments at
14 a rate equal to the current (as of the sign-up dead-
15 line established by the Secretary) market yield on
16 outstanding, marketable obligations of the United
17 States with maturities of 30 years.

18 **SEC. 102. LIVESTOCK ASSISTANCE PROGRAM.**

19 (a) EMERGENCY FINANCIAL ASSISTANCE.—The Sec-
20 retary shall use such sums as are necessary of funds of
21 the Commodity Credit Corporation to make and admin-
22 ister payments for livestock losses to producers for 2005
23 losses in a county that has received an emergency designa-
24 tion by the President or the Secretary during calendar
25 year 2005, of which an amount determined by the Sec-

1 retary shall be made available for the American Indian
2 livestock program under section 806 of the Agriculture,
3 Rural Development, Food and Drug Administration, and
4 Related Agencies Appropriations Act, 2001 (Public Law
5 106–387; 114 Stat. 1549A–51).

6 (b) ADMINISTRATION.—The Secretary shall make as-
7 sistance available under this section in the same manner
8 as provided under section 806 of the Agriculture, Rural
9 Development, Food and Drug Administration, and Re-
10 lated Agencies Appropriations Act, 2001 (Public Law
11 106–387; 114 Stat. 1549A–51).

12 (c) MITIGATION.—In determining the eligibility for or
13 amount of payments for which a producer is eligible under
14 the livestock assistance program, the Secretary shall not
15 penalize a producer that takes actions (recognizing dis-
16 aster conditions) that reduce the average number of live-
17 stock the producer owned for grazing during the produc-
18 tion year for which assistance is being provided.

19 (d) INTEREST ON PRIOR PAYMENTS.—

20 (1) IN GENERAL.—Payments that were due to
21 a producer under section 101(b) of the Emergency
22 Supplemental Appropriations for Hurricane Disas-
23 ters Assistance Act, 2005 (Public Law 108–324;
24 118 Stat. 1234) but not paid by the Secretary as of
25 August 28, 2005, shall earn interest at a rate equal

1 to the current (as of August 28, 2005) market yield
2 on outstanding, marketable obligations of the United
3 States with maturities of 30 years.

4 (2) FUNDING.—Interest payable under para-
5 graph (1) shall be carried out using only funds made
6 available for travel expenses, or salaries and ex-
7 penses of Presidential appointees, of the Department
8 of Agriculture.

9 (e) LIVESTOCK INDEMNITY PAYMENTS.—

10 (1) IN GENERAL.—The Secretary shall use such
11 sums as are necessary of funds of the Commodity
12 Credit Corporation to make livestock indemnity pay-
13 ments to producers on farms that have incurred live-
14 stock losses during calendar year 2005 due to a dis-
15 aster, as determined by the Secretary, including
16 losses due to hurricanes, floods, and anthrax.

17 (2) PAYMENT RATES.—The payment rate for
18 indemnity payments made to producers on a farm
19 under paragraph (1) shall be equal to—

20 (A)(i) in the case of a cow, steer, or bull
21 that weighs 500 pounds or more on the date of
22 death of the cow, steer, or bull, \$400 per head;
23 and

24 (ii) in the case of a cow, steer, or bull that
25 weighs less than 500 pounds on the date of

1 death of the cow, steer, or bull, \$250 per head;
2 and

3 (B) in the case of other types of livestock,
4 a rate determined by the Secretary based on
5 documentation provided by the producers on a
6 farm, including a death certificate or other cer-
7 tification provided by a licensed veterinarian.

8 **SEC. 103. CONSERVATION PROGRAMS.**

9 (a) EMERGENCY CONSERVATION PROGRAM.—The
10 Secretary shall use an additional \$100,000,000 of the
11 funds of the Commodity Credit Corporation to provide as-
12 sistance under the emergency conservation program estab-
13 lished under title IV of the Agricultural Credit Act of 1978
14 (16 U.S.C. 2201 et seq.).

15 (b) EMERGENCY WATERSHED PROTECTION PRO-
16 GRAM.—The Secretary shall use an additional
17 \$250,000,000 of the funds of the Commodity Credit Cor-
18 poration to provide assistance under the emergency water-
19 shed protection program established under section 403 of
20 the Agricultural Credit Act of 1978 (16 U.S.C. 2203).

21 **SEC. 104. DISASTER RELIEF FOR SMALL BUSINESS CON-**
22 **CERNS DAMAGED BY DROUGHT.**

23 (a) DROUGHT DISASTER AUTHORITY.—

1 (1) DEFINITION OF DISASTER.—Section 3(k) of
2 the Small Business Act (15 U.S.C. 632(k)) is
3 amended—

4 (A) by inserting “(1)” before “For the
5 purposes”; and

6 (B) by adding at the end the following:

7 “(B) For purposes of section 7(b)(2), the term ‘dis-
8 aster’ includes—

9 “(i) drought; and

10 “(ii) below average water levels in the Great
11 Lakes, or on any body of water in the United States
12 that supports commerce by small business con-
13 cerns.”.

14 (2) DROUGHT DISASTER RELIEF AUTHORITY.—
15 Section 7(b)(2) of the Small Business Act (15
16 U.S.C. 636(b)(2)) is amended—

17 (A) by inserting “(including drought), with
18 respect to both farm-related and non-farm-re-
19 lated small business concerns,” before “if the
20 Administration”; and

21 (B) in subparagraph (B), by striking “the
22 Consolidated Farmers Home Administration
23 Act of 1961 (7 U.S.C. 1961)” and inserting the
24 following: “section 321 of the Consolidated
25 Farm and Rural Development Act (7 U.S.C.

1 1961), in which case, assistance under this
2 paragraph may be provided to farm-related and
3 non-farm-related small business concerns, sub-
4 ject to the other applicable requirements of this
5 paragraph”.

6 (b) LIMITATION ON LOANS.—From funds otherwise
7 appropriated for loans under section 7(b) of the Small
8 Business Act (15 U.S.C. 636(b)), not more than
9 \$9,000,000 may be used during each of fiscal years 2005
10 through 2008, to provide drought disaster loans to non-
11 farm-related small business concerns in accordance with
12 this section and the amendments made by this section.

13 (c) PROMPT RESPONSE TO DISASTER REQUESTS.—
14 Section 7(b)(2)(D) of the Small Business Act (15 U.S.C.
15 636(b)(2)(D)) is amended in the second sentence by strik-
16 ing “Upon receipt of such certification, the Administration
17 may” and inserting “Not later than 30 days after the date
18 of receipt of such certification by a Governor of a State,
19 the Administration shall respond in writing to that Gov-
20 ernor on its determination and the reasons therefore, and
21 may”.

22 (d) RULEMAKING.—Not later than 45 days after the
23 date of enactment of this Act, the Administrator of the
24 Small Business Administration shall promulgate final

1 rules to carry out this section and the amendments made
2 by this section.

3 **SEC. 105. ASSISTANCE TO FISHERIES FOR RED TIDE OUT-**
4 **BREAK IN NEW ENGLAND.**

5 (a) IN GENERAL.—Out of any funds in the Treasury
6 not otherwise appropriated, the Secretary of the Treasury
7 shall transfer to the Secretary of Commerce to provide as-
8 sistance to fisheries suffering due to the red tide outbreak
9 in New England—

10 (1) on October 1, 2005, \$15,000,000; and

11 (2) on October 1, 2006, \$10,000,000.

12 (b) RECEIPT AND ACCEPTANCE.—The Secretary of
13 Commerce shall be entitled to receive, shall accept, and
14 shall use to carry out this section the funds transferred
15 under subsection (a), without further appropriation.

16 (c) AVAILABILITY OF FUNDS.—Funds transferred
17 under subsection (a) shall remain available until expended.

18 **SEC. 106. FLOODED CROP AND GRAZING LAND.**

19 (a) IN GENERAL.—The Secretary shall compensate
20 eligible owners of flooded crop and grazing land in—

21 (1) the Devils Lake basin; and

22 (2) the McHugh, Lake Laretta, and Rose Lake
23 closed drainage areas of the State of North Dakota.

24 (b) ELIGIBILITY.—

1 (1) IN GENERAL.—To be eligible to receive
2 compensation under this section, an owner shall own
3 land described in subsection (a) that, during the 2
4 crop years preceding receipt of compensation, was
5 rendered incapable of use for the production of an
6 agricultural commodity or for grazing purposes (in
7 a manner consistent with the historical use of the
8 land) as the result of flooding, as determined by the
9 Secretary.

10 (2) INCLUSIONS.—Land described in paragraph
11 (1) shall include—

12 (A) land that has been flooded;

13 (B) land that has been rendered inacces-
14 sible due to flooding; and

15 (C) a reasonable buffer strip adjoining the
16 flooded land, as determined by the Secretary.

17 (3) ADMINISTRATION.—The Secretary may es-
18 tablish—

19 (A) reasonable minimum acreage levels for
20 individual parcels of land for which owners may
21 receive compensation under this section; and

22 (B) the location and area of adjoining
23 flooded land for which owners may receive com-
24 pensation under this section.

1 (c) SIGN-UP.—The Secretary shall establish a sign-
2 up program for eligible owners to apply for compensation
3 from the Secretary under this section.

4 (d) COMPENSATION PAYMENTS.—

5 (1) IN GENERAL.—Subject to paragraphs (2)
6 and (3), the rate of an annual compensation pay-
7 ment under this section shall be equal to 90 percent
8 of the average annual per acre rental payment rate
9 (at the time of entry into the contract) for com-
10 parable crop or grazing land that has not been flood-
11 ed and remains in production in the county where
12 the flooded land is located, as determined by the
13 Secretary.

14 (2) REDUCTION.—An annual compensation
15 payment under this section shall be reduced by the
16 amount of any conservation program rental pay-
17 ments or Federal agricultural commodity program
18 payments received by the owner for the land during
19 any crop year for which compensation is received
20 under this section.

21 (3) EXCLUSION.—During any year in which an
22 owner receives compensation for flooded land under
23 this section, the owner shall not be eligible to par-
24 ticipate in or receive benefits for the flooded land
25 under—

1 (A) the Federal crop insurance program
2 established under the Federal Crop Insurance
3 Act (7 U.S.C. 1501 et seq.);

4 (B) the noninsured crop assistance pro-
5 gram established under section 196 of the Fed-
6 eral Agriculture Improvement and Reform Act
7 of 1996 (7 U.S.C. 7333); or

8 (C) any Federal agricultural crop disaster
9 assistance program.

10 (e) RELATIONSHIP TO AGRICULTURAL COMMODITY
11 PROGRAMS.—The Secretary, by regulation, shall provide
12 for the preservation of cropland base, allotment history,
13 and payment yields applicable to land described in sub-
14 section (a) that was rendered incapable of use for the pro-
15 duction of an agricultural commodity or for grazing pur-
16 poses as the result of flooding.

17 (f) USE OF LAND.—

18 (1) IN GENERAL.—An owner that receives com-
19 pensation under this section for flooded land shall
20 take such actions as are necessary to not degrade
21 any wildlife habitat on the land that has naturally
22 developed as a result of the flooding.

23 (2) RECREATIONAL ACTIVITIES.—To encourage
24 owners that receive compensation for flooded land to
25 allow public access to and use of the land for rec-

1 reational activities, as determined by the Secretary,
2 the Secretary may—

3 (A) offer an eligible owner additional com-
4 pensation; and

5 (B) provide compensation for additional
6 acreage under this section.

7 (g) FUNDING.—

8 (1) IN GENERAL.—The Secretary shall use
9 \$15,000,000 of funds of the Commodity Credit Cor-
10 poration to carry out this section.

11 (2) PRO-RATED PAYMENTS.—In a case in which
12 the amount made available under paragraph (1) for
13 a fiscal year is insufficient to compensate all eligible
14 owners under this section, the Secretary shall pro-
15 rate payments for that fiscal year on a per acre
16 basis.

17 **SEC. 107. REGULATIONS.**

18 (a) IN GENERAL.—The Secretary may promulgate
19 such regulations as are necessary to implement this Act
20 and the amendments made by this Act.

21 (b) PROCEDURE.—The promulgation of the regula-
22 tions and administration of this Act and the amendments
23 made by this Act shall be made without regard to—

24 (1) the notice and comment provisions of sec-
25 tion 553 of title 5, United States Code;

1 (2) the Statement of Policy of the Secretary of
 2 Agriculture effective July 24, 1971 (36 Fed. Reg.
 3 13804), relating to notices of proposed rulemaking
 4 and public participation in rulemaking; and

5 (3) chapter 35 of title 44, United States Code
 6 (commonly known as the “Paperwork Reduction
 7 Act”).

8 (c) CONGRESSIONAL REVIEW OF AGENCY RULE-
 9 MAKING.—In carrying out this section, the Secretary shall
 10 use the authority provided under section 808 of title 5,
 11 United States Code.

12 **TITLE II—NUTRITIONAL SUP-**
 13 **PLEMENTAL ASSISTANCE**
 14 **AND AGRICULTURAL ECO-**
 15 **NOMIC STIMULUS**

16 **SEC. 201. REPLENISHMENT OF SECTION 32.**

17 (a) DEFINITION OF SPECIALTY CROP.—In this sec-
 18 tion:

19 (1) IN GENERAL.—The term “specialty crop”
 20 means any agricultural crop.

21 (2) EXCEPTION.—The term “specialty crop”
 22 does not include—

23 (A) wheat;

24 (B) field grains;

25 (C) oilseeds;

- 1 (D) cotton;
- 2 (E) rice;
- 3 (F) peanuts; or
- 4 (G) tobacco.

5 (b) BASE STATE GRANTS.—

6 (1) IN GENERAL.—The Secretary shall use
7 \$25,500,000 of funds of the Commodity Credit Cor-
8 poration to make grants to the several States and
9 the Commonwealth of Puerto Rico to be used to sup-
10 port activities that promote agriculture.

11 (2) AMOUNTS.—The amount of the grants shall
12 be—

13 (A) \$500,000 to each of the several States;
14 and

15 (B) \$250,000 to each of the Common-
16 wealth of Puerto Rico and the District of Co-
17 lumbia.

18 (c) GRANTS FOR VALUE OF PRODUCTION.—The Sec-
19 retary shall use \$66,700,000 of funds of the Commodity
20 Credit Corporation to make a grant to each of the several
21 States, as follows:

22 (1) California, \$31,660,000.

23 (2) Florida, \$8,430,000.

24 (3) Washington, \$4,805,000.

25 (4) Idaho, \$1,835,000.

- 1 (5) Arizona, \$1,715,000.
- 2 (6) Michigan, \$1,625,000.
- 3 (7) Oregon, \$1,610,000.
- 4 (8) Georgia, \$1,365,000.
- 5 (9) Texas, \$1,330,000.
- 6 (10) New York, \$1,330,000.
- 7 (11) Wisconsin, \$1,285,000.
- 8 (12) North Carolina, \$770,000.
- 9 (13) Colorado, \$755,000.
- 10 (14) North Dakota, \$690,000.
- 11 (15) Minnesota, \$660,000.
- 12 (16) Hawaii, \$575,000.
- 13 (17) New Jersey, \$550,000.
- 14 (18) Pennsylvania, \$490,000.
- 15 (19) New Mexico, \$450,000.
- 16 (20) Maine, \$440,000.
- 17 (21) Ohio, \$400,000.
- 18 (22) Indiana, \$330,000.
- 19 (23) Nebraska, \$320,000.
- 20 (24) Massachusetts, \$320,000.
- 21 (25) Virginia, \$310,000.
- 22 (26) Maryland, \$250,000.
- 23 (27) Louisiana, \$230,000.
- 24 (28) South Carolina, \$220,000.
- 25 (29) Tennessee, \$200,000.

- 1 (30) Illinois, \$200,000.
- 2 (31) Oklahoma, \$195,000.
- 3 (32) Alabama, \$150,000.
- 4 (33) Delaware, \$145,000.
- 5 (34) Mississippi, \$125,000.
- 6 (35) Kansas, \$105,000.
- 7 (36) Arkansas, \$105,000.
- 8 (37) Missouri, \$105,000.
- 9 (38) Connecticut, \$90,000.
- 10 (39) Utah, \$70,000.
- 11 (40) Montana, \$70,000.
- 12 (41) New Hampshire, \$60,000.
- 13 (42) Nevada, \$60,000.
- 14 (43) Vermont, \$60,000.
- 15 (44) Iowa, \$50,000.
- 16 (45) West Virginia, \$45,000.
- 17 (46) Wyoming, \$35,000.
- 18 (47) Kentucky, \$30,000.
- 19 (48) South Dakota, \$20,000.
- 20 (49) Rhode Island, \$20,000.
- 21 (50) Alaska, \$10,000.

22 (d) SPECIAL CROP PRIORITY.—As a condition on the
23 receipt of a grant under this section, a State shall agree
24 to give priority to the support of specialty crops in the
25 use of the grant funds.

1 (e) ADDITIONAL GRANTS.—

2 (1) IN GENERAL.—The Secretary shall use
3 \$175,000,000 of funds of the Commodity Credit
4 Corporation to make additional grants in accordance
5 with paragraph (2) to—

6 (A) the States of Alabama, Florida, Lou-
7 isiana, Mississippi, and Tennessee; and

8 (B) any other State that is housing evac-
9 uees or suffering damage from Hurricane
10 Katrina or a related condition.

11 (2) PURPOSE OF GRANTS.—A grant provided
12 under paragraph (1) shall—

13 (A) be in an amount determined by the
14 Secretary; and

15 (B) be used in accordance with paragraph
16 (3) to support activities that promote agri-
17 culture.

18 (3) USE OF FUNDS.—A State may use funds
19 from a grant awarded under this subsection—

20 (A) to supplement State food bank pro-
21 grams or other nutrition assistance programs;

22 (B) to promote the purchase, sale, or con-
23 sumption of agricultural products;

1 (C) to provide economic assistance to agri-
2 cultural producers, giving a priority to the sup-
3 port of specialty crops; or

4 (D) for other purposes as determined by
5 the Secretary.

6 **SEC. 202. EXTENSION OF MARKETING LOANS.**

7 (a) IN GENERAL.—Notwithstanding section 1203(b)
8 of the Farm Security and Rural Investment Act of 2002
9 (7 U.S.C. 7933(b)), the Secretary shall extend the date
10 of settlement of any marketing assistance loan made avail-
11 able under subtitle B of that Act (7 U.S.C. 7931 et seq.)
12 for a period of not less than 180 days after the date on
13 which the loan reaches maturity.

14 (b) STORAGE PAYMENTS.—During the period of an
15 extension under subsection (a), the Secretary shall make
16 storage payments for any commodity affected by the mar-
17 keting assistance loan for which the extension was grant-
18 ed.

19 **SEC. 203. SUPPLEMENTAL ECONOMIC LOSS PAYMENTS.**

20 The Secretary shall make a supplemental economic
21 loss payment to any producer on a farm that received a
22 payment or loan for crop year 2005 under title I of the
23 Farm Security and Rural Investment Act of 2002 (7
24 U.S.C. 7901 et seq.) at a rate equal to the product ob-
25 tained by multiplying—

- 1 (1) 20 percent of the direct payment rate in ef-
2 fect for the program crop of the farmer;
3 (2) the program crop base of the farmer; and
4 (3) the program payment yield for each pro-
5 gram crop of the farmer.

6 **SEC. 204. NATIONAL DAIRY MARKET LOSS PAYMENTS.**

7 (a) IN GENERAL.—Section 1502 of the Farm Secu-
8 rity and Rural Investment Act of 2002 (7 U.S.C. 7982)
9 is amended by striking “2005” each place it appears in
10 subsections (f) and (g)(1) and inserting “2006”.

11 (b) PERIOD OF EFFECTIVENESS.—Notwithstanding
12 section 257 of the Balanced Budget and Emergency Def-
13 icit Control Act of 1985 (2 U.S.C. 907), the amendment
14 made by subsection (a) shall be effective only during the
15 period beginning on the first day of the first month begin-
16 ning after the date of enactment of this Act and ending
17 September 30, 2006.

18 **TITLE III—EMERGENCY**
19 **DESIGNATION**

20 **SEC. 301. EMERGENCY DESIGNATION.**

21 The amounts provided under this Act are designated
22 as an emergency requirement pursuant to section 402 of
23 H. Con. Res. 95 (109th Congress).

