

and intended to be proposed to the bill (S. 1731) supra.

SA 2598. Mr. McCAIN (for himself, Mr. GRAMM, and Mr. KERRY) proposed an amendment to the bill S. 1731, supra.

SA 2599. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2600. Mr. CARPER (for himself and Ms. COLLINS) submitted an amendment intended to be proposed by him to the bill H.R. 3090, to provide tax incentives for economic recovery; which was ordered to lie on the table.

SA 2601. Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table.

#### TEXT OF AMENDMENTS

**SA 2516.** Mr. FITZGERALD submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike the period at the end of title I and insert a period and the following:

#### Subtitle E—Payment Limitation Commission

##### SEC. 171. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the “Commission on the Application of Payment Limitations for Agriculture” (referred to in this subtitle as the “Commission”).

##### (b) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of the following 7 members appointed by the Secretary of Agriculture (referred to in this subtitle as the “Secretary”):

(A) 2 members from land grant colleges or universities with expertise in agricultural economics.

(B) 5 members who shall be producers of agricultural commodities, each of whom shall represent 1 of the following regions, as determined by the Secretary:

(i) The Midwest.

(ii) The Great Plains.

(iii) The South.

(iv) The Northeast.

(v) The West.

(2) FEDERAL GOVERNMENT EMPLOYMENT.—The membership of the Commission may include 1 or more employees of the Department of Agriculture or other Federal agencies.

(4) DATE OF APPOINTMENTS.—The appointment of a member of the Commission shall be made not later than 60 days after the date of enactment of this Act.

##### (c) TERM; VACANCIES.—

(1) TERM.—A member shall be appointed for the life of the Commission.

(2) VACANCIES.—A vacancy on the Commission—

(A) shall not affect the powers of the Commission; and

(B) shall be filled in the same manner as the original appointment was made.

(d) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold the initial meeting of the Commission.

(e) MEETINGS.—The Commission shall meet—

(1) on a regular basis, as determined by the Chairperson; and

(2) at the call of the Chairperson or a majority of the members of the Commission.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a lesser number of members may hold hearings.

(g) CHAIRPERSON.—The Secretary shall appoint 1 of the members of the Commission to serve as Chairperson of the Commission.

##### SEC. 172. DUTIES.

(a) COMPREHENSIVE REVIEW.—The Commission shall conduct a comprehensive review of—

(1) the laws (including regulations) that apply or fail to apply payment limitations to agricultural commodity and conservation programs administered by the Secretary;

(2) the impact that failing to apply effective payment limitations have on—

(A) the agricultural producers that participate in the programs;

(B) overproduction of agricultural commodities; and

(C) the prices that agricultural producers receive for agricultural commodities in the marketplace;

(3) the feasibility of improving the application and effectiveness of payment limitation requirements, including the use of commodity certificates and the forfeiture of loan collateral; and

(4) alternatives to payment limitation requirements in effect on the date of enactment of this Act that would apply meaningful limitations to improve the effectiveness and integrity of the requirements.

(b) RECOMMENDATIONS.—In carrying out the review under subsection (a), the Commission shall develop specific recommendations for modifications to applicable legislation and regulations that would improve payment limitation requirements.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Commission shall submit to the President, the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing the results of the review conducted, and any recommendations developed, under this section.

##### SEC. 173. POWERS.

(a) HEARINGS.—The Commission may hold such hearings, meet and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out this subtitle.

##### (b) INFORMATION FROM FEDERAL AGENCIES.—

(1) IN GENERAL.—The Commission may secure directly from a Federal agency such information as the Commission considers necessary to carry out this subtitle.

(2) PROVISION OF INFORMATION.—On request of the Chairperson of the Commission, the head of the agency shall provide the information to the Commission.

(c) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other agencies of the Federal Government.

(d) ASSISTANCE FROM SECRETARY.—The Secretary may provide to the Commission appropriate office space and such reasonable administrative and support services as the Commission may request.

##### SEC. 174. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—

(1) NON-FEDERAL EMPLOYEES.—A member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission.

(2) FEDERAL EMPLOYEES.—A member of the Commission who is an officer or employee of the Federal Government shall serve without compensation in addition to the compensation received for the services of the member as an officer or employee of the Federal Government.

(b) TRAVEL EXPENSES.—A member of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the Commission.

##### SEC. 175. FEDERAL ADVISORY COMMITTEE ACT.

The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission or any proceeding of the Commission.

##### SEC. 176. FUNDING.

Of the funds of the Commodity Credit Corporation, the Secretary shall use not more than \$100,000 to carry out this subtitle.

##### SEC. 177. TERMINATION OF COMMISSION.

The Commission shall terminate on the day after the date on which the Commission submits the report of the Commission under section 172(c).

**SA 2517.** Mr. TORRICELLI submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 376, after line 24, insert the following:

(c) EFFECTIVE DATE.—The amendments made by this section shall not take effect until the President certifies to Congress that all convicted felons wanted by the Federal Bureau of Investigation who are currently living as fugitives in Cuba have been returned to the United States for incarceration.

**SA 2518.** Mr. SMITH of Oregon submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 937, between lines 16 and 17, insert the following:

INSURANCE AND NONINSURED CROP DISASTER ASSISTANCE PROGRAM  
that the implementation of current federal disaster assistance programs fails to adequately address situations where disaster conditions are caused by direct federal action.

## (b) PROVISIONS.—

(1) 7 U.S.C. 7333, as amended by P.L. 104-127, is amended—

(i) in Section (a)(3) by striking “or” and (ii) in Section (a)(3) by striking “as determined by the Secretary,” and inserting in lieu thereof “as determined by the Secretary, or disaster caused by direct federal regulatory implementation or resource management decision, action, or water allocation.” and

(iii) in Section (c)(2) by striking “or other natural disaster, as determined by the Secretary.” and inserting in lieu thereof “other natural disaster (as determined by the Secretary), or disaster caused by direct federal regulatory implementation or resource management decision, action, or water allocation.”

## (2) 7 U.S.C. 1508 is amended—

(i) in Section (a)(1) by striking “or other natural disaster (as determined by the Secretary).” and inserting “natural disaster (as determined by the Secretary), or disaster caused by direct federal regulatory implementation or resource management decision, action, or water allocation.” and

(ii) in Section (b)(1) by striking “or other natural disaster (as determined by the Secretary),” and inserting in lieu thereof “other natural disaster (as determined by the Secretary), or direct federal regulatory implementation or resource management decision, action, or water allocation.”

(c) ADMINISTRATIVE RULES.—The Secretary is encouraged to review and amend administrative rules and guidelines describing disaster conditions to accommodate situations where planting decisions are based on federal water allocations. The Secretary is further encouraged to review the level of disaster payments to irrigated agriculture producers in such cases where federal water allocations are withheld prior to the planting period.

## (d) EFFECTIVENESS.—

(1) Subsections (a)(1) and (a)(2) of this section shall be made effective only upon:

(i) finding by the Secretary that implementation of subsections (a)(1) and (a)(2):

(A) do not affect the financial soundness of approved insurance providers or the integrity of the Federal crop insurance program, and

(B) additional authorities are not needed to achieve actuary soundness of implementing subsections (a)(1) and (a)(2).

**SA 2519.** Mr. McCAIN (for himself, Mr. GRAMM, and Mr. KERRY) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. . MARKET NAME FOR CATFISH.**

The term “catfish” shall be considered to be a common or usual name (or part thereof) for any fish in keeping with Food and Drug Administration procedures that follow scientific standards and market practices for

DISASTER ASSISTANCE PROGRAM  
poses of section 403 of the Federal Food, Drug, and Cosmetic Act, including with respect to the importation of such fish pursuant to section 801 of such Act.

At the appropriate place in subtitle C of title X, insert the following:

**SEC. . LABELING OF FISH AS CATFISH.**

Section 755 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002, is repealed.

**SA 2520.** Mr. LUGAR submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes, which was ordered to lie on the table; as follows:

Beginning on page 762, strike line 16 and all that follows through page 763, line 20, and insert the following:

**SEC. 741. INITIATIVE FOR FUTURE AGRICULTURE AND FOOD SYSTEMS.**

Section 401 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621) is amended—

(1) by striking subsection (b) and inserting the following:

**“(b) FUNDING.”**

“(1) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Account to carry out this section—

“(A) not later than 30 days after the date of enactment of this subparagraph, \$240,000,000; and

“(B) on October 1, 2002, and each October 1 thereafter through October 1, 2005, \$360,000,000.

“(2) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under paragraph (1), without further appropriation.”; and

(2) in subsection (e), by adding at the end the following:

“(3) MINORITY-SERVING INSTITUTIONS.—The Secretary shall consider reserving, to the maximum extent practicable, 10 percent of the funds made available to carry out this section for a fiscal year for grants to minority-serving institutions.”

**SA 2521.** Mr. LUGAR submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike title IV and insert the following:

**TITLE IV—NUTRITION PROGRAMS****SEC. 401. SHORT TITLE.**

This title may be cited as the “Food Stamp Simplification Act of 2001”.

**Subtitle A—Food Stamp Program****SEC. 411. CATEGORICAL ELIGIBILITY FOR RECIPIENTS OF CASH ASSISTANCE.**

Section 5(a) of the Food Stamp Act of 1977 (7 U.S.C. 2014(a)) is amended—

(1) in the second sentence, by striking “receives benefits” and inserting “receives cash assistance”; and

(2) in the third sentence, by striking “receives benefits” and inserting “receives cash assistance”.

**SEC. 412. DISREGARDING OF INFREQUENT AND UNANTICIPATED INCOME.**

Section 5(d)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)(2)) is amended by striking “\$30” and inserting “\$100”.

**SEC. 413. SIMPLIFIED TREATMENT OF INDIVIDUALS COMPLYING WITH CHILD SUPPORT ORDERS.**

(a) EXCLUSION.—Section 5(d)(6) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)(6)) is amended by adding at the end the following: “including child support payments made by a household member to or for an individual who is not a member of the household if the household member is legally obligated to make the payments.”

(b) SIMPLIFIED PROCEDURE.—Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended—

(1) in subsection (e), by striking paragraph (4) and inserting the following:

**“(4) DEDUCTION FOR CHILD SUPPORT PAYMENTS.”**

“(A) IN GENERAL.—In lieu of providing an exclusion for legally obligated child support payments made by a household member under subsection (d)(6), a State agency may elect to provide a deduction for the amount of the payments.

“(B) ORDER OF DETERMINING DEDUCTIONS.—A deduction under this paragraph shall be determined before the computation of the excess shelter expense deduction under paragraph (6).”; and

(2) by adding at the end the following:

**“(n) STATE OPTIONS TO SIMPLIFY DETERMINATION OF CHILD SUPPORT PAYMENTS MADE BY HOUSEHOLD MEMBERS.”**

“(1) IN GENERAL.—Regardless of whether a State agency elects to provide a deduction under subsection (e)(4), the Secretary shall establish simplified procedures to allow State agencies to determine the amount of the legally obligated child support payments made, including procedures to allow the State agency to rely on information from the agency responsible for implementing the program under part D of title IV of the Social Security Act (42 U.S.C. 661 et seq.) concerning payments made in prior months in lieu of obtaining current information from the household.

“(2) DURATION OF DETERMINATION OF AMOUNT OF SUPPORT PAYMENTS.—If a State agency makes a determination of the amount of support payments of a household under paragraph (1), the State agency may provide that the amount of the exclusion or deduction for the household shall not change until the eligibility of the household is next redetermined under section 11(e)(4).”

**SEC. 414. COORDINATED AND SIMPLIFIED DEFINITION OF INCOME.**

Section 5(d) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) is amended—

(1) by striking “and (15)” and inserting “(15)”; and

(2) by inserting before the period at the end the following: “; (16) at the option of the State agency, any educational loans on which payment is deferred, grants, scholarships, fellowships, veterans’ educational benefits, and the like (other than loans, grants, scholarships, fellowships, veterans’ educational benefits, and the like excluded under paragraph (3)), to the extent that they

are required to be excluded under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), (17) at the option of the State agency, any State complementary assistance program payments that are excluded for the purpose of determining eligibility for medical assistance under section 1931 of the Social Security Act (42 U.S.C. 1396u-1), (18) at the option of the State agency, any types of income that the State agency does not consider when determining eligibility for, or the amount of, cash assistance under a program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or medical assistance under section 1931 of the Social Security Act (42 U.S.C. 1396u-1), except that this paragraph does not authorize a State agency to exclude wages or salaries, benefits under title I, II, IV, X, XIV, or XVI of the Social Security Act (42 U.S.C. 1381 et seq.), regular payments from a government source (such as unemployment benefits and general assistance), worker's compensation, child support payments made to a household member by an individual who is legally obligated to make the payments, or such other types of income the consideration of which the Secretary determines by regulation to be essential to equitable determinations of eligibility and benefit levels".

**SEC. 415. EXCLUSION OF INTEREST AND DIVIDEND INCOME.**

Section 5(d) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) (as amended by section 414(2)) is amended by inserting before the period at the end the following: " , and (19) any interest or dividend income received by a member of the household".

**SEC. 416. ALIGNMENT OF STANDARD DEDUCTION WITH POVERTY LINE.**

Section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking paragraph (1) and inserting the following:

“(1) STANDARD DEDUCTION.—

“(A) IN GENERAL.—Subject to the other provisions of this paragraph, the Secretary shall allow a standard deduction for each household that is—

“(i) equal to the applicable percentage specified in subparagraph (D) of the income standard of eligibility established under subsection (c)(1); but

“(ii) not less than the minimum deduction specified in subparagraph (E).

“(B) GUAM.—The Secretary shall allow a standard deduction for each household in Guam that is—

“(i) equal to the applicable percentage specified in subparagraph (D) of twice the income standard of eligibility established under subsection (c)(1) for the 48 contiguous States and the District of Columbia; but

“(ii) not less than the minimum deduction for Guam specified in subparagraph (E).

“(C) HOUSEHOLDS OF 6 OR MORE MEMBERS.—The income standard of eligibility established under subsection (c)(1) for a household of 6 members shall be used to calculate the standard deduction for each household of 6 or more members.

“(D) APPLICABLE PERCENTAGE.—For the purpose of subparagraph (A), the applicable percentage shall be—

“(i) 8 percent for fiscal year 2002;

“(ii) 8.5 percent for each of fiscal years 2003 through 2005;

“(iii) 9 percent for each of fiscal years 2006 through 2008;

“(iv) 9.5 percent for each of fiscal years 2009 and 2010; and

“(v) 10 percent for each fiscal year thereafter.

“(E) MINIMUM DEDUCTION.—The minimum deduction shall be \$134, \$229, \$189, \$269, and \$118 for the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States, respectively.”.

**SEC. 417. SIMPLIFIED DEPENDENT CARE DEDUCTION.**

Section 5(e)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(3)) is amended by adding at the end the following:

“(C) STANDARD DEPENDENT CARE ALLOWANCES.—

“(i) ESTABLISHMENT OF ALLOWANCES.—

“(I) IN GENERAL.—In determining the dependent care deduction under this paragraph, in lieu of requiring the household to establish the actual dependent care costs of the household, a State agency may use standard dependent care allowances established under subclause (II) for each dependent for whom the household incurs costs for care.

“(II) AMENDMENT TO STATE PLAN.—A State agency that elects to use standard dependent care allowances under subclause (I) shall submit for approval by the Secretary an amendment to the State plan of operation under section 11(d) that—

“(aa) describes the allowances that the State agency will use; and

“(bb) includes supporting documentation.

“(ii) HOUSEHOLD ELECTION.—

“(I) IN GENERAL.—Except as provided in clause (iii), a household may elect to have the dependent care deduction of the household based on actual dependent care costs rather than the allowances established under clause (i).

“(II) FREQUENCY.—The Secretary may by regulation limit the frequency with which households may make the election described in subclause (I) or reverse the election.

“(iii) MANDATORY DEPENDENT CARE ALLOWANCES.—The State agency may make the use of standard dependent care allowances established under clause (i) mandatory for all households that incur dependent care costs.”.

**SEC. 418. SIMPLIFIED DETERMINATION OF HOUSING COSTS.**

(a) IN GENERAL.—Section 5(e)(7) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(7)) is amended—

(1) in subparagraph (A)—

(A) by striking “A household” and inserting the following:

“(i) IN GENERAL.—A household”; and

(B) by adding at the end the following:

“(ii) INCLUSION OF CERTAIN PAYMENTS.—In determining the shelter expenses of a household under this paragraph, the State agency shall include any required payment to the landlord of the household without regard to whether the required payment is designated to pay specific charges.”; and

(2) by adding at the end the following:

“(D) HOMELESS HOUSEHOLDS.—

“(i) ALTERNATIVE DEDUCTION.—In lieu of the deduction provided under subparagraph (A), a State agency may elect to allow a household in which all members are homeless individuals, but that is not receiving free shelter throughout the month, to receive a deduction of \$143 per month.

“(ii) INELIGIBILITY.—The State agency may make a household with extremely low shelter costs ineligible for the alternative deduction under clause (i).”.

(b) CONFORMING AMENDMENTS.—Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended—

(1) in subsection (e)—

(A) by striking paragraph (5); and

(B) by redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively; and

(2) in subsection (k)(4)(B), by striking “subsection (e)(7)” and inserting “subsection (e)(6)”.

**SEC. 419. SIMPLIFIED DETERMINATION OF UTILITIY COSTS.**

Section 5(e)(6)(C)(iii) of the Food Stamp Act of 1977 (as amended by section 418(b)(1)(B)) is amended—

(1) in subclause (I)(bb), by inserting “(without regard to subclause (III))” after “Secretary finds”; and

(2) by adding at the end the following:

“(III) INAPPLICABILITY OF CERTAIN RESTRICTIONS.—Clauses (ii)(II) and (ii)(III) shall not apply in the case of a State agency that has made the use of a standard utility allowance mandatory under subclause (I).”.

**SEC. 420. SIMPLIFIED DETERMINATION OF EARNED INCOME.**

Section 5(f)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2014(f)(1)) is amended by adding at the end the following:

“(C) SIMPLIFIED DETERMINATION OF EARNED INCOME.—

“(I) IN GENERAL.—A State agency may elect to determine monthly earned income by multiplying weekly income by 4 and bi-weekly income by 2.

“(II) ADJUSTMENT OF EARNED INCOME DEDUCTION.—A State agency that makes an election described in clause (i) shall adjust the earned income deduction under subsection (e)(2)(B) to the extent necessary to prevent the election from resulting in increased costs to the food stamp program, as determined consistent with standards promulgated by the Secretary.”.

**SEC. 421. SIMPLIFIED DETERMINATION OF DEDUCTIONS.**

Section 5(f)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2014(f)(1)) (as amended by section 420) is amended by adding at the end the following:

“(D) SIMPLIFIED DETERMINATION OF DEDUCTIONS.—

“(I) IN GENERAL.—Except as provided in clause (ii), for the purposes of subsection (e), a State agency may elect to disregard until the next redetermination of eligibility under section 11(e)(4) 1 or more types of changes in the circumstances of a household that affect the amount of deductions the household may claim under subsection (e).

“(II) CHANGES THAT MAY NOT BE DISREGARDED.—Under clause (i), a State agency may not disregard—

“(I) any reported change of residence; or

“(II) under standards prescribed by the Secretary, any change in earned income.”.

**SEC. 422. SIMPLIFIED RESOURCE ELIGIBILITY LIMIT.**

Section 5(g)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)(1)) is amended by striking “a member who is 60 years of age or older” and inserting “an elderly or disabled member”.

**SEC. 423. EXCLUSION OF LICENSED VEHICLES FROM FINANCIAL RESOURCES.**

(a) IN GENERAL.—Section 5(g)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)(2)) is amended—

(1) in subparagraph (B)—

(A) in clause (iii), by adding “and” at the end;

(B) by striking clause (iv); and

(C) by redesignating clause (v) as clause (iv);

(2) by striking subparagraph (C) and inserting the following:

“(C) EXCLUDED VEHICLES.—The Secretary shall exclude from financial resources any licensed vehicle used for household transportation.”; and

(3) by striking subparagraph (D).

(b) CONFORMING AMENDMENT.—Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by striking subsection (h).

**SEC. 424. EXCLUSION OF RETIREMENT ACCOUNTS FROM FINANCIAL RESOURCES.**

Section 5(g)(2)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)(2)(B)) (as amended by section 423(a)(1)) is amended by striking clause (iv) and inserting the following:

“(iv) any savings account (other than a retirement account (including an individual account)).”.

**SEC. 425. COORDINATED AND SIMPLIFIED DEFINITION OF RESOURCES.**

Section 5(g) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)) is amended by adding at the end the following:

“(6) EXCLUSION OF TYPES OF FINANCIAL RESOURCES NOT CONSIDERED UNDER CERTAIN OTHER FEDERAL PROGRAMS.—

“(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall promulgate regulations under which a State agency may, at the option of the State agency, exclude from financial resources under this subsection any types of financial resources that the State agency does not consider when determining eligibility for—

“(i) cash assistance under a program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or

“(ii) medical assistance under section 1931 of the Social Security Act (42 U.S.C. 1396u-1).

“(B) LIMITATIONS.—Subparagraph (A) does not authorize a State agency to exclude—

“(i) cash;

“(ii) amounts in any account in a financial institution that are readily available to the household; or

“(iii) any other similar type of resource the inclusion in financial resources of which the Secretary determines by regulation to be essential to equitable determinations of eligibility under the food stamp program, except to the extent that any of those types of resources are excluded under another paragraph of this subsection.”.

**SEC. 426. ALTERNATIVE ISSUANCE SYSTEMS IN DISASTERS.**

Section 5(h)(3)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2014(h)(3)(B)) is amended—

(1) in the first sentence, by inserting “issuance methods and” after “shall adjust”; and

(2) in the second sentence, by inserting “any conditions that make reliance on electronic benefit transfer systems described in section 7(i) impracticable,” after “personnel”.

**SEC. 427. SIMPLIFIED REPORTING SYSTEMS.**

Section 6(c)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2015(c)(1)) is amended—

(1) in subparagraph (B), by striking “on a monthly basis”; and

(2) by adding at the end the following:

“(D) FREQUENCY OF REPORTING.—

“(i) IN GENERAL.—Except as provided in subparagraphs (A) and (C), a State agency may require households that report on a periodic basis to submit reports—

“(I) not less often than once each 6 months; but

“(II) not more often than once each month.

“(ii) REPORTING BY HOUSEHOLDS WITH EXCESS INCOME.—A household required to report less often than once each 3 months shall, notwithstanding subparagraph (B), report in a manner prescribed by the Secretary if the income of the household for any month exceeds the standard established under section 5(c)(2).”.

**SEC. 428. SIMPLIFIED TIME LIMIT.**

(a) IN GENERAL.—Section 6(o) of the Food Stamp Act of 1977 (7 U.S.C. 2015(o)) is amended—

(1) in paragraph (2)—

(A) by striking “36-month” and inserting “12-month”;

(B) by striking “3” and inserting “6”; and

(C) in subparagraph (D), by striking “(4), (5), or (6)” and inserting “(4), or (5)”;

(2) by striking paragraph (5);

(3) in paragraph (6)(A)(ii)—

(A) in subclause (III), by adding “and” at the end;

(B) in subclause (IV), by striking “; and” and inserting a period; and

(C) by striking subclause (V); and

(4) by redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively.

(b) IMPLEMENTATION OF AMENDMENTS.—For the purpose of implementing the amendments made by subsection (a), a State agency shall disregard any period during which an individual received food stamp benefits before the effective date of this title.

**SEC. 429. PRESERVATION OF ACCESS TO ELECTRONIC BENEFITS.**

(a) IN GENERAL.—Section 7(i)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2016(i)(1)) is amended by adding at the end the following:

“(E) ACCESS TO ELECTRONIC BENEFIT TRANSFER SYSTEMS.—

“(i) IN GENERAL.—No benefits shall be taken off-line or otherwise made inaccessible because of inactivity until at least 180 days have elapsed since a household last accessed the account of the household.

“(ii) NOTICE TO HOUSEHOLD.—In a case in which benefits are taken off-line or otherwise made inaccessible, the household shall be sent a notice that—

“(I) explains how to reactivate the benefits; and

“(II) offers assistance if the household is having difficulty accessing the benefits of the household.”.

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to each State agency beginning on the date on which the State agency, after the date of enactment of this Act, enters into a contract to operate an electronic benefit transfer system.

**SEC. 430. COST-NEUTRALITY FOR ELECTRONIC BENEFIT TRANSFER SYSTEMS.**

Section 7(i)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2016(i)(2)) is amended—

(1) by striking subparagraph (A); and

(2) by redesignating subparagraphs (B) through (I) as subparagraphs (A) through (H), respectively.

**SEC. 431. SIMPLIFIED PROCEDURES FOR RESIDENTS OF CERTAIN GROUP FACILITIES.**

(a) IN GENERAL.—Section 8 of the Food Stamp Act of 1977 (7 U.S.C. 2017) is amended by adding at the end the following:

“(f) SIMPLIFIED PROCEDURES FOR RESIDENTS OF CERTAIN GROUP FACILITIES.—

“(1) IN GENERAL.—At the option of the State agency, allotments for residents of facilities described in subparagraph (B), (C), (D), or (E) of section 3(i)(5) may be determined and issued under this subsection in lieu of subsection (a).

“(2) AMOUNT OF ALLOTMENT.—The allotment for each eligible resident described in paragraph (1) shall be calculated in accordance with standardized procedures established by the Secretary that take into account the allotments typically received by residents of facilities described in paragraph (1).

“(3) ISSUANCE OF ALLOTMENT.—

“(A) IN GENERAL.—The State agency shall issue an allotment determined under this subsection to the administration of a facility described in paragraph (1) as the authorized representative of the residents of the facility.

“(B) ADJUSTMENT.—The Secretary shall establish procedures to ensure that a facility described in paragraph (1) does not receive a greater proportion of a resident’s monthly allotment than the proportion of the month during which the resident lived in the facility.

“(4) DEPARTURES OF COVERED RESIDENTS.—

“(A) NOTIFICATION.—Any facility described in paragraph (1) that receives an allotment for a resident under this subsection shall—

“(i) notify the State agency promptly on the departure of the resident; and

“(ii) notify the resident, before the departure of the resident, that the resident—

“(I) is eligible for continued benefits under the food stamp program; and

“(II) should contact the State agency concerning continuation of the benefits.

“(B) ISSUANCE TO DEPARTED RESIDENTS.—On receiving a notification under subparagraph (A)(i) concerning the departure of a resident, the State agency—

“(i) shall promptly issue the departed resident an allotment for the days of the month after the departure of the resident (calculated in a manner prescribed by the Secretary) unless the departed resident re-applies to participate in the food stamp program; and

“(ii) may issue an allotment for the month following the month of the departure (but not any subsequent month) based on this subsection unless the departed resident re-applies to participate in the food stamp program.

“(C) STATE OPTION.—The State agency may elect not to issue an allotment under subparagraph (B)(i) if the State agency lacks sufficient information on the location of the departed resident to provide the allotment.

“(D) EFFECT OF REAPPLICATION.—If the departed resident re-applies to participate in the food stamp program, the allotment of the departed resident shall be determined without regard to this subsection.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 3(i) of the Food Stamp Act of 1977 (7 U.S.C. 2012(i)) is amended—

(A) by striking “(i) ‘Household’ means (1) an” and inserting the following:

“(i)(1) ‘Household’ means—

“(A) an”;

(B) in the first sentence, by striking “others, or (2) a group” and inserting the following: “others; or

“(B) a group”;

(C) in the second sentence, by striking “Spouses” and inserting the following:

“(2) Spouses”;

(D) in the third sentence, by striking “Notwithstanding” and inserting the following:

“(3) Notwithstanding”;

(E) in paragraph (3) (as designated by subparagraph (D)), by striking “the preceding sentences” and inserting “paragraphs (1) and (2)”;

(F) in the fourth sentence, by striking “In no event” and inserting the following:

“(4) In no event”;

(G) in the fifth sentence, by striking “For the purposes of this subsection, residents” and inserting the following:

“(5) For the purposes of this subsection, the following persons shall not be considered to be residents of institutions and shall be considered to be individual households:

“(A) Residents”; and

(H) in paragraph (5) (as designated by subparagraph (G))—

(i) by striking “Act, or are individuals” and inserting the following: “Act.

“(B) Individuals”;

(ii) by striking “such section, temporary” and inserting the following: “that section.

“(C) Temporary”;

(iii) by striking “children, residents” and inserting the following: “children.

“(D) Residents”;

(iv) by striking “coupons, and narcotics” and inserting the following: “coupons.

“(E) Narcotics”; and

(v) by striking “shall not” and all that follows and inserting a period.

(2) Section 5(a) of the Food Stamp Act of 1977 (7 U.S.C. 2014(a)) is amended by striking “the third sentence of section 3(i)” each place it appears and inserting “section 3(i)(4)”.

(3) Section 8(e)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2017(e)(1)) is amended by striking “the last sentence of section 3(i)” and inserting “section 3(i)(5)”.

(4) Section 17(b)(1)(B)(iv)(III)(aa) of the Food Stamp Act of 1977 (7 U.S.C.

2026(b)(1)(B)(iv)(III)(aa)) is amended by striking “the last 2 sentences of section 3(i)” and inserting “paragraphs (4) and (5) of section 3(i)”.

**SEC. 432. REDEMPTION OF BENEFITS THROUGH GROUP LIVING ARRANGEMENTS.**

Section 10 of the Food Stamp Act of 1977 (7 U.S.C. 2019) is amended by inserting after the first sentence the following: “Notwithstanding the preceding sentence, a center, organization, institution, shelter, group living arrangement, or establishment described in that sentence may be authorized to redeem coupons through a financial institution described in that sentence if the center, organization, institution, shelter, group living arrangement, or establishment is equipped with 1 or more point-of-sale devices and is operating in an area in which an electronic benefit transfer system described in section 7(i) has been implemented.”.

**SEC. 433. SIMPLIFIED DETERMINATIONS OF CONTINUING ELIGIBILITY.**

(a) IN GENERAL.—Section 11(e) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)) is amended—

(1) by striking paragraph (4) and inserting the following:

“(4)(A) that the State agency shall periodically require each household to cooperate in a redetermination of the eligibility of the household.

“(B) A redetermination under subparagraph (A) shall—

“(i) be based on information supplied by the household; and

“(ii) conform to standards established by the Secretary.

“(C) The interval between redeterminations of eligibility under subparagraph (A) shall not exceed the eligibility review period; and

(2) in paragraph (10)—

(A) by striking “within the household’s certification period”; and

(B) by striking “or until” and all that follows through “occurs earlier”.

(b) CONFORMING AMENDMENTS.—

(1) Section 3(c) of the Food Stamp Act of 1977 (7 U.S.C. 2012(c)) is amended—

(A) by striking “Certification period” and inserting “Eligibility review period”; and

(B) by striking “certification period” each place it appears and inserting “eligibility review period”.

(2) Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended—

(A) in subsection (d)(2), by striking “in the certification period which” and inserting “that”; and

(B) in subsection (e) (as amended by section 1218(b)(1)(B))—

(i) in paragraph (5)(B)(ii)—

(I) in subclause (II), by striking “certification period” and inserting “eligibility review period”; and

(II) in subclause (III), by striking “has been anticipated for the certification period” and inserting “was anticipated when the household applied or at the most recent redetermination of eligibility for the household”; and

(ii) in paragraph (6)(C)(iii)(II), by striking “the end of a certification period” and inserting “each redetermination of the eligibility of the household”.

(3) Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended—

(A) in subsection (c)(1)(C)(iv), by striking “certification period” each place it appears and inserting “interval between required redeterminations of eligibility”; and

(B) in subsection (d)(1)(D)(v)(II), by striking “a certification period” and inserting “an eligibility review period”.

(4) Section 8(c) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)) is amended—

(A) in the second sentence of paragraph (1), by striking “within a certification period”; and

(B) in paragraph (2)(B), by striking “expirations of” and all that follows through “during a certification period,” and inserting “termination of benefits to the household.”.

(5) Section 11(e)(16) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(16)) is amended by striking “the certification or recertification” and inserting “determining the eligibility”.

**SEC. 434. SIMPLIFIED APPLICATION PROCEDURES FOR THE ELDERLY AND DISABLED.**

(a) IN GENERAL.—Section 11(i) of the Food Stamp Act of 1977 (7 U.S.C. 2020(i)) is amended—

(1) in paragraph (1)—

(A) by striking “income shall be informed” and inserting the following: “income shall be—

“(A) informed”; and

(B) by striking “program and be assisted” and inserting the following: “program; “(B) assisted”; and

(C) by striking “office and be certified” and inserting the following: “office; and “(C) certified”; and

(2) by adding at the end the following:

“(3) DUAL-PURPOSE APPLICATIONS.—

“(A) IN GENERAL.—Under regulations promulgated by the Secretary after consultation with the Commissioner of Social Security, a State agency may enter into a memorandum of understanding with the Commissioner under which an application for supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) from a household composed entirely of applicants for or recipients of those benefits shall also be considered to be an application for benefits under the food stamp program.

“(B) CERTIFICATION; REPORTING REQUIREMENTS.—A household covered by a memorandum of understanding under subparagraph (A)—

“(i) shall be certified based exclusively on information provided to the Commissioner, including such information as the Secretary shall require to be collected under the terms of any memorandum of understanding under this paragraph; and

“(ii) shall not be subject to any reporting requirement under section 6(c).

“(C) EXCEPTIONS TO VALUE OF ALLOTMENT.—

The Secretary shall provide by regulation for such exceptions to section 8(a) as are necessary because a household covered by a memorandum of understanding under subparagraph (A) did not complete an application under subsection (e)(2).

“(D) COVERAGE.—In accordance with standards promulgated by the Secretary, a memorandum of understanding under subparagraph (A) need not cover all classes of applicants and recipients referred to in subparagraph (A).

“(E) EXEMPTION FROM CERTAIN APPLICATION PROCEDURES.—In the case of any member of a household covered by a memorandum of understanding under subparagraph (A), the Commissioner shall not be required to comply with—

“(i) subparagraph (B) or (C) of paragraph (1); or

“(ii) subsection (j)(1)(B).

“(F) RIGHT TO APPLY UNDER REGULAR PROGRAM.—The Secretary shall ensure that each household covered by a memorandum of understanding under subparagraph (A) is informed that the household may—

“(i) submit an application under subsection (e)(2); and

“(ii) have the eligibility and value of the allotment of the household under the food

stamp program determined without regard to this paragraph; or

“(ii) decline to participate in the food stamp program.

“(G) TRANSITION PROVISION.—Notwithstanding the requirement for the promulgation of regulations under subparagraph (A), the Secretary may approve a request from a State agency to enter into a memorandum of understanding in accordance with this paragraph during the period—

“(i) beginning on the date of enactment of this paragraph; and

“(ii) ending on the earlier of—

“(I) the date of promulgation of the regulations; or

“(II) the date that is 3 years after the date of enactment of this paragraph.”.

(b) CONFORMING AMENDMENTS.—Section 11(j)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2020(j)(1)) is amended—

(1) by striking “shall be informed” and inserting the following: “shall be—

“(A) informed”; and

(2) by striking “program and informed” and inserting the following: “program; and “(B) informed”.

**SEC. 435. TRANSITIONAL FOOD STAMPS FOR FAMILIES MOVING FROM WELFARE.**

(a) IN GENERAL.—Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) is amended by adding at the end the following:

“(s) TRANSITIONAL BENEFITS OPTION.—

“(1) IN GENERAL.—A State agency may provide transitional food stamp benefits to a household that ceases to receive cash assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

“(2) TRANSITIONAL BENEFITS PERIOD.—Under paragraph (1), a household may continue to receive food stamp benefits for a period of not more than 6 months after the date on which cash assistance is terminated.

“(3) AMOUNT OF BENEFITS.—During the transitional benefits period under paragraph (2), a household shall receive an amount of food stamp benefits equal to the allotment received in the month immediately preceding the date on which cash assistance was terminated, adjusted for—

“(A) the change in household income as a result of the termination of cash assistance; and

“(B) any changes in circumstances that may result in an increase in the food stamp allotment of the household and that the household elects to report.

“(4) DETERMINATION OF FUTURE ELIGIBILITY.—In the final month of the transitional benefits period under paragraph (2), the State agency may—

“(A) require the household to cooperate in a redetermination of eligibility; and

“(B) initiate a new eligibility review period for the household without regard to whether the preceding eligibility review period has expired.

“(5) LIMITATION.—A household shall not be eligible for transitional benefits under this subsection if the household—

“(A) loses eligibility under section 6;

“(B) is sanctioned for a failure to perform an action required by Federal, State, or local law relating to a cash assistance program described in paragraph (1); or

“(C) is a member of any other category of households designated by the State agency as ineligible for transitional benefits.”.

“(b) CONFORMING AMENDMENTS.—

(1) Section 3(c) of the Food Stamp Act of 1977 (7 U.S.C. 2012(c)) is amended by adding at the end the following: “The limits specified in this section may be extended until the end of any transitional benefit period established under section 11(s).”.

(2) Section 6(c) of the Food Stamp Act of 1977 (7 U.S.C. 2015(c)) is amended by striking

“No household” and inserting “Except in a case in which a household is receiving transitional benefits during the transitional benefits period under section 11(s), no household.”

**SEC. 436. QUALITY CONTROL.**

(a) IN GENERAL.—Section 16(c) of the Food Stamp Act of 1977 (7 U.S.C. 2025(c)) is amended—

(1) in paragraph (1), by striking “enhances payment accuracy” and all that follows through “(A) the Secretary” and inserting the following: “enhances payment accuracy and that has the following elements:

“(A) CORRECTIVE ACTION PLANS.—The Secretary shall foster management improvements by the States by requiring State agencies to develop and implement corrective action plans to reduce payment errors.

“(B) INVESTIGATION AND INITIAL SANCTIONS.—

“(i) INVESTIGATION.—Except as provided under subparagraph (C), for any fiscal year in which the Secretary determines that a 95 percent statistical probability exists that the payment error rate of a State agency exceeds the national performance measure for payment error rates announced under paragraph (6) by more than 1 percentage point, other than for good cause shown, the Secretary shall investigate the administration by the State agency of the food stamp program unless the Secretary determines that sufficient information is already available to review the administration by the State agency.

“(ii) INITIAL SANCTIONS.—If an investigation under clause (i) results in a determination that the State agency has been seriously negligent (as determined under standards promulgated by the Secretary), the State agency shall pay the Secretary an amount that reflects the extent of such negligence (as determined under standards promulgated by the Secretary), not to exceed 5 percent of the amount provided to the State agency under subsection (a) for the fiscal year.

“(C) ADDITIONAL SANCTIONS.—If, for any fiscal year, the Secretary determines that a 95 percent statistical probability exists that the payment error rate of a State agency exceeds the national performance measure for payment error rates announced under paragraph (6) by more than 1 percentage point, other than for good cause shown, and that the State agency was sanctioned under this paragraph or was the subject of an investigation or review under subparagraph (B)(i) for each of the 2 immediately preceding fiscal years, the State agency shall pay to the Secretary an amount equal to the product obtained by multiplying—

“(i) the value of all allotments issued by the State agency in the fiscal year;

“(ii) the lesser of—

“(I) the ratio that—

“(aa) the amount by which the payment error rate of the State agency for the fiscal year exceeds by more than 1 percentage point the national performance measure for the fiscal year; bears to

“(bb) 10 percent; or

“(II) 1; and

“(iii) the amount by which the payment error rate of the State agency for the fiscal year exceeds by more than 1 percentage point the national performance measure for the fiscal year.”;

(2) in paragraph (2)(A), by inserting before the semicolon the following: “, as adjusted downward as appropriate under paragraph (10);”

(3) in the first sentence of paragraph (4), by striking “, enhanced administrative funding,” and all that follows and inserting “under this subsection, high performance

bonus payment under paragraph (11), or claim for payment error under paragraph (1);”

(4) in the first sentence of paragraph (5), by striking “to establish” and all that follows and inserting the following: “to establish the payment error rate for the State agency for the fiscal year, to comply with paragraph (10), and to determine the amount of any high performance bonus payment of the State agency under paragraph (11) or claim under paragraph (1);”

(5) in the first sentence of paragraph (6), by striking “incentive payments or claims pursuant to paragraphs (1)(A) and (1)(C),” and inserting “claims under paragraph (1);” and

(6) by adding at the end the following:

“(10) ADJUSTMENTS OF PAYMENT ERROR RATE.—

“(A) IN GENERAL.—

“(i) FISCAL YEAR 2002.—Subject to clause (ii), for fiscal year 2002, in applying paragraph (1), the Secretary shall adjust the payment error rate determined under paragraph (2)(A) as necessary to eliminate any increases in errors that result from the State agency’s serving a higher percentage of households with earned income, households with 1 or more members who are not United States citizens, or both, than the lesser of, as the case may be—

“(I) the percentage of households of the corresponding type that receive food stamps nationally; or

“(II) the percentage of—

“(aa) households with earned income that received food stamps in the State in fiscal year 1992; or

“(bb) households with members who are not United States citizens that received food stamps in the State in fiscal year 1998.

“(ii) EXPANDED APPLICABILITY TO STATE AGENCIES SUBJECT TO SANCTIONS.—In the case of a State agency subject to sanctions for fiscal year 2001 or any fiscal year thereafter under paragraph (1), the adjustments described in clause (i) shall apply to the State agency for the fiscal year.

“(B) CONTINUATION OR MODIFICATION OF ADJUSTMENTS.—For fiscal year 2003 and each fiscal year thereafter, the Secretary may determine whether the continuation or modification of the adjustments described in subparagraph (A)(i) or the substitution of other adjustments is most consistent with achieving the purposes of this Act.”.

(b) CONFORMING AMENDMENT.—Section 22(h) of the Food Stamp Act of 1977 (7 U.S.C. 2031(h)) is amended by striking the last sentence.

(c) APPLICABILITY.—Except as otherwise provided in the amendments made by subsection (a), the amendments made by subsection (a) shall apply to fiscal year 2001 and each fiscal year thereafter.

**SEC. 437. IMPROVEMENT OF CALCULATION OF STATE PERFORMANCE MEASURES.**

(a) IN GENERAL.—Section 16(c)(8) of the Food Stamp Act of 1977 (7 U.S.C. 2025(c)(8)) is amended—

(1) in subparagraph (B), by striking “180 days after the end of the fiscal year” and inserting “the first May 31 after the end of the fiscal year referred to in subparagraph (A)”; and

(2) in subparagraph (C), by striking “30 days thereafter” and inserting “the first June 30 after the end of the fiscal year referred to in subparagraph (A)”.

(b) EFFECTIVE DATE.—The amendments made by this section take effect on the date of enactment of this Act.

**SEC. 438. BONUSES FOR STATES THAT DEMONSTRATE HIGH PERFORMANCE.**

(a) IN GENERAL.—Section 16(c) of the Food Stamp Act of 1977 (7 U.S.C. 2025(c)) (as amended by section 436(a)(6)) is amended—

(1) in the first sentence of paragraph (1), by striking “enhanced administrative funding to States with the lowest error rates.” and inserting “bonus payments to States that demonstrate high levels of performance.”;

(2) by adding at the end the following:

“(11) HIGH PERFORMANCE BONUS PAYMENTS.—

“(A) IN GENERAL.—For each fiscal year, the Secretary shall—

“(i) measure the performance of each State agency with respect to each of the performance measures specified in subparagraph (B); and

“(ii) subject to subparagraph (D), make high performance bonus payments to the State agencies with the highest achievement with respect to those performance measures.

“(B) PERFORMANCE MEASURES.—The performance measures specified in this subparagraph are—

“(i)(I) the greatest dollar amount of total claims collected in the fiscal year as a proportion of the overpayment dollar amount in the previous fiscal year; and

“(II) the greatest percentage point improvement under clause (i)(I) from the previous fiscal year to the fiscal year;

“(ii) the greatest improvement from the previous fiscal year to the fiscal year in the ratio, expressed as a percentage, that—

“(I) the number of households in the State that—

“(aa) have incomes less than 130 percent of the poverty line (as defined in section 673 of the Community Services Block Grant Act (42 U.S.C. 9902));

“(bb) are eligible for food stamp benefits; and

“(cc) receive food stamps benefits; bears to

“(II) the number of households in the State that—

“(aa) have incomes less than 130 percent of the poverty line (as so defined); and

“(bb) are eligible for food stamp benefits;

“(iii) the lowest overpayment error rate;

“(iv) the greatest percentage point improvement from the previous fiscal year to the fiscal year in the overpayment error rate;

“(v) the lowest negative error rate;

“(vi) the greatest percentage point improvement from the previous year to the fiscal year in the negative error rate;

“(vii) the lowest underpayment error rate;

“(viii) the greatest percentage point improvement from the previous year to the fiscal year in the underpayment error rate;

“(ix) the greatest percentage of new applications processed within the deadlines established under paragraphs (3) and (9) of section 11(e); and

“(x) the least average period of time needed to process applications under paragraphs (3) and (9) of section 11(e).

“(C) HIGH PERFORMANCE BONUS PAYMENTS.—

“(i) DEFINITION OF CASELOAD.—In this subparagraph, the term ‘caseload’ has the meaning given the term in section 6(o)(5)(A).

“(ii) AMOUNT OF PAYMENTS.—

“(I) IN GENERAL.—For each fiscal year, the Secretary shall—

“(aa) make 1 high performance bonus payment of \$10,000,000 for each of the 10 performance measures under subparagraph (B); and

“(bb) allocate the high performance bonus payment with respect to each performance measure in accordance with subclauses (II) and (III).

“(II) PAYMENT FOR PERFORMANCE MEASURE CONCERNING CLAIMS COLLECTED.—For each fiscal year, the Secretary shall allocate the high performance bonus payment made for the performance measure under subparagraph (B)(i) among the 20 State agencies with the highest performance in the performance measure in the ratio that—

“(aa) the caseload of each such State agency; bears to

“(bb) the caseloads of all such State agencies.

“(III) PAYMENTS FOR OTHER PERFORMANCE MEASURES.—For each fiscal year, the Secretary shall allocate the high performance bonus payment made for the performance measure under each of clauses (ii) through (x) of subparagraph (B) among the 10 State agencies with the highest performance in the performance measure in the ratio that—

“(aa) the caseload of each such State agency; bears to

“(bb) the caseloads of all such State agencies.

“(iii) DETERMINATION OF HIGHEST PERFORMERS.—

“(I) IN GENERAL.—In determining the highest performers under clause (ii), the Secretary shall calculate applicable percentages to 2 decimal places.

“(II) DETERMINATION IN EVENT OF A TIE.—If, under subclause (I), 2 or more State agencies have the same percentage with respect to a performance measure, the Secretary shall calculate the percentage for the performance measure to as many decimal places as are necessary to determine which State agency has the greatest percentage.

“(D) LIMITATIONS FOR STATE AGENCIES SUBJECT TO SANCTIONS.—If, for any fiscal year, a State agency is subject to a sanction under paragraph (1)—

“(i) the State agency shall not be eligible for a high performance bonus payment under clause (iii), (iv), (vii), or (viii) of subparagraph (B) for the fiscal year; and

“(ii) the State agency shall not receive a high performance bonus payment for which the State agency is otherwise eligible under this paragraph for the fiscal year until the obligation of the State agency under the sanction has been satisfied (as determined by the Secretary).

“(E) PAYMENTS NOT SUBJECT TO JUDICIAL REVIEW.—A determination by the Secretary whether, and in what amount, to make a high performance bonus payment under this paragraph shall not be subject to judicial review.”

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to fiscal year 2003 and each fiscal year thereafter.

#### SEC. 439. SIMPLIFIED FUNDING RULES FOR EMPLOYMENT AND TRAINING PROGRAMS.

(a) LEVELS OF FUNDING.—Section 16(h)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(1)) is amended—

(1) in subparagraph (A)—

(A) by striking “, to remain available until expended,”; and

(B) by striking clause (vii) and inserting the following:

“(vii) to remain available until expended—

“(I) for fiscal year 2002, \$122,000,000;

“(II) for fiscal year 2003, \$129,000,000;

“(III) for fiscal year 2004, \$135,000,000;

“(IV) for fiscal year 2005, \$142,000,000; and

“(V) for fiscal year 2006, \$149,000,000.”;

(2) by striking subparagraph (B) and inserting the following:

“(B) ALLOCATION.—Funds made available under subparagraph (A) shall be made available to and reallocated among State agencies under a reasonable formula that—

“(i) is determined and adjusted by the Secretary; and

“(ii) takes into account the number of individuals who are not exempt from the work requirement under section 6(o).”; and

(3) by striking subparagraphs (E) through (G).

(b) RESCISSION OF CARRYOVER FUNDS.—Notwithstanding any other provision of law, funds provided under section 16(h)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C.

2025(h)(1)(A)) for any fiscal year before fiscal year 2002 shall cease to be available on the date of enactment of this Act, unless obligated by a State agency before that date.

(c) PARTICIPANT EXPENSES.—Section 6(d)(4)(I)(i)(I) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)(I)(i)(I)) is amended by striking “\$25 per month” and inserting “an amount not less than \$25 per month”.

(d) FEDERAL REIMBURSEMENT.—Section 16(h)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(3)) is amended by striking “\$25” and inserting “the limit established by the State agency under section 6(d)(4)(I)(i)(I)”.

#### SEC. 440. REAUTHORIZATION OF FOOD STAMP PROGRAM.

(a) REDUCTIONS IN PAYMENTS FOR ADMINISTRATIVE COSTS.—Section 16(k)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2025(k)(3)) is amended—

(1) in the first sentence of subparagraph (A), by striking “2002” and inserting “2006”; and

(2) in subparagraph (B)(ii), by striking “2002” and inserting “2006”.

(b) CASH PAYMENT PILOT PROJECTS.—Section 17(b)(1)(B)(vi) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)(B)(vi)) is amended by striking “2002” and inserting “2006”.

(c) GRANTS TO IMPROVE FOOD STAMP PARTICIPATION.—Section 17(i)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2026(i)(1)(A)) is amended in the first sentence by striking “2002” and inserting “2006”.

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 18(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2027(a)(1)) is amended in the first sentence by striking “2002” and inserting “2006”.

#### SEC. 441. EXPANDED GRANT AUTHORITY.

Section 17(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2026(a)(1)) is amended—

(1) by striking “, by way of making contracts with or grants to public or private organizations or agencies,” and inserting “enter into contracts with or make grants to public or private organizations or agencies under this section to”; and

(2) by adding at the end the following: “The waiver authority of the Secretary under subsection (b) shall extend to all contracts and grants under this section.”.

#### SEC. 442. EXEMPTION OF WAIVERS FROM COST-NEUTRALITY REQUIREMENT.

Section 17(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)) is amended by adding at the end the following:

“(E) COST NEUTRALITY.—

“(i) REQUIREMENTS FOR WAIVERS.—

“(I) ESTIMATION OF COSTS AND SAVINGS OF WAIVERS.—Before approving a waiver for any demonstration project proposed under this subsection, the Secretary shall estimate the costs or savings likely to result from the waiver.

“(II) APPROVAL OF WAIVERS.—The Secretary shall not approve any waiver that the Secretary estimates will increase costs to the Federal Government unless—

“(aa) exigent circumstances require the approval of the waiver;

“(bb) the increase in costs is insignificant; or

“(cc) the increase in costs is necessary for a designated research demonstration project under clause (ii).

“(III) MULTIYEAR COST NEUTRALITY.—A waiver shall not be considered to increase costs to the Federal Government based on the impact of the waiver in any 1 fiscal year if the waiver is not expected to increase costs to the Federal Government over any 3-fiscal year period that includes the fiscal year.

“(ii) EXEMPTION FROM COST-NEUTRALITY REQUIREMENT FOR CERTAIN PROJECTS.—

“(I) IN GENERAL.—For each fiscal year, the Secretary may designate research demonstration projects that—

“(aa) have a substantial likelihood of producing information on important issues of food stamp program design or operation; and

“(bb) the Secretary estimates are likely to increase costs to the Federal Government by a total of not more than \$50,000,000 during the period of fiscal years 2002 through 2006.

“(II) EXEMPTION.—A project described in subclause (I) shall be exempt from clause (i).

“(iii) OFFSETS IN OTHER PROGRAMS.—In making determinations of costs to the Federal Government under this subparagraph, the Secretary shall estimate and consider savings to the Federal Government in other programs in such a manner as the Secretary determines to be appropriate.

“(iv) NO LOOK-BACK.—The Secretary shall not be required to adjust any estimate made under this subparagraph to reflect the actual costs of a demonstration project as implemented by a State agency.”.

#### SEC. 443. PROGRAM SIMPLIFICATION DEMONSTRATION PROJECTS.

(a) ENHANCED WAIVER AUTHORITY.—Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by striking subsection (e) and inserting the following:

“(e) PROGRAM SIMPLIFICATION DEMONSTRATION PROJECTS.—

“(1) IN GENERAL.—With the approval of the Secretary, not more than 5 State agencies may carry out demonstration projects to test, for a period of not more than 3 years, promising approaches to simplifying the food stamp program.

“(2) TYPES OF DEMONSTRATION PROJECTS.—Each demonstration project under paragraph (1) shall test changes in food stamp program rules in not more than 1 of the following 2 areas:

“(A)(i) Reporting requirements under section 6(c).

“(ii) Verification methods under section 11(e)(3) (including reliance on data from preceding periods that can be obtained or verified electronically).

“(iii) A combination of reporting requirements and verification methods.

“(B) The income standard of eligibility established under section 5(c)(1), deductions under section 5(e), and income budgeting procedures under section 5(f).

“(3) SELECTION OF DEMONSTRATION PROJECTS.—

“(A) IN GENERAL.—The Secretary shall establish a competitive process to select, from all projects proposed by State agencies, the demonstration projects to be carried out under this subsection based on which projects have the greatest likelihood of producing useful information on important issues of food stamp program design or operation, as determined by the Secretary.

“(B) GOALS.—In selecting demonstration projects, the Secretary shall seek, at a minimum, to achieve a balance between—

“(i) simplifying the food stamp program;

“(ii) reducing administrative burdens on State agencies, households, and other individuals and entities;

“(iii) providing nutrition assistance to individuals most in need; and

“(iv) improving access to nutrition assistance.

“(C) PROJECTS NOT ELIGIBLE FOR SELECTION.—The Secretary shall not select any demonstration project under this subsection that the Secretary determines does not have a strong likelihood of producing useful information on important issues of food stamp program design or operation.

“(D) DIVERSITY OF APPROACHES AND AREAS.—In selecting demonstration projects to be carried out under this subsection, the Secretary shall seek to include—

“(i) projects that take diverse approaches;  
 “(ii) at least 1 project that will operate in an urban area; and  
 “(iii) at least 1 project that will operate in a rural area.  
 “(E) MAXIMUM AGGREGATE COST OF PROJECTS.—The estimated aggregate cost of projects selected by the Secretary under this subsection shall not exceed \$90,000,000.

“(4) SIZE OF AREA.—Each demonstration project selected under this subsection shall be carried out in an area that contains not more than the greater of—

“(A) one-third of the total households receiving allotments in the State; or

“(B) the minimum number of households needed to measure the effects of the demonstration projects.

“(5) EVALUATIONS.—

“(A) IN GENERAL.—The Secretary shall provide, through contract or other means, for detailed, statistically valid evaluations to be conducted of each demonstration project carried out under this subsection.

“(B) MINIMUM REQUIREMENTS.—Each evaluation under subparagraph (A)—

“(i) shall include the study of control groups or areas; and

“(ii) shall analyze, at a minimum, the effects of the project design on—

“(I) costs of the food stamp program;

“(II) State administrative costs;

“(III) the integrity of the food stamp program, including errors as measured under section 16(c);

“(IV) participation by households in need of nutrition assistance; and

“(V) changes in allotment levels experienced by—

“(aa) households of various income levels;

“(bb) households with elderly, disabled, and employed members;

“(cc) households with high shelter costs relative to the incomes of the households; and

“(dd) households receiving subsidized housing, child care, or health insurance.

“(C) FUNDING.—From funds made available to carry out this Act, the Secretary shall reserve not more than \$6,000,000 to conduct evaluations under this paragraph.

“(6) REPORT TO CONGRESS.—Not later than January 1, 2006, the Secretary shall submit to Congress a report on the impact of the demonstration projects carried out under this subsection on the food stamp program, including the effectiveness of the demonstration projects in—

“(A) delivering nutrition assistance to households most at risk; and

“(B) reducing administrative burdens.”.

(b) CONFORMING AMENDMENT.—Section 17(b)(1)(B)(iv)(III)(ii) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)(B)(iv)(III)(ii)) is amended by striking “paragraph” and inserting “section”.

**SEC. 444. CONSOLIDATED BLOCK GRANTS.**

(a) CONSOLIDATED FUNDING.—Section 19(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2028(a)(1)) is amended—

(1) in subparagraph (A)—

(A) by striking “the Commonwealth of Puerto Rico” and inserting “governmental entities specified in subparagraph (D)”;

(B) in clause (ii), by striking “and” at the end; and

(C) by striking clause (iii) and all that follows and inserting the following:

“(iii) for fiscal year 2002, \$1,356,000,000; and

“(iv) for each of fiscal years 2003 through 2006, the amount provided in clause (iii), as adjusted by the percentage by which the thrifty food plan has been adjusted under section 3(o)(4) between June 30, 2001, and June 30 of the immediately preceding fiscal year;

to pay the expenditures for nutrition assistance programs for needy persons as described in subparagraphs (B) and (C).’’

(2) in subparagraph (B), by inserting “of Puerto Rico” after “Commonwealth” each place it appears; and

(3) by adding at the end the following:

“(C) AMERICAN SAMOA.—For each fiscal year, the Secretary shall reserve 0.4 percent of the funds made available under subparagraph (A) for payment to American Samoa to pay the expenditures for a nutrition assistance program extended under section 601(c) of Public Law 96-597 (48 U.S.C. 1469d(c)).

“(D) GOVERNMENTAL ENTITY.—A governmental entity specified in this subparagraph is—

“(i) the Commonwealth of Puerto Rico; and

“(ii) for fiscal year 2003 and each fiscal year thereafter, American Samoa.”.

(b) CONFORMING AMENDMENT.—Section 24 of the Food Stamp Act of 1977 (7 U.S.C. 2033) is repealed.

(c) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2002.

**SEC. 445. EXPANDED AVAILABILITY OF COMMODITIES.**

(a) IN GENERAL.—Section 27 of the Food Stamp Act of 1977 (7 U.S.C. 2036) is amended—

(1) in subsection (a)—

(A) by striking “From amounts” and inserting the following:

“(1) IN GENERAL.—From amounts”;

(B) by striking “for each of fiscal years 1997 through 2002, the Secretary shall purchase \$100,000,000 of” and inserting “the Secretary shall use the amount specified in paragraph (2) to purchase”; and

(C) by adding at the end the following:

“(2) AMOUNTS.—The amounts specified in this paragraph are—

“(A) for each of fiscal years 1997 through 2001, \$100,000,000; and

“(B) for each of fiscal years 2002 through 2006, \$140,000,000.”;

(2) by adding at the end the following:

“(c) USE OF FUNDS FOR RELATED COSTS.—

“(1) IN GENERAL.—For each of fiscal years 2002 through 2006, the Secretary shall use \$10,000,000 of the funds made available under subsection (a) to pay the direct and indirect costs of States relating to the processing, storing, transporting, and distributing to eligible recipient agencies of—

“(A) commodities purchased by the Secretary under subsection (a); and

“(B) commodities acquired from other sources, including commodities acquired by gleaning (as defined in section 111(a) of the Hunger Prevention Act of 1988 (7 U.S.C. 612c note; Public Law 100-435)).

“(2) ALLOCATION OF FUNDS.—The amount required to be used in accordance with paragraph (1) shall be allocated in accordance with section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).”.

(b) EFFECTIVE DATE.—The amendments made by this section take effect on the date of enactment of this Act.

**Subtitle B—Miscellaneous Provisions**

**SEC. 451. REAUTHORIZATION OF COMMODITY PROGRAMS.**

(a) COMMODITY DISTRIBUTION PROGRAM.—Section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note; Public Law 93-86) is amended in the first sentence by striking “2002” and inserting “2006”.

(b) COMMODITY SUPPLEMENTAL FOOD PROGRAM.—Section 5 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note; Public Law 93-86) is amended—

(1) by striking subsection (a) and inserting the following:

“(a) GRANTS PER ASSIGNED CASELOAD SLOT.—

“(1) IN GENERAL.—In carrying out the program under section 4 (referred to in this section as the ‘commodity supplemental food program’), for each of fiscal years 2003 through 2006, the Secretary shall provide to each State agency from funds made available to carry out that section (including any such funds remaining available from the preceding fiscal year), a grant per assigned caseload slot for administrative costs incurred by the State agency and local agencies in the State in operating the commodity supplemental food program.

“(2) AMOUNT OF GRANTS.—For each of fiscal years 2003 through 2006, the amount of each grant per caseload slot shall be equal to \$50, adjusted by the percentage change between—

“(A) the value of the State and local government price index, as published by the Bureau of Economic Analysis of the Department of Commerce, for the 12-month period ending June 30 of the second preceding fiscal year; and

“(B) the value of that index for the 12-month period ending June 30 of the preceding fiscal year.”; and

(2) in subsection (d)(2), by striking “2002” each place it appears and inserting “2006”.

(c) DISTRIBUTION OF SURPLUS COMMODITIES TO SPECIAL NUTRITION PROJECTS.—Section 1114(a)(2)(A) of the Agriculture and Food Act of 1981 (7 U.S.C. 1431e(2)(A)) is amended in the first sentence by striking “2002” and inserting “2006”.

(d) EMERGENCY FOOD ASSISTANCE.—Section 204(a)(1) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)(1)) is amended in the first sentence—

(1) by striking “2002” and inserting “2006”;

(2) by striking “administrative”; and

(3) by inserting “storage,” after “processing.”.

**SEC. 452. WORK REQUIREMENT FOR LEGAL IMMIGRANT FAMILIES.**

(a) WORKING IMMIGRANT FAMILIES.—Section 402(a)(2)(B)(ii)(I) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)(B)(ii)(I)) is amended by striking “40” and inserting “40 (or, in the case of the specified Federal program described in paragraph (3)(B), 16)”.

**(b) CONFORMING AMENDMENTS.—**

(1) Section 213A(a)(3)(A) of the Immigration and Nationality Act (8 U.S.C. 1183a(a)(3)(A)) is amended by striking “40” and inserting “40 (or, in the case of the specified Federal program described in section 402(a)(3)(B) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(3)(B)), 16”).

(2) Section 403(c)(2) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(c)(2)) is amended by adding at the end the following:

“(L) Assistance or benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).”.

(3) Section 421(b)(2)(A) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1631(b)(2)(A)) is amended by striking “40” and inserting “40 (or, in the case of the specified Federal program described in section 402(a)(3)(B), 16)”.

**SEC. 453. QUALIFIED ALIENS.**

Section 402(a)(2) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)) is amended by adding at the end the following:

“(L) FOOD STAMP EXCEPTION FOR CERTAIN QUALIFIED ALIENS.—With respect to eligibility for benefits for the specified Federal program described in paragraph (3)(B), paragraph (1) shall not apply to any individual who has continuously resided in the United States as a qualified alien for a period of 5 years or more.”.

**SEC. 454. COMMODITIES FOR SCHOOL LUNCH PROGRAMS.**

(a) IN GENERAL.—Section 6(e)(1)(B) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(e)(1)(B)) is amended by striking “2001” and inserting “2003”.

(b) EFFECTIVE DATE.—The amendment made by this section takes effect on the date of enactment of this Act.

**SEC. 455. ELIGIBILITY FOR FREE AND REDUCED PRICE MEALS.**

(a) IN GENERAL.—Section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) is amended by adding at the end the following:

“(7) EXCLUSION OF CERTAIN MILITARY HOUSING ALLOWANCES.—For each of fiscal years 2002 and 2003, the amount of a basic allowance provided under section 403 of title 37, United States Code, on behalf of a member of a uniformed service for housing that is acquired or constructed under subchapter IV of chapter 169 of title 10, United States Code, or any related provision of law, shall not be considered to be income for the purpose of determining the eligibility of a child who is a member of the household of the member of a uniformed service for free or reduced price lunches under this Act.”.

(b) EFFECTIVE DATE.—The amendment made by this section takes effect on the date of enactment of this Act.

**SEC. 456. SENIORS FARMERS' MARKET NUTRITION PROGRAM.**

(a) ESTABLISHMENT.—The Secretary of Agriculture shall carry out and expand a seniors farmers' market nutrition program.

(b) PROGRAM PURPOSES.—The purposes of the seniors farmers' market nutrition program are—

(1) to provide to low-income seniors resources in the form of fresh, nutritious, unprepared, locally grown fruits, vegetables, and herbs from farmers' markets, roadside stands, and community-supported agriculture programs;

(2) to increase domestic consumption of agricultural commodities by expanding or assisting in the expansion of domestic farmers' markets, roadside stands, and community-supported agriculture programs; and

(3) to develop or aid in the development of new farmers' markets, roadside stands, and community-supported agriculture programs.

(c) REGULATIONS.—The Secretary of Agriculture may promulgate such regulations as the Secretary considers necessary to carry out the seniors farmers' market nutrition program under this section.

**(d) FUNDING.—**

(1) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, and on October 1, 2002, and each October 1 thereafter through October 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this section \$15,000,000.

(2) RECEIPT AND ACCEPTANCE.—The Secretary of Agriculture shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under paragraph (1), without further appropriation.

**SEC. 457. ELIGIBILITY FOR ASSISTANCE UNDER THE SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN.**

(a) IN GENERAL.—Section 17(d)(2)(B)(i) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(2)(B)(i)) is amended—

(1) by striking “basic allowance for housing” and inserting the following: “basic allowance—

“(I) for housing”;

(2) by striking “and” at the end and inserting “or”; and

(3) by adding at the end the following:

“(II) provided under section 403 of title 37, United States Code, for housing that is ac-

quired or constructed under subchapter IV of chapter 169 of title 10, United States Code, or any related provision of law; and”.

(b) EFFECTIVE DATE.—The amendments made by this section take effect on the date of enactment of this Act.

**SEC. 458. CONGRESSIONAL HUNGER FELLOWS PROGRAM.**

(a) SHORT TITLE.—This section may be cited as the “Congressional Hunger Fellows Act of 2001”.

**(b) FINDINGS.—**Congress finds that—

(1) there are—

(A) a critical need for compassionate individuals who are committed to assisting people who suffer from hunger; and

(B) a need for those individuals to initiate and administer solutions to the hunger problem;

(2) Bill Emerson, the distinguished late Representative from the 8th District of Missouri, demonstrated—

(A) his commitment to solving the problem of hunger in a bipartisan manner;

(B) his commitment to public service; and

(C) his great affection for the institution and the ideals of Congress;

(3) George T. (Mickey) Leland, the distinguished late Representative from the 18th District of Texas, demonstrated—

(A) his compassion for individuals in need;

(B) his high regard for public service; and

(C) his lively exercise of political talents;

(4) the special concern that Mr. Emerson and Mr. Leland demonstrated during their lives for the hungry and poor was an inspiration for others to work toward the goals of equality and justice for all; and

(5) since those 2 outstanding leaders maintained a special bond of friendship regardless of political affiliation and worked together to encourage future leaders to recognize and provide service to others, it is especially appropriate to honor the memory of Mr. Emerson and Mr. Leland by establishing a fellowship program to develop and train the future leaders of the United States to pursue careers in humanitarian service.

**(c) DEFINITIONS.—**In this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means—

(A) the Committee on Agriculture and the Committee on International Relations of the House of Representatives; and

(B) the Committee on Agriculture, Nutrition, and Forestry and the Committee on Foreign Relations of the Senate.

(2) BOARD.—The term “Board” means the Board of Trustees of the Program.

(3) FUND.—The term “Fund” means the Congressional Hunger Fellows Trust Fund established by subsection (g).

(4) PROGRAM.—The term “Program” means the Congressional Hunger Fellows Program established by subsection (d).

(d) ESTABLISHMENT.—There is established as an independent entity of the legislative branch of the United States Government an entity to be known as the “Congressional Hunger Fellows Program”.

**(e) BOARD OF TRUSTEES.—**

(1) IN GENERAL.—The Program shall be subject to the supervision and direction of a Board of Trustees.

**(2) MEMBERS OF THE BOARD.—****(A) APPOINTMENT.—**

(i) IN GENERAL.—The Board shall be composed of 6 voting members appointed under clause (ii) and 1 nonvoting ex-officio member designated by clause (iii).

(ii) VOTING MEMBERS.—The voting members of the Board shall be the following:

(I) 2 members appointed by the Speaker of the House of Representatives.

(II) 1 member appointed by the minority leader of the House of Representatives.

(III) 2 members appointed by the majority leader of the Senate.

(IV) 1 member appointed by the minority leader of the Senate.

(iii) NONVOTING MEMBER.—The Executive Director of the Program shall serve as a non-voting ex-officio member of the Board.

**(B) TERMS.—**

(i) IN GENERAL.—Each member of the Board shall serve for a term of 4 years.

(ii) INCOMPLETE TERM.—If a member of the Board does not serve the full term of the member, the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

**(C) VACANCY.—**A vacancy on the Board—

(i) shall not affect the powers of the Board; and

(ii) shall be filled in the same manner as the original appointment was made.

(D) CHAIRPERSON.—As the first order of business of the first meeting of the Board, the members shall elect a Chairperson.

**(E) COMPENSATION.—**

(i) IN GENERAL.—Subject to clause (ii), a member of the Board shall not receive compensation for service on the Board.

(ii) TRAVEL.—A member of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the Board.

**(3) DUTIES.—****(A) BYLAWS.—**

(i) ESTABLISHMENT.—The Board shall establish such bylaws and other regulations as are appropriate to enable the Board to carry out this section, including the duties described in this paragraph.

(ii) CONTENTS.—Bylaws and other regulations established under clause (i) shall include provisions—

(I) for appropriate fiscal control, accountability for funds, and operating principles;

(II) to prevent any conflict of interest, or the appearance of any conflict of interest, in—

(aa) the procurement and employment actions taken by the Board or by any officer or employee of the Board; and

(bb) the selection and placement of individuals in the fellowships developed under the Program;

(III) for the resolution of a tie vote of the members of the Board; and

(IV) for authorization of travel for members of the Board.

(iii) SUBMISSION TO CONGRESS.—Not later than 90 days after the date of the first meeting of the Board, the Chairperson of the Board shall submit to the appropriate congressional committees a copy of the bylaws established by the Board.

(B) BUDGET.—For each fiscal year in which the Program is in operation—

(i) the Board shall determine a budget for the Program for the fiscal year; and

(ii) all spending by the Program shall be in accordance with the budget unless a change is approved by the Board.

(C) PROCESS FOR SELECTION AND PLACEMENT OF FELLOWS.—The Board shall review and approve the process established by the Executive Director for the selection and placement of individuals in the fellowships developed under the Program.

(D) ALLOCATION OF FUNDS TO FELLOWSHIPS.—The Board shall determine—

(i) the priority of the programs to be carried out under this section; and

(ii) the amount of funds to be allocated for the fellowships established under subsection (f)(3)(A).

**(f) PURPOSES; AUTHORITY OF PROGRAM.—**

(1) PURPOSES.—The purposes of the Program are—

(A) to encourage future leaders of the United States to pursue careers in humanitarian service;

(B) to recognize the needs of people who are hungry and poor;

(C) to provide assistance and compassion for people in need;

(D) to increase awareness of the importance of public service; and

(E) to provide training and development opportunities for the leaders through placement in programs operated by appropriate entities.

(2) AUTHORITY.—The Program may develop fellowships to carry out the purposes of the Program, including the fellowships described in paragraph (3).

(3) FELLOWSHIPS.—

(A) IN GENERAL.—The Program shall establish and carry out the Bill Emerson Hunger Fellowship and the Mickey Leland Hunger Fellowship.

(B) CURRICULUM.—

(i) IN GENERAL.—The fellowships established under subparagraph (A) shall provide experience and training to develop the skills and understanding necessary to improve the humanitarian conditions and the lives of individuals who suffer from hunger, including—

(I) training in direct service to the hungry in conjunction with community-based organizations through a program of field placement; and

(II) experience in policy development through placement in a governmental entity or nonprofit organization.

(ii) FOCUS.—

(I) BILL EMERSON HUNGER FELLOWSHIP.—The Bill Emerson Hunger Fellowship shall address hunger and other humanitarian needs in the United States.

(II) MICKEY LELAND HUNGER FELLOWSHIP.—The Mickey Leland Hunger Fellowship shall address international hunger and other humanitarian needs.

(iii) WORK PLAN.—To carry out clause (i) and to assist in the evaluation of the fellowships under paragraph (4), the Program shall, for each fellow, approve a work plan that identifies the target objectives for the fellow in the fellowship, including the specific duties and responsibilities relating to the objectives.

(C) PERIOD OF FELLOWSHIP.—

(i) EMERSON FELLOWSHIP.—A Bill Emerson Hunger Fellowship awarded under this paragraph shall be for a period of not more than 1 year.

(ii) LELAND FELLOWSHIP.—A Mickey Leland Hunger Fellowship awarded under this paragraph shall be for a period of not more than 2 years, of which not less than 1 year shall be dedicated to fulfilling the requirement of subparagraph (B)(i)(I).

(D) SELECTION OF FELLOWS.—

(i) IN GENERAL.—A fellowship shall be awarded through a nationwide competition established by the Program.

(ii) QUALIFICATION.—A successful applicant shall be an individual who has demonstrated—

(I) an intent to pursue a career in humanitarian service and outstanding potential for such a career;

(II) leadership potential or leadership experience;

(III) diverse life experience;

(IV) proficient writing and speaking skills;

(V) an ability to live in poor or diverse communities; and

(VI) such other attributes as the Board determines to be appropriate.

(iii) AMOUNT OF AWARD.—

(I) IN GENERAL.—Each individual awarded a fellowship under this paragraph shall receive

a living allowance and, subject to subclause (II), an end-of-service award as determined by the Program.

(II) REQUIREMENT FOR SUCCESSFUL COMPLETION OF FELLOWSHIP.—Each individual awarded a fellowship under this paragraph shall be entitled to receive an end-of-service award at an appropriate rate for each month of satisfactory service as determined by the Executive Director.

(iv) RECOGNITION OF FELLOWSHIP AWARD.—

(I) EMERSON FELLOW.—An individual awarded a Bill Emerson Hunger Fellowship shall be known as an “Emerson Fellow”.

(II) LELAND FELLOW.—An individual awarded a Mickey Leland Hunger Fellowship shall be known as a “Leland Fellow”.

(4) EVALUATIONS.—

(A) IN GENERAL.—The Program shall conduct periodic evaluations of the Bill Emerson and Mickey Leland Hunger Fellowships.

(B) REQUIRED ELEMENTS.—Each evaluation shall include—

(i) an assessment of the successful completion of the work plan of each fellow;

(ii) an assessment of the impact of the fellowship on the fellows;

(iii) an assessment of the accomplishment of the purposes of the Program; and

(iv) an assessment of the impact of each fellow on the community.

(g) TRUST FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States a fund to be known as the “Congressional Hunger Fellows Trust Fund”, consisting of—

(A) amounts appropriated to the Fund under subsection (k);

(B) any amounts earned on investment of amounts in the Fund under paragraph (2); and

(C) amounts received under subsection (3)(A).

(2) INVESTMENT OF AMOUNTS.—

(A) IN GENERAL.—

(i) AUTHORITY TO INVEST.—The Secretary of the Treasury shall invest such portion of the Fund as is not, in the judgment of the Secretary of the Treasury, required to meet current withdrawals.

(ii) TYPES OF INVESTMENTS.—Each investment may be made only in an interest-bearing obligation of the United States or an obligation guaranteed as to principal and interest by the United States that, as determined by the Secretary of the Treasury in consultation with the Board, has a maturity suitable for the Fund.

(B) ACQUISITION OF OBLIGATIONS.—For the purpose of investments under subparagraph (A), obligations may be acquired—

(i) on original issue at the issue price; or

(ii) by purchase of outstanding obligations at the market price.

(C) SALE OF OBLIGATIONS.—Any obligation acquired by the Fund may be sold by the Secretary of the Treasury at the market price.

(D) CREDITS TO FUND.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

(3) TRANSFERS OF AMOUNTS.—

(A) IN GENERAL.—The amounts required to be transferred to the Fund under this subsection shall be transferred at least monthly from the general fund of the Treasury to the Fund on the basis of estimates made by the Secretary of the Treasury.

(B) ADJUSTMENTS.—Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(h) EXPENDITURES; AUDITS.—

(1) IN GENERAL.—The Secretary of the Treasury shall transfer to the Program from the amounts described in subsections

(g)(2)(D) and (i)(3)(A) such sums as the Board determines to be necessary to enable the Program to carry out this section.

(2) LIMITATION.—The Secretary may not transfer to the Program the amounts appropriated to the Fund under subsection (k).

(3) USE OF FUNDS.—Funds transferred to the Program under paragraph (1) shall be used—

(A) to provide a living allowance for the fellows;

(B) to defray the costs of transportation of the fellows to the fellowship placement sites;

(C) to defray the costs of appropriate insurance of the fellows, the Program, and the Board;

(D) to defray the costs of preservice and midservice education and training of fellows;

(E) to pay staff described in subsection (i);

(F) to make end-of-service awards under subsection (f)(3)(D)(iii)(II); and

(G) for such other purposes as the Board determines to be appropriate to carry out the Program.

(4) AUDIT BY COMPTROLLER GENERAL.—

(A) IN GENERAL.—The Comptroller General of the United States shall conduct an annual audit of the accounts of the Program.

(B) BOOKS.—The Program shall make available to the Comptroller General all books, accounts, financial records, reports, files, and other papers, things, or property belonging to or in use by the Program and necessary to facilitate the audit.

(C) REPORT TO CONGRESS.—The Comptroller General shall submit to the appropriate congressional committees a copy of the results of each audit under subparagraph (A).

(i) STAFF; POWERS OF PROGRAM.—

(1) EXECUTIVE DIRECTOR.—

(A) IN GENERAL.—The Board shall appoint an Executive Director of the Program who shall—

(i) administer the Program; and

(ii) carry out such other functions consistent with this section as the Board shall prescribe.

(B) RESTRICTION.—The Executive Director may not serve as Chairperson of the Board.

(C) COMPENSATION.—The Executive Director shall be paid at a rate not to exceed the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(2) STAFF.—

(A) IN GENERAL.—With the approval of a majority of the Board, the Executive Director may appoint and fix the pay of such additional personnel as the Executive Director considers necessary to carry out this section.

(B) COMPENSATION.—An individual appointed under subparagraph (A) shall be paid at a rate not to exceed the rate payable for level GS-15 of the General Schedule.

(3) POWERS.—

(A) GIFTS.—

(i) IN GENERAL.—The Program may solicit, accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Program.

(ii) USE OF GIFTS.—Gifts, bequests, or devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall—

(I) be deposited in the Fund; and

(II) be available for disbursement on order of the Board.

(B) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—To carry out this section, the Program may procure temporary and intermittent services in accordance with section 3109(b) of title 5, United States Code, at rates for individuals that do not exceed the daily equivalent of the annual rate of basic pay payable for level GS-15 of the General Schedule.

(C) CONTRACT AUTHORITY.—To carry out this section, the Program may, with the approval of a majority of the members of the Board, contract with and compensate Government and private agencies or persons without regard to section 3709 of the Revised Statutes (41 U.S.C. 5).

(D) OTHER NECESSARY EXPENDITURES.—

(i) IN GENERAL.—Subject to clause (ii), the Program may make such other expenditures as the Program considers necessary to carry out this section.

(ii) PROHIBITION.—The Program may not expend funds to develop new or expanded projects at which fellows may be placed.

(j) REPORT.—Not later than December 31 of each year, the Board shall submit to the appropriate congressional committees a report on the activities of the Program carried out during the preceding fiscal year that includes—

(1) an analysis of the evaluations conducted under subsection (f)(4) during the fiscal year; and

(2) a statement of—

(A) the total amount of funds attributable to gifts received by the Program in the fiscal year under subsection (i)(3)(A); and

(B) the total amount of funds described in subparagraph (A) that were expended to carry out the Program in the fiscal year.

(k) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$18,000,000.

(l) EFFECTIVE DATE.—This section takes effect on October 1, 2002.

**SEC. 459. EFFECTIVE DATE.**

Except as otherwise provided in this title, the amendments made by this title (other than subtitle C) take effect on July 1, 2002, except that a State agency may, at the option of the State agency, elect not to implement the amendments until October 1, 2002.

**Subtitle C—Commodity Programs**

**SEC. 471. INCOME PROTECTION PRICES FOR COUNTER-CYCICAL PAYMENTS.**

Section 114(c) of the Federal Agriculture Improvement and Reform Act of 1996 (as amended by section 111) is amended by striking paragraph (2) and inserting the following:

(2) INCOME PROTECTION PRICES.—The income protection prices for contract commodities under paragraph (1)(A) are as follows:

- “(A) Wheat, \$3.39 per bushel.
- “(B) Corn, \$2.31 per bushel.
- “(C) Grain sorghum, \$2.31 per bushel.
- “(D) Barley, \$2.16 per bushel.
- “(E) Oats, \$1.52 per bushel.
- “(F) Upland cotton, \$0.669 per pound.
- “(G) Rice, \$9.16 per hundredweight.
- “(H) Soybeans, \$5.65 per bushel.

“(I) Oilseeds (other than soybeans), \$0.103 per pound.”.

**SEC. 472. LOAN RATES FOR MARKETING ASSISTANCE LOANS.**

(a) IN GENERAL.—Section 132 of the Federal Agriculture Improvement and Reform Act of 1996 (as amended by section 123(a)) is amended to read as follows:

**“SEC. 132. LOAN RATES.**

“The loan rate for a marketing assistance loan under section 131 for a loan commodity shall be—

- “(1) in the case of wheat, \$2.94 per bushel;
- “(2) in the case of corn, \$2.04 per bushel;
- “(3) in the case of grain sorghum, \$2.04 per bushel;
- “(4) in the case of barley, \$1.96 per bushel;
- “(5) in the case of oats, \$1.47 per bushel;
- “(6) in the case of upland cotton, \$0.539 per pound;
- “(7) in the case of extra long staple cotton, \$0.7965 per pound;
- “(8) in the case of rice, \$6.71 per hundredweight;
- “(9) in the case of soybeans, \$5.10 per bushel;

“(10) in the case of oilseeds (other than soybeans), \$0.093 per pound;

“(11) in the case of graded wool, \$1.00 per pound;

“(12) in the case of nongraded wool, \$.40 per pound;

“(13) in the case of mohair, \$2.00 per pound;

“(14) in the case of honey, \$.60 per pound;

“(15) in the case of dry peas, \$6.78 per hundredweight;

“(16) in the case of lentils, \$12.79 per hundredweight;

“(17) in the case of large chickpeas, \$17.44 per hundredweight; and

“(18) in the case of small chickpeas, \$8.10 per hundredweight.”.

(b) ADJUSTMENT OF LOANS.—

(1) IN GENERAL.—The amendment made by section 123(b) is repealed.

(2) APPLICABILITY.—Section 162 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7282) shall be applied and administered as if the amendment made by section 123(b) had not been enacted.

**SEC. 473. EFFECTIVE DATE.**

This subtitle and the amendments made by this subtitle take effect on the date of enactment of this Act.

**SA 2522. Mr. FEINGOLD (for himself, Mr. GRASSLEY, and Mr. HARKIN) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:**

Strike the period at the end of section 1021 and insert a period and the following:

**SEC. 10. ARBITRATION CLAUSES.**

Title IV of the Packers and Stockyards Act, 1921, is amended by inserting after section 413 (7 U.S.C. 228b-4) the following:

**“SEC. 413A. ARBITRATION CLAUSES.**

“Notwithstanding any other provision of law, in the case of a contract for the sale or production of livestock or poultry under this Act that is entered into or renewed after the date of enactment of this section and that includes a provision that requires arbitration of a dispute arising from the contract, a person that seeks to resolve a dispute under the contract may, notwithstanding the terms of the contract, elect—

“(1) to arbitrate the dispute in accordance with the contract; or

“(2) to resolve the dispute in accordance with any other lawful method of dispute resolution, including mediation and civil action.”.

**SA 2523. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:**

Strike the period at the end of chapter 1 of subtitle C of title I and insert a period and the following:

**SEC. 1. STANDARD OF IDENTITY FOR MILK.**

Section 401 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 341) is amended by adding at the end the following: “Not later than 180 days after the date of enactment of this sentence, the Secretary shall include in the standard of identity for fluid milk a required minimum protein content that is commensurate with the average protein content of bovine milk produced in the United States as of that date of enactment. In carrying out the preceding sentence, the Secretary shall use data collected by milk market administrators of the Department of Agriculture and State regulatory agencies, and any appropriate industry data that the Secretary determines to be necessary to establish the required minimum protein content.”.

**SA 2524. Mr. DORGAN (for himself, Mr. LUGAR, Mr. JOHNSON, Mr. NELSON of Nebraska, Mr. TORRICELELLI, Mr. WELLSTONE) submitted an amendment intended to be proposed by him to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:**

Strike section 165 and insert the following:

**SEC. 165. PAYMENT LIMITATIONS; NUTRITION AND COMMODITY PROGRAMS.**

**(a) PAYMENT LIMITATIONS.—**

(1) IN GENERAL.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended by striking paragraphs (1) through (6) and inserting the following:

“(1) LIMITATIONS ON DIRECT AND COUNTER-CYCICAL PAYMENTS.—Subject to paragraph (5)(A), the total amount of direct payments and counter-cyclical payments made directly or indirectly to an individual or entity during any fiscal year may not exceed \$75,000.

“(2) LIMITATIONS ON MARKETING LOAN GAINS, LOAN DEFICIENCY PAYMENTS, AND COMMODITY CERTIFICATE TRANSACTIONS.—

“(A) IN GENERAL.—Subject to paragraph (5)(A), the total amount of the payments and benefits described in subparagraph (B) that an individual or entity may directly or indirectly receive during any crop year may not exceed \$150,000.

“(B) PAYMENTS AND BENEFITS.—Subparagraph (A) shall apply to the following payments and benefits:

**“(i) MARKETING LOAN GAINS.—**

“(I) REPAYMENT GAINS.—Any gain realized by a producer from repaying a marketing assistance loan under section 131 or 158G(a) of the Federal Agriculture Improvement and Reform Act of 1996 for a crop of any loan commodity or peanuts, respectively, at a lower level than the original loan rate established for the loan commodity or peanuts under section 132 or 158G(d) of that Act, respectively.

“(II) FORFEITURE GAINS.—In the case of settlement of a marketing assistance loan under section 131 or 158G(a) of that Act for a crop of any loan commodity or peanuts, respectively, by forfeiture, the amount by which the loan amount exceeds the repayment amount for the loan if the loan had been settled by repayment instead of forfeiture.

“(ii) LOAN DEFICIENCY PAYMENTS.—Any loan deficiency payment received for a loan commodity or peanuts under section 135 or 158G(e) of that Act, respectively.

“(iii) COMMODITY CERTIFICATES.—Any gain realized from the use of a commodity certificate issued by the Commodity Credit Corporation, as determined by the Secretary, including the use of a certificate for the settlement of a marketing assistance loan made under section 131 or 158G(a) of that Act.

“(3) SETTLEMENT OF CERTAIN LOANS.—Notwithstanding subtitle C and section 158G of the Federal Agriculture Improvement and Reform Act of 1996, if the amount of payments and benefits described in paragraph (2)(B) attributed directly or indirectly to an individual or entity for a crop year reaches the limitation described in paragraph (2)(A), the portion of any unsettled marketing assistance loan made under section 131 or 158G(a) of that Act attributed directly or indirectly to the individual or entity shall be settled through the repayment of the total loan principal, plus applicable interest.

“(4) DEFINITIONS.—In this section and sections 1001A through 1001F:

“(A) COUNTER-CYCICAL PAYMENT.—The term ‘counter-cyclical payment’ means a payment made under section 114 or 158D of the Federal Agriculture Improvement and Reform Act of 1996.

“(B) DIRECT PAYMENT.—The term ‘direct payment’ means a payment made under section 113 or 158C of that Act.

“(C) LOAN COMMODITY.—The term ‘loan commodity’ has the meaning given the term in section 102 of that Act.

“(D) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture.

“(5) APPLICATION OF LIMITATION.—

“(A) MARRIED COUPLES.—The total amount of payments and benefits described paragraphs (1) and (2) that a married couple may receive directly or indirectly may not exceed \$275,000 during the fiscal or crop year (as appropriate).

“(B) TENANT RULE.—

“(i) IN GENERAL.—Any individual or entity that conducts a farming operation to produce a crop subject to the limitations established under this section as a tenant shall be ineligible to receive any payment or benefit described in paragraph (1) or (2), or subtitle D of title XII, with respect to the land unless the individual or entity makes a contribution of active personal labor to the operation that is at least equal to the lesser of—

“(I) 1000 hours; or

“(II) 40 percent of the minimum number of labor hours required to produce each commodity by the operation (as described in clause (ii)).

“(ii) MINIMUM NUMBER OF LABOR HOURS.—For the purpose of clause (i)(II), the minimum number of labor hours required to produce each commodity shall be equal to the number of hours that would be necessary to conduct a farming operation for the production of each commodity that is comparable in size to an individual or entity’s commensurate share in the farming operation for the production of the commodity, based on the minimum number of hours per acre required to produce the commodity in the State where the farming operation is located, as determined by the Secretary.

“(6) PUBLIC SCHOOLS.—The provisions of this section that limit payments to any individual or entity shall not be applicable to land owned by a public school district or land owned by a State that is used to maintain a public school.”.

(2) SUBSTANTIVE CHANGE.—Section 1001A(a) of the Food Security Act of 1985 (7 U.S.C. 1308-1(a)) is amended—

(A) in the section heading, by striking “PREVENTION OF CREATION OF ENTITIES TO QUALITY AS SEPARATE PERSONS;” AND INSERTING “SUBSTANTIVE CHANGE;”;

(B) by striking “(a) PREVENTION” and all that follows through the end of paragraph (2) and inserting the following:

“(a) SUBSTANTIVE CHANGE.—

“(1) IN GENERAL.—The Secretary may not approve (for purposes of the application of the limitations under this section) any change in a farming operation that otherwise will increase the number of individuals or entities to which the limitations under this section are applied unless the Secretary determines that the change is bona fide and substantive.

“(2) FAMILY MEMBERS.—For the purpose of paragraph (1), the addition of a family member to a farming operation under the criteria established under subsection (b)(1)(B) shall be considered a bona fide and substantive change in the farming operation.”;

(C) in the first sentence of paragraph (3)—  
(i) by striking “as a separate person”; and  
(ii) by inserting “, as determined by the Secretary” before the period at the end; and  
(D) by striking paragraph (4).

(3) ACTIVELY ENGAGED IN FARMING.—Section 1001A(b) of the Food Security Act of 1985 (7 U.S.C. 1308-1(b)) is amended—

(A) by striking paragraph (1) and inserting the following:

“(1) IN GENERAL.—To be eligible to receive, directly or indirectly, payments (as described in paragraphs (1) and (2) of section 1001 as being subject to limitation) with respect to a particular farming operation an individual or entity shall be actively engaged in farming with respect to the operation, as provided under paragraphs (2), (3), and (4).”;

(B) in paragraph (2), by adding at the end the following:

“(E) ACTIVE PERSONAL MANAGEMENT.—For an individual to be considered to be providing active personal management under this paragraph on behalf of the individual or a corporation or entity, the management provided by the individual shall be personally provided on a regular, substantial, and continuous basis through the direction supervision and direction of—

“(i) activities and labor involved in the farming operation; and

“(ii) on-site services that are directly related and necessary to the farming operation.”;

(C) in paragraph (3)—

(i) by striking subparagraph (A) and inserting the following:

“(A) LANDOWNERS.—An individual or entity that is a landowner contributing the owned land to the farming operation and that meets the standard provided in clauses (ii) and (iii) of paragraph (2)(A), if the landowner—

“(i) share rents the land; or

“(ii) makes a significant contribution of active personal management.”; and

(ii) in subparagraph (B), by striking “persons” and inserting “individuals and entities”; and

(D) in paragraph (4)—

(i) in the paragraph heading, by striking “PERSONS” and inserting “INDIVIDUALS AND ENTITIES”; and

(ii) in the matter preceding subparagraph (A), by striking “persons” and inserting “individuals and entities”; and

(iii) in subparagraph (B)—

(I) in the subparagraph heading, by striking “PERSONS” and inserting “INDIVIDUALS AND ENTITIES”; and

(II) by striking “person, or class of persons” and inserting “individual or entity, or class of individuals or entities”;

(E) by striking paragraph (5);

(F) in paragraph (6), by striking “a person” and inserting “an individual or entity”; and

(G) by redesignating paragraph (6) as paragraph (5).

(4) ADMINISTRATION.—Section 1001A of the Food Security Act of 1985 (7 U.S.C. 1308-1) is amended by adding at the end the following:

“(c) ADMINISTRATION.—

“(1) REVIEWS.—

“(A) IN GENERAL.—During each of fiscal years 2002 through 2006, the Office of Inspector General for the Department of Agriculture shall conduct a review of the administration of the requirements of this section and sections 1001, 1001B, 1001C, and 1001E in at least 6 States.

“(B) MINIMUM NUMBER OF COUNTIES.—Each State review described in subparagraph (A) shall cover at least 5 counties in the State.

“(C) REPORT.—Not later than 90 days after completing a review described in subparagraph (A), the Inspector General for the Department of Agriculture shall issue a final report to the Secretary of the findings of the Inspector General.

“(2) EFFECT OF REPORT.—If a report issued under paragraph (1) reveals that significant problems exist in the implementation of payment limitation requirements of this section and sections 1001, 1001B, 1001C, and 1001E in a State and the Secretary agrees that the problems exist, the Secretary—

“(A) shall initiate a training program regarding the payment limitation requirements; and

“(B) may require that all payment limitation determinations regarding farming operations in the State be issued from the headquarters of the Farm Service Agency.”.

(5) SCHEME OR DEVICE.—Section 1001B of the Food Security Act of 1985 (7 U.S.C. 1308-2) is amended by striking “person” each place it appears and inserting “individual or entity”.

(6) FOREIGN INDIVIDUALS AND ENTITIES.—Section 1001C(b) of the Food Security Act of 1985 (7 U.S.C. 1308-3(b)) is amended in the first sentence by striking “considered a person that is”.

(7) EDUCATION PROGRAM.—Section 1001D(c) of the Food Security Act of 1985 (7 U.S.C. 1308-4(c)) is amended by striking “5 persons” and inserting “5 individuals or entities”.

(8) REPORT TO CONGRESS.—No later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall provide a report to and to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate that describes—

(A) how State and county office employees are trained regarding the payment limitation requirements of section 1001 through 1001E of the Food Security Act of 1985 (7 U.S.C. 1308 through 1308-5);

(B) the general procedures used by State and county office employees to identify potential violations of the payment limitation requirements;

(C) the requirements for State and county office employees to report serious violations of the payment limitation requirements, including violations of section 1001B of that Act to the county committee, higher level officials of the Farm Service Agency, and to the Office of Inspector General; and

(D) the sanctions imposed against State and county office employees who fail to report or investigate potential violations of the payment limitation requirements.

(b) NET INCOME LIMITATION.—The Food Security Act of 1985 is amended by inserting after section 1001E (7 U.S.C. 1308-5) the following:

#### SEC. 1001F. NET INCOME LIMITATION.

“Notwithstanding any other provision of title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7201 et seq.), an owner or producer shall not be eligible for a payment or benefit described in

paragraphs (1) or (2) of section 1001 for a fiscal or crop year (as appropriate) if the average adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986) of the owner or producer for each of the preceding 3 taxable years exceeds \$2,500,000.”.

(c) FOOD STAMP PROGRAM.—

(1) INCREASE IN BENEFITS TO HOUSEHOLDS WITH CHILDREN.—Section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking paragraph (1) and inserting the following:

(1) STANDARD DEDUCTION.—

“(A) IN GENERAL.—Subject to the other provisions of this paragraph, the Secretary shall allow for each household a standard deduction that is equal to the greater of—

“(i) the applicable percentage specified in subparagraph (D) of the applicable income standard of eligibility established under subsection (c)(1); or

“(ii) the minimum deduction specified in subparagraph (E).

“(B) GUAM.—The Secretary shall allow for each household in Guam a standard deduction that is—

“(i) equal to the applicable percentage specified in subparagraph (D) of twice the income standard of eligibility established under subsection (c)(1) for the 48 contiguous States and the District of Columbia; but

“(ii) not less than the minimum deduction for Guam specified in subparagraph (E).

“(C) HOUSEHOLDS OF 6 OR MORE MEMBERS.—The income standard of eligibility established under subsection (c)(1) for a household of 6 members shall be used to calculate the standard deduction for each household of 6 or more members.

“(D) APPLICABLE PERCENTAGE.—For the purpose of subparagraph (A), the applicable percentage shall be—

“(i) 8 percent for each of fiscal years 2002 through 2004;

“(ii) 8.25 percent for each of fiscal years 2005 and 2006;

“(iii) 8.5 percent for each of fiscal years 2007 and 2008;

“(iv) 8.75 percent for fiscal year 2009; and

“(v) 9 percent for each of fiscal years 2010 and 2011.

“(E) MINIMUM DEDUCTION.—The minimum deduction shall be \$134, \$229, \$189, \$269, and \$118 for the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States, respectively.”.

(2) PARTICIPANT EXPENSES.—Section 6(d)(4)(I)(I) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)(I)(I)) is amended by striking “, except that the State agency may limit such reimbursement to each participant to \$25 per month”.

(3) FEDERAL REIMBURSEMENT.—Section 16(h)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(3)) is amended by striking “such total amount shall not exceed an amount representing \$25 per participant per month for costs of transportation and other actual costs (other than dependent care costs) and” and inserting “the amount of the reimbursement for dependent care expenses shall not exceed”.

(4) EFFECTIVENESS OF CERTAIN PROVISIONS.—Section 413 and subsections (c) and (d) of section 433, and the amendments made by section 413 and subsections (c) and (d) of section 433, shall have no effect.

(d) LOAN DEFICIENCY PAYMENTS.—

(1) ELIGIBILITY.—Section 135 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7235) (as amended by section 126(1)) is amended by striking subsection (a) and inserting the following:

“(a) IN GENERAL.—The Secretary may make loan deficiency payments available to—

“(1) producers on a farm that, although eligible to obtain a marketing assistance loan under section 131 with respect to a loan commodity, agree to forgo obtaining the loan for the covered commodity in return for payments under this section; and

“(2) effective only for the 2000 and 2001 crop years, producers that, although not eligible to obtain such a marketing assistance loan under section 131, produce a loan commodity.”.

(2) BENEFICIAL INTEREST.—Section 135(e)(1) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7235(e)) (as amended by section 126(2)) is amended by striking “A producer” and inserting “Effective for the 2001 through 2006 crops, a producer”.

(e) COST OF PRODUCTION INSURANCE.—

(1) IN GENERAL.—Section 523 of the Federal Crop Insurance Act (7 U.S.C. 1523) by adding at the end the following:

(e) COST OF PRODUCTION INSURANCE PROGRAM.—

(1) PILOT PROGRAM.—

“(A) IN GENERAL.—During each of the 2003 through 2006 reinsurance years, the Corporation shall carry out a pilot program throughout the United States under which cost of production crop insurance is made available to producers of agricultural commodities.

“(B) PRIORITY.—Subject to subparagraph (C), in carrying out subparagraph (A), the Corporation shall offer coverage on at least—

“(i) for the 2003 reinsurance year, 20 agricultural commodities;

“(ii) for the 2004 and 2005 reinsurance years, in addition to the agricultural commodities described in clause (i), apples, asparagus, blueberries (wild and domestic), cabbage, canola, carrots, cherries, Christmas trees, citrus, cucumbers, dry beans, eggplant, floriculture, grapes, greenhouse and nursery agricultural commodities, green peas, green peppers, hay, lettuce, maple, mushrooms, pears, potatoes, pumpkins, snap beans, spinach, squash, strawberries, sugar beets, and tomatoes; and

“(iii) for the 2006 reinsurance year, in addition to the agricultural commodities described in clauses (i) and (ii), 10 additional commodities, as determined by the Corporation.

“(C) ACREAGE LIMITATION.—For each of the 2003 through 2006 reinsurance years, the Corporation may not extend coverage under this paragraph in excess of 40 percent of the acreage planted to any agricultural commodity included under the pilot program.

(2) PERMANENT PROGRAM.—For the 2007 and subsequent reinsurance years, the Corporation shall convert the cost of production insurance program into a permanent program unless the Corporation determines that—

“(A) the program could not be conducted on an actuarially sound basis; or

“(B) the expansion of the coverage would cause increased risk for fraud, waste, or abuse of the program.”.

(2) ADDITIONAL PAYMENT OF PREMIUM.—Section 508(e) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)) is amended by adding at the end the following:

(6) BONUS PAYMENT.—

“(A) IN GENERAL.—Subject to subparagraph (C), in addition to any other payment authorized under this subsection, the Corporation shall pay an additional part of the premium for crop insurance policies described in subsection (a) as determined by this Corporation for producers that—

“(i) are small or moderate in size;

“(ii) adopt innovative risk management strategies and increase the level of coverage;

“(iii) are producers of a specialty crop and increase the level of coverage; or

“(iv) are located in an underserved area.

“(B) AMOUNT PER POLICY.—A payment under this paragraph shall not exceed \$850 per crop insurance policy.

“(C) FUNDING LIMITATION.—The amount of funds of the Corporation that may be used to carry out this paragraph may not exceed—

“(i) \$45,000,000 for fiscal year 2003;

“(ii) \$50,000,000 for fiscal year 2004; and

“(iii) \$61,000,000 for fiscal year 2005 and each subsequent fiscal year.

(D) RESERVE.—

“(i) IN GENERAL.—Subject to clause (ii), of the funds made available to carry out this paragraph, the Corporation shall reserve for payments to producers that obtain cost of production policies described in section 523(e)—

“(I) \$10,400,000 for fiscal year 2003;

“(II) \$36,000,000 for fiscal year 2004; and

“(III) \$50,000,000 for fiscal year 2005.

“(ii) UNUSED FUNDS.—Any funds made reserved under clause (i) that are not obligated by June 1 of the fiscal year shall be used to provide payments to producers that obtain any type of crop insurance made available under this Act.”.

(3) RESEARCH AND DEVELOPMENT FUNDING.—Section 522(e) of the Federal Crop Insurance Act (7 U.S.C. 1522(e)) by striking paragraph (1) and inserting the following:

“(1) REIMBURSEMENTS.—Of the amounts made available from the insurance fund established under section 516(c), the Corporation may use to provide reimbursements under subsection (b) not more than—

“(A) \$32,000,000 for fiscal year 2002;

“(B) \$22,500,000 for each of fiscal years 2003 and 2004;

“(C) \$25,000,000 for fiscal year 2005; and

“(D) \$15,000,000 for fiscal year 2006 and each subsequent fiscal year.”.

(4) EDUCATION AND INFORMATION FUNDING.—Section 524(a)(4) of the Federal Crop Insurance Act (7 U.S.C. 1524(a)(4)) is amended by striking subparagraph (A) and inserting the following:

“(A) for the education and information program established under paragraph (2)—

“(i) \$10,000,000 for each of fiscal years 2002 through 2005; and

“(ii) \$5,000,000 for fiscal year 2006 and each subsequent fiscal year; and”.

(5) REPORTS.—

(A) PLAN.—Not later than September 30, 2002, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that contains an implementation plan for this subsection and the amendments made by this subsection.

(B) IMPLEMENTATION.—Not later than 2 years after the date of enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the implementation of this subsection and the amendments made by this subsection.

(f) INITIATIVE FOR FUTURE AGRICULTURE AND FOOD SYSTEMS.—Section 401(b)(1) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621(b)(1)) (as amended by section 401) is amended—

(1) in subparagraph (A), by striking “\$120,000,000” and inserting “\$130,000,000”; and

(2) in subparagraph (B), by striking “\$145,000,000” and inserting “\$225,000,000”. —

**SA 2525.** Mr. GREGG submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers,

to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 123, line 2, strike the period at the end and insert a period and the following:

**SEC. 162. LIMITATIONS.**

(a) **INCOME LIMITATION.**—Subtitle E of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7281 et seq.) is amended by adding at the end the following:

**“SEC. 167. INCOME LIMITATION.**

“Notwithstanding any other provision of this Act, an individual or entity shall not receive, directly or indirectly, a payment, loan, or other assistance under this Act if the qualifying gross revenues (as defined in section 196(i)(1)) during a taxable year (as determined by the Secretary) attributable, directly or indirectly, to the individual or entity is in excess of \$2,500,000.”

(b) **ACTIVE FARMERS.**—Section 1001A(b)(3) of the Food Security Act of 1985 (7 U.S.C. 1308-1(b)(3)) is amended by striking subparagraph (A) and inserting the following:

“(A) **LANDOWNERS.**—A person that is a landowner contributing the owned land to the farming operation if the landowner—

“(i) receives rent or income for such use of the land based on the land’s production or the operation’s operating results;

“(ii) meets the standard provided in clauses (ii) and (iii) of paragraph (2)(A); and

“(iii) has owned the land for at least 3 years.”

**Subchapter B—Food Stamp Program**

**SEC. 147. MAXIMUM EXCESS SHELTER EXPENSE DEDUCTION.**

(a) **FISCAL YEARS 2002 THROUGH 2004.**—

(1) **IN GENERAL.**—Section 5(e)(7)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(7)(B)) is amended—

(A) in clause (v), by striking “and” at the end; and

(B) by striking clause (vi) and inserting the following:

“(vi) for fiscal year 2002, \$354, \$566, \$477, \$416, and \$279 per month, respectively;

“(vii) for fiscal year 2003, \$390, \$602, \$513, \$452, and \$315 per month, respectively; and

“(viii) for fiscal year 2004, \$425, \$637, \$548, \$487, and \$350 per month, respectively.”.

(2) **EFFECTIVE DATE.**—The amendments made by this subsection take effect on the date of enactment of this Act.

(b) **FISCAL YEAR 2005 AND THEREAFTER.**—

(1) **IN GENERAL.**—Section 5(e)(7) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(7)) is amended by striking subparagraph (B).

(2) **EFFECTIVE DATE.**—The amendment made by this subsection takes effect on October 1, 2004.

**SA 2526.** Mr. GREGG submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 123, line 2, strike the period at the end and insert a period and the following:

**SEC. 162. LIMITATIONS.**

(a) **INCOME LIMITATION.**—Subtitle E of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7281 et seq.) is amended by adding at the end the following:

**“SEC. 167. INCOME LIMITATION.**

“Notwithstanding any other provision of this Act, an individual or entity shall not receive, directly or indirectly, a payment, loan, or other assistance under this Act if the qualifying gross revenues (as defined in section 196(i)(1)) during a taxable year (as determined by the Secretary) attributable, directly or indirectly, to the individual or entity is in excess of \$5,000,000.”

(b) **ACTIVE FARMERS.**—Section 1001A(b)(3) of the Food Security Act of 1985 (7 U.S.C.

form Act of 1996 (7 U.S.C. 7281 et seq.) is amended by adding at the end the following:

**“SEC. 167. INCOME LIMITATION.**

“Notwithstanding any other provision of this Act, an individual or entity shall not receive, directly or indirectly, a payment, loan, or other assistance under this Act if the qualifying gross revenues (as defined in section 196(i)(1)) during a taxable year (as determined by the Secretary) attributable, directly or indirectly, to the individual or entity is in excess of \$2,500,000.”

(b) **ACTIVE FARMERS.**—Section 1001A(b)(3) of the Food Security Act of 1985 (7 U.S.C. 1308-1(b)(3)) is amended by striking subparagraph (A) and inserting the following:

“(A) **LANDOWNERS.**—A person that is a landowner contributing the owned land to the farming operation if the landowner—

“(i) receives rent or income for such use of the land based on the land’s production or the operation’s operating results;

“(ii) meets the standard provided in clauses (ii) and (iii) of paragraph (2)(A); and

“(iii) has owned the land for at least 3 years.”.

1308-1(b)(3)) is amended by striking subparagraph (A) and inserting the following:

“(A) **LANDOWNERS.**—A person that is a landowner contributing the owned land to the farming operation if the landowner—

“(i) receives rent or income for such use of the land based on the land’s production or the operation’s operating results;

“(ii) meets the standard provided in clauses (ii) and (iii) of paragraph (2)(A); and

“(iii) has owned the land for at least 3 years.”.

**Subchapter B—Food Stamp Program**

**SEC. 147. MAXIMUM EXCESS SHELTER EXPENSE DEDUCTION.**

(a) **FISCAL YEARS 2002 THROUGH 2004.**—

(1) **IN GENERAL.**—Section 5(e)(7)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(7)(B)) is amended—

(A) in clause (v), by striking “and” at the end; and

(B) by striking clause (vi) and inserting the following:

“(vi) for fiscal year 2002, \$354, \$566, \$477, \$416, and \$279 per month, respectively;

“(vii) for fiscal year 2003, \$390, \$602, \$513, \$452, and \$315 per month, respectively; and

“(viii) for fiscal year 2004, \$425, \$637, \$548, \$487, and \$350 per month, respectively.”.

(2) **EFFECTIVE DATE.**—The amendments made by this subsection take effect on the date of enactment of this Act.

(b) **FISCAL YEAR 2005 AND THEREAFTER.**—

(1) **IN GENERAL.**—Section 5(e)(7) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(7)) is amended by striking subparagraph (B).

(2) **EFFECTIVE DATE.**—The amendment made by this subsection takes effect on October 1, 2004.

**SA 2528.** Mr. GREGG submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 123, line 2, strike the period at the end and insert a period and the following:

**SEC. 162. LIMITATIONS.**

(a) **INCOME LIMITATION.**—Subtitle E of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7281 et seq.) is amended by adding at the end the following:

**“SEC. 167. INCOME LIMITATION.**

“Notwithstanding any other provision of this Act, an individual or entity shall not receive, directly or indirectly, a payment, loan, or other assistance under this Act if the qualifying gross revenues (as defined in section 196(i)(1)) during a taxable year (as determined by the Secretary) attributable, directly or indirectly, to the individual or entity is in excess of \$5,000,000.”.

(b) **ACTIVE FARMERS.**—Section 1001A(b)(3) of the Food Security Act of 1985 (7 U.S.C. 1308-1(b)(3)) is amended by striking subparagraph (A) and inserting the following:

“(A) **LANDOWNERS.**—A person that is a landowner contributing the owned land to the farming operation if the landowner—

“(i) receives rent or income for such use of the land based on the land’s production or the operation’s operating results;

“(ii) meets the standard provided in clauses (ii) and (iii) of paragraph (2)(A); and

“(iii) has owned the land for at least 3 years.”.

**Subchapter B—Food Stamp Program****SEC. 147. MAXIMUM EXCESS SHELTER EXPENSE DEDUCTION.**(a) **FISCAL YEARS 2002 THROUGH 2004.**—(1) **IN GENERAL.**—Section 5(e)(7)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(7)(B)) is amended—

(A) in clause (v), by striking “and” at the end; and

(B) by striking clause (vi) and inserting the following:

“(vi) for fiscal year 2002, \$354, \$566, \$477, \$416, and \$279 per month, respectively;

“(vii) for fiscal year 2003, \$390, \$602, \$513, \$452, and \$315 per month, respectively; and

“(viii) for fiscal year 2004, \$425, \$637, \$548, \$487, and \$350 per month, respectively.”.

(2) **EFFECTIVE DATE.**—The amendments made by this subsection take effect on the date of enactment of this Act.(b) **FISCAL YEAR 2005 AND THEREAFTER.**—(1) **IN GENERAL.**—Section 5(e)(7) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(7)) is amended by striking subparagraph (B).(2) **EFFECTIVE DATE.**—The amendment made by this subsection takes effect on October 1, 2004.

**SA 2529.** Mrs. MURRAY (for herself, Mrs. FEINSTEIN, Mr. CRAIG, Ms. CANTWELL, and Mrs. BOXER) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 342, strike line 3 and all that follows 373, line 8, and insert the following:

“(A) in addition to any funds that may be specifically appropriated to implement a market access program, not more than \$105,000,000 for fiscal year 2002, \$180,000,000 for fiscal year 2003, and \$200,000,000 for each of fiscal years 2004 through 2006, of the funds of, or an equal value of commodities owned by, the Commodity Credit Corporation, except that this paragraph shall not apply to section 203(h); and”; and

(4) by adding at the end the following:

“(2) **PROGRAM PRIORITIES.**—Of funds made available under paragraph (1)(A) in excess of \$90,000,000 for any fiscal year, priority shall be given to proposals—

“(A) made by eligible trade organizations that have never participated in the market access program under this title; or

“(B) for market access programs in emerging markets.”.

(b) **UNITED STATES QUALITY EXPORT INITIATIVE.**—

(1) **FINDINGS.**—Congress finds that—

(A) the market access program established under section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) and foreign market development cooperators program established under title VII of that Act (7 U.S.C. 7251 et seq.) target generic and value-added agricultural products, with little emphasis on the high quality of United States agricultural products; and

(B) new promotional tools are needed to enable United States agricultural products to compete in higher margin, international markets on the basis of quality.

(2) **INITIATIVE.**—Section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) is amended by adding at the end the following:

**“(h) UNITED STATES QUALITY EXPORT INITIATIVE.”.**

“(1) **IN GENERAL.**—Subject to the availability of appropriations, using the authorities under this section, the Secretary shall establish a program under which, on a competitive basis, using practical and objective criteria, several agricultural products are selected to carry the ‘U.S. Quality’ seal.

“(2) **PROMOTIONAL ACTIVITIES.**—Agricultural products selected under paragraph (1) shall be promoted using the ‘U.S. Quality’ seal at trade fairs in key markets through electronic and print media.

“(3) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as are necessary to carry out this subsection.”.

**SEC. 323. EXPORT ENHANCEMENT PROGRAM.**

(a) **IN GENERAL.**—Section 301(e)(1)(G) of the Agricultural Trade Act of 1978 (7 U.S.C. 5651(e)(1)(G)) is amended by striking “fiscal year 2002” and inserting “each of fiscal years 2002 through 2006”.

(b) **UNFAIR TRADE PRACTICES.**—Section 102(5)(A) of the Agricultural Trade Act of 1978 (7 U.S.C. 5602(5)(A)) is amended—

(1) in clause (i), by striking “or” at the end;

(2) in clause (ii), by striking the period at the end and inserting “, including, in the case of a state trading enterprise engaged in the export of an agricultural commodity, pricing practices that are not consistent with sound commercial practices conducted in the ordinary course of trade; or”; and

(3) by adding at the end the following:

“(iii) changes United States export terms of trade through a deliberate change in the dollar exchange rate of a competing exporter.”.

**SEC. 324. FOREIGN MARKET DEVELOPMENT CO-OPERATOR PROGRAM.**

Section 703 of the Agricultural Trade Act of 1978 (7 U.S.C. 5723) is amended to read as follows:

**“SEC. 703. FUNDING.**

“(a) **IN GENERAL.**—To carry out this title, the Secretary shall use funds of the Commodity Credit Corporation, or commodities of the Commodity Credit Corporation of a comparable value, in the following amounts:

“(1) For fiscal year 2002, \$37,500,000.

“(2) For fiscal year 2003, \$40,000,000.

“(3) For fiscal year 2004 and each subsequent fiscal year, \$42,500,000.

“(b) **PROGRAM PRIORITIES.**—Of funds or commodities provided under subsection (a) in excess of \$35,000,000 for any fiscal year, priority shall be given to proposals—

“(1) made by eligible trade organizations that have never participated in the program established under this title; or

“(2) for programs established under this title in emerging markets.”.

**SEC. 325. FOOD FOR PROGRESS AND EDUCATION PROGRAMS.**

(a) **IN GENERAL.**—The Agricultural Trade Act of 1978 (7 U.S.C. 5601 et seq.) is amended by adding at the end the following:

**“TITLE VIII—FOOD FOR PROGRESS AND EDUCATION PROGRAMS****“SEC. 801. DEFINITIONS.**

“In this title:

“(1) **COOPERATIVE.**—The term ‘cooperative’ means a private sector organization the members of which—

“(A) own and control the organization;

“(B) share in the profits of the organization; and

“(C) are provided services (such as business services and outreach in cooperative development) by the organization.

“(2) **CORPORATION.**—The term ‘Corporation’ means the Commodity Credit Corporation.

“(3) **DEVELOPING COUNTRY.**—The term ‘developing country’ means a foreign country that has—

“(A) a shortage of foreign exchange earnings; and

“(B) difficulty meeting all of the food needs of the country through commercial channels and domestic production.

“(4) **ELIGIBLE COMMODITY.**—The term ‘eligible commodity’ means an agricultural commodity (including vitamins and minerals) acquired by the Secretary or the Corporation for disposition in a program authorized under this title through—

“(A) commercial purchases; or

“(B) inventories of the Corporation.

“(5) **ELIGIBLE ORGANIZATION.**—The term ‘eligible organization’ means a private voluntary organization, cooperative, non-governmental organization, or foreign country, as determined by the Secretary.

“(6) **EMERGING AGRICULTURAL COUNTRY.**—The term ‘emerging agricultural country’ means a foreign country that—

“(A) is an emerging democracy; and

“(B) has made a commitment to introduce or expand free enterprise elements in the agricultural economy of the country.

“(7) **FOOD SECURITY.**—The term ‘food security’ means access by all people at all times to sufficient food and nutrition for a healthy and productive life.

“(8) **NONGOVERNMENTAL ORGANIZATION.**—

“(A) **IN GENERAL.**—The term ‘nongovernmental organization’ means an organization that operates on a local level to solve development problems in a foreign country in which the organization is located.

“(B) **EXCLUSION.**—The term ‘nongovernmental organization’ does not include an organization that is primarily an agency or instrumentality of the government of a foreign country.

“(9) **PRIVATE VOLUNTARY ORGANIZATION.**—The term ‘private voluntary organization’ means a nonprofit, nongovernmental organization that—

“(A) receives—

“(i) funds from private sources; and

“(ii) voluntary contributions of funds, staff time, or in-kind support from the public;

“(B) is engaged in or is planning to engage in nonreligious voluntary, charitable, or development assistance activities; and

“(C) in the case of an organization that is organized under the laws of the United States or a State, is an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 that is exempt from taxation under section 501(a) of that Code.

“(10) **PROGRAM.**—The term ‘program’ means a food or nutrition assistance or development initiative proposed by an eligible organization and approved by the Secretary under this title.

“(11) **RECIPIENT COUNTRY.**—The term ‘recipient country’ means an emerging agricultural country that receives assistance under a program.

**“SEC. 802. FOOD FOR PROGRESS AND EDUCATION PROGRAMS.**

“(a) **IN GENERAL.**—To provide agricultural commodities to support the introduction or expansion of free trade enterprises in national economies in recipient countries, and to provide food or nutrition assistance in recipient countries, the Secretary shall establish food for progress and education programs under which the Secretary may enter into agreements (including multiyear agreements and for programs in more than 1 country) with—

“(1) the governments of emerging agricultural countries;

“(2) private voluntary organizations;

“(3) nonprofit agricultural organizations and cooperatives;

“(4) nongovernmental organizations; and

“(5) other private entities.

“(b) CONSIDERATIONS.—In determining whether to enter into an agreement to establish a program under subsection (a), the Secretary shall take into consideration whether an emerging agricultural country is committed to carrying out, or is carrying out, policies that promote—

“(1) economic freedom;

“(2) private production of food commodities for domestic consumption; and

“(3) the creation and expansion of efficient domestic markets for the purchase and sale of those commodities.

“(c) INTERNATIONAL FOOD FOR EDUCATION AND NUTRITION PROGRAM.—

“(1) IN GENERAL.—In cooperation with other countries, the Secretary shall establish an initiative within the food for progress and education programs under this title to be known as the ‘International Food for Education and Nutrition Program’, through which the Secretary may provide to eligible organizations agricultural commodities and technical and nutritional assistance in connection with education programs to improve food security and enhance educational opportunities for preschool age and primary school age children in recipient countries.

“(2) AGREEMENTS.—In carrying out this subsection, the Secretary—

“(A) shall administer the programs under this subsection in manner that is consistent with this title; and

“(B) may enter into agreements with eligible organizations—

“(i) to purchase, acquire, and donate eligible commodities to eligible organizations to carry out agreements in recipient countries; and

“(ii) to provide technical and nutritional assistance to carry out agreements in recipient countries.

“(3) OTHER DONOR COUNTRIES.—The Secretary shall encourage other donor countries, directly or through eligible organizations—

“(A) to donate goods and funds to recipient countries; and

“(B) to provide technical and nutritional assistance to recipient countries.

“(4) PRIVATE SECTOR.—The President and the Secretary are urged to encourage the support and active involvement of the private sector, foundations, and other individuals and organizations in programs and activities assisted under this subsection.

“(5) GRADUATION.—An agreement with an eligible organization under this subsection shall include provisions—

“(A)(i) to sustain the benefits to the education, enrollment, and attendance of children in schools in the targeted communities when the provision of commodities and assistance to a recipient country under the program under this subsection terminates; and

“(ii) to estimate the period of time required until the recipient country or eligible organization is able to provide sufficient assistance without additional assistance under this subsection; or

“(B) to provide other long-term benefits to targeted populations of the recipient country.

“(6) ANNUAL REPORT.—The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report that describes—

“(A) the results of the implementation of this subsection during the year covered by the report, including the impact on the enrollment, attendance, and performance of children in preschools and primary schools targeted under the program under this subsection; and

“(B) the level of commitments by, and the potential for obtaining additional goods and assistance from, other countries for subsequent years.

“(d) TERMS.—

“(1) IN GENERAL.—The Secretary may provide agricultural commodities under this title on—

“(A) a grant basis; or

“(B) subject to paragraph (2), credit terms.

“(2) CREDIT TERMS.—Payment for agricultural commodities made available under this title that are purchased on credit terms shall be made on the same basis as payments made under section 103 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1703).

“(3) NO EFFECT ON DOMESTIC PROGRAMS.—

The Secretary shall not make an agricultural commodity available for disposition under this section in any amount that will reduce the amount of the commodity that is traditionally made available through donations to domestic feeding programs or agencies, as determined by the Secretary.

“(e) REPORTS.—Each eligible organization that enters into an agreement under this title shall submit to the Secretary, at such time as the Secretary may request, a report containing such information as the Secretary may request relating to the use of agricultural commodities and funds provided to the eligible organization under this title.

“(f) COORDINATION.—To ensure that the provision of commodities under this section is coordinated with and complements other foreign assistance provided by the United States, assistance under this section shall be coordinated through the mechanism designated by the President to coordinate assistance under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.).

“(g) QUALITY ASSURANCE.—

“(1) IN GENERAL.—The Secretary shall ensure, to the maximum extent practicable, that each eligible organization participating in 1 or more programs under this section—

“(A) uses eligible commodities made available under this title—

“(i) in an effective manner;

“(ii) in the areas of greatest need; and

“(iii) in a manner that promotes the purposes of this title;

“(B) in using eligible commodities, assesses and takes into account the needs of recipient countries and the target populations of the recipient countries;

“(C) works with recipient countries, and indigenous institutions or groups in recipient countries, to design and carry out mutually acceptable programs authorized in subsection (h)(2)(C)(i);

“(D) monitors and reports on the distribution or sale of eligible commodities provided under this title using methods that, as determined by the Secretary, facilitate accurate and timely reporting;

“(E) periodically evaluates the effectiveness of the program of the eligible organization, including, as applicable, an evaluation of whether the development or food and nutrition purposes of the program can be sustained in a recipient country if the assistance provided to the recipient country is reduced and eventually terminated; and

“(F) considers means of improving the operation of the program of the eligible organization.

“(2) CERTIFIED INSTITUTIONAL PARTNERS.—

“(A) IN GENERAL.—The Secretary shall promulgate regulations and guidelines to permit private voluntary organizations and cooperatives to be certified as institutional partners.

“(B) REQUIREMENTS.—To become a certified institutional partner, a private voluntary organization or cooperative shall sub-

mit to the Secretary a certification of organizational capacity that describes—

“(i) the financial, programmatic, commodity management, and auditing abilities and practices of the organization or cooperative; and

“(ii) the capacity of the organization or cooperative to carry out projects in particular countries.

“(C) MULTICOUNTRY PROPOSALS.—A certified institutional partner shall be eligible to—

“(i) submit a single proposal for 1 or more countries that are the same as, or similar to, those countries in which the certified institutional partner has already demonstrated organizational capacity;

“(ii) receive expedited review and approval of the proposal; and

“(iii) request commodities and assistance under this section for use in 1 or more countries.

“(D) MULTIYEAR AGREEMENTS.—In carrying out this title, on request and subject to the availability of commodities, the Secretary is encouraged to approve agreements that provide for commodities to be made available for distribution on a multiyear basis, if the agreements otherwise meet the requirements of this title.

“(h) TRANSSHIPMENT AND RESALE.—

“(1) IN GENERAL.—The transshipment or resale of an eligible commodity to a country other than a recipient country shall be prohibited unless the transshipment or resale is approved by the Secretary.

“(2) MONETIZATION.—

“(A) IN GENERAL.—Subject to subparagraphs (B) through (D), an eligible commodity provided under this section may be sold for foreign currency or United States dollars or bartered, with the approval of the Secretary.

“(B) SALE OR BARTER OF FOOD ASSISTANCE.—The sale or barter of eligible commodities under this title may be conducted only within (as determined by the Secretary)—

“(i) a recipient country or country nearby to the recipient country; or

“(ii) another country, if—

“(I) the sale or barter within the recipient country or nearby country is not practicable; and

“(II) the sale or barter within countries other than the recipient country or nearby country will not disrupt commercial markets for the agricultural commodity involved.

“(C) HUMANITARIAN OR DEVELOPMENT PURPOSES.—The Secretary may authorize the use of proceeds or exchanges to reimburse, within a recipient country or other country in the same region, the costs incurred by an eligible organization for—

“(i)(I) programs targeted at hunger and malnutrition; or

“(II) development programs involving food security or education;

“(ii) transportation, storage, and distribution of eligible commodities provided under this title; and

“(iii) administration, sales, monitoring, and technical assistance.

“(D) EXCEPTION.—The Secretary shall not approve the use of proceeds described in subparagraph (C) to fund any administrative expenses of a foreign government.

“(E) PRIVATE SECTOR ENHANCEMENT.—As appropriate, the Secretary may provide eligible commodities under this title in a manner that uses commodity transactions as a means of developing in the recipient countries a competitive private sector that can provide for the importation, transportation, storage, marketing, and distribution of commodities.

“(i) DISPLACEMENT OF COMMERCIAL SALES.—In carrying out this title, the Secretary shall, to the maximum extent practicable consistent with the purposes of this title, avoid—

“(1) displacing any commercial export sale of United States agricultural commodities that would otherwise be made;

“(2) disrupting world prices of agricultural commodities; or

“(3) disrupting normal patterns of commercial trade of agricultural commodities with foreign countries.

“(j) DEADLINE FOR PROGRAM ANNOUNCEMENTS.—

“(1) IN GENERAL.—Before the beginning of the applicable fiscal year, the Secretary shall, to the maximum extent practicable—

“(A) make all determinations concerning program agreements and resource requests for programs under this title; and

“(B) announce those determinations.

“(2) REPORT.—Not later than November 1 of the applicable fiscal year, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a list of programs, countries, and commodities, and the total amount of funds for transportation and administrative costs, approved to date under this title.

“(k) MILITARY DISTRIBUTION OF ASSISTANCE.—

“(1) IN GENERAL.—The Secretary shall ensure, to the maximum extent practicable, that agricultural commodities made available under this title are provided without regard to—

“(A) the political affiliation, geographic location, ethnic, tribal, or religious identity of the recipient; or

“(B) any other extraneous factors, as determined by the Secretary.

“(2) PROHIBITION ON HANDLING OF COMMODITIES BY THE MILITARY.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary shall not enter into an agreement under this title to provide agricultural commodities if the agreement requires or permits the distribution, handling, or allocation of agricultural commodities by the military forces of any foreign government or insurgent group.

“(B) EXCEPTION.—The Secretary may authorize the distribution, handling, or allocation of commodities by the military forces of a country in exceptional circumstances in which—

“(i) nonmilitary channels are not available for distribution, handling, or allocation;

“(ii) the distribution, handling, or allocation is consistent with paragraph (1); and

“(iii) the Secretary determines that the distribution, handling, or allocation is necessary to meet the emergency health, safety, or nutritional requirements of the population of a recipient country.

“(3) ENCOURAGEMENT OF SAFE PASSAGE.—In entering into an agreement under this title that involves 1 or more areas within a recipient country that is experiencing protracted warfare or civil unrest, the Secretary shall, to the maximum extent practicable, encourage all parties to the conflict to—

“(A) permit safe passage of the commodities and other relief supplies; and

“(B) establish safe zones for—

“(i) medical and humanitarian treatment; and

“(ii) evacuation of injured persons.

“(l) LEVEL OF ASSISTANCE.—The cost of commodities made available under this title, and the expenses incurred in connection with the provision of those commodities shall be in addition to the level of assistance provided under the Agricultural Trade Develop-

ment and Assistance Act of 1954 (7 U.S.C. 1691 et seq.).

“(m) COMMODITY CREDIT CORPORATION.—

“(1) IN GENERAL.—Subject to paragraphs (6) through (8), the Secretary may use the funds, facilities, and authorities of the Corporation to carry out this title.

“(2) MINIMUM TONNAGE.—Subject to paragraphs (5) and (7)(B), not less than 400,000 metric tons of commodities may be provided under this title for each of fiscal years 2002 through 2006.

“(3) AUTHORIZATION OF APPROPRIATIONS.—In addition to tonnage authorized under paragraph (2), there are authorized to be appropriated such sums as are necessary to carry out this title.

“(4) TITLE I FUNDS.—In addition to tonnage and funds authorized under paragraphs (2), (3), and (7)(B), the Corporation may use funds appropriated to carry out title I of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1701 et seq.) in carrying out this section with respect to commodities made available under this title.

“(5) INTERNATIONAL FOOD FOR EDUCATION AND NUTRITION PROGRAM.—

“(A) IN GENERAL.—Of the funds that would be available to carry out paragraph (2), the Secretary may use not more than \$200,000,000 for each fiscal year to carry out the initiative established under subsection (c).

“(B) REALLOCATION.—Tons not allocated under subsection (c) by June 30 of each fiscal year shall be made available for proposals submitted under the food for progress and education programs under subsection (a).

“(6) LIMITATION ON PURCHASES OF COMMODITIES.—The Corporation may purchase agricultural commodities for disposition under this title only if Corporation inventories are insufficient to satisfy commitments made in agreements entered into under this title.

“(7) ELIGIBLE COSTS AND EXPENSES.—

“(A) IN GENERAL.—Subject to subparagraph (B), with respect to an eligible commodity made available under this title, the Corporation may pay—

“(i) the costs of acquiring the eligible commodity;

“(ii) the costs associated with packaging, enriching, preserving, and fortifying of the eligible commodity;

“(iii) the processing, transportation, handling, and other incidental costs incurred before the date on which the commodity is delivered free on board vessels in United States ports;

“(iv) the vessel freight charges from United States ports or designated Canadian transshipment ports, as determined by the Secretary, to designated ports of entry abroad;

“(v) the costs associated with transporting the eligible commodity from United States ports to designated points of entry abroad in a case in which—

“(I) a recipient country is landlocked;

“(II) ports of a recipient country cannot be used effectively because of natural or other disturbances;

“(III) carriers to a specific country are unavailable; or

“(IV) substantial savings in costs or time may be gained by the use of points of entry other than ports;

“(vi) the transportation and associated distribution costs incurred in moving the commodity (including repositioned commodities) from designated points of entry or ports of entry abroad to storage and distribution sites;

“(vii) in the case of an activity under subsection (c), the internal transportation, storage, and handling costs incurred in moving the eligible commodity, if the Secretary determines that payment of the costs is appropriate and that the recipient country is a

low income, net food-importing country that—

“(I) meets the poverty criteria established by the International Bank for Reconstruction and Development for Civil Works Preference; and

“(II) has a national government that is committed to or is working toward, through a national action plan, the World Declaration on Education for All convened in 1990 in Jomtien, Thailand, and the followup Dakar Framework for Action of the World Education Forum in 2000;

“(viii) the charges for general average contributions arising out of the ocean transport of commodities transferred; and

“(ix) the costs, in addition to costs authorized by clauses (i) through (viii), of providing—

“(I) assistance in the administration, sale, and monitoring of food assistance activities under this title; and

“(II) technical assistance for monetization programs.

“(B) FUNDING.—Except for costs described in subparagraph (A)(i), not more than \$80,000,000 of funds that would be made available to carry out paragraph (2) may be used to cover costs under this paragraph unless authorized in advance in an appropriation Act.

“(8) PAYMENT OF ADMINISTRATIVE COSTS.—An eligible organization that receives payment for administrative costs through monetization of the eligible commodity under subsection (h)(2) shall not be eligible to receive payment for the same administrative costs through direct payments under paragraph (7)(A)(ix)(I).’

“(b) CONFORMING AMENDMENTS.—

“(1) Section 416(b)(7)(D)(iii) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)(7)(D)(iii)) is amended by striking “the Food for Progress Act of 1985” and inserting “title VIII of the Agricultural Trade Act of 1978”.

“(2) The Act of August 19, 1958 (7 U.S.C. 1431 note; Public Law 85-683) is amended by striking “the Food for Progress Act of 1985” and inserting “title VIII of the Agricultural Trade Act of 1978”.

“(3) Section 1110 of the Food Security Act of 1985 (7 U.S.C. 1736o) is repealed.

#### SEC. 326. EXPORTER ASSISTANCE INITIATIVE.

“(a) FINDINGS.—Congress find that—

“(1) information in the possession of Federal agencies other than the Department of Agriculture that is necessary for the export of agricultural commodities and products is available only from multiple disparate sources; and

“(2) because exporters often need access to information quickly, exporters lack the time to search multiple sources to access necessary information, and exporters often are unaware of where the necessary information can be located.

“(b) INITIATIVE.—Title I of the Agricultural Trade Act of 1978 (7 U.S.C. 5601 et seq.) is amended by adding at the end the following:

#### “SEC. 107. EXPORTER ASSISTANCE INITIATIVE.

“(a) IN GENERAL.—In order to create a single source of information for exports of United States agricultural commodities, the Secretary shall develop a website on the Internet that collates onto a single website all information from all agencies of the Federal Government that is relevant to the export of United States agricultural commodities.

“(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out subsection (a)—

“(1) \$1,000,000 for each of fiscal years 2002 through 2004; and

“(2) \$500,000 for each of fiscal years 2005 and 2006.”.

**Subtitle C—Miscellaneous Agricultural Trade Provisions****SEC. 331. BILL EMERSON HUMANITARIAN TRUST.**

Section 302 of the Bill Emerson Humanitarian Trust Act (7 U.S.C. 1736f-1) is amended by striking “2002” each place it appears in subsection (b)(2)(B)(i) and paragraphs (1) and (2) of subsection (h) and inserting “2006”.

**SEC. 332. EMERGING MARKETS.**

Section 1542 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5622 note; Public Law 101-624) is amended by striking “2002” each place it appears in subsections (a) and (d)(1)(A)(i) and inserting “2006”.

**SEC. 333. BIOTECHNOLOGY AND AGRICULTURAL TRADE PROGRAM.**

Section 1542 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5622 note; Public Law 101-624) is amended by adding at the end the following:

**“(g) BIOTECHNOLOGY AND AGRICULTURAL TRADE PROGRAM.—**

“(1) IN GENERAL.—The Secretary of Agriculture shall establish a program to enhance foreign acceptance of agricultural biotechnology and United States agricultural products developed through biotechnology.

“(2) FOCUS.—The program shall address the continuing and increasing market access, regulatory, and marketing issues relating to export commerce of United States agricultural biotechnology products.

**“(3) EDUCATION AND OUTREACH.—**

“(A) FOREIGN MARKETS.—Support for United States agricultural market development organizations to carry out education and other outreach efforts concerning biotechnology shall target such educational initiatives directed toward—

“(i) producers, buyers, consumers, and media in foreign markets through initiatives in foreign markets; and

“(ii) government officials, scientists, and trade officials from foreign countries through exchange programs.

“(B) FUNDING FOR EDUCATION AND OUTREACH.—Funding for activities under subparagraph (A) may be—

**“(i) used through—**

“(I) the emerging markets program under this section; or

“(II) the Cochran Fellowship Program under section 1543; or

“(ii) applied directly to foreign market development cooperators through the foreign market development cooperator program established under section 702.

**“(4) RAPID RESPONSE.—**

“(A) IN GENERAL.—The Secretary shall assist exporters of United States agricultural commodities in cases in which the exporters are harmed by unwarranted and arbitrary barriers to trade due to—

“(i) marketing of biotechnology products;“(ii) food safety;“(iii) disease; or“(iv) other sanitary or phytosanitary concerns.

“(B) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph \$1,000,000 for each of fiscal years 2002 through 2006.

“(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection (other than paragraph (4)) \$15,000,000 for each of fiscal years 2002 through 2006.”.

**SA 2530.** Mrs. MURRAY submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and

rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike the period at the end of subtitle C of title III and insert a period and the following:

**SEC. 3 . REPORT ON USE OF PERISHABLE COMMODITIES.**

Not later than 120 days after the date of enactment of this Act, the Secretary of Agriculture shall develop and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on deficiencies in transportation and storage infrastructure and deficiencies in funding that have limited the use, and expansion of use, of highly perishable and semiperishable commodities in international food aid programs of the Department of Agriculture.

**SA 2531.** Mrs. MURRAY submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike the period at the end of section 1028 and insert a period and the following:

**SEC. 1029. EMERGENCY GRANTS TO ASSIST LOW-INCOME MIGRANT AND SEASONAL FARMWORKERS.**

Section 2281 of the Food, Agriculture, Conservation, and Trade Act of 1990 (42 U.S.C. 5177a) is amended—

(1) in subsection (a), by striking “\$20,000,000” and inserting “40,000,000”; and (2) by striking subsection (c) and inserting the following:

“(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$40,000,000 for each of fiscal years 2002 through 2006.”.

**SA 2532.** Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 80, line 21, strike the quotation marks and the following period and interest the following:

**“(iii) INTEGRATED FACILITIES—**

“(I) DEFINITION OF INTEGRATED FACILITY.—In this clause, the term ‘integrated facility’ means a sugar processing facility that is capable of processing both sugar beets and sugarcane.

“(II) USE OF ALLOCATIONS.—Notwithstanding any other provision of law, an allocation made to sugar beet processors and growers in a State in which the ability to grow sugarcane is demonstrated may be used by sugarcane processors and growers to process sugarcane at an integrated facility.

“(III) AVAILABILITY OF ALLOCATIONS.—A beet sugar allocation of 100,000 short tons shall be reserved for sugarcane processing at an integrated facility in 2004 and shall be increased to 175,000 short tons in 2005 and each year beyond for the duration of this Act. Such beet sugar allocation shall be in addition to the allocation made to the processor for best sugar processing. The Secretary may temporarily reassign such allotments in such amounts and for such periods as is not needed by the integrated facility.

“(IV) MARKETING ALLOTMENT.—Notwithstanding paragraph (1) of section 359(d), sugar processed at an integrated facility may be used to fill a marketing allocation under that paragraph.

“(V) NO CHARGE TOWARD ALLOTMENT.—Sugarcane processed under the allocation established in subclause (III) shall not be charged toward the overall sugarcane allotment under section 359c.

“(VI) ELIGIBILITY FOR LOANS.—The sugarcane processing operation at an integrated facility shall be eligible for loans under section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272), as amended by this Act at the rate applicable to sugarcane.”

**SA 2533.** Mr. CRAPO (for himself and Mr. CRAIG) submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 215.

**SA 2534.** Mr. JOHNSON (for himself, Mr. GRASSLEY, Mr. WELLSTONE, Mr. HARKIN, Mr. THOMAS, Mr. DORGAN, Mr. FEINGOLD, and Mr. DASCHLE) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

On page 886, strike line 5 and insert the following:

**Subtitle C—General Provisions****SEC. 1021. PROHIBITION ON PACKERS OWNING, FEEDING, OR CONTROLLING LIVESTOCK.**

(a) IN GENERAL.—Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

(2) by inserting after subsection (e) the following:

“(f) Own, feed, or control livestock intended for slaughter (for more than 14 days prior to slaughter and acting through the packer or a person that directly or indirectly controls, or is controlled by or under common control with, the packer), except that this subsection shall not apply to—

“(1) a cooperative or entity owned by a cooperative, if a majority of the ownership interest in the cooperative is held by active cooperative members that—

“(A) own, feed, or control livestock; and

“(B) provide the livestock to the cooperative for slaughter; or

“(2) a packer that is owned or controlled by producers of a type of livestock, if during a calendar year the packer slaughters less than 2 percent of the head of that type of livestock slaughtered in the United States; or”; and

(3) in subsection (h) (as so redesignated), by striking “or (e)” and inserting “(e), or (f)”.

**(b) EFFECTIVE DATE.**

(1) IN GENERAL.—Subject to paragraph (2), the amendments made by subsection (a) take effect on the date of enactment of this Act.

(2) TRANSITION RULES.—In the case of a packer that on the date of enactment of this Act owns, feeds, or controls livestock intended for slaughter in violation of section 202(f) of the Packers and Stockyards Act, 1921 (as amended by subsection (a)), the amendments made by subsection (a) apply to the packer—

(A) in the case of a packer of swine, beginning on the date that is 18 months after the date of enactment of this Act; and

(B) in the case of a packer of any other type of livestock, beginning as soon as practicable, but not later than 180 days, after the date of enactment of this Act, as determined by the Secretary of Agriculture.

**SA 2535.** Mr. TORRICELLI submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 376, after line 24, insert the following:

**(c) EFFECTIVE DATE.**—The amendments made by this section shall not take effect until the President certifies to Congress that all convicted felons wanted by the Federal Bureau of Investigation who are currently living as fugitives in Cuba have been returned to the United States for incarceration.

**SA 2536.** Ms. CANTWELL submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 743 and insert the following:

**SEC. 743. PRECISION AGRICULTURE.**

Section 403 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7623) is amended—

(1) in subsection (a)—

(A) in paragraph (3)—

(i) in subparagraph (A), inserting “or horticultural” following “agronomic”; and

(ii) in subparagraph (C), by striking “or” at the end;

(iii) in subparagraph (D), by striking the period at the end and inserting “; or”; and

(iv) by adding at the end the following:

“(E) using such information to enable intelligent mechanized harvesting and sorting systems for horticultural crops.”;

(B) in paragraph (4)—

(i) in subparagraph (C), by striking “or” at the end;

(ii) in subparagraph (D), by striking the period at the end and inserting “; or”; and

(iii) by adding at the end the following:

“(E) robotic and other intelligent machines for use in horticultural cropping systems.”;

(C) in paragraph (5)(F), by inserting “(including improved use of energy inputs)” after “farm production efficiencies”;

(2) in subsection (b)(1) by striking “may” and inserting “shall”;

(3) in subsection (c)(2)—

(A) by inserting “or horticultural” after “agronomic”; and

(B) by striking “and meteorological variability” and inserting “product variability, and meteorological variability”;

(4) in subsection (d)—

(A) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(B) by inserting after paragraph (3) the following:

“(4) Improve farm energy use efficiencies.”;

(5) in subsection (e), by inserting “the amount that is equal to 3 times” before “the amount that”; and

(6) in subsection (i)(1), by striking “2002” and inserting “2006”.

**SA 2537.** Mr. KYL submitted an amendment intended to be proposed by him to the bill S. 1731 to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 53, line 24, strike the period at the end and insert a period and the following:

**SEC. 1. EXEMPTION OF MILK HANDLERS FROM MINIMUM PRICE REQUIREMENTS.**

(a) IN GENERAL.—Section 8c(5) of the Agricultural Adjustment Act (7 U.S.C. 608c(5)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end the following:

“(M) EXEMPTION OF MILK HANDLERS FROM MINIMUM PRICE REQUIREMENTS.—Notwithstanding any other provision of this section, no handler that sells Class I milk in a marketing area shall be exempt during any month from any minimum milk price requirement established under paragraph (A) if the total distribution of Class I milk produced on the farm of the handler in the marketing area during the preceding month exceeds the lesser of—

“(i) 3 percent of the total quantity of Class I milk distributed in the marketing area; or

“(ii) 5,000,000 pounds.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on January 1, 2002.

**SA 2538.** Mr. THURMOND (for himself and Mr. HELMS) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and

rural development, to provide for farm credit, agricultural research, nutrition, and related programs to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 40, line 8, strike the period at the end and insert a period and the following:

**SEC. 1. LEASE AND TRANSFER OF CERTAIN ALLOTMENTS AND QUOTAS.**

(a) IN GENERAL.—Section 316(a)(1)(A)(i) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1814b(a)(1)(A)(i)) is amended in the last sentence by inserting “(other than the 2002 and 2003 crops)” after “crops”.

**(b) STUDY.**—

(1) IN GENERAL.—The Secretary of Agriculture shall conduct a study of the effects of the prohibition provided under the last sentence of section 316(a)(1)(A)(i) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1814b(a)(1)(A)(i)).

(2) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the results of the study.

**SA 2539.** Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1731 to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 707, strike line 16 and all that follows through page 708, line 20, and insert the following:

**SEC. 741. INITIATIVE FOR FUTURE AGRICULTURE AND FOOD SYSTEMS.**

(a) IN GENERAL.—Section 401 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621) is amended—

(1) by striking subsection (b) and inserting the following:

**“(b) FUNDING.**—

“(1) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Account to carry out this section—

“(A) not later than 30 days after the date of enactment of this subparagraph, \$240,000,000; and

“(B) on October 1, 2002, and each October 1 thereafter through October 1, 2005, \$360,000,000.

“(2) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under paragraph (1), without further appropriation.”; and

(2) in subsection (e), by adding at the end the following:

“(3) MINORITY-SERVING INSTITUTIONS.—The Secretary shall consider reserving, to the maximum extent practicable, 10 percent of the funds made available to carry out this section for a fiscal year for grants to minority-serving institutions.”.

(b) OFFSET.—Section 158G of the Federal Agriculture Improvement and Reform Act of 1996 (as added by section 151(a)) shall have no effect.

**SA 2540.** Mr. NICKLES submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr.

DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 165 and insert the following:

**SEC. 165. PAYMENT LIMITATIONS AND GROSS INCOME LIMITATION.**

(a) **PAYMENT LIMITATION.**—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended by striking paragraphs (1) through (4) and inserting the following:

“(1) **LIMITATIONS ON PAYMENT UNDER CONTRACT COMMODITY CONTRACTS.**—Subject to paragraph (3), the total amount of contract payments made under title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7201 et seq.) to a person under 1 or more contracts during any fiscal year may not exceed \$100,000.

“(2) **LIMITATIONS ON MARKETING LOAN GAINS, LOAN DEFICIENCY PAYMENTS, AND COMMODITY CERTIFICATE TRANSACTIONS.**—

“(A) **IN GENERAL.**—Subject to paragraph (3), the total amount of the payments and benefits specified in subparagraph (B) that a person shall be entitled to receive during any crop year may not exceed \$150,000, with a separate limitation for—

“(i) all loan commodities (other than wool, mohair, and honey);

“(ii) wool and mohair

“(iii) honey; and

“(iv) peanuts.

“(B) **PAYMENTS.**—The payments referred to in subparagraph (A) are the following:

“(i) **MARKETING LOAN GAINS.**—Any gain realized from repaying a marketing assistance loan under sections 131 or 158G(a) of the Federal Agriculture Improvement and Reform Act of 1996 for a crop of any loan commodity or peanuts, respectively, at a lower level than the original loan rate established for the loan commodity under sections 132 or 158G(d) of the Act, respectively.

“(ii) **LOAN DEFICIENCY PAYMENTS.**—Any loan deficiency payment received for a loan commodity under sections 135 or 158G(e) of that Act, respectively.

“(iii) **COMMODITY CERTIFICATES.**—Any gain realized from the use of a commodity certificate issued by the Commodity Credit Corporation, as determined by the Secretary, including the use of a certificate for the settlement of marketing assistance loan under section 134 or 158G(d), respectively, of that Act.

“(3) **OVERALL LIMITATION.**—The total amount of payments described in paragraph (1) and (2) made to a person during any fiscal year may not exceed \$150,000.”

**SA 2541.** Mr. SMITH of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. . OPERATION AND MAINTENANCE OF WHITE MOUNTAIN NATIONAL FOREST.**

For a program under which the Secretary of Agriculture shall employ former employ-

ees of the American Tissue Mills in the cities of Berlin and Gorham in the State of New Hampshire to carry out operation and maintenance projects at White Mountain National Forest in the State of New Hampshire, there is appropriated \$1,750,000, to remain available until expended.

**SA 2542.** Mr. SANTORUM (for himself, Mr. DURBIN, Mr. FEINGOLD, Mr. DEWINE, Mr. KOHL, Mr. HATCH, Mrs. CLINTON, and Mr. JEFFORDS) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 945, line 5, strike the period at the end and insert a period and the following:

**SEC. 1024. IMPROVED STANDARDS FOR THE CARE AND TREATMENT OF CERTAIN ANIMALS.**

(a) **SOCIALIZATION PLAN; BREEDING RESTRICTIONS.**—Section 13(a)(2) of the Animal Welfare Act (7 U.S.C. 2143(a)(2)) is amended—

(1) in subparagraph (A), by striking “and” at the end;

(2) in subparagraph (B), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

“(C) for the socialization of dogs intended for sale as pets with other dogs and people, through compliance with a standard developed by the Secretary based on the recommendations of animal welfare and behavior experts that—

“(i) prescribes a schedule of activities and other requirements that dealers and inspectors shall use to ensure adequate socialization; and

“(ii) identifies a set of behavioral measures that inspectors shall use to evaluate adequate socialization; and

“(D) for addressing the initiation and frequency of breeding of female dogs so that a female dog is not—

“(i) bred before the female dog has reached at least 1 year of age; and

“(ii) whelped more frequently than 3 times in any 24-month period.”

(b) **SUSPENSION OR REVOCATION OF LICENSE, CIVIL PENALTIES, JUDICIAL REVIEW, AND CRIMINAL PENALTIES.**—Section 19 of the Animal Welfare Act (7 U.S.C. 2149) is amended—

(1) by striking “SEC. 19. (a) If the Secretary” and inserting the following:

**SEC. 19. SUSPENSION OR REVOCATION OF LICENSE, CIVIL PENALTIES, JUDICIAL REVIEW, AND CRIMINAL PENALTIES.**

(a) **SUSPENSION OR REVOCATION OF LICENSE.**—

“(1) **IN GENERAL.**—If the Secretary”;

(2) in subsection (a)—

(A) in paragraph (1) (as designated by paragraph (1)), by striking “if such violation” and all that follows and inserting “if the Secretary determines that 1 or more violations have occurred.”; and

(B) by adding at the end the following:

“(2) **LICENSE REVOCATION.**—If the Secretary finds that any person licensed as a dealer, exhibitor, or operator of an auction sale subject to section 12, has committed a serious violation (as determined by the Secretary) of any rule, regulation, or standard governing the humane handling, transportation, veteri-

nary care, housing, breeding, socialization, feeding, watering, or other humane treatment of dogs under section 12 or 13 on 3 or more separate inspections within any 8-year period, the Secretary shall—

“(A) suspend the license of the person for 21 days; and

“(B) after providing notice and a hearing not more than 30 days after the third violation is noted on an inspection report, revoke the license of the person unless the Secretary makes a written finding that—

“(i) the violations were minor and inadvertent;

“(ii) the violations did not pose a threat to the dogs; or

“(iii) revocation is inappropriate for other good cause.”;

(3) in subsection (b), by striking “(b) Any dealer” and inserting “(b) CIVIL PENALTIES.—Any dealer”;

(4) in subsection (c), by striking “(c) Any dealer” and inserting “(c) JUDICIAL REVIEW.—Any dealer”; and

(5) in subsection (d), by striking “(d) Any dealer” and inserting “(d) CRIMINAL PENALTIES.—Any dealer”.

(c) **REGULATIONS.**—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture shall promulgate such regulations as are necessary to carry out the amendments made by this section, including development of the standards required by the amendments made by subsection (a).

**SA 2543.** Mr. ROBERTS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumer abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 178, strike line 22 and all that follows through page 182, line 24, and insert the following:

“(f) **CERTIFICATION OF PRIVATE PROVIDERS OF TECHNICAL ASSISTANCE.**—

“(1) **IN GENERAL.**—The Secretary shall, to the maximum extent practicable, subject to paragraphs (2), (3), and (4), establish a more effective and more broadly functioning system for the delivery of technical assistance in support of the conservation programs administered by the Secretary by—

“(A) integrating the use of third party technical assistance providers (including farmers and ranchers) into the technical assistance delivery system; and

“(B) using, to the maximum extent practicable, private, third party providers.

“(2) **PURPOSE.**—To achieve the timely completion of conservation plans and other technical assistance functions, third party providers described in paragraph (1)(A) shall be used to—

“(A) prepare conservation plans, including agronomically sound nutrient management plans;

“(B) design, install and certify conservation practices;

“(C) train producers; and

“(D) carry out such other activities as the Secretary determines to be appropriate.

“(3) **OUTSIDE ASSISTANCE.**—

“(A) **IN GENERAL.**—The Secretary may contract directly with qualified persons not employed by the Department to provide conservation technical assistance.

“(B) **PAYMENT BY SECRETARY.**—

“(i) IN GENERAL.—The Secretary shall provide a payment or voucher to an owner or operator enrolled in a conservation program administered by the Secretary if the owner or operator elects to obtain technical assistance from a person certified to provide technical assistance under this subsection.

“(ii) DETERMINATION.—In determining whether to provide a payment or voucher under clause (i), the Secretary shall seek to maximize the assistance received from qualified persons to most expeditiously and efficiently achieve the objectives of this title.

“(4) CERTIFICATION OF PUBLIC AND PRIVATE PROVIDERS OF TECHNICAL ASSISTANCE.—

“(A) ESTABLISHMENT OF PROCEDURES.—The Secretary shall establish procedures for ensuring that only persons with the training, experience, and capability to provide professional, high quality assistance are certified by the Secretary to provide, to agricultural producers and landowners participating, or seeking to participate, in a conservation program administered by the Secretary, technical assistance in planning, designing, or certifying any aspect of a particular project under the conservation program.

“(B) PUBLIC AND PRIVATE PROVIDERS.—Certified technical assistance providers shall include—

“(i) agricultural producers;

“(ii) agribusiness representatives;

“(iii) representatives from agricultural cooperatives;

“(iv) agricultural input retail dealers;

“(v) certified crop advisers;

“(vi) employees of the Department; or

“(vii) any group recognized by a Memorandum of Understanding with the Department relating to certification.

“(C) EQUIVALENCE.—The Secretary shall ensure that any certification program of the Department for public and private technical service providers shall meet or exceed the testing and continuing education standards of the Certified Crop Adviser program.

“(D) STANDARDS.—The Secretary shall establish standards for the conduct of—

“(i) the certification process conducted by the Secretary; and

“(ii) periodic recertification by the Secretary of providers.

“(E) CERTIFICATION REQUIRED.—A provider may not provide to any producer technical assistance described in subparagraph (B) unless the provider is certified by the Secretary.

“(F) NONDUPLICATION OF PREVIOUS CERTIFICATION.—The Secretary shall consider a certified provider to have skills and qualifications in a particular area of technical expertise if the skills and qualifications of the provider have been certified by another entity the certification program of which meets nationally recognized and accepted standards for training, testing and otherwise establishing professional qualifications (including the Certified Crop Adviser program).

“(G) FEE.—

“(i) PAYMENT.—

“(I) IN GENERAL.—Except as provided in subclause (II), in exchange for certification or recertification, a private provider shall pay to the Secretary a fee in an amount determined by the Secretary.

“(II) PRIOR CERTIFICATION.—The Secretary shall not require a provider to pay a fee under subclause (I) for the certification of skills and qualifications that have already been certified by another entity under this subsection.

“(ii) ACCOUNT.—A fee paid to the Secretary under clause (i) shall be—

“(I) credited to the account in the Treasury that incurs costs relating to implementing this subsection; and

“(II) made available to the Secretary for use for conservation programs administered

by the Secretary, without further appropriation, until expended.

“(H) NATIONAL TRAINING CENTERS.—

“(I) IN GENERAL.—The Secretary, acting in close cooperation with the Certified Crop Adviser program, shall establish training centers to facilitate the training and certification of technical assistance providers under this subsection.

“(ii) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated such sums as are necessary to carry out this subparagraph.

“(I) OTHER REQUIREMENTS.—The Secretary may establish such other requirements as the Secretary determines are necessary to carry out this subsection.

“(J) REGULATIONS.—Not later than 180 days after the date of enactment of this section, the Secretary shall promulgate regulations to carry out this subsection.

**SA 2544.** Mr. ROBERTS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumer abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 39, strike line 5 and all that follows through page 40, line 8, and insert the following:

**SEC. 126. LOAN DEFICIENCY PAYMENTS.**

Section 135 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7235) is amended to read as follows:

**SEC. 135. LOAN DEFICIENCY PAYMENTS.**

“(a) IN GENERAL.—Except as provided in subsection (d), the Secretary may make loan deficiency payments available to—

“(1) producers on a farm that, although eligible to obtain a marketing assistance loan under section 131 with respect to a loan commodity, agree to forgo obtaining the loan for the loan commodity in return for payments under this section; and

“(2) effective only for each of the 2000 and 2001 crop years, producers that, although not eligible to obtain such a marketing assistance loan under section 131, produce a loan commodity.

“(b) COMPUTATION.—A loan deficiency payment under this section shall be computed by multiplying—

“(1) the loan payment rate determined under subsection (c) for the loan commodity; by

“(2) the quantity of the loan commodity produced by the eligible producers, excluding any quantity for which the producers obtain a loan under section 131.

“(c) LOAN PAYMENT RATE.—For purposes of this section, the loan payment rate shall be the amount by which—

“(1) the loan rate established under section 132 for the loan commodity; exceeds

“(2) the rate at which a loan for the commodity may be repaid under section 134.

“(d) EXCEPTION FOR EXTRA LONG STAPLE COTTON.—This section shall not apply with respect to extra long staple cotton.

“(e) TIME FOR PAYMENT.—The Secretary shall make a payment under this section to the producers on a farm with respect to a quantity of a loan commodity as of the earlier of—

“(1) the date on which the producers on the farm marketed or otherwise lost beneficial interest in the loan commodity, as determined by the Secretary; or

“(2) the date the producers on the farm request the payment.

“(f) LOST BENEFICIAL INTEREST.—Effective for the 2001 crop only, if a producer eligible for a payment under subsection (a) loses beneficial interest in the loan commodity, the producer shall be eligible for the payment determined as of the date the producer lost beneficial interest in the loan commodity, as determined by the Secretary.”.

**SEC. 127. PAYMENTS IN LIEU OF LOAN DEFICIENCY PAYMENTS FOR GRAZED ACREAGE.**

Subtitle C of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7231 et seq.) is amended by adding at the end the following:

**SEC. 138. PAYMENTS IN LIEU OF LOAN DEFICIENCY PAYMENTS FOR GRAZED ACREAGE.**

“(a) IN GENERAL.—For each of the 2002 through 2006 crops of wheat, grain sorghum, barley, and oats, in the case of the producers on a farm that would be eligible for a loan deficiency payment under section 135 for wheat, grain sorghum, barley, or oats, but that elects to use acreage planted to the wheat, grain sorghum, barley, or oats for the grazing of livestock, the Secretary shall make a payment to the producers on the farm under this section if the producers on the farm enter into an agreement with the Secretary to forgo any other harvesting of the wheat, grain sorghum, barley, or oats on the acreage.

“(b) PAYMENT AMOUNT.—The amount of a payment made to the producers on a farm under this section shall be equal to the amount obtained by multiplying—

“(1) the loan deficiency payment rate determined under section 135(c) in effect, as of the date of the agreement, for the county in which the farm is located; by

“(2) the payment quantity obtained by multiplying—

“(A) the quantity of the grazed acreage on the farm with respect to which the producers on the farm elect to forgo harvesting of wheat, grain sorghum, barley, or oats; and

“(B) the payment yield for that contract commodity on the farm.

“(c) TIME, MANNER, AND AVAILABILITY OF PAYMENT.—

“(1) TIME AND MANNER.—A payment under this section shall be made at the same time and in the same manner as loan deficiency payments are made under section 135.

“(2) AVAILABILITY.—The Secretary shall establish an availability period for the payment authorized by this section that is consistent with the availability period for wheat, grain sorghum, barley, and oats established by the Secretary for marketing assistance loans authorized by this subtitle.

“(d) PROHIBITION ON CROP INSURANCE OR NONINSURED CROP ASSISTANCE.—The producers on a farm shall not be eligible for insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) or noninsured crop assistance under section 196 with respect to a 2002 through 2006 crop of wheat, grain sorghum, barley, or oats planted on acreage that the producers on the farm elect, in the agreement required by subsection (a), to use for the grazing of livestock in lieu of any other harvesting of the crop.”.

**SA 2545.** Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumer abundant food and fiber,

and for other purposes; which was ordered to lie on the table; as follows:

In section \_\_\_\_\_, at the end of subsection (\_\_\_\_\_), add the following:

“(\_\_\_\_\_) AVAILABILITY.—Of amounts made available under paragraph (\_\_\_\_\_) for a fiscal year, \$2,000,000 shall be made available to the Center for Dairy Herd Health of the University of California at Davis for—

(A) research on Johne's disease and other major diseases of dairy cows;

(B) outreach and education to dairy producers regarding testing;

(C) testing for dairy herds;

(D) development of best management practices and biosecurity plans to reduce, eliminate, and prevent disease; and

(E) other appropriate activities to support the animal health of dairy operations, including food safety management practices.

**SA 2546.** Mr. WYDEN (for himself and Mr. BROWNBACK) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumer abundant food and fiber, and for other purposes; as follows:

Beginning in section 902, strike chapter 3 of subtitle L of the Consolidated Farm and Rural Development Act (as added by that section) and all that follows through section 905 and insert the following:

**“CHAPTER 3—CARBON SEQUESTRATION RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM**

**“SEC. 388J. RESEARCH.**

“(a) BASIC RESEARCH.—

“(1) IN GENERAL.—Subject to the availability of appropriations, the Secretary shall carry out research to promote understanding of—

“(A) the net sequestration of organic carbon in soils and plants (including trees); and

“(B) net emissions of other greenhouse gases from agriculture.

“(2) AGRICULTURAL RESEARCH SERVICE.—The Secretary, acting through the Agricultural Research Service, shall collaborate with other Federal agencies in developing data and carrying out research addressing carbon losses and gains in soils and plants (including trees) and net emissions of methane and nitrous oxide from cultivation and animal management activities.

“(3) COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE.—

“(A) IN GENERAL.—The Secretary, acting through the Cooperative State Research, Education, and Extension Service, shall establish a competitive grant program to carry out research on the matters described in paragraph (1) by eligible entities.

“(B) ELIGIBLE ENTITIES.—Under subparagraph (A), the Secretary may make a grant to—

“(i) a Federal research agency;

“(ii) a national laboratory;

“(iii) a college or university or a research foundation maintained by a college or university;

“(iv) a private research organization with an established and demonstrated capacity to perform research or technology transfer;

“(v) a State agricultural experiment station;

“(vi) a State forestry agency that has developed or is developing a forest carbon sequestration program; or

“(vii) an individual.

“(C) CONSULTATION ON RESEARCH TOPICS.—Before issuing a request for proposals for basic research under paragraph (1), the Cooperative State Research, Education, and Extension Service shall consult with the Agricultural Research Service and the Forest Service to ensure that proposed research areas are complementary with and do not duplicate other research projects funded by the Department or other Federal agencies.

“(D) ADMINISTRATIVE EXPENSES.—The Secretary may retain up to 4 percent of the amounts made available for each fiscal year to carry out this subsection to pay administrative expenses incurred in carrying out this subsection.

“(b) APPLIED RESEARCH.—

“(1) IN GENERAL.—The Secretary shall carry out applied research in the areas of soil science, agronomy, agricultural economics, forestry, and other agricultural sciences to—

“(A) promote understanding of—

“(i) how agricultural and forestry practices affect the sequestration of organic and inorganic carbon in soils and plants (including trees) and net emissions of other greenhouse gases;

“(ii) how changes in soil carbon pools in soils and plants (including trees) are cost-effectively measured, monitored, and verified; and

“(iii) how public programs and private market approaches can be devised to incorporate carbon sequestration in a broader societal greenhouse gas emission reduction effort;

“(B) develop methods for establishing baselines for measuring the quantities of carbon and other greenhouse gases sequestered; and

“(C) evaluate leakage and performance issues.

“(2) REQUIREMENTS.—To the maximum extent practicable, applied research under paragraph (1) shall—

“(A) use existing technologies and methods; and

“(B) provide methodologies that are accessible to a nontechnical audience.

“(3) MINIMIZATION OF ADVERSE ENVIRONMENTAL IMPACTS.—All applied research under paragraph (1) shall be conducted with an emphasis on minimizing adverse environmental impacts.

“(4) NATURAL RESOURCES AND THE ENVIRONMENT.—The Secretary, acting through the Natural Resources Conservation Service and the Forest Service, shall collaborate with other Federal agencies in developing new measuring techniques and equipment or adapting existing techniques and equipment to enable cost-effective and accurate monitoring and verification, for a wide range of agricultural and forestry practices, of—

“(A) changes in carbon content in soils and plants (including trees); and

“(B) net emissions of other greenhouse gases.

“(5) COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE.—

“(A) IN GENERAL.—The Secretary, acting through the Cooperative State Research, Education, and Extension Service and the Forest Service, shall establish a competitive grant program to encourage research on the matters described in paragraph (1) by eligible entities.

“(B) ELIGIBLE ENTITIES.—Under subparagraph (A), the Secretary may make a grant to—

“(i) a Federal research agency;

“(ii) a national laboratory;

“(iii) a college or university or a research foundation maintained by a college or university;

“(iv) a private research organization with an established and demonstrated capacity to perform research or technology transfer;

“(v) a State agricultural experiment station;

“(vi) a State forestry agency that has developed or is developing a forest carbon sequestration program; or

“(vii) an individual.

“(C) CONSULTATION ON RESEARCH TOPICS.—Before issuing a request for proposals for applied research under paragraph (1), the Cooperative State Research, Education, and Extension Service and the Forest Service shall consult with the Natural Resources Conservation Service and the Agricultural Research Service to ensure that proposed research areas are complementary with and do not duplicate research projects funded by the Department of Agriculture or other Federal agencies.

“(D) ADMINISTRATIVE EXPENSES.—The Secretary, acting through the Cooperative State Research, Education, and Extension Service, may retain up to 4 percent of the amounts made available for each fiscal year to carry out this subsection to pay administrative expenses incurred in carrying out this subsection.

“(c) RESEARCH CONSORTIA.—

“(1) IN GENERAL.—The Secretary may designate not more than 2 research consortia to carry out research projects under this section, with the requirement that the consortia propose to conduct basic research under subsection (a) and applied research under subsection (b).

“(2) SELECTION.—The consortia shall be selected on a competitive basis by the Cooperative State Research, Education, and Extension Service.

“(3) ELIGIBLE CONSORTIUM PARTICIPANTS.—Entities eligible to participate in a consortium include—

“(A) a land-grant college or university (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103));

“(B) a private research institution;

“(C) a State agency;

“(D) an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b));

“(E) an agency of the Department of Agriculture;

“(F) a research center of the National Aeronautics and Space Administration, the Department of Energy, or any other Federal agency;

“(G) an agricultural business or organization with demonstrated expertise in areas covered by this section; and

“(H) a representative of the private sector with demonstrated expertise in the areas.

“(4) RESERVATION OF FUNDING.—If the Secretary designates 1 or 2 consortia, the Secretary shall reserve for research projects carried out by the consortium or consortia not more than 25 percent of the amounts made available to carry out this section for a fiscal year.

“(d) STANDARDS FOR MEASURING CARBON AND OTHER GREENHOUSE GAS CONTENT.—

“(1) CONFERENCE.—Not later than 3 years after the date of enactment of this subtitle, the Secretary shall convene a conference of key scientific experts on carbon sequestration from various sectors (including the government, academic, and private sectors) to—

“(A) discuss and establish benchmark standards for measuring the carbon content of soils and plants (including trees) and net emissions of other greenhouse gases;

“(B) propose techniques and modeling approaches for measuring carbon content with a level of precision that is agreed on by the participants in the conference; and

“(C) evaluate results of analyses on baseline, permanence, and leakage issues.

“(2) REPORT.—Not later than 180 days after the conclusion of the conference under paragraph (1), the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the results of the conference.

“(e) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There is authorized to be appropriated to carry out this section \$25,000,000 for each of fiscal years 2002 through 2006.

“(2) ALLOCATION.—

“(A) IN GENERAL.—Of the amounts made available to carry out this section for a fiscal year, at least 50 percent shall be allocated for competitive grants by the Cooperative State Research, Education, and Extension Service.

“(B) ADMINISTRATIVE EXPENSES.—The Secretary may retain up to 4 percent of the amounts made available for each fiscal year to carry out this section to pay administrative expenses incurred in carrying out this section.

**“SEC. 388K. DEMONSTRATION PROJECTS AND OUTREACH.**

“(a) DEMONSTRATION PROJECTS.—

“(1) DEVELOPMENT OF MONITORING PROGRAMS.—

“(A) IN GENERAL.—The Secretary, in cooperation with local extension agents, experts from land grant universities, and other local agricultural or conservation organizations, shall develop user-friendly programs that combine measurement tools and modeling techniques into integrated packages to monitor the carbon sequestering benefits of conservation practices and net changes in greenhouse gas emissions.

“(B) BENCHMARK LEVELS OF PRECISION.—The Secretary shall administer programs developed under subparagraph (A) in a manner that achieves, to the maximum extent practicable, benchmark levels of precision in the measurement, in a cost-effective manner, of benefits and changes described in subparagraph (A).

“(2) PROJECTS.—

“(A) IN GENERAL.—The Secretary shall establish a program under which the monitoring programs developed under paragraph (1) are used in projects to demonstrate the feasibility of methods of measuring, verifying, and monitoring—

“(i) changes in organic carbon content and other carbon pools in soils and plants (including trees); and

“(ii) net changes in emissions of other greenhouse gases.

“(B) EVALUATION OF IMPLICATIONS.—The projects under subparagraph (A) shall include evaluation of the implications for reassessed baselines, carbon or other greenhouse gas leakage, and the permanence of sequestration.

“(C) SUBMISSION OF PROPOSALS.—Proposals for projects under subparagraph (A) shall be submitted by the appropriate agency of each State, in consultation with interested local jurisdictions and State agricultural and conservation organizations.

“(D) LIMITATION.—Not more than 10 projects under subparagraph (A) may be approved in conjunction with applied research projects under section 388J(b) until benchmark measurement and assessment standards are established under section 388J(d).

“(b) OUTREACH.—

“(1) IN GENERAL.—The Secretary, acting through the Cooperative State Research, Education, and Extension Service, shall widely disseminate information about the economic and environmental benefits that can be generated by adoption of conservation practices that increase sequestration of car-

bon and reduce emission of other greenhouse gases.

“(2) PROJECT RESULTS.—The Secretary, acting through the Cooperative State Research, Education, and Extension Service, shall provide for the dissemination to farmers, ranchers, private forest landowners, and appropriate State agencies in each State of information concerning—

“(A) the results of demonstration projects under subsection (a)(2); and

“(B) the manner in which the methods demonstrated in the projects might be applicable to the operations of the farmers and ranchers.

“(3) POLICY OUTREACH.—The Secretary, acting through the Cooperative State Research, Education, and Extension Service, shall disseminate information on the connection between global climate change mitigation strategies and agriculture and forestry, so that farmers and ranchers may better understand the global implications of the activities of farmers and ranchers.

“(c) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2002 through 2006.

“(2) ALLOCATION.—Of the amounts made available to carry out this section for a fiscal year, at least 50 percent shall be allocated for demonstration projects under subsection (a)(2).”

**SEC. 903. BIOMASS RESEARCH AND DEVELOPMENT ACT OF 2000.**

(a) FUNDING.—The Biomass Research and Development Act of 2000 (7 U.S.C. 7624 note; Public Law 106-224) is amended—

(1) in section 307, by striking subsection (f);

(2) by redesignating section 310 as section 311; and

(3) by inserting after section 309 the following:

**“SEC. 310. FUNDING.**

“(a) IN GENERAL.—Not later than 30 days after the date of enactment of this subsection, and on October 1, 2002, and each October 1 thereafter through October 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this title \$15,000,000, to remain available until expended.

“(b) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this title the funds transferred under subsection (a), without further appropriation.”

(b) TERMINATION OF AUTHORITY.—Section 311 of the Biomass Research and Development Act of 2000 (7 U.S.C. 7624 note; Public Law 106-224) (as redesignated by subsection (a)) is amended by striking “December 31, 2005” and inserting “September 30, 2006”.

**SEC. 904. RURAL ELECTRIFICATION ACT OF 1936.**

Title I of the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) (as amended by section 661) is amended by adding at the end the following:

**“SEC. 21. FINANCIAL AND TECHNICAL ASSISTANCE FOR RENEWABLE ENERGY PROJECTS.**

“(a) DEFINITION OF RENEWABLE ENERGY.—In this section, the term ‘renewable energy’ means energy derived from a wind, solar, biomass, geothermal, or hydrogen source.

“(b) LOANS, LOAN GUARANTEES, AND GRANTS.—The Secretary shall make loans, loan guarantees, and grants to rural electric cooperatives and other rural electric utilities to promote the development of economically and environmentally sustainable renewable energy projects to serve the needs of rural communities or for rural economic development.

“(c) INTEREST RATE.—A loan made or guaranteed under subsection (b) shall bear interest at a rate not exceeding 4 percent.

“(d) USE OF FUNDS.—

“(1) GRANTS.—A recipient of a grant under subsection (a) may use the grant funds to pay up to 75 percent of the cost of an economic feasibility study or technical assistance for a renewable energy project.

“(2) LOANS.—If a renewable energy project is determined to be economically feasible, a recipient of a loan or loan guarantee under subsection (a) may use the loan funds to pay a percentage of the cost of the project determined by the Secretary.

“(e) FUNDING.—

“(1) IN GENERAL.—Not later than 30 days after the date of enactment of this section, and on October 1, 2002, and each October 1 thereafter through October 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this section \$9,000,000, to remain available until expended.

“(2) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under paragraph (1), without further appropriation.

“(3) LOAN AND INTEREST SUBSIDIES.—In the case of a loan or loan guarantee under subsection (a), the Secretary shall use funds under paragraph (1) to pay the cost of loan and interest subsidies necessary to carry out this section.”

**SEC. 905. CARBON SEQUESTRATION DEMONSTRATION PROGRAM.**

(a) FINDINGS.—Congress finds that—

(1) greenhouse gas emissions resulting from human activity present potential risks and potential opportunities for agricultural and forestry production;

(2) there is a need to identify cost-effective methods that can be used in the agricultural and forestry sectors to reduce the threat of climate change;

(3) deforestation and other land use changes account for approximately 1,600,000,000 of the 7,900,000,000 metric tons of the average annual worldwide quantity of carbon emitted during the 1990s;

(4) ocean and terrestrial systems each sequestered approximately 2,300,000,000 metric tons of carbon annually, resulting in a sequestration of 60 percent of the annual human-induced emissions of carbon during the 1990s;

(5) there are opportunities for increasing the quantity of carbon that can be stored in terrestrial systems through improved, human-induced agricultural and forestry practices;

(6) increasing the carbon content of soil helps to reduce erosion, reduce flooding, minimize the effects of drought, prevent nutrients and pesticides from washing into water bodies, and contribute to water infiltration, air and water holding capacity, and good seed germination and plant growth;

(7) tree planting and wetland restoration could play a major role in sequestering carbon and reducing greenhouse gas concentrations in the atmosphere;

(8) nitrogen management is a cost-effective method of addressing nutrient overenrichment in the estuaries of the United States and of reducing emissions of nitrous oxide;

(9) animal feed and waste management can be cost-effective methods to address water quality issues and reduce emissions of methane; and

(10) there is a need to—

(A) demonstrate that carbon sequestration in soils, plants, and forests and reductions in greenhouse gas emissions through nitrogen and animal feed and waste management can be measured and verified; and

(B) develop and refine quantification, verification, and auditing methodologies for carbon sequestration and greenhouse gas

emission reductions on a project by project basis.

(b) PROGRAM.—Title IV of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621 et seq.) is amended by adding at the end the following:

**“SEC. 409. CARBON SEQUESTRATION DEMONSTRATION PROGRAM.”**

“(a) DEFINITIONS.—In this section:

“(1) ELIGIBLE PROJECT.—The term ‘eligible project’ means a project that is likely to result in—

“(A) demonstrable reductions in net emissions of greenhouse gases; or

“(B) demonstrable net increases in the quantity of carbon sequestered in soils and forests.

“(2) ENVIRONMENTAL TRADE.—The term ‘environmental trade’ means a transaction between an emitter of a greenhouse gas and an agricultural producer or farmer-owned cooperative under which the emitter pays to the agricultural producer or farmer-owned cooperative a fee to sequester carbon or otherwise reduce emissions of greenhouse gases.

“(3) PANEL.—The term ‘panel’ means the panel of experts established under subsection (b)(4)(A).

“(4) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture, acting in consultation with—

“(A) the Under Secretary of Agriculture for Natural Resources and Environment;

“(B) the Under Secretary of Agriculture for Research, Education, and Economics;

“(C) the Chief Economist of the Department; and

“(D) the panel.

“(b) DEMONSTRATION PROGRAM.—

“(1) ESTABLISHMENT.—

“(A) IN GENERAL.—Subject to the availability of appropriations, the Secretary shall establish a program to provide grants, on a competitive, cost-shared basis, to agricultural producers, nonindustrial private forest owners and farmer-owned cooperatives to assist in paying the costs incurred in measuring, estimating, monitoring, verifying, auditing, and testing methodologies involved in environmental trades (including costs incurred in employing certified independent third persons to carry out those activities).

“(2) CONDITIONS FOR RECEIPT OF GRANT.—As a condition of the acceptance of a grant under paragraph (1), an agricultural producer, nonindustrial forest owner and farmer-owned cooperatives shall—

“(A) establish a carbon and greenhouse gas monitoring, verification, and reporting system that meets such requirements as the Secretary shall prescribe; and

“(B) under the system and through the use of an independent third party for any necessary monitoring, verifying, reporting, and auditing, measure and report to the Secretary the quantity of carbon sequestered, or the quantity of greenhouse gas emissions reduced, as a result of the conduct of an eligible project.

“(3) CRITERIA FOR AWARD OF GRANT.—

“(A) IN GENERAL.—In awarding a grant for an eligible project under paragraph (1), the Secretary shall take into consideration—

“(i) the likelihood of the eligible project in succeeding in achieving greenhouse gas emissions reductions and net carbon sequestration increases; and

“(ii) the usefulness of the information to be obtained from the eligible project in determining how best to quantify, monitor, and verify sequestered carbon or reductions in greenhouse gas emissions.

“(B) PRIORITY CRITERIA.—The Secretary shall give priority in awarding a grant under paragraph (1) to an eligible project that—

“(i) involves multiple parties, a whole farm approach, or any other approach, such as the aggregation of land areas, that would—

“(I) increase the environmental benefits or reduce the transaction costs of the eligible project; and

“(II) reduce the costs of measuring, monitoring, and verifying any net sequestration of carbon or net reduction in greenhouse gas emissions;

“(ii) is designed to achieve long-term sequestration of carbon or long-term reductions in greenhouse gas emissions;

“(iii) is designed to address concerns concerning leakage;

“(iv) provides certain other benefits, such as improvements in—

“(I) soil fertility;

“(II) wildlife habitat;

“(III) water quality;

“(IV) soil erosion management;

“(V) the use of renewable resources to produce energy;

“(VI) the avoidance of ecosystem fragmentation; and

“(VII) the promotion of ecosystem restoration with native species; or

“(v) does not involve—

“(I) the reforestation of land that has been deforested since 1990; or

“(II) the conversion of native grassland.

“(4) PANEL.—

“(A) IN GENERAL.—The Secretary shall establish a panel to provide advice and recommendations to the Secretary with respect to criteria for awarding grants under this subsection.

“(B) COMPOSITION.—The panel shall be composed of the following representatives, to be appointed by the Secretary:

“(i) Experts from each of—

“(I) the Department;

“(II) the Environmental Protection Agency; and

“(III) the Department of Energy.

“(ii) Experts from nongovernmental and academic entities.

“(5) PAYMENT OF GRANT FUNDS.—The Secretary shall provide a grant awarded under this section in such number of installments as is necessary to ensure proper implementation of an eligible project.

“(c) METHODOLOGY GRANT PROGRAM.—

“(1) ESTABLISHMENT.—The Secretary shall establish a program to provide grants to determine the best methodologies for estimating and measuring increases or decreases in—

“(A) agricultural greenhouse gas emissions; and

“(B) the quantity of carbon sequestered in soils, forests, and trees.

“(2) ELIGIBLE RECIPIENTS.—The Secretary shall award a grant under paragraph (1), on a competitive basis, to a college or university, or other research institution, that seeks to demonstrate the viability of a methodology described in paragraph (1).

“(d) DISSEMINATION OF INFORMATION.—As soon as practicable after the date of enactment of this section, the Secretary shall establish an Internet site through which agricultural, nonindustrial private forest owners and farmer-owned cooperatives, producers may obtain information concerning—

“(1) potential environmental trades; and

“(2) activities of the Secretary under this section.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$20,000,000 for each of fiscal years 2002 through 2006, of which \$1,000,000 for each of fiscal years 2002 through 2006 shall be made available to carry out farmer-owned cooperative carbon environmental trade pilot projects in accordance with this section.”

**SA 2547.** Mr. WYDEN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr.

DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumer abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 321, strike line 15 and all that follows through page 328, line 6, and insert the following:

**SEC. 262. KLAMATH BASIN.**

“(a) DEFINITIONS.—In this section:

“(1) TASK FORCE.—The term ‘Task Force’ means the Klamath Basin Interagency Task Force established under subsection (b).

“(2) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture.

“(b) INTERAGENCY TASK FORCE.—

**(1) ESTABLISHMENT.**

(A) IN GENERAL.—The Secretary of Agriculture shall establish the Klamath Basin Interagency Task Force.

(B) APPROVAL OF MEMBER.—A decision of the Task Force that affects any area under the jurisdiction of a member of the Task Force described in paragraph (2) shall not be implemented without the consent of the member.

(2) MEMBERSHIP.—The Task Force shall include representatives of—

(A) the Natural Resources Conservation Service;

(B) the Farm Services Agency;

(C) the United States Fish and Wildlife Service;

(D) the Bureau of Reclamation;

(E) the National Marine Fisheries Service;

(F) the Council on Environmental Quality;

(G) the Bureau of Indian Affairs;

(H) the Federal Energy Regulatory Commission;

(I) the Environmental Protection Agency; and

(J) the United States Geological Survey.

(3) DUTIES.—The Task Force shall use conservation programs of the Department of Agriculture and other Federal programs in the Klamath Basin in Oregon and California for the purposes of—

(A) development of a coordinated Federal effort for the management of water resources throughout the Klamath Basin;

(B) water conservation and improved agricultural practices;

(C) aquatic ecosystem restoration;

(D) improvement of water quality and quantity;

(E) recovery and enhancement of endangered species, including anadromous fish species and resident fish species; and

(F) restoration of the national wildlife refuges.

(4) COOPERATIVE AGREEMENT.—The Secretary of Agriculture, Secretary of the Interior, and Secretary of Commerce shall enter into a cooperative agreement to—

(A) provide funding to the Task Force; and

(B) use conservation programs administered by the Secretary of Agriculture and other Federal programs administered by the Secretary of the Interior and Secretary of Commerce in carrying out the purposes described in subsection (b)(3).

(5) GRANT PROGRAM.—The Task Force shall establish a grant program (including appropriate cost-share, monitoring, and enforcement requirements) under which the Secretary of Agriculture, Secretary of the Interior, or Secretary of Commerce may enter into 1 or more agreements or contracts with non-Federal entities, Indian tribes (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25

U.S.C. 450b)), environmental organizations, and water districts in the Klamath Basin to carry out the purposes described in subsection (b)(3).

(c) PLAN.—

(1) DEVELOPMENT.—

(A) DRAFT PLAN.—Not later than 180 days after the date of enactment of this Act, the Task Force shall develop, and provide public notice of and an opportunity for comment on, a draft 5-year plan to perform the duties of the Task Force under subsection (b)(3).

(B) FINAL PLAN.—Not later than 1 year after the date of enactment of this Act, the Task Force shall finalize the plan described in subparagraph (A).

(2) MATTERS TO BE CONSIDERED.—In developing the plan under paragraph (1), the Task Force shall consider—

(A) the purchase of water conservation easements;

(B) purchase of agricultural land from willing sellers, with priority given to land that will enhance water storage capabilities;

(C) benefits to the agricultural economy through incentives for the use of irrigation efficiency, water conservation, or other agricultural practices;

(D) wetland restoration;

(E) feasibility studies for alternative water storage, water conservation, demand reduction, and restoration of endangered species;

(F) improvement of upper Klamath Basin watershed and water quality;

(G) improvement of habitat on the Tule Lake National Wildlife Refuge, the Lower Klamath National Wildlife Refuge, and the Upper Klamath Lake National Wildlife Refuge;

(H) fish screening and water metering;

(I) other activities in the Basin that may significantly affect water resources in the Basin, as determined by the Task Force; and

(J) other matters that the Task Force considers appropriate.

(d) COOPERATION WITH NON-FEDERAL ENTITIES.—In carrying out the duties of the Task Force under this section, the Task Force shall—

(1) consult with—

(A) environmental, fishing, and agricultural interests; and

(B) on a government-to-government basis, the Klamath, Hoopa, Yurok, and Karuk Tribes; and

(2) provide appropriate opportunities for public participation.

(e) FUNDING.—

(1) IN GENERAL.—To carry out the purposes and activities described in subsection (b)(3), the Secretary shall use \$175,000,000 of the funds of the Commodity Credit Corporation for the period of fiscal years 2003 through 2006, of which—

(A) \$15,000,000 shall be made available to the Klamath, Yurok, Hoopa, and Karuk Tribes for use in the State of California; and

(B) \$15,000,000 shall be made available to those Tribes for use in the State of Oregon.

(2) OTHER FUNDS.—The funds made available under subparagraphs (A) and (B) of paragraph (1) shall be in addition to funds available to the States of California and Oregon under other provisions of this Act (including amendments made by this Act).

(3) EXPIRATION OF AUTHORITY TO OBLIGATE FUNDS.—The Secretary may not obligate funds made available under this paragraph after September 30, 2006.

(4) UNUSED FUNDING.—Any funds made available for a fiscal year under paragraph (1) that are not obligated by April 1 of the fiscal year may be used to carry out other activities under subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3801 et seq.).

(f) SAVINGS PROVISION.—Nothing in this section regarding the Klamath Basin affects

any right or obligation of any party under any treaty or any provision of Federal or State law.

(g) COOPERATIVE AGREEMENTS.—Notwithstanding the Federal Grant and Cooperative Agreement Act of 1977 (41 U.S.C. 501 et seq.), the Secretary may enter into cooperative agreements under this section.

**SA 2548.** Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert:

**SEC. . SALE OF INVENTORY OWNED BY THE COMMODITY CREDIT CORPORATION.**

Notwithstanding any other provisions of law the Commodity Credit Corporation, where practicable, shall utilize private sector entities to sell inventory to which the Corporation holds title.

**SA 2549.** Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. . PREVENTING AGROTERRORISM.**

(a) ENHANCED PENALTIES FOR ANIMAL AND PLANT ENTERPRISE TERRORISM.—Section 43 of title 18, United States Code, is amended—

(1) in subsection (a), by striking “one year” and inserting “5 years”; and

(2) in subsection (b)—

(A) by redesignating paragraph (2) as paragraph (3);

(B) by inserting after paragraph (1) the following new paragraph (2):

“(2) EXPLOSIVES OR ARSON.—Whoever in the course of a violation of subsection (a) maliciously damages or destroys, or attempts to damage or destroy, by means of fire or an explosive, any building, vehicle, or other real or personal property used by the animal or plant enterprise shall be imprisoned for not less than 5 years and not more than 20 years, fined under this title, or both.”; and

(C) in paragraph (3), as redesignated, by striking “under this title and” and all that follows through the period and inserting “under this title, imprisoned for life or for any term of years, or sentenced to death.”.

(b) NATIONAL AGROTERRORISM INCIDENT CLEARINGHOUSE.—

(1) IN GENERAL.—The Director shall establish and maintain a national clearinghouse for information on incidents of crime and terrorism—

(A) committed against or directed at any animal or plant enterprise;

(B) committed against or directed at any commercial activity because of the perceived impact or effect of such commercial activity on the environment; or

(C) committed against or directed at any person because of such person’s perceived connection with or support of any enterprise or activity described in subparagraph (A) or (B).

(2) CLEARINGHOUSE.—The clearinghouse established under subsection (a) shall—

(A) accept, collect, and maintain information on incidents described in paragraph (1) that is submitted to the clearinghouse by Federal, State, and local law enforcement agencies, by law enforcement agencies of foreign countries, and by victims of such incidents;

(B) collate and index such information for purposes of cross-referencing; and

(C) upon request from a Federal, State, or local law enforcement agency, or from a law enforcement agency of a foreign country, provide such information to assist in the investigation of an incident described in paragraph (1).

(3) SCOPE OF INFORMATION.—The information maintained by the clearinghouse for each incident shall, to the extent practicable, include—

(A) the date, time, and place of the incident;

(B) details of the incident;

(C) any available information on suspects or perpetrators of the incident; and

(D) any other relevant information.

(4) DESIGN OF CLEARINGHOUSE.—The clearinghouse shall be designed for maximum ease of use by participating law enforcement agencies.

(5) PUBLICITY.—The Director shall publicize the clearinghouse to law enforcement agencies.

(6) RESOURCES.—In establishing and maintaining the clearinghouse, the Director may—

(A) through the Attorney General, utilize the resources of any other department or agency of the Federal Government; and

(B) accept assistance and information from private organizations or individuals.

(7) COORDINATION.—The Director shall carry out the Director’s responsibilities under this subsection in cooperation with the Director of the Bureau of Alcohol, Tobacco, and Firearms.

(8) DEFINITIONS.—In this subsection—

(A) the term “animal or plant enterprise” has the same meaning as in section 43 of title 18, United States Code; and

(B) the term “Director” means the Director of the Federal Bureau of Investigation.

(9) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2002 through 2007 such sums as are necessary to carry out this subsection.

**SA 2550.** Mrs. LINCOLN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in Title II add the following:

**SEC. . GRASSROOTS SOURCE WATER PROTECTION PROGRAM.**

(a) IN GENERAL.—The Secretary shall establish a national grassroots water protection program to more effectively use onsite technical assistance capabilities of each State rural water association that, as of the date enactment of the Farm Security Act of 2001, operates a wellhead or groundwater protection program in the State.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to

carry out this section \$5,000,000 for each fiscal year.”.

**SA 2551.** Mr. JOHNSON submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 39, strike lines 14 through 17 and insert the following:

“to forgo obtaining the loan for the loan commodity in return for payments under this section.”;

(2) by striking subsection (c) and inserting the following:

“(c) LOAN PAYMENT RATE.—

“(1) IN GENERAL.—Subject to paragraph (2), for purposes of this section, the loan payment rate shall be the amount by which—

“(A) the loan rate established under section 132 for the loan commodity; exceeds

“(B) the rate at which a loan for the commodity may be repaid under section 134.

“(2) PRE-HARVEST ELECTION.—

“(A) IN GENERAL.—During the period beginning on the first day of the applicable marketing year and ending prior to harvest of a loan commodity, the producer may elect to have the loan payment rate for the loan commodity on a farm under paragraph (1) established at the then-applicable rate for the loan commodity.

“(B) SINGLE ELECTION.—The producers on a farm shall have 1 opportunity each marketing year for each loan commodity on a farm to make an irrevocable election under subparagraph (A).

“(C) LIMITATION.—The election described in subparagraph (A) may be made shall apply to not more than 50 percent of the expected production of a loan commodity on a farm, as determined by the Secretary.

“(D) TIMING OF PAYMENT.—Producers on a farm that make a pre-harvest election under this paragraph shall receive the loan payment applicable to the quantity of the loan commodity subject to the election only after—

“(i) the quantity of the loan commodity on the farm is harvested; and

“(ii) sufficient documentation regarding the quantity of the loan commodity harvested on the farm has been provided to the Secretary.”; and

(3) by striking subsections (e) and (f) and inserting the following:

**SA 2552.** Mr. CRAPO (for himself and Mr. CRAIG) submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 248, strike lines 9 and all that follows through page 249 line 15 and insert the following:

“(b) EXCEPTIONS.—For states in which the Governor has elected not to participate in the program, acreage under this program shall be available for enrollment under the conditions of subchapter B of chapter 1.”

“(c) ENROLLMENT OF ELIGIBLE LAND.—

“(1) CRP ACREAGE LIMIT.—The Secretary shall enroll in the program not more than 1,100,000 acres, which shall count against the number of acres enrolled in the conservation reserve program under section 1231(d).

“(2) TIMING.—To the maximum extent practicable, an enrollment under paragraph (1) shall occur during the enrollment period for the conservation reserve program.

“(3) PRIORITY IN ENROLLMENT.—In enrolling eligible land in the program, the Secretary shall give priority to land with associated water or water rights that—

“(A) could be used to significantly advance the goals of Federal, State, Tribal and local fish, wildlife, and plant conservation plans, including—

“(i) plans that address multiple endangered species, sensitive species, or threatened species; or

“(ii) agreements entered into, or conservation plans submitted, under section 6 or 10(a)(2)(A) of the Endangered Species Act of 1973 (16 U.S.C. 1535, 1529(a)(2)(A)), respectively; or

“(B) would benefit fish, wildlife, or plants of 1 or more refuges within the National Wildlife Refuge System.

“(4) NONPARTICIPATING STATES.—In the case of a State that elects not to participate in the program, the Secretary shall give, to applications from landowners in the State to enroll land in the conservation reserve program under subchapter B of chapter 1, priority that is equal to the priority given under paragraph (3) to applications from landowners in States participating in the program.

“(5) ENROLLMENT AUTHORITY.—The priority”.

**SA 2553.** Mr. CRAPO (for himself and Mr. CRAIG) submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 215.

**SA 2554.** Mr. CRAPO submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 249, strike line 14 and insert the following:

“(4) NONPARTICIPATING STATES.—In the case of a State that elects not to participate in the program—

“(A) the Secretary shall give, to applications from landowners in the State to enroll land in the conservation reserve program under subchapter B of chapter 1, priority that is equal to the priority given under paragraph (3) to applications from landowners in States participating in the program; and

“(B) notwithstanding paragraph (1), landowners in the State may enroll in the con-

servation reserve program under subchapter B of chapter 1 such acreage as the landowners in the State would have enrolled in the program if the State had elected to participate in the program.

“(5) ENROLLMENT AUTHORITY.—The priority”.

**SA 2555.** Mr. CRAPO submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 132 and insert the following:

**SEC. 132. DAIRY COUNTER-CYCICAL SAVINGS ACCOUNTS.**

Subtitle B of title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7211 et seq.) is amended by adding at the end the following:

**“SEC. 119. DAIRY COUNTER-CYCICAL SAVINGS ACCOUNTS.**

“(a) DEFINITIONS.—In this section:

“(1) ADJUSTED GROSS REVENUE.—The term ‘adjusted gross revenue’ means the adjusted gross income for all agricultural enterprises of a producer in a year, excluding revenue earned from nonagricultural sources, as determined by the Secretary—

“(A) by taking into account gross receipts from the sale of crops and livestock on all agricultural enterprises of the producer, including insurance indemnities resulting from losses in the agricultural enterprises;

“(B) by including all farm payments paid by the Secretary for all agricultural enterprises of the producer, including any marketing loan gains described in section 1001(3)(A) of the Food Security Act of 1985 (7 U.S.C. 1308(3)(A));

“(C) by deducting the cost or basis of livestock or other items purchased for resale, such as feeder livestock, on all agricultural enterprises of the producer; and

“(D) as represented on—

“(i) a schedule F of the Federal income tax returns of the producer; or

“(ii) a comparable tax form related to the agricultural enterprises of the producer, as approved by the Secretary.

“(2) AGRICULTURAL ENTERPRISE.—The term ‘agricultural enterprise’ means the production and marketing of—

“(A) milk regardless of the utilization of the milk for the applicable year; or

“(B)(i) milk regardless of the utilization of the milk for the applicable year; and

“(ii) other agricultural commodities (including livestock but excluding tobacco) on a farm or ranch.

“(3) AVERAGE ADJUSTED GROSS REVENUE.—The term ‘average adjusted gross revenue’ means—

“(A) the average of the adjusted gross revenue of a producer for each of the preceding 5 taxable years; or

“(B) in the case of a beginning farmer or rancher or other producer that does not have adjusted gross revenue for each of the preceding 5 taxable years, the estimated income of the producer that will be earned from all agricultural enterprises for the applicable year, as determined by the Secretary.

“(4) PRODUCER.—The term ‘producer’ means an individual or entity, as determined by the Secretary for an applicable year, that—

“(A) shares in the risk of producing, or provides a material contribution in producing—

“(i) milk regardless of the utilization of the milk for the applicable year; or

“(ii) milk regardless of the utilization of the milk for the applicable year and other agricultural commodities (including livestock but excluding tobacco) on a farm or ranch;

“(B) has a substantial beneficial interest in the production of the milk and other agricultural commodities on the farm of the producer;

“(C)(i) during each of the preceding 5 taxable years, has filed—

“(I) a schedule F of the Federal income tax returns; or

“(II) a comparable tax form related to the agricultural enterprises of the individual or entity, as approved by the Secretary; or

“(ii) is a beginning farmer or rancher or other producer that does not have adjusted gross revenue for each of the preceding 5 taxable years, as determined by the Secretary; and

“(D)(i) has earned at least \$20,000 in average adjusted gross revenue for each of the preceding 5 taxable years;

“(ii) is a limited resource farmer or rancher, as determined by the Secretary; or

“(iii) in the case of a beginning farmer or rancher or other producer that does not have adjusted gross revenue for each of the preceding 5 taxable years, has at least \$20,000 in estimated income from all agricultural enterprises for the applicable year, as determined by the Secretary.

“(b) ESTABLISHMENT.—A producer may establish a dairy counter-cyclical savings account in the name of the producer in a bank or financial institution selected by the producer and approved by the Secretary.

“(c) DAIRY ACCOUNT CAPITALIZATION PAYMENTS.—

“(1) IN GENERAL.—The Secretary shall in fiscal year 2002 provide a capitalization payment to the account of an eligible producer—

“(A) in the same manner as supplemental payments for dairy producers were administered by the Secretary pursuant to section 805 of Pub. L. 106-387;

“(B) for the average of the production of the producer for the years 1998, 1999, and 2000, not to exceed 39,000 cwt. for a year; and

“(C) at the same per unit rate as provided by the Secretary in section 805 of Pub. L. 106-387.

“(2) LIMITATION.—Capitalization payments under this subsection shall not exceed \$500,000,000 in fiscal year 2002, and shall not be made available in subsequent fiscal years.

“(3) A capitalization payment under this subsection may only be provided to an account of a producer in a bank or savings institution approved by the Secretary.

“(d) CONTENT OF ACCOUNT.—A dairy counter-cyclical savings account shall consist—

“(1) of contributions of the producer;

“(2) for fiscal year 2002, the amount of the capitalization fund for which the producer is eligible, as determined by the Secretary; and

“(2) for fiscal years 2003-2005, matching contributions of the Secretary.

“(e) PRODUCER CONTRIBUTIONS.—

“(1) IN GENERAL.—Subject to paragraph (2), a producer may deposit such amounts in the account of the producer as the producer considers appropriate.

“(2) MAXIMUM ACCOUNT BALANCE.—The balance of an account of a producer may not exceed 150 percent of the average adjusted gross revenue of the producer.

“(f) MATCHING CONTRIBUTIONS.—

“(1) IN GENERAL.—Subject to paragraphs (2) through (4), the Secretary shall provide to the account of the producer a matching contribution that is equal to, and may not exceed, the amount deposited by the producer into the account.

“(2) MAXIMUM CONTRIBUTIONS FOR ALL PRODUCERS.—The total amount of matching contributions that may be provided by the Secretary for all producers under this subsection in addition to the capitalization payments under subsection (c) shall not exceed \$1,400,000,000 during the period covering fiscal years 2003 through 2005.

“(3) DATE FOR MATCHING CONTRIBUTIONS.—The Secretary shall provide the matching contributions for an applicable year required for a producer under paragraph (1) as of the date that a majority of the covered commodities grown by the producer are harvested.

“(g) INTEREST.—Funds deposited into the account may earn interest at the commercial rates provided by the bank or financial institution in which the Account is established.

“(h) USE.—Funds credited to the account—

“(1) shall be available for withdrawal by a producer, in accordance with subsection (h); and

“(2) may be used for purposes determined by the producer.

“(i) WITHDRAWAL.—

“(1) IN GENERAL.—Subject to paragraph (2), a producer may withdraw funds from the account if the estimated adjusted gross revenue of the producer for the applicable year is less than the average adjusted gross revenue of the producer.

“(2) RETIREMENT.—A producer that ceases to be actively engaged in farming, as determined by the Secretary—

“(A) may withdraw the full balance from, and close, the account; and

“(B) may not establish another account.

“(j) FUNDING.—From the funds of the Commodity Credit Corporation, the Secretary shall make available—

“(1) \$500,000,000 under subsection (c) for the capitalization payments in fiscal year 2002; and

“(2) \$1,400,000,000 for matching contributions under subsection (f)(2)(A) for the period covering fiscal years 2003-2005.”

**SA 2556.** Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes which was ordered to lie on the table; as follows:

At the end of subtitle C of title X, add the following:

**SEC. \_\_\_\_\_. ANIMAL DRUGS.**

(a) SHORT TITLE.—This section may be cited as the “Minor Use and Minor Species Animal Health Act of 2001”.

(b) FINDINGS.—Congress makes the following findings:

(1) There is a severe shortage of approved new animal drugs for use in minor species.

(2) There is a severe shortage of approved new animal drugs for treating animal diseases and conditions that occur infrequently or in limited geographic areas.

(3) Because of the small market shares, low-profit margins involved, and capital investment required, it is generally not economically feasible for new animal drug sponsors to pursue approvals for these species, diseases, and conditions.

(4) Because the populations for which such new animal drugs are intended may be small and conditions of animal management may vary widely, it is often difficult to design and conduct studies to establish drug safety

and effectiveness under traditional new animal drug approval processes.

(5) It is in the public interest and in the interest of animal welfare to provide for special procedures to allow the lawful use and marketing of certain new animal drugs for minor species and minor uses that take into account these special circumstances and that ensure that such drugs do not endanger animal or public health.

(6) Exclusive marketing rights and tax credits for clinical testing expenses have helped encourage the development of “orphan” drugs for human use, and comparable incentives should encourage the development of new animal drugs for minor species and minor uses.

(c) DEFINITIONS.—Section 201 of the Federal, Food, Drug, and Cosmetic Act (21 U.S.C. 321) is amended by adding at the end the following:

“(kk) The term ‘major species’ means cattle, horses, swine, chickens, turkeys, dogs, and cats, except that the Secretary may revise this definition by regulation.

“(ll) The term ‘minor species’ means animals other than humans that are not major species.

“(mm) The term ‘minor use’ means the intended use of a drug in a major species for an indication that occurs infrequently or in limited geographical areas.”

(d) THREE-YEAR EXCLUSIVITY FOR MINOR USE AND MINOR SPECIES APPROVALS.—Section 512(c)(2)(F) (ii), (iii), and (v) of the Federal Food, Drug, and Cosmetic Act is amended by striking “(other than bioequivalence or residue studies)” and inserting “(other than bioequivalence studies or final residue depletion studies, except final residue depletion studies for minor uses or minor species)” every place it appears.

(e) SCOPE OF REVIEW FOR MINOR USE AND MINOR SPECIES APPLICATIONS.—Section 512(d) of the Federal Food, Drug, and Cosmetic Act is amended by adding at the end the following new paragraph:

“(5) In reviewing an application that proposes a change to add an intended use for a minor use or a minor species to an approved new animal drug application, the Secretary shall reevaluate only the relevant information in the approved application to determine whether the application for the minor use or minor species can be approved. A decision to approve the application for the minor use or minor species is not, implicitly or explicitly, a reaffirmation of the approval of the original application.”

(f) MINOR USE AND MINOR SPECIES NEW ANIMAL DRUGS.—Chapter V of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351 et seq.) is amended by adding at the end the following:

**Subchapter F—New Animal Drugs For Minor Use And Minor Species**

**SEC. 571. CONDITIONAL APPROVAL OF NEW ANIMAL DRUGS FOR MINOR USE AND MINOR SPECIES.**

“(a)(1) Except as provided in paragraph (3) of this section, any person may file with the Secretary an application for conditional approval of a new animal drug intended for a minor use or a minor species. Such an application may not be a supplement to an application approved under section 512. Such application must comply in all respects with the provisions of section 512 of this Act except sections 512(b)(2), 512(c)(1), 512(c)(2), 512(c)(3), 512(d)(1), 512(e), 512(h), and 512(n) unless otherwise stated in this section, and any additional provisions of this section.

“(2) The applicant shall submit to the Secretary as part of an application for the conditional approval of a new animal drug—

“(A) all information necessary to meet the requirements of section 512(b)(1) except section 512(b)(1)(A);

“(B) full reports of investigations which have been made to show whether or not such drug is safe and there is a reasonable expectation of effectiveness for use;

“(C) data for establishing a conditional dose;

“(D) projections of expected need and the justification for that expectation based on the best information available;

“(E) information regarding the quantity of drug expected to be distributed on an annual basis to meet the expected need; and

“(F) a commitment that the applicant will conduct additional investigations to meet the requirements for the full demonstration of effectiveness under section 512(d)(1)(E) within 5 years.

“(3) A person may not file an application under paragraph (1) if without adequate justification—

“(A) the person has previously filed an application for conditional approval under paragraph (1) for the same drug, conditions of use, and dosage form whether or not subsequently conditionally approved by the Secretary under subsection (b), or

“(B) the person obtained the application, or data or other information contained therein, directly or indirectly from the person who filed for conditional approval under paragraph (1) for the same drug and conditions of use whether or not subsequently conditionally approved by the Secretary under subsection (b).

“(b) Within 180 days after the filing of an application pursuant to subsection (a), or such additional period as may be agreed upon by the Secretary and the applicant, the Secretary shall either—

“(1) issue an order, effective for one year, conditionally approving the application if the Secretary finds that none of the grounds for denying conditional approval, specified in subsection (c) of this section applies, or

“(2) give the applicant notice of an opportunity for an informal hearing on the question whether such application can be conditionally approved.

“(c) If the Secretary finds, after giving the applicant notice and an opportunity for an informal hearing, that—

“(1) any of the provisions of section 512(d)(1) (A) through (D) or (F) through (I) are applicable;

“(2) the information submitted to the Secretary as part of the application and any other information before the Secretary with respect to such drug, is insufficient to show that there is a reasonable expectation that the drug will have the effect it purports or is represented to have under the conditions of use prescribed, recommended, or suggested in the proposed labeling thereof; or

“(3) another person has received approval under section 512 for a drug with the same active ingredient or ingredients, the same conditions of use, and the same dosage form and that person is able to assure the availability of sufficient quantities of the drug to meet the needs for which the drug is intended;

the Secretary shall issue an order refusing to conditionally approve the application.

If, after such notice and opportunity for an informal hearing, the Secretary finds that paragraphs (1) through (3) do not apply, the Secretary shall issue an order conditionally approving the application effective for one year. Any order issued under this subsection refusing to conditionally approve an application shall state the findings upon which it is based.

“(d) A conditional approval under this section is effective for a 1-year period and is thereafter renewable by the Secretary annually for up to 4 additional 1-year terms. A conditional approval shall be in effect for no

more than 5 years from the date of approval under subsection (b)(1) or (c) of this section unless extended as provided for in subsection (h) of this section. The following shall also apply:

“(1) No later than 90 days from the end of the 1-year period for which the original or renewed conditional approval is effective, the applicant may submit a request to renew a conditional approval for an additional 1-year term.

“(2) If the renewal request is submitted no later than 90 days from the end of the 1-year period, a conditional approval shall be deemed renewed at the end of the 1-year period, or at the end of an additional 90-day extension when deemed necessary to complete review of an application, unless the Secretary makes a written determination before the expiration of the 1-year period or the 90-day extension that—

“(A) the request fails to contain sufficient information to show that—

“(i) the applicant is making sufficient progress toward meeting approval requirements under section 512(d)(1)(E), and is likely to be able to fulfill those requirements and obtain an approval under section 512 before the expiration of the 5-year maximum term of the conditional approval;

“(ii) the quantity of the drug that has been distributed is consistent with the intended use, unless there is adequate explanation that ensures that the drug is only used for its intended purpose; or

“(iii) no other drug with the same active ingredient or ingredients, for the same conditions of use, and dosage form has received approval under section 512, or if such a drug has been approved, that the holder of the approved application is unable to assure the availability of sufficient quantities of the drug to meet the needs for which the drug is intended; or

“(B) 1 or more of the conditions of section 512(e)(1) (A) through (B) and (D) through (F) are met.

“(3) If the Secretary makes a timely written determination that a conditional approval should not be renewed, or the applicant fails to submit a timely renewal request, the Secretary shall issue an order refusing to renew the conditional approval, and such conditional approval shall be deemed withdrawn and no longer in effect. The Secretary shall thereafter provide an opportunity for an informal hearing to the applicant on the issue whether the conditional approval shall be reinstated.

“(e)(1) The Secretary shall issue an order withdrawing conditional approval of an application filed pursuant to subsection (a) if the Secretary finds that another person has received approval under section 512 for a drug with the same active ingredient or ingredients, the same conditions of use, and dosage form, and that person is able to assure the availability of sufficient quantities of the drug to meet the needs for which the drug is intended.

“(2) The Secretary shall, after due notice and opportunity for an informal hearing to the applicant, issue an order withdrawing conditional approval of an application filed pursuant to subsection (a) if the Secretary finds that—

“(A) any of the provisions of section 512(e)(1) (A) through (B) or (D) through (F) are applicable; or

“(B) on the basis of new information before the Secretary with respect to such drug, evaluated together with the evidence available to the Secretary when the application was conditionally approved, that there is not a reasonable expectation that such drug will have the effect it purports or is represented to have under the conditions of use pre-

scribed, recommended, or suggested in the labeling thereof.

“(3) The Secretary may also, after due notice and opportunity for an informal hearing to the applicant, issue an order withdrawing conditional approval of an application filed pursuant to subsection (a) if the Secretary finds that any of the provisions of section 512(e)(2) are applicable.

“(f)(1) The label and labeling of a new animal drug with a conditional approval under this section shall—

“(A) bear the statement, ‘conditionally approved by FDA pending a full demonstration of effectiveness under application [number]’; and

“(B) contain such other information as prescribed by the Secretary.

“(2) An intended use that is the subject of a conditional approval under this section shall not be included in the same product label with any intended use approved under section 512.

“(g) A conditionally-approved new animal drug application may not be amended or supplemented to add indications for use.

“(h) 180 days prior to the termination date established under subsection (d)(1) of this section, a sponsor shall have submitted all the information necessary to support a complete new animal drug application in accordance with section 512(b)(1) or the conditional approval issued under this section is no longer in effect. Upon receipt of this information, the Secretary shall either—

“(1) issue an order approving the application if the Secretary finds that none of the grounds for denying approval specified in section 512(d)(1) applies, or

“(2) give the sponsor an opportunity for a hearing before the Secretary under section 512(d) on the question whether such application can be approved.

Upon issuance of an order approving the application, product labeling and administrative records of approval shall be modified accordingly. If the Secretary has not issued an order under section 512(c) approving such application prior to the termination date established under subsection (d)(1) of this section, the conditional approval issued under this section is no longer in effect unless the Secretary grants an extension of an additional 180-day period so that the Secretary can complete review of the application. The decision to grant an extension is committed to Agency discretion and not subject to judicial review.

“(i) The decision of the Secretary under subsection (c), (d), or (e) of this section, refusing or withdrawing conditional approval of an application shall constitute final agency action subject to judicial review.

**SEC. 572. INDEX OF LEGALLY-MARKETED UNAPPROVED NEW ANIMAL DRUGS FOR MINOR SPECIES.**

“(a) The Secretary shall establish an index of unapproved minor species new animal drugs that may be lawfully marketed for use in minor species. The index shall be limited to—

“(1) new animal drugs intended for use in a minor species for which there is a reasonable certainty that the animal or edible products from the animal will not be consumed by humans, and

“(2) new animal drugs intended for use in an early life stage of a food-producing minor species where human food safety can be demonstrated in accordance with the standard of section 512(d) by showing that—

“(A) there is no significant likelihood that harmful residues will be present in the animal presented as food for humans as a result of treatment at the early life stage;

“(B) there is no significant likelihood that harmful residues will be present in the animal presented as food for food-producing animals as a result of treatment at the early life stage; and

“(C) there are no concerns about the use of the drug at later life stages because a tolerance and regulatory method to test for the drug at later life stages are available or there is no practical use for the drug in later life stages.

“(b) Any person intending to file a request under this section shall be entitled to one or more conferences to discuss the requirements for indexing a new animal drug.

“(c)(1) Any person may submit a request to the Secretary for a determination whether a new animal drug may be eligible for inclusion in the index. Such a request shall include—

“(A) information regarding the need for the new animal drug, the species for which the new animal drug is intended, the proposed intended use and conditions of use, and anticipated annual distribution;

“(B) information to support the conclusion that the proposed use meets the conditions of subsection (a)(1) or (a)(2) of this section;

“(C) information regarding the components and composition of the new animal drug;

“(D) a description of the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such new animal drug;

“(E) an environmental assessment or information to support a categorical exclusion from the requirement to prepare an environmental assessment;

“(F) information sufficient to support the conclusion that the proposed use of the new animal drug does not present a threat to the safety of individuals exposed to the new animal drug through its manufacture or use; and

“(G) such other information as the Secretary may deem necessary to make this eligibility determination.

“(2) Within 90 days after the submission of a request for a determination of eligibility for indexing based on subsection (a)(1) of this section, or 180 days for a request submitted based on subsection (a)(2) of this section, the Secretary shall grant or deny the request, and notify the person who requested such determination of the Secretary's decision. The Secretary shall grant the request if the Secretary finds that—

“(A) no new animal drug, including the same active ingredient or any salt or ester thereof is approved or conditionally approved in the same dosage form for the same intended use;

“(B) the proposed use does not raise concerns related to safety; and

“(C) the person requesting the determination has established appropriate specifications for the manufacture and control of the new animal drug and has demonstrated an understanding of the requirements of current good manufacturing practices.

If the Secretary denies the request, the Secretary shall thereafter provide due notice and an opportunity for an informal conference. The decision of the Secretary following an informal conference shall constitute final agency action subject to judicial review.

“(d)(1) With respect to a new animal drug for which the Secretary has made a determination of eligibility under subsection (b), the person who made such a request may ask that the Secretary add the new animal drug to the index established under subsection (a). The request for addition to the index shall include—

“(A) a copy of the Secretary's determination of eligibility issued under subsection (b);

“(B) a written report that meets the requirements in subsection (d)(2) of this section;

“(C) a proposed index entry;

“(D) facsimile labeling;

“(E) anticipated annual distribution of the new animal drug;

“(F) a written commitment to manufacture the new animal drug according to current good manufacturing practices;

“(G) a written commitment to label, distribute, and promote the new animal drug only in accordance with the index entry;

“(H) upon specific request of the Secretary, information submitted to the expert panel described in paragraph (3); and

“(I) any additional requirements that the Secretary may prescribe by general regulation or specific order.

“(2) The report required in paragraph (1) shall—

“(A) be authored by a qualified expert panel;

“(B) include an evaluation of all available target animal safety and effectiveness information, including anecdotal information;

“(C) state the expert panel's opinion regarding whether the benefits of using the new animal drug for the proposed use in a minor species outweigh its risks, taking into account the harm being caused by the absence of an approved or conditionally-approved new animal drug for the minor species in question;

“(D) include information upon which labeling can be written; and

“(E) include a recommendation regarding whether the new animal drug should be limited to use under the professional supervision of a licensed veterinarian.

“(3) A qualified expert panel, as used in this section, is a panel that—

“(A) is composed of experts qualified by scientific training and experience to evaluate the target animal safety and effectiveness of the new animal drug under consideration;

“(B) operates external to FDA; and

“(C) is not subject to the Federal Advisory Committee Act, 5 U.S.C. App.2.

The Secretary shall define the criteria for selection of a qualified expert panel and the procedures for the operation of the panel by regulation.

“(4) Within 180 days after the receipt of a request for listing a new animal drug in the index, the Secretary shall grant or deny the request. The Secretary shall grant the request if the request for indexing continues to meet the eligibility criteria in subsection (a) and the Secretary finds, on the basis of the report of the qualified expert panel and other information available to the Secretary, that the benefits of using the new animal drug for the proposed use in a minor species outweigh its risks, taking into account the harm caused by the absence of an approved or conditionally-approved new animal drug for the minor species in question. If the Secretary denies the request, the Secretary shall thereafter provide due notice and the opportunity for an informal conference. The decision of the Secretary following an informal conference shall constitute final agency action subject to judicial review.

“(e)(1) The index established under subsection (a) shall include the following information for each listed drug—

“(A) the name and address of the person who holds the index listing;

“(B) the name of the drug and the intended use and conditions of use for which it is being indexed;

“(C) product labeling; and

“(D) conditions and any limitations that the Secretary deems necessary regarding use of the drug.

“(2) The Secretary shall publish the index, and revise it periodically.

“(3) The Secretary may establish by regulation a process for reporting changes in the conditions of manufacturing or labeling of indexed products.

“(f)(1) If the Secretary finds, after due notice to the person who requested the index listing and an opportunity for an informal conference, that—

“(A) the expert panel failed to meet the requirements as set forth by the Secretary by regulation;

“(B) on the basis of new information before the Secretary, evaluated together with the evidence available to the Secretary when the new animal drug was listed in the index, the benefits of using the new animal drug for the indexed use do not outweigh its risks;

“(C) the conditions of subsection (c)(2) of this section are no longer satisfied;

“(D) the manufacture of the new animal drug is not in accordance with current good manufacturing practices;

“(E) the labeling, distribution, or promotion of the new animal drug is not in accordance with the index entry;

“(F) the conditions and limitations of use associated with the index listing have not been followed; or

“(G) the request for indexing contains any untrue statement of material fact, the Secretary shall remove the new animal drug from the index. The decision of the Secretary following an informal conference shall constitute final agency action subject to judicial review.

“(2) If the Secretary finds that there is a reasonable probability that the use of the drug would adversely affect the health of humans or other animals, the Secretary may—

“(A) suspend the listing of such drug immediately;

“(B) give the person listed in the index prompt notice of the Secretary's action; and

“(C) afford that person the opportunity for an informal conference.

The decision of the Secretary following an informal conference shall constitute final agency action subject to judicial review.

“(g) For purposes of indexing new animal drugs under this section, to the extent consistent with the public health, the Secretary shall promulgate regulations for exempting from the operation of section 512 minor species new animal drugs and animal feeds bearing or containing new animal drugs intended solely for investigational use by experts qualified by scientific training and experience to investigate the safety and effectiveness of minor species animal drugs. Such regulations may, at the discretion of the Secretary, among other conditions relating to the protection of the public health, provide for conditioning such exemption upon the establishment and maintenance of such records, and the making of such reports to the Secretary, by the manufacturer or the sponsor of the investigation of such article, of data (including but not limited to analytical reports by investigators) obtained as a result of such investigational use of such article, as the Secretary finds will enable the Secretary to evaluate the safety and effectiveness of such article in the event of the filing of a request for an index listing pursuant to this section.

“(h) The labeling of a new animal drug that is the subject of an index listing shall state, prominently and conspicuously—

“(1) ‘NOT APPROVED BY FDA.’—Legally marketed as an FDA indexed product. Extra-label use is prohibited.’;

“(2) except in the case of new animal drugs indexed for use in an early life stage of a

food producing animal, 'This product is not to be used in animals intended for use as food for humans or other animals.'; and

"(3) such other information as may be prescribed by the Secretary in the index listing.

"(i)(1) In the case of any new animal drug for which an index listing pursuant to subsection (a) is in effect, the person who has an index listing shall establish and maintain such records, and make such reports to the Secretary, of data relating to experience, and other data or information, received or otherwise obtained by such person with respect to such drug, or with respect to animal feeds bearing or containing such drug, as the Secretary may by general regulation, or by order with respect to such listing, prescribe on the basis of a finding that such records and reports are necessary in order to enable the Secretary to determine, or facilitate a determination, whether there is or may be ground for invoking subsection (f). Such regulation or order shall provide, where the Secretary deems it to be appropriate, for the examination, upon request, by the persons to whom such regulation or order is applicable, of similar information received or otherwise obtained by the Secretary.

"(2) Every person required under this subsection to maintain records, and every person in charge or custody thereof, shall, upon request of an officer or employee designated by the Secretary, permit such officer or employee at all reasonable times to have access to and copy and verify such records.

"(j)(1) Safety and effectiveness data and information which has been submitted in support of a request for a new animal drug to be indexed under this section and which has not been previously disclosed to the public shall be made available to the public, upon request, unless extraordinary circumstances are shown—

"(A) if no work is being or will be undertaken to have the drug indexed in accordance with the request,

"(B) if the Secretary has determined that such drug cannot be indexed and all legal appeals have been exhausted,

"(C) if the indexing of such drug is terminated and all legal appeals have been exhausted, or

"(D) if the Secretary has determined that such drug is not a new animal drug.

"(2) Any request for data and information pursuant to paragraph (1) shall include a verified statement by the person making the request that any data or information received under such paragraph shall not be disclosed by such person to any other person—

"(A) for the purpose of, or as part of a plan, scheme, or device for, obtaining the right to make, use, or market, or making, using, or marketing, outside the United States, the drug identified in the request for indexing; and

"(B) without obtaining from any person to whom the data and information are disclosed an identical verified statement, a copy of which is to be provided by such person to the Secretary, which meets the requirements of this paragraph.

#### SEC. 573. DESIGNATED NEW ANIMAL DRUGS FOR MINOR USE OR MINOR SPECIES.

"(a) DESIGNATION.—

"(1) The manufacturer or the sponsor of a new animal drug for a minor use or use in a minor species may request that the Secretary declare that drug a 'designated new animal drug'. A request for designation of a new animal drug shall be made before the submission of an application under section 512(b) or section 571 for the new animal drug.

"(2) The Secretary may declare a new animal drug a 'designated new animal drug' for an intended use if—

"(A) it is intended for a minor use or use in a minor species; and

"(B) a new animal drug containing the same active ingredient, including any salt or ester of the active ingredient, for the same intended use, in the same species, and in the same dosage form is not approved under section 512 or section 571 or designated for the intended use at the time the request is made.

"(3) Regarding the termination of a designation—

"(A) the sponsor of a new animal drug shall notify the Secretary of any decision to discontinue active pursuit of approval under section 512 or 571 of an application for a designated new animal drug. The Secretary shall terminate the designation upon such notification;

"(B) the Secretary may also terminate designation if the Secretary independently determines that the sponsor is not actively pursuing approval under section 512 or 571 with due diligence;

"(C) the sponsor of an approved designated new animal drug shall notify the Secretary of any discontinuance of the manufacture of such new animal drug at least one year before discontinuance. The Secretary shall terminate the designation upon such notification; and

"(D) the designation shall terminate upon the expiration of any applicable exclusivity period under subsection (c).

"(4) Notice respecting the designation or termination of designation of a new animal drug shall be made available to the public.

#### "(b) GRANTS AND CONTRACTS FOR DEVELOPMENT OF DESIGNATED NEW ANIMAL DRUGS.—

"(1) The Secretary may make grants to and enter into contracts with public and private entities and individuals to assist in defraying the costs of qualified safety and effectiveness testing expenses and manufacturing expenses incurred in connection with the development of designated new animal drugs.

"(2) For purposes of paragraph (1) of this section—

"(A) The term 'qualified safety and effectiveness testing' means testing—

"(i) which occurs after the date such new animal drug is designated under this section and before the date on which an application with respect to such drug is submitted under section 512 or 571; and

"(ii) which is carried out under an investigational exemption under section 512(j).

"(B) The term 'manufacturing expenses' means expenses incurred in developing processes and procedures associated with manufacture of the designated new animal drug which occur after the new animal drug is designated under this section and before the date on which an application with respect to such new animal drug is submitted under section 512 or section 571.

"(3) There is authorized to be appropriated to carry out this subsection \$1,000,000 for the fiscal year following publication of final implementing regulations, \$2,000,000 for the subsequent fiscal year and such sums as may be necessary for each fiscal year thereafter.

#### "(c) EXCLUSIVITY FOR DESIGNATED NEW ANIMAL DRUGS.—

"(1) Except as provided in subsection (c)(2), if the Secretary—

"(A) approves or conditionally approves an application for a designated new animal drug, and no active ingredient (including any salt or ester of the active ingredient) of that designated new animal drug has been approved or conditionally approved previously, the Secretary may not approve or conditionally approve another application submitted for a new animal drug with the same active ingredient and intended use as the designated new animal drug for another applicant before the expiration of ten years from the date of the approval or conditional approval of the application.

"(B) approves or conditionally approves an application for a designated new animal drug, and an active ingredient (including an ester or salt of the active ingredient) of that designated new animal drug has been approved or conditionally approved previously, the Secretary may not approve or conditionally approve another application submitted for a new animal drug with the same active ingredient and intended use as the designated new animal drug for another applicant before the expiration of seven years from the date of approval or conditional approval of the application.

"(2) If an application filed pursuant to section 512 or section 571 is approved for a designated new animal drug, the Secretary may, during the 10-year or 7-year exclusivity period beginning on the date of the application approval or conditional approval, approve or conditionally approve another application under section 512 or section 571 for such drug for such minor use or minor species for another applicant if—

"(A) the Secretary finds, after providing the holder of such an approved application notice and opportunity for the submission of views, that in the granted exclusivity period the holder of the approved application cannot assure the availability of sufficient quantities of the drug to meet the needs for which the drug was designated; or

"(B) such holder provides written consent to the Secretary for the approval or conditional approval of other applications before the expiration of such exclusivity period.".

#### "(g) CONFORMING AMENDMENTS.—

(1) Section 201(u) of the Federal Food, Drug, and Cosmetic Act is amended by striking "512" and inserting "512, 571".

(2) Section 201(v) of the Federal Food, Drug, and Cosmetic Act is amended by inserting the following after paragraph (2): "Provided that any drug intended for minor use or use in a minor species that is not the subject of a final regulation published by the Secretary through notice and comment rulemaking finding that the criteria of paragraphs (1) and (2) or of section 108 of Public Law 90-399 have been met is a new animal drug.".

(3) Section 301(e) of the Federal Food, Drug, and Cosmetic Act is amended by striking "512(a)(4)(C), 512(j), (1) or (m)" and inserting "512(a)(4)(C), 512 (j), (1) or (m), 572(i)".

(4) Section 301(j) of the Federal Food, Drug, and Cosmetic Act is amended by deleting "520" and inserting "520, 571, 572, 573".

(5) Section 502 of the Federal Food, Drug, and Cosmetic Act is amended by adding at the end the following new subsection:

"(u) If it is a new animal drug—

"(1) that is conditionally approved under section 571 and its labeling does not conform with the approved application or section 571(f), or that is not conditionally approved under section 571 and its label bears the statement set forth in section 571(f)(1)(A); or

"(2) that is indexed under section 572 and its labeling does not conform with the index listing under section 572(e) or 572(h), or that has not been indexed under section 572 and its label bears the statement set forth in section 572(h).".

(6) Section 503(f) of the Federal Food, Drug, and Cosmetic Act is amended by—

(A) in paragraph (1)(A)(ii) by striking "512" and inserting "512, a conditionally-approved application under section 571, or an index listing under section 572"; and

(B) in paragraph (3) by striking "section 512" and inserting "section 512, 571, or 572".

(7) Section 504(a)(1) of the Federal Food, Drug, and Cosmetic Act is amended by striking "512(b)" and inserting "512(b), a conditionally-approved application filed pursuant to section 571, or an index listing pursuant to section 572".

(8) Sections 504(a)(2)(B) and 504(b) of the Federal Food, Drug, and Cosmetic Act are amended by striking “512(i)” each place it appears and inserting “512(i), or the index listing pursuant to section 572(e)’.

(9) Section 512(a) of the Federal Food, Drug, and Cosmetic Act is amended by striking paragraphs (1) and (2) and inserting the following:

“(1) A new animal drug shall, with respect to any particular use or intended use of such drug, be deemed unsafe for purposes of section 501(a)(5) and section 402(a)(2)(C)(ii) unless—

“(A) there is in effect an approval of an application filed pursuant to subsection (b) with respect to such use or intended use of such drug, and such drug, its labeling, and such use conform to such approved application;

“(B) there is in effect a conditional approval of an application filed pursuant to section 571 with respect to such use or intended use of such drug, and such drug, its labeling, and such use conform to such conditionally-approved application; or

“(C) there is in effect an index listing pursuant to section 572 with respect to such use or intended use of such drug in a minor species, and such drug, its labeling, and such use conform to such index listing.

A new animal drug shall also be deemed unsafe for such purposes in the event of removal from the establishment of a manufacturer, packer, or distributor of such drug for use in the manufacture of animal feed in any State unless at the time of such removal such manufacturer, packer, or distributor has an unrevoked written statement from the consignee of such drug, or notice from the Secretary, to the effect that, with respect to the use of such drug in animal feed, such consignee (i) holds a license issued under subsection (m) and has in its possession current approved labeling for such drug in animal feed; or (ii) will, if the consignee is not a user of the drug, ship such drug only to a holder of a license issued under subsection (m).

“(2) An animal feed bearing or containing a new animal drug shall, with respect to any particular use or intended use of such animal feed be deemed unsafe for purposes of section 501(a)(6) unless—

“(A) there is in effect—

“(i) an approval of an application filed pursuant to subsection (b) with respect to such drug, as used in such animal feed, and such animal feed and its labeling, distribution, holding, and use conform to such approved application;

“(ii) a conditional approval of an application filed pursuant to section 571 with respect to such drug, as used in such animal feed, and such animal feed and its labeling, distribution, holding, and use conform to such conditionally-approved application; or

“(iii) an index listing pursuant to section 572 with respect to such drug, as used in such animal feed, and such animal feed and its labeling, distribution, holding, and use conform to such index listing; and

“(B) such animal feed is manufactured at a site for which there is in effect a license issued pursuant to subsection (m)(1) to manufacture such animal feed.”.

(10) Section 512(b)(3) of the Federal Food, Drug, and Cosmetic Act is amended by striking “under paragraph (1) or a request for an investigational exemption under subsection (j)” and inserting “under paragraph (1), section 571, or a request for an investigational exemption under subsection (j)”.

(11) Section 512(d)(4) of the Federal Food, Drug, and Cosmetic Act is amended by striking “have previously been separately approved” and inserting “have previously been

separately approved pursuant to an application submitted under section 512(b)(1)”.

(12) Section 512(f) of the Federal Food, Drug, and Cosmetic Act is amended by striking “subsection (d), (e), or (m)” and inserting “subsection (d), (e), or (m), or section 571 (c), (d), or (e)”.

(13) Section 512(g) of the Federal Food, Drug, and Cosmetic Act is amended by striking “this section” and inserting “this section, or section 571”.

(14) Section 512(i) of the Federal Food, Drug, and Cosmetic Act is amended by striking “subsection (b)” and inserting “subsection (b) or section 571” and by inserting “or upon failure to renew a conditional approval under section 571” after “or upon its suspension”.

(15) Section 512(l)(1) of the Federal Food, Drug, and Cosmetic Act is amended by striking “subsection (b)” and inserting “subsection (b) or section 571”.

(16) Section 512(m)(1)(C) of the Federal Food, Drug, and Cosmetic Act is amended by striking “applicable regulations published pursuant to subsection (i)” and inserting “applicable regulations published pursuant to subsection (i) or for indexed new animal drugs in accordance with the index listing published pursuant to section 572(e)(2) and the labeling requirements set forth in section 572(h)”.

(17) Section 512(m)(3) of the Federal Food, Drug, and Cosmetic Act is amended by inserting “or an index listing pursuant to section 572(e)” after “subsection (i)”.

(18) Section 512(p)(1) of the Federal Food, Drug, and Cosmetic Act is amended by striking “subsection (b)(1)” and inserting “subsection (b)(1) or section 571(a)”.

(19) Section 512(p)(2) of the Federal Food, Drug, and Cosmetic Act is amended by striking “subsection (b)(1)” and inserting “subsection (b)(1) or section 571(a)”.

(h) REGULATIONS.—Not later than 18 months after the date of enactment of this Act, the Secretary of Health and Human Services shall issue proposed regulations to implement section 572 of the Federal Food, Drug, and Cosmetic Act (as added by this Act), and not later than 36 months after the date of enactment of this Act, the Secretary shall issue final regulations implementing such amendments. Not later than 12 months after the date of enactment of this Act, the Secretary of Health and Human Services shall issue proposed regulations to implement section 573 of the Federal Food, Drug, and Cosmetic Act (as added by this Act), and not later than 24 months after the date of enactment of this Act, the Secretary shall issue final regulations implementing such amendments; provided that these timeframes shall be extended by 12 months for each fiscal year in which the funds authorized to be appropriated by this Act are not in fact appropriated. The Secretary shall implement section 571 of the Federal Food, Drug, and Cosmetic Act (as added by this Act) on the date of enactment of this Act and subsequently publish any needed implementing regulations.

(i) OFFICE.—The Secretary of Health and Human Services shall establish within the Center of Veterinary Medicine (of the Food and Drug Administration), an Office of Minor Use and Minor Species Animal Drug Development that reports directly to the Director of the Center for Veterinary Medicine. This office shall be responsible for overseeing the development and legal marketing of new animal drugs for minor uses and minor species. There is authorized to be appropriated to carry out this subsection \$1,200,000 for fiscal year 2002 and such sums as may be necessary for each fiscal year thereafter.

—  
SA 2557. Mr. ALLEN (for himself and Mr. WARNER) submitted an amendment

intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 87, strike line 15 and all that follows through page 113 and insert the following:

### CHAPTER 3—PEANUTS

#### SEC. 151. PEANUT PROGRAM.

(a) IN GENERAL.—Subtitle D of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7251 et seq.) is amended by adding at the end the following:

#### “CHAPTER 3—PEANUTS

##### “SEC. 158A. DEFINITIONS.

“In this chapter:

“(1) COUNTER-CYCICAL PAYMENT.—The term ‘counter-cyclical payment’ means a payment made to peanut producers on a farm under section 158D.

“(2) DIRECT PAYMENT.—The term ‘direct payment’ means a payment made to peanut producers on a farm under section 158C.

“(3) EFFECTIVE PRICE.—The term ‘effective price’ means the price calculated by the Secretary under section 158D for peanuts to determine whether counter cyclical payments are required to be made under section 158D for a crop year.

“(4) HISTORICAL PEANUT PRODUCERS ON A FARM.—The term ‘historical peanut producers on a farm’ means the peanut producers on a farm in the United States that produced or were prevented from planting peanuts during any of the 1998 through 2001 crop years.

“(5) INCOME PROTECTION PRICE.—The term ‘income protection price’ means the price per ton of peanuts used to determine the payment rate for counter-cyclical payments.

“(6) PAYMENT ACRES.—The term ‘payment acres’ means 85 percent of the peanut acres on a farm, as established under section 158B, on which direct payments and counter-cyclical payments are made.

“(7) PEANUT ACRES.—The term ‘peanut acres’ means the number of acres assigned to a particular farm for historical peanut producers on a farm pursuant to section 158B(b).

“(8) PAYMENT YIELD.—The term ‘payment yield’ means the yield assigned to farm by historical peanut producers on the farm pursuant to section 158B(b).

“(9) PEANUT PRODUCER.—The term ‘peanut producer’ means an owner, operator, landlord, tenant, or sharecropper that—

“(A) shares in the risk of producing a crop of peanuts in the United States; and

“(B) is entitled to share in the crop available for marketing from the farm or would have shared in the crop had the crop been produced.

#### “SEC. 158b. PAYMENT YIELDS, PEANUT ACRES, AND PAYMENT ACRES FOR FARMS.

##### “(a) PAYMENT YIELDS AND PAYMENT ACRES—

###### “(1) AVERAGE YIELD—

“(A) IN GENERAL.—The Secretary shall determine, for each historical peanut producer, the average yield for peanuts on all farms of the historical peanut producer for the 1998 through 2001 crop years, excluding any crop year during which the producers did not produce peanuts.

“(B) ASSIGNED YIELDS.—If for any of the crop years referred to in subparagraph (A) in which peanuts were planted on a farm by the

historical peanut producer, the historical peanut producer has satisfied the eligibility criteria established to carry out section 1102 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (7 U.S.C. 1421 note; Public Law 105-277), the Secretary shall assign to the historical peanut producer a yield for the farm for the crop year equal to 65 percent of the average yield for peanuts for the previous 5 crop years.

“(2) ACREAGE AVERAGE.—Except as provided in paragraph (3), the Secretary shall determine, for the historical peanut producer, the 4-year average of—

“(A) acreage planted to peanuts on all farms for harvest during the 1998 through 2001 crop years; and

“(B) any acreage that was prevented from being planted to peanuts during the crop years because of drought, flood, or other natural disaster, or other condition beyond the control of the historical peanut producer, as determined by the Secretary.

“(3) SELECTION BY PRODUCER.—If a county in which a historical peanut producer described in paragraph (2) is located is declared a disaster area during 1 or more of the 4 crop years described in paragraph (2), for purposes of determining the 4-year average acreage for the historical peanut producer, the historical peanut producer may elect to substitute, for not more than 1 of the crop years during which a disaster is declared—

“(A) the State average of acreage actually planted to peanuts; or

“(B) the average of acreage for the historical peanut producer determined by the Secretary under paragraph (2).

“(4) TIME FOR DETERMINATIONS; FACTORS—

“(A) TIMING.—The Secretary shall make the determinations required by this subsection not later than 90 days after the date of enactment of this section.

“(B) FACTORS.—In making the determinations, the Secretary shall take into account changes in the number and identity of historical peanut producers sharing in the risk of producing a peanut crop since the 1998 crop year, including providing a method for the assignment of average acres and average yield to a farm when a historical peanut producer is no longer living or an entity composed of historical peanut producers has been dissolved.

“(B) ASSIGNMENT OF YIELD AND ACRES TO FARMS.—

“(1) ASSIGNMENT BY HISTORICAL PEANUT PRODUCERS.—The Secretary shall provide each historical peanut producer with an opportunity to assign the average peanut yield and average acreage determined under subsection (a) for the historical peanut producer to cropland on a farm.

“(2) PAYMENT YIELD.—The average of all of the yields assigned by historical peanut producers to a farm shall be considered to be the payment yield for the farm for the purpose of making direct payments and counter-cyclical payments under this chapter.

“(3) PEANUT ACRES.—Subject to subsection (e), the total number of acres assigned by historical peanut producers to a farm shall be considered to be the peanut acres for the farm for the purpose of making direct payments and counter-cyclical payments under this chapter.

“(c) ELECTION.—Not later than 180 days after the date of enactment of this section, a historical peanut producer shall notify the Secretary of the assignments described in subsection (b).

“(d) PAYMENT ACRES.—The payment acres for peanuts on a farm shall be equal to 85 percent of the peanut acres assigned to the farm.

“(e) PREVENTION OF EXCESS PEANUT ACRES.—

“(1) REQUIRED REDUCTION.—If the total of the peanut acres for a farm, together with the acreage described in paragraph (3), exceeds the actual cropland acreage of the farm, the Secretary shall reduce the quantity of peanut acres for the farm or contract acreage for 1 or more covered commodities for the farm as necessary so that the total of the peanut acres and acreage described in paragraph (3) does not exceed the actual cropland acreage of the farm.

“(2) SELECTION OF ACRES.—The Secretary shall give the peanut producers on the farm the opportunity to select the peanut acres or contract acreage against which the reduction will be made.

“(3) OTHER ACREAGE.—For purposes of paragraph (1), the Secretary shall include—

“(A) any contract acreage for the farm under subtitle B;

“(B) any acreage on the farm enrolled in the conservation reserve program or wetlands reserve program under chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3830 et seq.); and

“(C) any other acreage on the farm enrolled in a conservation program for which payments are made in exchange for not producing an agricultural commodity on the acreage.

“(3) DOUBLE-CROPPED ACREAGE.—In applying paragraph (1), the Secretary shall take into account additional acreage as a result of an established double-cropping history on a farm, as determined by the Secretary.

#### SEC. 158C. DIRECT PAYMENTS FOR PEANUTS.

“(a) IN GENERAL.—For each of the 2002 through 2006 fiscal years, the Secretary shall make direct payments to peanut producers on a farm with peanut acres under section 158B and a payment yield for peanuts under section 158B.

“(b) PAYMENT RATE.—The payment rate used to make direct payments with respect to peanuts for a fiscal year shall be equal to \$0.018 per pound.

“(c) PAYMENT AMOUNT.—The amount of the direct payment to be paid to the peanut producers on a farm for peanuts for a fiscal year shall be equal to the product obtained by multiplying—

“(1) the payment rate specified in subsection (b);

“(2) the payment acres on the farm; by

“(3) the payment yield for the farm.

“(d) TIME FOR PAYMENT.—

“(1) IN GENERAL.—The Secretary shall make direct payments—

“(A) in the case of the 2002 fiscal year, during the period beginning December 1, 2001, and ending September 30, 2002; and

“(B) in the case of each of the 2003 through 2006 fiscal years, not later than September 30 of the fiscal year.

“(2) ADVANCE PAYMENTS.—

“(A) IN GENERAL.—At the option of the peanut producers on a farm, the Secretary shall pay 50 percent of the direct payment for a fiscal year for the producers on the farm on a date selected by the peanut producers on the farm.

“(B) SELECTED DATE.—The selected date for a fiscal year shall be on or after December 1 of the fiscal year.

“(C) SUBSEQUENT FISCAL YEARS.—The peanut producers on a farm may change the selected date for a subsequent fiscal year by providing advance notice to the Secretary.

“(3) REPAYMENT OF ADVANCE PAYMENTS.—If any peanut producer on a farm that receives an advance direct payment for a fiscal year ceases to be eligible for a direct payment before the date the direct payment would have been made by the Secretary under paragraph (1), the peanut producer shall be responsible for repaying the Secretary the full amount of the advance payment.

#### SEC. 158D. COUNTER-CYCICAL PAYMENTS FOR PEANUTS.

“(a) IN GENERAL.—For each of the 2002 through 2006 crops of peanuts, the Secretary shall make counter-cyclical payments with respect to peanuts if the Secretary determines that the effective price for peanuts is less than the income protection price for peanuts.

“(b) EFFECTIVE PRICE.—For purposes of subsection (a), the effective price for peanuts is equal to the total of—

“(1) the greater of—

“(A) the national average market price received by peanut producers during the 12-month marketing year for peanuts, as determined by the Secretary; or

“(B) the national average loan rate for a marketing assistance loan for peanuts under section 158G in effect for the 12-month marketing year for peanuts under this chapter; and

“(2) the payment rate in effect for peanuts under section 158C for the purpose of making direct payments with respect to peanuts.

“(c) INCOME PROTECTION PRICE.—For purposes of subsection (a), the income protection price for peanuts shall be equal to \$550 per ton.

“(d) PAYMENT AMOUNT.—The amount of the counter-cyclical payment to be paid to the peanut producers on a farm for a crop year shall be equal to the product obtained by multiplying—

“(1) the payment rate specified in subsection (e);

“(2) the payment acres on the farm; by

“(3) the payment yield for the farm.

“(e) PAYMENT RATE.—The payment rate used to make counter-cyclical payments with respect to peanuts for a crop year shall be equal to the difference between—

“(1) the income protection price for peanuts; and

“(2) the effective price determined under subsection (b) for peanuts.

“(f) TIME FOR PAYMENTS.—

“(1) IN GENERAL.—The Secretary shall make counter-cyclical payments to peanut producers on a farm under this section for a crop of peanuts as soon as practicable after determining under subsection (a) that the payments are required for the crop year.

“(2) PARTIAL PAYMENT.—

“(A) IN GENERAL.—At the option of the Secretary, the peanut producers on a farm may elect to receive up to 40 percent of the projected counter-cyclical payment to be made under this section for a crop of peanuts on completion of the first 6 months of the marketing year for the crop, as determined by the Secretary.

“(B) REPAYMENT.—The peanut producers on a farm shall repay to the Secretary the amount, if any, by which the payment received by producers on the farm (including any partial payments) exceeds the counter-cyclical payment the producers on the farm are eligible for under this section.

#### SEC. 158E. PRODUCER AGREEMENTS.

“(a) COMPLIANCE WITH CERTAIN REQUIREMENTS.—

“(1) REQUIREMENTS.—Before the peanut producers on a farm may receive direct payments or counter-cyclical payments with respect to the farm, the peanut producers on the farm shall agree during the fiscal year or crop year, respectively, for which the payments are received, in exchange for the payments—

“(A) to comply with applicable highly erodible land conservation requirements under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.);

“(B) to comply with applicable wetland conservation requirements under subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.);

“(C) to comply with the planting flexibility requirements of section 158F; and

“(D) to use a quantity of the land on the farm equal to the peanut acres, for an agricultural or conserving use, and not for a non-agricultural commercial or industrial use, as determined by the Secretary.

“(2) COMPLIANCE.—The Secretary may promulgate such regulations as the Secretary considers necessary to ensure peanut producer compliance with paragraph (1).

“(b) FORECLOSURE—

“(1) IN GENERAL.—The Secretary shall not require the peanut producers on a farm to repay a direct payment or counter-cyclical payment if a foreclosure has occurred with respect to the farm and the Secretary determines that forgiving the repayment is appropriate to provide fair and equitable treatment.

“(2) COMPLIANCE WITH REQUIREMENTS—

“(A) IN GENERAL.—This subsection shall not void the responsibilities of the peanut producers on a farm under subsection (a) if the peanut producers on the farm continue or resume operation, or control, of the farm.

“(B) APPLICABLE REQUIREMENTS.—On the resumption of operation or control over the farm by the peanut producers on the farm, the requirements of subsection (a) in effect on the date of the foreclosure shall apply.

“(c) TRANSFER OR CHANGE OF INTEREST IN FARM—

“(1) TERMINATION.—Except as provided in paragraph (5), a transfer of (or change in) the interest of the peanut producers on a farm in peanut acres for which direct payments or counter-cyclical payments are made shall result in the termination of the payments with respect to the peanut acres, unless the transferee or owner of the acreage agrees to assume all obligations under subsection (a).

“(2) EFFECTIVE DATE.—The termination takes effect on the date of the transfer or change.

“(3) TRANSFER OF PAYMENT BASE AND YIELD.—The Secretary shall not impose any restriction on the transfer of the peanut acres or payment yield of a farm as part of a transfer or change described in paragraph (1).

“(4) MODIFICATION.—At the request of the transferee or owner, the Secretary may modify the requirements of subsection (a) if the modifications are consistent with the purposes of subsection (a), as determined by the Secretary.

“(5) EXCEPTION.—If a peanut producer entitled to a direct payment or counter-cyclical payment dies, becomes incompetent, or is otherwise unable to receive the payment, the Secretary shall make the payment, in accordance with regulations promulgated by the Secretary.

“(d) ACREAGE REPORTS.—As a condition on the receipt of any benefits under this chapter, the Secretary shall require the peanut producers on a farm to submit to the Secretary acreage reports for the farm.

“(e) TENANTS AND SHARECROPPERS.—In carrying out this chapter, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.

“(f) SHARING OF PAYMENTS.—The Secretary shall provide for the sharing of direct payments and counter-cyclical payments among the peanut producers on a farm on a fair and equitable basis.

**“SEC. 158F. PLANTING FLEXIBILITY.**

“(a) PERMITTING CROPS.—Subject to subsection (b), any commodity or crop may be planted on peanut acres on a farm.

“(b) LIMITATIONS AND EXCEPTIONS REGARDING CERTAIN COMMODITIES—

“(1) LIMITATIONS.—The planting of the following agricultural commodities shall be prohibited on peanut acres:

“(A) Fruits.

“(B) Vegetables (other than lentils, mung beans, and dry peas).

“(C) In the case of the 2003 and subsequent crops of an agricultural commodity, wild rice.

“(2) EXCEPTIONS.—Paragraph (1) shall not limit the planting of an agricultural commodity specified in paragraph (1)—

“(A) in any region in which there is a history of double-cropping of peanuts with agricultural commodities specified in paragraph (1), as determined by the Secretary, in which case the double-cropping shall be permitted:

“(B) on a farm that the Secretary determines has a history of planting agricultural commodities specified in paragraph (1) on peanut acres, except that direct payments and counter-cyclical payments shall be reduced by an acre for each acre planted to the agricultural commodity; or

“(C) by the plant producers on a farm that the Secretary determines has an established planting history of a specific agricultural commodity specified in paragraph (1), except that—

“(i) the quantity planted may not exceed the average annual planting history of the agricultural commodity by the peanut producers on the farm during the 1996 through 2001 crop years (excluding any crop year in which no plantings were made), as determined by the Secretary; and

“(ii) direct payments and counter-cyclical payments shall be reduced by an acre for each acre planted to the agricultural commodity.

**“SEC. 158G. MARKETING ASSISTANCE LOANS AND LOAN DEFICIENCY PAYMENTS FOR PEANUTS.**

“(a) NONREOURSE LOANS AVAILABLE—

“(1) AVAILABILITY.—For each of the 2002 through 2006 crops of peanuts, the Secretary shall make available to peanut producers on a farm nonrecourse marketing assistance loans for peanuts produced on the farm.

“(2) TERMS AND CONDITIONS.—The loans shall be made under terms and conditions that are prescribed by the Secretary and at the loan rate established under subsection (b).

“(3) ELIGIBLE PRODUCTION.—The producers on a farm shall be eligible for a marketing assistance loan under this section for any quantity of peanuts produced on the farm.

“(4) TREATMENT OF CERTAIN COMMINGLED COMMODITIES.—In carrying out this section, the Secretary shall make loans to peanut producers on a farm that would be eligible to obtain a marketing assistance loan but for the fact the peanuts owned by the peanut producers on the farm are commingled with other peanuts of other producers in facilities unlicensed for the storage of agricultural commodities by the Secretary or a State licensing authority, if the peanut producers on a farm obtaining the loan agree to immediately redeem the loan collateral in accordance with section 158E.

“(5) OPTIONS FOR OBTAINING LOAN.—A marketing assistance loan under this subsection, and loan deficiency payments under subsection (e), may be obtained by the option of the peanut producers on a farm through—

“(A) a designated marketing association of peanut producers that is approved by the Secretary;

“(B) the Farm Service Agency; or

“(C) a loan servicing agent approved by the Secretary.

“(b) LOAN RATE.—The loan rate for a marketing assistance loan for peanuts under subsection (a) shall be equal to \$400 per ton.

“(c) TERM OF LOAN—

“(1) IN GENERAL.—A marketing assistance loan for peanuts under subsection (a) shall have a term of 9 months beginning on the first day of the first month after the month in which the loan is made.

“(2) EXTENSIONS PROHIBITED.—The Secretary may not extend the term of a marketing assistance loan for peanuts under subsection (a).

“(d) REPAYMENT RATE.—The Secretary shall permit peanut producers on a farm to repay a marketing assistance loan for peanuts under subsection (a) at a rate that is the lesser of—

“(1) the loan rate established for peanuts under subsection (b), plus interest (as determined by the Secretary); or

“(2) a rate that the Secretary determines will—

“(A) minimize potential loan forfeitures;

“(B) minimize the accumulation of stocks of peanuts by the Federal Government;

“(C) minimize the cost incurred by the Federal Government in storing peanuts; and

“(D) allow peanuts produced in the United States to be marketed freely and competitively, both domestically and internationally.

“(e) LOAN DEFICIENCY PAYMENTS—

“(1) AVAILABILITY.—The Secretary may make loan deficiency payments available to the peanut producers on a farm that, although eligible to obtain a marketing assistance loan for peanuts under subsection (a), agree to forgo obtaining the loan for the peanuts in return for payments under this subsection.

“(2) AMOUNT.—A loan deficiency payment under this subsection shall be obtained by multiplying—

“(A) the loan payment rate determined under paragraph (3) for peanuts; by

“(B) the quantity of the peanuts produced by the peanut producers on the farm, excluding any quantity for which the producers on the farm obtain a loan under subsection (a).

“(3) LOAN PAYMENT RATE.—For purposes of this subsection, the loan payment rate shall be the amount by which—

“(A) the loan rate established under subsection (b); exceeds

“(B) the rate at which a loan may be repaid under subsection (d).

“(4) TIME FOR PAYMENT.—The Secretary shall make a payment under this subsection to the peanut producers on a farm with respect to a quantity of peanuts as of the earlier of—

“(A) the date on which the peanut producers on the farm marketed or otherwise lost beneficial interest in the peanuts, as determined by the Secretary; or

“(B) the date the peanut producers on the farm request the payment.

“(f) COMPLIANCE WITH CONSERVATION REQUIREMENTS.—As a condition of the receipt of a marketing assistance loan under subsection (a), the peanut producers on a farm shall comply during the term of the loan with—

“(1) applicable highly erodible land conservation requirements under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.); and

“(2) applicable wetland conservation requirements under subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.).

“(g) REIMBURSABLE AGREEMENTS AND PAYMENT OF EXPENSES.—To the maximum extent practicable, the Secretary shall implement any reimbursable agreements or provide for the payment of expenses under this chapter in a manner that is consistent with the implementation of the agreements or payment of the expenses for other commodities.

**“SEC. 158H. QUALITY IMPROVEMENT.**

“(a) OFFICIAL INSPECTION.—

“(1) MANDATORY INSPECTION.—All peanuts placed under a marketing assistance loan under section 158G shall be officially inspected and graded by a Federal or State inspector.

“(2) OPTIONAL INSPECTION.—Peanuts not placed under a marketing assistance loan may be graded at the option of the peanut producers on a farm.

“(b) TERMINATION OF PEANUT ADMINISTRATIVE COMMITTEE.—The Peanut Administrative Committee established under Marketing Agreement No. 1436, which regulates the quality of domestically produced peanuts under 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) ESTABLISHMENT OF PEANUT STANDARDS BOARD.—

“(1) IN GENERAL.—The Secretary shall establish a Peanut Standards Board for the purpose of assisting in the establishment of quality standards with respect to peanuts.

“(2) COMPOSITION.—The Secretary shall appoint members to the Board that, to the maximum extent practicable, reflect all regions and segments of the peanut industry.

“(3) DUTIES.—The Board shall assist the Secretary in establishing quality standards for peanuts.

“(d) CROPS.—This section shall apply beginning with the 2002 crop of peanuts.”.

(b) CONFORMING AMENDMENTS.—

(1) The chapter heading of chapter 2 of subtitle D of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. prec. 7271) is amended by striking “PEANUTS AND”.

(2) Section 158 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7271) is repealed.

**SEC. 152. TERMINATION OF MARKETING QUOTAS FOR PEANUTS AND COMPENSATION TO PEANUT QUOTA HOLDERS.**

(a) REPEAL OF MARKETING QUOTAS FOR PEANUTS.—Effective beginning with the 2002 crop of peanuts, part VI of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1357 et seq.) is repealed.

(b) COMPENSATION OF QUOTA HOLDERS.—

(1) DEFINITIONS.—In this subsection:

(A) PEANUT QUOTA HOLDER.—

(i) IN GENERAL.—The term “peanut quota holder” means a person or entity that owns a farm that—

(I) held a peanut quota established for the farm for the 2001 crop of peanuts under part VI of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1357 et seq.) (as in effect before the amendment made by subsection (a));

(II) if there was not such a quota established for the farm for the 2001 crop of peanuts, would be eligible to have such a quota established for the farm for the 2002 crop of peanuts, in the absence of the amendment made by subsection (a); or

(III) is otherwise a farm that was eligible for such a quota as of the effective date of the amendments made by this section.

(ii) SEED OR EXPERIMENTAL PURPOSES.—The Secretary shall apply the definition of “peanut quota holder” without regard to temporary leases, transfer, or quotas for seed or experimental purposes.

(B) SECRETARY.—The term “Secretary” means the Secretary of Agriculture.

(2) CONTRACTS.—The Secretary shall offer to enter into a contract with peanut quota holders for the purpose of providing compensation for the lost value of quota as a result of the repeal of the marketing quota program for peanuts under the amendment made by subsection (a).

(3) PAYMENT PERIOD.—Under a contract, the Secretary shall make payments to an eligible peanut quota holder for each of fiscal years 2002 through 2005.

(4) TIME FOR PAYMENT.—The payments required under the contracts shall be provided in 5 equal installments not later than September 30 of each of fiscal years 2002 through 2005.

(5) PAYMENT AMOUNT.—The amount of the payment for a fiscal year to a peanut quota holder under a contract shall be equal to the product obtained by multiplying—

(A) \$0.1025 per pound; by

(B) the actual farm poundage quota (excluding any quantity for seed and experimental peanuts) established for the farm of a peanut quota holder under section 358-1(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1358-1(b)) (as in effect prior to the amendment made by subsection (a)) for the 2001 marketing year.

(6) ASSIGNMENT OF PAYMENTS.—

(A) IN GENERAL.—the provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590hg), relating to assignment of payments, shall apply to the payments made to peanut quota holders under the contracts.

(B) NOTICE.—the peanut quota holder making the assignment, or the assignee, shall provide the Secretary with notice, in such manner as the Secretary may require, of any assignment made under this subsection.

(c) CONFORMING AMENDMENTS.—

(1) ADMINISTRATIVE PROVISIONS.—Section 361 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1361) is amended by striking “peanuts.”.

(2) ADJUSTMENT OF QUOTAS.—Section 371 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1371) is amended—

(A) in the first sentence of subsection (a), by striking “peanuts.”; and

(B) in the first sentence of subsection (b), by striking “peanuts”.

(3) REPORTS AND RECORDS.—Section 373 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1373) is amended—

(A) in the first sentence of subsection (a)—

(i) by striking “peanuts,” each place it appears;

(ii) by inserting “and” after “from producers.”; and

(iii) by striking “for producers, all” and all that follows through the period at the end of the sentence and inserting “for producers.”;

(B) in subsection (b), by striking “peanuts.”.

(4) EMINENT DOMAIN.—Section 378(c) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1378(c)) is amended in the first sentence—

(A) by striking “cotton,” and inserting “cotton and”; and

(B) by striking “and peanuts.”.

(d) CROPS.—This section and the amendments made by this section apply beginning with the 2002 crop of peanuts.

Subtitle D—Administration

**SEC. 161. ADJUSTMENT AUTHORITY RELATED TO URUGUAY ROUND COMPLIANCE.**

Section 161 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7281) is amended by adding at the end the following:

“(e) ADJUSTMENT AUTHORITY RELATED TO URUGUAY ROUND COMPLIANCE.—If the Secretary determines that expenditures under subtitles A through D that are subject to the total allowable domestic support levels under the Uruguay Round Agreements (as defined in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501)), as in effect on the date of enactment of this subsection, will exceed the allowable levels for any applicable reporting period, the Secretary may make adjustments in the amount of the expenditures to ensure that the expenditures do not exceed, but are not less than, the allowable levels.”

**SEC. 162. SUSPENSION OF PERMANENT PRICE SUPPORT AUTHORITY.**

Section 171 of the Federal Agricultural Improvement and Reform Act of 1996 (7 U.S.C. 7301) is amended—

(1) by striking “2002” each place it appears and inserting “2006”; and

(2) in subsection (a)(1)—

(A) by striking subparagraph (E); and

(B) by redesignating subparagraphs (F) through (I) as subparagraphs (E) through (H), respectively.

**SEC. 163. COMMODITY PURCHASES.**

Section 191 of the Federal Agricultural Improvement and Reform Act of 1996 (7 U.S.C. 7331 et seq.) is amended to read as follows:

**“SEC. 191. COMMODITY PURCHASES.**

“(a) IN GENERAL.—To purchase agricultural commodities under this section, the Secretary shall use funds of the Commodity Credit Corporation in an amount equal to—

“(1) for each of fiscal years 2002, and 2003, \$130,000,000, of which not less than \$100,000,000 shall be used for the purchase of specialty crops;

“(2) for fiscal year 2004, \$150,000,000, of which not less than \$120,000,000 shall be used for the purchase of specialty crops;

“(3) for fiscal year 2005, \$170,000,000, of which not less than \$140,000,000 shall be used for the purchase of specialty crops;

“(4) for fiscal year 2006, \$200,000,000, of which not less than \$170,000,000 shall be used for the purchase of specialty crops; and

“(5) for fiscal year 2007, \$0.

“(b) OTHER PURCHASES.—The Secretary shall ensure that purchases of agricultural commodities under this section are in addition to purchases by the Secretary under any other law.

“(c) PURCHASES BY DEPARTMENT OF DEFENSE FOR SCHOOL LUNCH PROGRAM.—The Secretary shall provide not less than \$50,000,000 for each fiscal year of the funds made available under subsection (a) to the Secretary of Defense to purchase fresh fruits and vegetables for distribution to schools and service institutions in accordance with section 6(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(a)) in a manner prescribed by the Secretary of Agriculture.

“(d) PURCHASES FOR EMERGENCY FOOD ASSISTANCE PROGRAM.—The Secretary shall use not less than \$40,000,000 for each fiscal year of the funds made available under subsection (a) to purchase agricultural commodities for distribution under the Emergency Food Assistance Act of 1983 (7 U.S.C. 7501 et seq.).”

**SEC. 164. HARD WHITE WHEAT INCENTIVE PAYMENTS.**

Section 193 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7508) is amended to read as follows:

**“SEC. 193. HARD WHITE WHEAT INCENTIVE PAYMENTS.**

“(a) IN GENERAL.—For the period of crop years 2003 through 2005, the Secretary shall use \$40,000,000 of funds of the Commodity Credit Corporation to provide incentive payments to producers of hard white wheat to ensure that hard white wheat, produced on a total of not more than 2,000,000 acres, meets minimum quality standards established by the Secretary.

“(b) APPLICATION.—The amounts payable to producers in the form of payments under this section shall be determined through the submission of bids by producers in such manner as the Secretary may prescribe.

“(c) DEMAND FOR WHEAT.—To be eligible to obtain a payment under this section, a producer shall demonstrate to the Secretary the availability of buyers and end-users for the wheat that is covered by the payment.”

**SEC. 165. PAYMENT LIMITATIONS.**

Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended by striking paragraphs (1) through (4) and inserting the following:

“(1) LIMITATION ON DIRECT AND COUNTER-CYCICAL PAYMENTS.—The total amount of

direct payments and counter-cyclical payments to a person during any fiscal year may not exceed \$100,000, with a separate limitation for—

“(A) all contract commodities; and  
“(B) peanuts.

“(2) LIMITATION ON MARKETING LOAN GAINS AND LOAN DEFICIENCY PAYMENTS.—The total amount of the payments specified in paragraph (3) that a person shall be entitled to receive under title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7201 et seq.) for 1 or more loan commodities during any crop year may not exceed \$150,000 with a separate limitation for—

“(A) all contract commodities;  
“(B) wool and mohair;  
“(C) honey; and  
“(D) peanuts.

“(3) DESCRIPTION OF PAYMENTS SUBJECT TO LIMITATION.—The payments referred to in paragraph (2) are the following:

“(A) Any gain realized by a producer from repaying a marketing assistance loan under section 131 or 158G(a) of the Federal Agriculture Improvement and Reform Act of 1996 for a crop of any loan commodity or peanuts, respectively, at a lower level than the original loan rate established for the loan commodity or peanuts under section 132 or 158G(d) of that Act, respectively.

“(B) Any loan deficiency payment received for a loan commodity or peanuts under section 135 or 158G(e) of that Act, respectively.

“(4) DEFINITIONS.—In paragraphs (1) through (3):

“(A) CONTRACT COMMODITY.—The term ‘contract commodity’ has the meaning given the term in section 102 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7202).

“(B) COUNTER-CYCICAL PAYMENT.—The term ‘counter-cyclical payment’ means a payment made under section 114 or 158D of that Act.

“(C) DIRECT PAYMENT.—The term ‘direct payment’ means a payment made under section 113 or 158C of that Act.

“(D) LOAN COMMODITY.—The term ‘loan commodity’ has the meaning given the term in section 102 of that Act.”.

**SA 2558.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

#### SECTION . FINDINGS.

Congress finds the following:

(1) A number of young people residing in rural areas and small towns are at high risk for alcohol and substance abuse, suicide, teen pregnancy, and truancy.

(2) The Girl Scouts of the United States of America, the Boy Scouts of America, the National 4-H Council, and the National FFA Organization have proven track records of empowering youth to resist negative peer pressure, develop positive behaviors, and achieve goals.

(3) Currently, many youth in rural areas and small towns are underserved by the organizations described in paragraph (2) due to high transportation costs and lack of adequate community resources.

(4) Additional resources would enable many youth in rural areas and small towns, who wish to participate in the programs offered by the organization, to have the opportunity to do so.

#### SEC. . PURPOSES.

The purposes of this Act are—

(1) to support and promote the expansion of the Girl Scouts of the United States of America, the Boy Scouts of America, the National 4-H Council, and the National FFA Organization to increase the access of youth in rural areas and small towns to those organizations; and

(2) to encourage youth in rural areas and small towns to participate in the Girl Scouts of the United States of America, the Boy Scouts of America, the National 4-H Council, and the National FFA Organization to develop critical life skills and take advantage of the learning opportunities the organizations offer.

#### SEC. . GRANTS.

The Secretary of Agriculture, acting through the Administrator of the Cooperative State Research, Education, and Extension Service, shall make grants to the Girl Scouts of the United States of America, the Boy Scouts of America, the National 4-H Council, and the National FFA Organization to establish pilot projects to expand the programs carried out by the organizations in rural areas and small towns.

#### SEC. . AUTHORIZATION OF APPROPRIATIONS.

(a) FISCAL YEAR 2002.—There is authorized to be appropriated and there is appropriated to carry out this Act \$10,000,000 for fiscal year 2002.

(b) SUBSEQUENT FISCAL YEARS.—There are authorized to be appropriated to carry out this Act such sums as may be necessary for fiscal year 2003 and each subsequent year.

**SA 2559.** Mr. HARKIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 984, line 2, strike the period at the end and insert a period and the following:

#### SEC. 10. FEES FOR PESTICIDES.

##### (a) MAINTENANCE FEE.—

(1) AMOUNTS FOR REGISTRANTS.—Section 4(i)(5) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a-1(i)(5)) is amended—

(A) in subparagraph (A), by striking “each year” and all that follows and inserting “each year \$2,300 for each registration”;

(B) in subparagraph (D)—

(i) in clause (i), by striking “\$55,000” and inserting “\$70,000”; and

(ii) in clause (ii), by striking “\$95,000” and inserting “\$120,000”; and

(C) in subparagraph (E)(i)—

(i) in subclause (I) by striking “\$38,500” and inserting “\$46,000”; and

(ii) in subclause (II), by striking “\$66,500” and inserting “\$80,000”.

(2) TOTAL AMOUNT OF FEES.—Section 4(i)(5)(C) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136(a)-1(i)(5)(C)) is amended—

(A) by striking “(C)(i) The” and inserting the following:

“(C) TOTAL AMOUNT OF FEES.—The”;

(B) by striking “\$14,000,000 each fiscal year” and inserting “\$20,000,000 for the period beginning on January 1, 2002, and ending on January 31, 2002”; and

(C) by striking clause (ii).

(3) DEFINITION OF SMALL BUSINESS.—Section 4(i)(5)(E)(ii) of the Federal Insecticide, Fun-

gicide, and Rodenticide Act (7 U.S.C. 136a-1(i)(5)(E)(ii)) is amended—

(A) in subclause (I), by striking “150” and inserting “500”; and

(B) in subclause (II), by striking “gross revenue from chemicals that did not exceed \$40,000,000” and inserting “global gross revenue from pesticides that did not exceed \$60,000,000”.

(4) PERIOD OF EFFECTIVENESS.—Section 4(i)(5) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a-1(i)(5)) is amended by striking subparagraph (H) and inserting the following:

“(H) PERIOD OF EFFECTIVENESS.—This paragraph shall be in effect during the period beginning on January 1, 2002, and ending on January 31, 2002.”.

(b) OTHER FEES.—Section 4(i)(6) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a-1(i)(6)) is amended by striking “the date of the enactment of this section and ending on September 30, 2001” and inserting “January 1, 2002, and ending on January 31, 2002”.

(c) EXPEDITED PROCESSING OF SIMILAR APPLICATIONS.—Section 4(k)(3) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a-1(k)(3)) is amended—

(1) in the paragraph heading, by striking “EXPEDITED” and inserting “REVIEW OF INERT INGREDIENTS; EXPEDITED”; and

(2) in subparagraph (A)—

(A) by striking “each of the” and all that follows through “such fiscal year” and inserting “the period beginning on January 1, 2002, and ending on January 31, 2002, 1/4 of the maintenance fees collected during the period”;

(B) by redesignating clauses (i), (ii), and (iii) as subclauses (I), (II), and (III), respectively, and adjusting the margins appropriately; and

(C) by striking “assure the expedited processing and review of any applicant that” and inserting the following:

(i) review and evaluate inert ingredients; and

(ii) ensure the expedited processing and review of any application that”.

(d) PESTICIDE TOLERANCE PROCESSING FEES.—Section 408(m)(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 346a(m)(1)) is amended—

(1) by striking “The Administrator” and inserting the following:

“(A) IN GENERAL.—The Administrator”;

(2) by striking “Under the regulations” and inserting the following:

“(B) INCLUSIONS.—Under the regulations”;

(3) by redesignating subparagraphs (A), (B), (C), and (D) as clauses (i), (ii), (iii), and (iv), respectively, and adjusting the margins appropriately;

(4) by striking “The regulations may” and inserting the following:

“(C) WAIVER; REFUND.—The regulations may”; and

(5) by adding at the end the following:

“(D) ANNUAL ADJUSTMENT OF FEES.—The Administrator may annually promulgate regulations to implement changes in the amounts in the schedule of pesticide tolerance processing fees in effect on the date of enactment of this subparagraph by the same percentage as the annual adjustment to the Federal General Schedule pay scale under section 5303 of title 5, United States Code.

(E) PERIOD OF EFFECTIVENESS.—This paragraph shall be in effect during the period beginning on January 1, 2002, and ending on January 31, 2002.”.

**SA 2560.** Mr. WELLSTONE submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen

the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumer abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 226, strike line 1 and all that follows through page 235, line 6, and insert the following:

**“(4) LARGE CONFINED LIVESTOCK FEEDING OPERATIONS.—**

**“(A) DEFINITION OF LARGE CONFINED LIVESTOCK FEEDING OPERATION.—**In this paragraph:

“(i) IN GENERAL.—The term ‘large confined livestock feeding operation’ means a confined livestock feeding operation designed to confine 1,000 or more animal equivalent units (as defined by the Secretary).

“(ii) MULTIPLE LOCATIONS.—In determining the number of animal unit equivalents of operation of a producer under clause (i), the animals confined by the producer in confinement facilities at all locations (including the producer’s proportionate share in any jointly owned facility) shall be counted.

“(B) NEW OR EXPANDED OPERATIONS.—A producer shall not be eligible for cost-share payments for any portion of a storage or treatment facility, or associated waste transport or transfer device, to manage manure, process wastewater, or other animal waste generated by a large confined livestock feeding operation, if the operation is a confined livestock operation that—

“(i) is established after the date of enactment of this paragraph; or

“(ii) is expanded after the date of enactment of this paragraph so as to become a large confined livestock operation.

“(C) MULTIPLE OPERATIONS.—A producer that has an interest in more than 1 large confined livestock operation shall not be eligible for more than 1 contract under this section for cost-share payments for a storage or treatment facility, or associated waste transport or transfer device, to manage manure, process wastewater, or other animal waste generated by the large confined livestock feeding operation.

“(D) FLOOD PLAIN SITING.—Cost-share payments shall not be available for structural practices for a storage or treatment facility, or associated waste transport device, to manage manure, process wastewater, or other animal waste generated by a large confined livestock operation if—

“(i) the structural practices are located in a 100-year flood plain; and

“(ii) the large confined livestock operation is a confined livestock operation that—

“(I) is established after the date of enactment; or

“(II) is expanded after the date of enactment.

“(E) INCENTIVE PAYMENTS.—The Secretary shall make incentive payments in an amount and at a rate determined by the Secretary to be necessary to encourage a producer to perform 1 or more practices.

“(F) TECHNICAL ASSISTANCE.—

“(1) IN GENERAL.—The Secretary shall allocate funding under the program for the provision of technical assistance according to the purpose and projected cost for which the technical assistance is provided for a fiscal year.

“(2) AMOUNT.—The allocated amount may vary according to—

“(A) the type of expertise required;

“(B) the quantity of time involved; and

“(C) other factors as determined appropriate by the Secretary.

“(3) LIMITATION.—Funding for technical assistance under the program shall not exceed

the projected cost to the Secretary of the technical assistance provided for a fiscal year.

“(4) OTHER AUTHORITIES.—The receipt of technical assistance under the program shall not affect the eligibility of the producer to receive technical assistance under other authorities of law available to the Secretary.

**“(5) INCENTIVE PAYMENTS FOR TECHNICAL ASSISTANCE.—**

“(A) IN GENERAL.—A producer that is eligible to receive technical assistance for a practice involving the development of a comprehensive nutrient management plan may obtain an incentive payment that can be used to obtain technical assistance associated with the development of any component of the comprehensive nutrient management plan.

“(B) PURPOSE.—The purpose of the payment shall be to provide a producer the option of obtaining technical assistance for developing any component of a comprehensive nutrient management plan from a certified provider.

“(C) PAYMENT.—The incentive payment shall be—

“(i) in addition to cost-share or incentive payments that a producer would otherwise receive for structural practices and land management practices;

“(ii) used only to procure technical assistance from a certified provider that is necessary to develop any component of a comprehensive nutrient management plan; and

“(iii) in an amount determined appropriate by the Secretary, taking into account—

“(I) the extent and complexity of the technical assistance provided;

“(II) the costs that the Secretary would have incurred in providing the technical assistance; and

“(III) the costs incurred by the private provider in providing the technical assistance.

“(D) ELIGIBLE PRACTICES.—The Secretary may determine, on a case by case basis, whether the development of a comprehensive nutrient management plan is eligible for an incentive payment under this paragraph.

“(E) CERTIFICATION BY SECRETARY.—

“(i) IN GENERAL.—Only persons that have been certified by the Secretary under section 1244(f)(3) shall be eligible to provide technical assistance under this subsection.

“(ii) QUALITY ASSURANCE.—The Secretary shall ensure that certified providers are capable of providing technical assistance regarding comprehensive nutrient management in a manner that meets the specifications and guidelines of the Secretary and that meets the needs of producers under the program.

“(F) ADVANCE PAYMENT.—On the determination of the Secretary that the proposed comprehensive nutrient management of a producer is eligible for an incentive payment, the producer may receive a partial advance of the incentive payment in order to procure the services of a certified provider.

“(G) FINAL PAYMENT.—The final installment of the incentive payment shall be payable to a producer on presentation to the Secretary of documentation that is satisfactory to the Secretary and that demonstrates—

“(i) completion of the technical assistance; and

“(ii) the actual cost of the technical assistance.

**“(g) MODIFICATION OR TERMINATION OF CONTRACTS.—**

“(1) VOLUNTARY MODIFICATION OR TERMINATION.—The Secretary may modify or terminate a contract entered into with a producer under this chapter if—

“(A) the producer agrees to the modification or termination; and

“(B) the Secretary determines that the modification or termination is in the public interest.

“(2) INVOLUNTARY TERMINATION.—The Secretary may terminate a contract under this chapter if the Secretary determines that the producer violated the contract.

**“SEC. 1240C. EVALUATION OF OFFERS AND PAYMENTS.**

“(a) IN GENERAL.—In evaluating applications for technical assistance, cost-share payments, and incentive payments, the Secretary shall accord a higher priority to assistance and payments that—

“(1) maximize environmental benefits per dollar expended; and

“(2) address national conservation priorities, including—

“(i) meeting Federal, State, and local environmental purposes focused on protecting air and water quality;

“(ii) comprehensive nutrient management;

“(iii) water quality, particularly in impaired watersheds;

“(iv) soil erosion;

“(v) air quality; or

“(vi) pesticide and herbicide management or reduction;

“(B) are provided in conservation priority areas established under section 1230(c);

“(C) are provided in special projects under section 1243(f)(4) with respect to which State or local governments have provided, or will provide, financial or technical assistance to producers for the same conservation or environmental purposes; or

“(D) an innovative technology in connection with a structural practice or land management practice.

“(b) ADDITIONAL PRIORITIES FOR LIVESTOCK PRODUCERS.—In evaluating applications for technical assistance, cost-share payments, and incentive payments for livestock producers, the Secretary shall accord priority to—

“(1) applications for assistance and payments for systems and practices that avoid subjecting the livestock production operation to Federal, State, tribal, and local environmental regulatory systems while also assisting the operation to meet environmental quality criteria established by Federal, State, tribal, and local agencies; and

“(2) applications from livestock producers using managed grazing systems and other pasture- and forage-based systems.

**“SEC. 1240D. DUTIES OF PRODUCERS.**

“To receive technical assistance, cost-share payments, or incentive payments under the program, a producer shall agree—

“(1) to implement an environmental quality incentives program plan that describes conservation and environmental purposes to be achieved through 1 or more practices that are approved by the Secretary;

“(2) not to conduct any practices on the farm or ranch that would tend to defeat the purposes of the program;

“(3) on the violation of a term or condition of the contract at any time the producer has control of the land—

“(A) if the Secretary determines that the violation warrants termination of the contract—

“(i) to forfeit all rights to receive payments under the contract; and

“(ii) to refund to the Secretary all or a portion of the payments received by the owner or operator under the contract, including any interest on the payments, as determined by the Secretary; or

“(B) if the Secretary determines that the violation does not warrant termination of the contract, to refund to the Secretary, or accept adjustments to, the payments provided to the owner or operator, as the Secretary determines to be appropriate;

“(4) on the transfer of the right and interest of the producer in land subject to the contract, unless the transferee of the right and interest agrees with the Secretary to assume all obligations of the contract, to refund all cost-share payments and incentive payments received under the program, as determined by the Secretary;

“(5) to supply information as required by the Secretary to determine compliance with the program plan and requirements of the program; and

“(6) to comply with such additional provisions as the Secretary determines are necessary to carry out the program plan.

**“SEC. 1240E. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM PLAN.**

“(a) IN GENERAL.—To be eligible to receive technical assistance, cost-share payments, or incentive payments under the program, a producer of a livestock or agricultural operation shall submit to the Secretary for approval a plan of operations that specifies practices covered under the program, and is based on such terms and conditions, as the Secretary considers necessary to carry out the program, including a description of the practices to be implemented and the purposes to be met by the implementation of the plan.

“(b) CONFINED ANIMAL FEEDING OPERATIONS.—

“(1) IN GENERAL.—To be eligible to receive cost-share payments or incentive payments for a storage or treatment facility, or associated waste transport or transfer device, to manage manure, process wastewater, or other animal waste generated by a confined animal feeding operation, the producer or owner of the operation shall submit a comprehensive nutrient management plan for the confined animal feeding operation as part of the plan of operations submitted under subsection (a).

“(2) CONTRACT CONDITION.—Implementation of the comprehensive nutrient management plan submitted under paragraph (1) shall be a condition of the environmental quality incentives program contract.

“(c) AVOIDANCE OF DUPLICATION.—The Secretary shall, to the maximum extent practicable, eliminate duplication of planning activities under the program and comparable conservation programs.

**“SEC. 1240F. DUTIES OF THE SECRETARY.**

“To the extent appropriate, the Secretary shall assist a producer in achieving the conservation and environmental goals of a program plan by—

“(1) providing technical assistance in developing and implementing the plan;

“(2) providing technical assistance, cost-share payments, or incentive payments for developing and implementing 1 or more practices, as appropriate;

“(3) providing the producer with information, education, and training to aid in implementation of the plan; and

“(4) encouraging the producer to obtain technical assistance, cost-share payments, or grants from other Federal, State, local, or private sources.

**“SEC. 1240G. LIMITATION ON PAYMENTS.**

“(a) IN GENERAL.—Subject to subsection (b), the total amount of cost-share and incentive payments paid to a producer under this chapter shall not exceed—

“(1) \$20,000 for any fiscal year, regardless of whether the producer has more than 1 contract under this chapter for the fiscal year;

“(2) \$60,000 for a contract with a term of 3 years;

“(3) \$80,000 for a contract with a term of 4 years; or

“(4) \$100,000 for a contract with a term of more than 4 years.

“(b) ATTRIBUTION.—An individual or entity shall not receive, directly or indirectly, total

payments from a single or multiple contracts this chapter that exceed \$20,000 for any fiscal year.

“(c) EXCEPTION TO ANNUAL LIMIT.—The Secretary may exceed the limitation on the annual amount of a payment to a producer under subsection (a)(1) if the Secretary determines that a larger payment is—

“(1) essential to accomplish the land management practice or structural practice for which the payment is made to the producer; and

“(2) consistent with the maximization of environmental benefits per dollar expended and the purposes of this chapter.

“(d) VERIFICATION.—The Secretary shall identify individuals and entities that are eligible for a payment under the program using social security numbers and taxpayer identification numbers, respectively.

**SA 2561.** Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_\_. READJUSTMENT RESOLUTION.**

(a) IN GENERAL.—If the Secretary of Agriculture makes a determination and adjustment pursuant to section 161 of the Federal Agriculture Improvement and Reform Act of 1996, no expenditures may be made under subtitle A or D of title I of that Act after the date that is 18 months after the date on which that determination is made, unless a readjustment resolution is enacted into law.

(b) READJUSTMENT RESOLUTION.—For purposes of subsection (a), the term “readjustment resolution” means a resolution of either House of Congress, the sole matter after the resolving clause of which is as follows: “That the expenditures under subtitles A and D of title I of the Federal Agriculture Improvement and Reform Act of 1996 are reduced from \_\_\_\_\_ to \_\_\_\_\_”, with the first blank space being filled with the expenditures relating to domestic support levels in effect on day before the introduction of the readjustment resolution and the second blank space being filled with the level of expenditures necessary for the United States to comply with the total allowable domestic support levels under the Uruguay Round Agreements.

(c) EXPEDITED PROCEDURES.—The provisions of section 151 of the Trade Act of 1974 (19 U.S.C. 2191) apply to a readjustment resolution to the same extent as such section 151 applies to an approval resolution under that section, except that for purposes of applying such section 151—

(1) subsection (b) of this section shall be substituted for section 151(b)(2) of such Act; and

(2) any reference to an approval resolution in that section shall be treated as a reference to a readjustment resolution.

**SA 2562.** Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to en-

sure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 105, strike lines 15 through 25 and insert the following:

“(5) OPTIONS FOR OBTAINING LOAN.—A marketing assistance loan under this subsection, and loan deficiency payments under subsection (e), may be obtained at the option of the peanut producers on a farm through—

“(A) a designated marketing association of peanut producers that is approved by the Secretary; or

“(B) the Farm Service Agency.

“(6) POOLING.—A designated marketing association of peanut producers described in paragraph (5)(A) may pool peanuts for marketing in any manner determined appropriate by the association, including the creation of a separate pool for Valencia peanuts produced in New Mexico.

**SA 2563.** Mr. HELMS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 97, strike line 11 and all that follows through page 116, line 15, and insert the following:

“(C) SELECTION BY PRODUCER.—If a county in which a historical peanut producer described in subparagraph (A) is located was declared a disaster area during 1 or more of the 4 crop years described in subparagraph (A), for purposes of determining the 4-year average yield for the historical peanut producer, the historical peanut producer may elect to substitute the yield for peanuts on all farms of the peanut producer for the 1996 or 1997 crop, for not more than 1 of the crop years during which a disaster is declared.

“(2) ACREAGE AVERAGE.—Except as provided in paragraph (3), the Secretary shall determine, for the historical peanut producer, the 4-year average of—

“(A) acreage planted to peanuts on all farms for harvest during the 1998 through 2001 crop years; and

“(B) any acreage that was prevented from being planted to peanuts during the crop years because of drought, flood, or other natural disaster, or other condition beyond the control of the historical peanut producer, as determined by the Secretary.

“(3) SELECTION BY PRODUCER.—If a county in which a historical peanut producer described in paragraph (2) is located is declared a disaster area during 1 or more of the 4 crop years described in paragraph (2), for purposes of determining the 4-year average acreage for the historical peanut producer, the historical peanut producer may elect to substitute, for not more than 1 of the crop years during which a disaster is declared—

“(A) the State average of acreage actually planted to peanuts; or

“(B) the average of acreage for the historical peanut producer determined by the Secretary under paragraph (2).

“(4) TIME FOR DETERMINATIONS; FACTORS.—

“(A) TIMING.—The Secretary shall make the determinations required by this subsection not later than 90 days after the date of enactment of this section.

“(B) FACTORS.—In making the determinations, the Secretary shall take into account

changes in the number and identity of historical peanut producers sharing in the risk of producing a peanut crop since the 1998 crop year, including providing a method for the assignment of average acres and average yield to a farm when a historical peanut producer is no longer living or an entity composed of historical peanut producers has been dissolved.

**“(b) ASSIGNMENT OF YIELD AND ACRES TO FARMS.—**

“(1) **ASSIGNMENT BY HISTORICAL PEANUT PRODUCERS.**—For each of the 2002 and 2003 crop years, the Secretary shall provide each historical peanut producer with an opportunity to assign the average peanut yield and average acreage determined under subsection (a) for the historical peanut producer to cropland on a farm.

“(2) **PAYMENT YIELD.**—The average of all of the yields assigned by historical peanut producers to a farm shall be considered to be the payment yield for the farm for the purpose of making direct payments and counter-cyclical payments under this chapter.

“(3) **PEANUT ACRES.**—Subject to subsection (e), the total number of acres assigned by historical peanut producers to a farm shall be considered to be the peanut acres for the farm for the purpose of making direct payments and counter-cyclical payments under this chapter.

“(c) **ELECTION.**—Not later than 180 days after the date of enactment of this section for the 2002 crop, and not later than 180 days after January 1, 2003, for the 2003 crop, a historical peanut producer shall notify the Secretary of the assignments described in subsection (b).

“(d) **PAYMENT ACRES.**—The payment acres for peanuts on a farm shall be equal to 85 percent of the peanut acres assigned to the farm.

**“(e) PREVENTION OF EXCESS PEANUT ACRES.—**

“(1) **REQUIRED REDUCTION.**—If the total of the peanut acres for a farm, together with the acreage described in paragraph (3), exceeds the actual cropland acreage of the farm, the Secretary shall reduce the quantity of peanut acres for the farm or contract acreage for 1 or more covered commodities for the farm as necessary so that the total of the peanut acres and acreage described in paragraph (3) does not exceed the actual cropland acreage of the farm.

“(2) **SELECTION OF ACRES.**—The Secretary shall give the peanut producers on the farm the opportunity to select the peanut acres or contract acreage against which the reduction will be made.

“(3) **OTHER ACREAGE.**—For purposes of paragraph (1), the Secretary shall include—

“(A) any contract acreage for the farm under subtitle B;

“(B) any acreage on the farm enrolled in the conservation reserve program or wetlands reserve program under chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3830 et seq.); and

“(C) any other acreage on the farm enrolled in a conservation program for which payments are made in exchange for not producing an agricultural commodity on the acreage.

“(3) **DOUBLE-CROPPED ACREAGE.**—In applying paragraph (1), the Secretary shall take into account additional acreage as a result of an established double-cropping history on a farm, as determined by the Secretary.

**“SEC. 158C. DIRECT PAYMENTS FOR PEANUTS.**

“(a) **IN GENERAL.**—For each of the 2002 through 2006 fiscal years, the Secretary shall make direct payments to peanut producers on a farm with peanut acres under section 158B and a payment yield for peanuts under section 158B.

“(b) **PAYMENT RATE.**—The payment rate used to make direct payments with respect to peanuts for a fiscal year shall be equal to \$0.018 per pound.

“(c) **PAYMENT AMOUNT.**—The amount of the direct payment to be paid to the peanut producers on a farm for peanuts for a fiscal year shall be equal to the product obtained by multiplying—

“(1) the payment rate specified in subsection (b);

“(2) the payment acres on the farm; by

“(3) the payment yield for the farm.

“(d) **TIME FOR PAYMENT.**—

“(1) **IN GENERAL.**—The Secretary shall make direct payments—

“(A) in the case of the 2002 fiscal year, during the period beginning December 1, 2001, and ending September 30, 2002; and

“(B) in the case of each of the 2003 through 2006 fiscal years, not later than September 30 of the fiscal year.

“(2) **ADVANCE PAYMENTS.**—

“(A) **IN GENERAL.**—At the option of the peanut producers on a farm, the Secretary shall pay 50 percent of the direct payment for a fiscal year for the producers on the farm on a date selected by the peanut producers on the farm.

“(B) **SELECTED DATE.**—The selected date for a fiscal year shall be on or after December 1 of the fiscal year.

“(C) **SUBSEQUENT FISCAL YEARS.**—The peanut producers on a farm may change the selected date for a subsequent fiscal year by providing advance notice to the Secretary.

“(3) **REPAYMENT OF ADVANCE PAYMENTS.**—If any peanut producer on a farm that receives an advance direct payment for a fiscal year ceases to be eligible for a direct payment before the date the direct payment would have been made by the Secretary under paragraph (1), the peanut producer shall be responsible for repaying the Secretary the full amount of the advance payment.

**“SEC. 158D. COUNTER-CYCICAL PAYMENTS FOR PEANUTS.**

“(a) **IN GENERAL.**—For each of the 2002 through 2006 crops of peanuts, the Secretary shall make counter-cyclical payments with respect to peanuts if the Secretary determines that the effective price for peanuts is less than the income protection price for peanuts.

“(b) **EFFECTIVE PRICE.**—For purposes of subsection (a), the effective price for peanuts is equal to the total of—

“(1) the greater of—

“(A) the national average market price received by peanut producers during the marketing season for peanuts, as determined by the Secretary; or

“(B) the national average loan rate for a marketing assistance loan for peanuts under section 158G in effect for the marketing season for peanuts under this chapter; and

“(2) the payment rate in effect for peanuts under section 158C for the purpose of making direct payments with respect to peanuts.

“(c) **INCOME PROTECTION PRICE.**—For purposes of subsection (a), the income protection price for peanuts shall be equal to \$520 per ton.

“(d) **PAYMENT AMOUNT.**—The amount of the counter-cyclical payment to be paid to the peanut producers on a farm for a crop year shall be equal to the product obtained by multiplying—

“(1) the payment rate specified in subsection (e);

“(2) the payment acres on the farm; by

“(3) the payment yield for the farm.

“(e) **PAYMENT RATE.**—The payment rate used to make counter-cyclical payments with respect to peanuts for a crop year shall be equal to the difference between—

“(1) the income protection price for peanuts; and

“(2) the effective price determined under subsection (b) for peanuts.

“(f) **TIME FOR PAYMENTS.**—

“(1) **IN GENERAL.**—The Secretary shall make counter-cyclical payments to peanut producers on a farm under this section for a crop of peanuts as soon as practicable after determining under subsection (a) that the payments are required for the crop year.

“(2) **PARTIAL PAYMENT.**—

“(A) **IN GENERAL.**—At the option of the Secretary, the peanut producers on a farm may elect to receive up to 40 percent of the projected counter-cyclical payment to be made under this section for a crop of peanuts on completion of the first 2 months of the marketing season for the crop, as determined by the Secretary.

“(B) **REPAYMENT.**—The peanut producers on a farm shall repay to the Secretary the amount, if any, by which the payment received by producers on the farm (including any partial payments) exceeds the counter-cyclical payment the producers on the farm are eligible for under this section.

**“SEC. 158E. PRODUCER AGREEMENTS.**

“(a) **COMPLIANCE WITH CERTAIN REQUIREMENTS.**—

“(1) **REQUIREMENTS.**—Before the peanut producers on a farm may receive direct payments or counter-cyclical payments with respect to the farm, the peanut producers on the farm shall agree during the fiscal year or crop year, respectively, for which the payments are received, in exchange for the payments—

“(A) to comply with applicable highly erodible land conservation requirements under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.);

“(B) to comply with applicable wetland conservation requirements under subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.);

“(C) to comply with the planting flexibility requirements of section 158F; and

“(D) to use a quantity of the land on the farm equal to the peanut acres, for an agricultural or conserving use, and not for a non-agricultural commercial or industrial use, as determined by the Secretary.

“(2) **COMPLIANCE.**—The Secretary may promulgate such regulations as the Secretary considers necessary to ensure peanut producer compliance with paragraph (1).

“(b) **FORECLOSURE.**—

“(1) **IN GENERAL.**—The Secretary shall not require the peanut producers on a farm to repay a direct payment or counter-cyclical payment if a foreclosure has occurred with respect to the farm and the Secretary determines that forgiving the repayment is appropriate to provide fair and equitable treatment.

“(2) **COMPLIANCE WITH REQUIREMENTS.**—

“(A) **IN GENERAL.**—This subsection shall not void the responsibilities of the peanut producers on a farm under subsection (a) if the peanut producers on the farm continue or resume operation, or control, of the farm.

“(B) **APPLICABLE REQUIREMENTS.**—On the resumption of operation or control over the farm by the peanut producers on the farm, the requirements of subsection (a) in effect on the date of the foreclosure shall apply.

“(c) **TRANSFER OR CHANGE OF INTEREST IN FARM.**—

“(1) **TERMINATION.**—Except as provided in paragraph (5), a transfer of (or change in) the interest of the peanut producers on a farm in peanut acres for which direct payments or counter-cyclical payments are made shall result in the termination of the payments with respect to the peanut acres, unless the transferee or owner of the acreage agrees to assume all obligations under subsection (a).

“(2) EFFECTIVE DATE.—The termination takes effect on the date of the transfer or change.

“(3) TRANSFER OF PAYMENT BASE AND YIELD.—The Secretary shall not impose any restriction on the transfer of the peanut acres or payment yield of a farm as part of a transfer or change described in paragraph (1).

“(4) MODIFICATION.—At the request of the transferee or owner, the Secretary may modify the requirements of subsection (a) if the modifications are consistent with the purposes of subsection (a), as determined by the Secretary.

“(5) EXCEPTION.—If a peanut producer entitled to a direct payment or counter-cyclical payment dies, becomes incompetent, or is otherwise unable to receive the payment, the Secretary shall make the payment, in accordance with regulations promulgated by the Secretary.

“(d) ACREAGE REPORTS.—As a condition on the receipt of any benefits under this chapter, the Secretary shall require the peanut producers on a farm to submit to the Secretary acreage reports for the farm.

“(e) TENANTS AND SHARECROPPERS.—In carrying out this chapter, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.

“(f) SHARING OF PAYMENTS.—The Secretary shall provide for the sharing of direct payments and counter-cyclical payments among the peanut producers on a farm on a fair and equitable basis.

#### “SEC. 158F. PLANTING FLEXIBILITY.

“(a) PERMITTED CROPS.—Subject to subsection (b), any commodity or crop may be planted on peanut acres on a farm.

#### “(b) LIMITATIONS AND EXCEPTIONS REGARDING CERTAIN COMMODITIES.—

“(1) LIMITATIONS.—The planting of the following agricultural commodities shall be prohibited on peanut acres:

“(A) Fruits.

“(B) Vegetables (other than lentils, mung beans, and dry peas).

“(C) In the case of the 2003 and subsequent crops of an agricultural commodity, wild rice.

“(2) EXCEPTIONS.—Paragraph (1) shall not limit the planting of an agricultural commodity specified in paragraph (1)—

“(A) in any region in which there is a history of double-cropping of peanuts with agricultural commodities specified in paragraph (1), as determined by the Secretary, in which case the double-cropping shall be permitted;

“(B) on a farm that the Secretary determines has a history of planting agricultural commodities specified in paragraph (1) on peanut acres, except that direct payments and counter-cyclical payments shall be reduced by an acre for each acre planted to the agricultural commodity; or

“(C) by the peanut producers on a farm that the Secretary determines has an established planting history of a specific agricultural commodity specified in paragraph (1), except that—

“(i) the quantity planted may not exceed the average annual planting history of the agricultural commodity by the peanut producers on the farm during the 1996 through 2001 crop years (excluding any crop year in which no plantings were made), as determined by the Secretary; and

“(ii) direct payments and counter-cyclical payments shall be reduced by an acre for each acre planted to the agricultural commodity.

#### “SEC. 158G. MARKETING ASSISTANCE LOANS AND LOAN DEFICIENCY PAYMENTS FOR PEANUTS.

“(a) NONREOURSE LOANS AVAILABLE.—

“(1) AVAILABILITY.—For each of the 2002 through 2006 crops of peanuts, the Secretary

shall make available to peanut producers on a farm nonrecourse marketing assistance loans for peanuts produced on the farm.

“(2) TERMS AND CONDITIONS.—The loans shall be made under terms and conditions that are prescribed by the Secretary and at the loan rate established under subsection (b).

“(3) ELIGIBLE PRODUCTION.—The producers on a farm shall be eligible for a marketing assistance loan under this section for any quantity of peanuts produced on the farm.

“(4) TREATMENT OF CERTAIN COMMINGLED COMMODITIES.—In carrying out this section, the Secretary shall make loans to peanut producers on a farm that would be eligible to obtain a marketing assistance loan but for the fact the peanuts owned by the peanut producers on the farm are commingled with other peanuts of other producers in facilities unlicensed for the storage of agricultural commodities by the Secretary or a State licensing authority, if the peanut producers on a farm obtaining the loan agree to immediately redeem the loan collateral in accordance with section 158E.

“(5) OPTIONS FOR OBTAINING LOAN.—A marketing assistance loan under this subsection, and loan deficiency payments under subsection (e), may be obtained at the option of the peanut producers on a farm through—

“(A) a designated marketing association of peanut producers that is approved by the Secretary, which may own or construct necessary storage facilities;

“(B) the Farm Service Agency; or

“(C) a loan servicing agent approved by the Secretary.

“(b) LOAN RATE.—The loan rate for a marketing assistance loan for peanuts under subsection (a) shall be equal to \$400 per ton.

“(c) TERM OF LOAN.—

“(1) IN GENERAL.—A marketing assistance loan for peanuts under subsection (a) shall have a term of 9 months beginning on the first day of the first month after the month in which the loan is made.

“(2) EXTENSIONS PROHIBITED.—The Secretary may not extend the term of a marketing assistance loan for peanuts under subsection (a).

“(d) REPAYMENT RATE.—The Secretary shall permit peanut producers on a farm to repay a marketing assistance loan for peanuts under subsection (a) at a rate that is the lesser of—

“(1) the loan rate established for peanuts under subsection (b), plus interest (as determined by the Secretary); or

“(2) a rate that the Secretary determines will—

“(A) minimize potential loan forfeitures;

“(B) minimize the accumulation of stocks of peanuts by the Federal Government;

“(C) minimize the cost incurred by the Federal Government in storing peanuts; and

“(D) allow peanuts produced in the United States to be marketed freely and competitively, both domestically and internationally.

“(e) LOAN DEFICIENCY PAYMENTS.—

“(1) AVAILABILITY.—The Secretary may make loan deficiency payments available to the peanut producers on a farm that, although eligible to obtain a marketing assistance loan for peanuts under subsection (a), agree to forgo obtaining the loan for the peanuts in return for payments under this subsection.

“(2) AMOUNT.—A loan deficiency payment under this subsection shall be obtained by multiplying—

“(A) the loan payment rate determined under paragraph (3) for peanuts; by

“(B) the quantity of the peanuts produced by the peanut producers on the farm, excluding any quantity for which the producers on the farm obtain a loan under subsection (a).

“(3) LOAN PAYMENT RATE.—For purposes of this subsection, the loan payment rate shall be the amount by which—

“(A) the loan rate established under subsection (b); exceeds

“(B) the rate at which a loan may be repaid under subsection (d).

“(4) TIME FOR PAYMENT.—The Secretary shall make a payment under this subsection to the peanut producers on a farm with respect to a quantity of peanuts as of the earlier of—

“(A) the date on which the peanut producers on the farm marketed or otherwise lost beneficial interest in the peanuts, as determined by the Secretary; or

“(B) the date the peanut producers on the farm request the payment.

“(f) COMPLIANCE WITH CONSERVATION REQUIREMENTS.—As a condition of the receipt of a marketing assistance loan under subsection (a), the peanut producers on a farm shall comply during the term of the loan with—

“(1) applicable highly erodible land conservation requirements under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.); and

“(2) applicable wetland conservation requirements under subtitle C of title XIII of that Act (16 U.S.C. 3821 et seq.).

“(g) REIMBURSABLE AGREEMENTS AND PAYMENT OF EXPENSES.—To the maximum extent practicable, the Secretary shall implement any reimbursable agreements or provide for the payment of expenses under this chapter in a manner that is consistent with the implementation of the agreements or payment of the expenses for other commodities.

#### “SEC. 158H. QUALITY IMPROVEMENT.

“(a) OFFICIAL INSPECTION.—All edible peanuts produced in the United States shall be officially inspected and graded by a Federal or State inspector.

**SA 2564.** Mr. HELMS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 128, line 8, strike the period at the end and insert a period and the following:

#### SEC. 1 .RESERVE STOCK LEVEL.

Section 301(b)(14)(C) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1301(b)(14)(C)) is amended—

(1) in clause (i), by striking “100,000,000” and inserting “75,000,000”; and

(2) in clause (ii), by striking “15 percent” and inserting “10 percent”.

**SA 2565.** Mr. HELMS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 374, line 12, strike “more than 50 percent” and insert the words “40 percent or more”.

**SA 2566.** Mr. HELMS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 765, strike line 21 and insert the following:

**SEC. 748. FOOD ANIMAL RESIDUE AVOIDANCE DATABASE PROGRAM.**

Section 604 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7642) is amended by adding at the end the following:

“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$1,000,000 for each of fiscal year 2002 through 2006.”

**SA 2567.** Mr. HELMS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 977, strike the period at the end of line 15 and insert a period and the following:

**SEC. 10. REPORT ON RATS, MICE, AND BIRDS.**

(a) IN GENERAL.—Not later than 1 year after date enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report on the implications of including rats, mice, and birds within the definition of animal under the Animal Welfare Act (7 U.S.C. 2131 et seq.).

(b) REQUIREMENTS.—The report under subsection (a) shall—

(1) be completed with input, consultation, and recommendations from the Secretary of Health and Human Services and the Institute for Animal Laboratory Research within the National Academy of Sciences;

(2) contain a description of the number and types of entities that currently use rats, mice, and birds, and are not subjected to regulations of the Department of Agriculture or Department of Health and Human Services, or accreditation requirements of the Association for Assessment and Accreditation of Laboratory Animal Care;

(3) contain an estimate of the additional costs likely to be incurred by breeders and research facilities resulting from the additional regulatory requirements; and

(4) contain an estimate of the additional funding that the Animal and Plant Health Inspection Service would require to be able to ensure that the quality and frequency of inspections by the Department of Agriculture relating to other animals are not diminished by the increase in the number of facilities that would require inspections if the definition were amended to include rats, mice, and birds.

**SA 2568.** Mr. HELMS submitted an amendment intended to be proposed to

amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 984, line 2, strike the period at the end and insert the following:

**SEC. 10. STUDY OF NONAMBULATORY LIVESTOCK.**

The Secretary—

(1) shall investigate and submit to Congress a report on—

(A) the scope and cause of nonambulatory livestock; and

(B) the extent to which nonambulatory livestock may present handling and disposition problems during marketing; and

(2) based on the findings in the report, may promulgate regulations for the appropriate treatment, handling, and disposition of nonambulatory livestock at market agencies and dealers.

**SA 2569.** Mr. HELMS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 945, strike lines 6 and 7 and insert the following:

**SEC. 1024. DEFINITION OF ANIMAL UNDER THE ANIMAL WELFARE ACT.**

Section 2(g) of the Animal Welfare Act (7 U.S.C. 2132(g)) is amended by striking “excludes horses not used for research purposes and” and inserting the following: “birds, rats of the genus *Rattus*, and mice of the genus *Mus* bred for use in research, horses not used for research purposes, and”.

**SEC. 1025. PENALTIES AND FOREIGN COMMERCE PROVISIONS OF THE ANIMAL WELFARE ACT.**

**SA 2570.** Mr. HELMS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 97, between lines 10 and 11, insert the following:

“(C) SELECTION BY PRODUCER.—If a county in which a historical peanut producer described in subparagraph (A) is located was declared a disaster area during 1 or more of the 4 crop years described in subparagraph (A), for purposes of determining the 4-year average yield for the historical peanut producer, the historical peanut producer may elect to substitute the yield for peanuts on all farms of the peanut producer for the 1996

or 1997 crop, for not more than 1 of the crop years during which a disaster is declared.

On page 99, line 6, strike “The” and insert “For each of the 2002 and 2003 crop years, the”.

On page 99, line 24, insert after “section” the following: “for the 2002 crop, and not later than 180 days after January 1, 2003, for the 2003 crop”.

Beginning on page 103, line 24, through page 104, line 1, strike “12-month marketing year” and insert “marketing season”.

On page 104, lines 5 and 6, strike “12-month marketing year” and insert “marketing season”.

On page 105, lines 16 and 17, strike “6 months of the marketing year” and insert “2 months of the marketing season”.

On page 112, strike lines 20 through 22 and insert the following:

“(A) a designated marketing association of peanut producers that is approved by the Secretary, which may own or construct necessary storage facilities;

On page 116, strike lines 7 through 15 and insert the following:

“(a) OFFICIAL INSPECTION.—All edible peanuts produced in the United States shall be officially inspected and graded by a Federal or State inspector.

**SA 2571.** Mr. CONRAD submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 119, strike line 1 and insert the following:

**SEC. 165. ESTIMATES OF NET FARM INCOME.**

Section 194 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 6933) is amended to read as follows:

**“SEC. 194. ESTIMATES OF NET FARM INCOME.**

“In each issuance of projections of net farm income, the Secretary shall include (as determined by the Secretary)—

“(1) an estimate of the net farm income earned by commercial producers in the United States;

“(2) an estimate of the net farm income attributable to commercial producers of each of—

“(A) livestock;

“(B) loan commodities; and

“(C) agricultural commodities other than loan commodities; and

“(3) the definition of ‘commercial producer’ used by the Secretary in making estimates under this section.”.

**SEC. 166. PAYMENT LIMITATIONS.**

**SA 2572.** Mr. CONRAD submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 63, strike lines 4 through 10 and insert the following:

(h) SUBSTITUTABILITY OF SUGAR.—Section 156 of the Federal Agriculture Improvement

and Reform Act of 1996 (7 U.S.C. 7251) is amended—

(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following:

“(i) SUBSTITUTION OF REFINED SUGAR.—For purposes of Additional U.S. Note 6 to chapter 17 of the Harmonized Tariff Schedule of the United States and the reexport programs and polyhydric alcohol program administered by the Foreign Agricultural Service of the Department of Agriculture, all refined sugars (whether derived from sugar beets or sugarcane) produced by cane sugar refineries and beet sugar processors shall be fully substitutable for the export of sugar in refined form or in sugar containing products.”.

(i) CROPS.—Subsection (j) of section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7251) (as redesignated by subsection (h)(1)) is amended—

(1) by striking “(other than subsection (f))”; and

(2) by striking “2002” and inserting “2006”.

(j) INTEREST RATE.—Section 163 of the Federal Ag—

**SA 2573.** Mr. BINGAMAN (for himself, Mr. WARNER, and Mr. ALLEN) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 111, strike line 11 and all that follows through page 117, line 12, and insert the following:

**“SEC. 158G. MARKETING ASSISTANCE LOANS AND LOAN DEFICIENCY PAYMENTS FOR PEANUTS.**

“(a) NONREOURSE LOANS AVAILABLE.—

“(1) AVAILABILITY.—For each of the 2002 through 2006 crops of peanuts, the Secretary shall make available to peanut producers on a farm nonrecourse marketing assistance loans for peanuts produced on the farm.

“(2) TERMS AND CONDITIONS.—The loans shall be made under terms and conditions that are prescribed by the Secretary and at the loan rate established under subsection (b).

“(3) ELIGIBLE PRODUCTION.—The producers on a farm shall be eligible for a marketing assistance loan under this section for any quantity of peanuts produced on the farm.

“(4) TREATMENT OF CERTAIN COMMINGLED COMMODITIES.—In carrying out this section, the Secretary shall make loans to peanut producers on a farm that would be eligible to obtain a marketing assistance loan but for the fact the peanuts owned by the peanut producers on the farm are commingled with other peanuts of other producers in facilities that have not contracted with the Secretary for proper accounting, if the peanut producers on a farm obtaining the loan agree to immediately redeem the loan collateral in accordance with section 158E.

“(5) OPTIONS FOR OBTAINING LOAN.—A marketing assistance loan under this subsection, and loan deficiency payments under subsection (e), may be obtained at the option of the peanut producers on a farm through—

“(A) a designated area marketing association of peanut producers that is selected and approved by the Secretary and that is operated primarily for the purpose of conducting

loan activities on behalf of peanut producers. Such area marketing associations may construct or own storage facilities as necessary.

“(B) the Farm Service Agency; or

“(6) POOLING.—A designated area marketing association of peanut producers described in paragraph (5)(A) may pool peanuts for marketing in any manner determined appropriate by the association, including the creation of a separate pool for Valencia peanuts produced in New Mexico.

“(b) LOAN RATE.—The loan rate for a marketing assistance loan for peanuts under subsection (a) shall be equal to a national average loan rate of \$400 per ton adjusted for differences in grade, type, quality, location, and other factors, as determined by the Secretary.

“(c) TERM OF LOAN.—

“(1) IN GENERAL.—A marketing assistance loan for peanuts under subsection (a) shall have a term of 9 months beginning on the first day of the first month in which the loan is made except that no peanuts may be forfeited to the Secretary in satisfaction of a loan amount that remain in storage beyond June 30 of the applicable year.

“(2) EXTENSIONS PROHIBITED.—The Secretary may not extend the term of a marketing assistance loan for peanuts under subsection (a).

“(3) ASSOCIATION COSTS.—The amount of a loan made to producers through an area marketing association under this section may include, at the option of the association, such costs as the area marketing association may reasonably incur in carrying out this section, including the costs of making loan deficiency payments.

“(d) REPAYMENT RATE.—The Secretary shall permit peanut producers on a farm or area marketing association as agents of producers to repay a marketing assistance loan for peanuts under subsection (a) at a rate that is the lesser of—

“(1) the loan rate established for peanuts under subsection (b), plus interest (as determined by the Secretary); or

“(2) a rate that the Secretary determines will—

“(A) minimize potential loan forfeitures;

“(B) minimize the accumulation of stocks of peanuts by the Federal Government;

“(C) minimize the cost incurred by the Federal Government in storing peanuts; and

“(D) allow peanuts produced in the United States to be marketed freely and competitively, both domestically and internationally.

“(e) LOAN DEFICIENCY PAYMENTS.—

“(1) AVAILABILITY.—The Secretary may make loan deficiency payments available to the peanut producers on a farm that, although eligible to obtain a marketing assistance loan for peanuts under subsection (a), agree to forgo obtaining the loan for the peanuts in return for payments under this subsection.

“(2) AMOUNT.—A loan deficiency payment under this subsection shall be obtained by multiplying—

“(A) the loan payment rate determined under paragraph (3) for peanuts; by

“(B) the quantity of the peanuts produced by the peanut producers on the farm, excluding any quantity for which the producers on the farm obtain a loan under subsection (a).

“(3) LOAN PAYMENT RATE.—For purposes of this subsection, the loan payment rate shall be the amount by which—

“(A) the loan rate established under subsection (b); exceeds

“(B) the rate at which a loan may be repaid under subsection (d).

“(4) TIME FOR PAYMENT.—The Secretary shall make a payment under this subsection to the peanut producers on a farm with respect to a quantity of peanuts as of the earlier of—

“(A) the date on which the peanut producers on the farm marketed or otherwise lost beneficial interest in the peanuts, as determined by the Secretary; or

“(B) the date the peanut producers on the farm request the payment.

“(f) COMPLIANCE WITH CONSERVATION REQUIREMENTS.—As a condition of the receipt of a marketing assistance loan under subsection (a), the peanut producers on a farm shall comply during the term of the loan with—

“(1) applicable highly erodible land conservation requirements under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.); and

“(2) applicable wetland conservation requirements under subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.).

“(g) REIMBURSABLE AGREEMENTS AND PAYMENT OF EXPENSES.—To the maximum extent practicable, the Secretary shall implement any reimbursable agreements or provide for the payment of expenses under this chapter in a manner that is consistent with the implementation of the agreements or payment of the expenses for other commodities.

“(h) SPECIAL COMPETITIVE DETERMINATION.—

“(1) IN GENERAL.—The Secretary shall conduct a study to determine whether the ownership or control of peanut buying points throughout the historical peanut growing areas promotes noncompetitive marketing of peanuts in marketing areas.

“(2) NONCOMPETITIVE MARKETING.—For the purpose of paragraph (1) and subsection (g), noncompetitive marketing of peanuts exists if—

“(A) peanut producers must haul peanuts produced by the producers an unreasonable distance to market the peanuts, as determined by the Secretary;

“(B) handlers of peanuts fail to provide reasonable warehouse storage space to area marketing associations that would allow peanut producers to obtain a marketing assistance loan under this section for peanuts stored in the warehouses; or

“(C) competitive sales options are not available to peanut producers.

“(3) REPORT.—Not later than 90 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the results of the study.

“(i) NONCOMPETITIVE MARKETING.—If the Secretary determines that noncompetitive marketing exists in a marketing area, the Secretary shall—

“(1) make warehouse stored marketing assistance loans available in the marketing area to a designated area marketing association of peanut producers in the marketing area that is approved by the Secretary;

“(2) contract with the area marketing association to administer and supervise activities relating to loans and marketing activities under this section;

“(3) include in a marketing assistance loan made to an area marketing association in the marketing area, at the option of the marketing association, such costs as the area marketing association may reasonably incur in carrying out the responsibilities, operations, and activities of the association and Commodity Credit Corporation under this section; and

“(4) require each handler in the marketing area (as determined by the Secretary)—

“(A) to report commercial warehouse storage capacity to the Secretary; and

“(B) to commit any storage owned or controlled by the handler that is not needed for

the storage of the peanuts of the handler to the Secretary for the purpose of making marketing assistance loans available to peanut producers at all locations where peanuts are marketed and stored.

“(j) DEFINITION OF COMMINGLE.—In this section and section 158H, the term ‘commingle’, with respect to peanuts, means—

“(1) the mixing of peanuts produced on different farms by the same or different producers; or

“(2) the mixing of peanuts pledged for marketing assistance loans with peanuts that are not pledged for marketing assistance loans, to facilitate storage.

**SEC. 158H. QUALITY IMPROVEMENT.**

“(a) MANDATORY INSPECTION.—All peanuts for consumption in the United States or exported, shall be officially inspected and graded by Federal or State inspectors.

“(b) ACCOUNTING FOR COMMINGLED PEANUTS.—All peanuts stored commingled with peanuts covered by a marketing assistance loan shall be graded and exchanged on a dollar value basis, unless the Secretary determines that the beneficial interest in the peanuts covered by the marketing assistance loan have been transferred to other parties prior to demand for delivery.”.

**SA 2574.** Mr. DORGAN (for himself, Mr. GRASSLEY, Mr. HAGEL, Mr. LUGAR, Mr. JOHNSON, Mr. NELSON of Nebraska, Mr. TORRICELLI, and Mr. WELLSTONE) submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 178 and insert the following:

**SEC. 178. PAYMENT LIMITATIONS; NUTRITION AND COMMODITY PROGRAMS.**

(a) PAYMENT LIMITATIONS.—

(1) IN GENERAL.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended by striking paragraphs (1) through (6) and inserting the following:

“(1) LIMITATIONS ON DIRECT AND COUNTER-CYCCLICAL PAYMENTS.—Subject to paragraph (5)(A), the total amount of direct payments and counter-cyclical payments made directly or indirectly to an individual or entity during any fiscal year may not exceed \$85,000.

“(2) LIMITATIONS ON MARKETING LOAN GAINS, LOAN DEFICIENCY PAYMENTS, AND COMMODITY CERTIFICATE TRANSACTIONS.—

“(A) IN GENERAL.—Subject to paragraph (5)(A), the total amount of the payments and benefits described in subparagraph (B) that an individual or entity may directly or indirectly receive during any crop year may not exceed \$125,000.

“(B) PAYMENTS AND BENEFITS.—Subparagraph (A) shall apply to the following payments and benefits:

“(i) MARKETING LOAN GAINS.—

“(I) REPAYMENT GAINS.—Any gain realized by a producer from repaying a marketing assistance loan under section 131 or 158G(a) of the Federal Agriculture Improvement and Reform Act of 1996 for a crop of any loan commodity or peanuts, respectively, at a lower level than the original loan rate established for the loan commodity or peanuts under section 132 or 158G(d) of that Act, respectively.

“(II) FORFEITURE GAINS.—In the case of settlement of a marketing assistance loan under section 131 or 158G(a) of that Act for a

crop of any loan commodity or peanuts, respectively, by forfeiture, the amount by which the loan amount exceeds the repayment amount for the loan if the loan had been settled by repayment instead of forfeiture.

“(ii) LOAN DEFICIENCY PAYMENTS.—Any loan deficiency payment received for a loan commodity or peanuts under section 131 or 158G(e) of that Act, respectively.

“(iii) COMMODITY CERTIFICATES.—Any gain realized from the use of a commodity certificate issued by the Commodity Credit Corporation, as determined by the Secretary, including the use of a certificate for the settlement of a marketing assistance loan made under section 131 or 158G(a) of that Act.

“(3) SETTLEMENT OF CERTAIN LOANS.—Notwithstanding subtitle C and section 158G of the Federal Agriculture Improvement and Reform Act of 1996, if the amount of payments and benefits described in paragraph (2)(B) attributed directly or indirectly to an individual or entity for a crop year reaches the limitation described in paragraph (2)(A), the portion of any unsettled marketing assistance loan made under section 131 or 158G(a) of that Act attributed directly or indirectly to the individual or entity shall be settled through the repayment of the total loan principal, plus applicable interest.

“(4) DEFINITIONS.—In this section and sections 1001A through 1001F:

“(A) COUNTER-CYCCLICAL PAYMENT.—The term ‘counter-cyclical payment’ means a payment made under section 114 or 158D of the Federal Agriculture Improvement and Reform Act of 1996.

“(B) DIRECT PAYMENT.—The term ‘direct payment’ means a payment made under section 113 or 158C of that Act.

“(C) LOAN COMMODITY.—The term ‘loan commodity’ has the meaning given the term in section 102 of that Act.

“(D) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture.

“(5) APPLICATION OF LIMITATION.—

“(A) MARRIED COUPLES.—The total amount of payments and benefits described paragraphs (1) and (2) that a married couple may receive directly or indirectly may not exceed \$260,000 during the fiscal or crop year (as appropriate).

“(B) TENANT RULE.—

“(i) IN GENERAL.—Any individual or entity that conducts a farming operation to produce a crop subject to the limitations established under this section as a tenant shall be ineligible to receive any payment or benefit described in paragraph (1) or (2), or subtitle D of title XII, with respect to the land unless the individual or entity makes a contribution of active personal labor to the operation that is at least equal to the lesser of—

“(I) 1000 hours; or

“(II) 40 percent of the minimum number of labor hours required to produce each commodity by the operation (as described in clause (ii)).

“(ii) MINIMUM NUMBER OF LABOR HOURS.—For the purpose of clause (i)(II), the minimum number of labor hours required to produce each commodity shall be equal to the number of hours that would be necessary to conduct a farming operation for the production of each commodity that is comparable in size to an individual or entity’s commensurate share in the farming operation for the production of the commodity, based on the minimum number of hours per acre required to produce the commodity in the State where the farming operation is located, as determined by the Secretary.

“(6) PUBLIC SCHOOLS.—The provisions of this section that limit payments to any individual or entity shall not be applicable to land owned by a public school district or

land owned by a State that is used to maintain a public school.”.

(2) SUBSTANTIVE CHANGE.—Section 1001A(a) of the Food Security Act of 1985 (7 U.S.C. 1308-1(a)) is amended—

(A) in the section heading, by striking “PREVENTION OF CREATION OF ENTITIES TO QUALITY AS SEPARATE PERSONS;” and inserting “SUBSTANTIVE CHANGE;”;

(B) by striking “(a) PREVENTION” and all that follows through the end of paragraph (2) and inserting the following:

“(a) SUBSTANTIVE CHANGE.—

“(1) IN GENERAL.—The Secretary may not approve (for purposes of the application of the limitations under this section) any change in a farming operation that otherwise will increase the number of individuals or entities to which the limitations under this section are applied unless the Secretary determines that the change is bona fide and substantive.

“(2) FAMILY MEMBERS.—For the purpose of paragraph (1), the addition of a family member to a farming operation under the criteria established under subsection (b)(1)(B) shall be considered a bona fide and substantive change in the farming operation.”;

(C) in the first sentence of paragraph (3)—

(i) by striking “as a separate person”; and  
(ii) by inserting “, as determined by the Secretary” before the period at the end; and  
(D) by striking paragraph (4).

(3) ACTIVELY ENGAGED IN FARMING.—Section 1001A(b) of the Food Security Act of 1985 (7 U.S.C. 1308-1(b)) is amended—

(A) by striking paragraph (1) and inserting the following:

“(1) IN GENERAL.—To be eligible to receive, directly or indirectly, payments (as described in paragraphs (1) and (2) of section 1001 as being subject to limitation) with respect to a particular farming operation an individual or entity shall be actively engaged in farming with respect to the operation, as provided under paragraphs (2), (3), and (4).”;

(B) in paragraph (2), by adding at the end the following:

“(E) ACTIVE PERSONAL MANAGEMENT.—For an individual to be considered to be providing active personal management under this paragraph on behalf of the individual or a corporation or entity, the management provided by the individual shall be personally provided on a regular, substantial, and continuous basis through the direction supervision and direction of—

“(i) activities and labor involved in the farming operation; and

“(ii) on-site services that are directly related and necessary to the farming operation.”;

(C) in paragraph (3)—

(i) by striking subparagraph (A) and inserting the following:

“(A) LANDOWNERS.—An individual or entity that is a landowner contributing the owned land to the farming operation and that meets the standard provided in clauses (ii) and (iii) of paragraph (2)(A), if the landowner—

“(i) share rents the land; or

“(ii) makes a significant contribution of active personal management.”; and

(ii) in subparagraph (B), by striking “persons” and inserting “individuals and entities”; and

(D) in paragraph (4)—

(i) in the paragraph heading, by striking “PERSONS” and inserting “INDIVIDUALS AND ENTITIES”; and

(ii) in the matter preceding subparagraph (A), by striking “persons” and inserting “individuals and entities”; and

(iii) in subparagraph (B)—

(I) in the subparagraph heading, by striking “PERSONS” and inserting “INDIVIDUALS AND ENTITIES”; and

(II) by striking “person, or class of persons” and inserting “individual or entity, or class of individuals or entities”;

(E) by striking paragraph (5);

(F) in paragraph (6), by striking “a person” and inserting “an individual or entity”; and

(G) by redesignating paragraph (6) as paragraph (5).

(4) ADMINISTRATION.—Section 1001A of the Food Security Act of 1985 (7 U.S.C. 1308-1) is amended by adding at the end the following:

“(c) ADMINISTRATION.—

“(1) REVIEWS.—

“(A) IN GENERAL.—During each of fiscal years 2002 through 2006, the Office of Inspector General for the Department of Agriculture shall conduct a review of the administration of the requirements of this section and sections 1001, 1001B, 1001C, and 1001E in at least 6 States.

“(B) MINIMUM NUMBER OF COUNTIES.—Each State review described in subparagraph (A) shall cover at least 5 counties in the State.

“(C) REPORT.—Not later than 90 days after completing a review described in subparagraph (A), the Inspector General for the Department of Agriculture shall issue a final report to the Secretary of the findings of the Inspector General.

“(2) EFFECT OF REPORT.—If a report issued under paragraph (1) reveals that significant problems exist in the implementation of payment limitation requirements of this section and sections 1001, 1001B, 1001C, and 1001E in a State and the Secretary agrees that the problems exist, the Secretary—

“(A) shall initiate a training program regarding the payment limitation requirements; and

“(B) may require that all payment limitation determinations regarding farming operations in the State be issued from the headquarters of the Farm Service Agency.”.

(5) SCHEME OR DEVICE.—Section 1001B of the Food Security Act of 1985 (7 U.S.C. 1308-2) is amended by striking “person” each place it appears and inserting “individual or entity”.

(6) FOREIGN INDIVIDUALS AND ENTITIES.—Section 1001C(b) of the Food Security Act of 1985 (7 U.S.C. 1308-3(b)) is amended in the first sentence by striking “considered a person that is”.

(7) EDUCATION PROGRAM.—Section 1001D(c) of the Food Security Act of 1985 (7 U.S.C. 1308-4(c)) is amended by striking “5 persons” and inserting “5 individuals or entities”.

(8) REPORT TO CONGRESS.—No later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall provide a report to and to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate that describes—

(A) how State and county office employees are trained regarding the payment limitation requirements of section 1001 through 1001E of the Food Security Act of 1985 (7 U.S.C. 1308 through 1308-5);

(B) the general procedures used by State and county office employees to identify potential violations of the payment limitation requirements;

(C) the requirements for State and county office employees to report serious violations of the payment limitation requirements, including violations of section 1001B of that Act to the county committee, higher level officials of the Farm Service Agency, and to the Office of Inspector General; and

(D) the sanctions imposed against State and county office employees who fail to report or investigate potential violations of the payment limitation requirements.

(b) NET INCOME LIMITATION.—The Food Security Act of 1985 is amended by inserting

after section 1001E (7 U.S.C. 1308-5) the following:

**“SEC. 1001F. NET INCOME LIMITATION.**

“Notwithstanding any other provision of title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7201 et seq.), an owner or producer shall not be eligible for a payment or benefit described in paragraphs (1) or (2) of section 1001 for a fiscal or crop year (as appropriate) if the average adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986) of the owner or producer for each of the preceding 3 taxable years exceeds \$2,500,000.”.

(c) FOOD STAMP PROGRAM.—

(1) INCREASE IN BENEFITS TO HOUSEHOLDS WITH CHILDREN.—Section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking paragraph (1) and inserting the following:

“(1) STANDARD DEDUCTION.—

“(A) IN GENERAL.—Subject to the other provisions of this paragraph, the Secretary shall allow for each household a standard deduction that is equal to the greater of—

“(i) the applicable percentage specified in subparagraph (D) of the applicable income standard of eligibility established under subsection (c)(1); or

“(ii) the minimum deduction specified in subparagraph (E).

“(B) GUAM.—The Secretary shall allow for each household in Guam a standard deduction that is—

“(i) equal to the applicable percentage specified in subparagraph (D) of twice the income standard of eligibility established under subsection (c)(1) for the 48 contiguous States and the District of Columbia; but

“(ii) not less than the minimum deduction for Guam specified in subparagraph (E).

“(C) HOUSEHOLDS OF 6 OR MORE MEMBERS.—

The income standard of eligibility established under subsection (c)(1) for a household of 6 members shall be used to calculate the standard deduction for each household of 6 or more members.

“(D) APPLICABLE PERCENTAGE.—For the purpose of subparagraph (A), the applicable percentage shall be—

“(i) 8 percent for each of fiscal years 2002 through 2004;

“(ii) 8.25 percent for each of fiscal years 2005 and 2006;

“(iii) 8.5 percent for each of fiscal years 2007 and 2008;

“(iv) 8.75 percent for fiscal year 2009; and

“(v) 9 percent for each of fiscal years 2010 and 2011.

“(E) MINIMUM DEDUCTION.—The minimum deduction shall be \$134, \$229, \$189, \$269, and \$118 for the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States, respectively.”.

(2) PARTICIPANT EXPENSES.—Section 6(d)(4)(I)(i)(I) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)(I)(i)(I)) is amended by striking “, except that the State agency may limit such reimbursement to each participant to \$25 per month”.

(3) FEDERAL REIMBURSEMENT.—Section 16(h)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(3)) is amended by striking “such total amount shall not exceed an amount representing \$25 per participant per month for costs of transportation and other actual costs (other than dependent care costs) and” and inserting “the amount of the reimbursement for dependent care expenses shall not exceed”.

(4) EFFECTIVENESS OF CERTAIN PROVISIONS.—Section 413 and subsections (c) and (d) of section 433, and the amendments made by section 413 and subsections (c) and (d) of section 433, shall have no effect.

(d) LOAN DEFICIENCY PAYMENTS.—

(1) ELIGIBILITY.—Section 135 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7235) (as amended by section 126(1)) is amended by striking subsection (a) and inserting the following:

“(a) IN GENERAL.—The Secretary may make loan deficiency payments available to—

“(1) producers on a farm that, although eligible to obtain a marketing assistance loan under section 131 with respect to a loan commodity, agree to forgo obtaining the loan for the covered commodity in return for payments under this section; and

“(2) effective only for the 2000 and 2001 crop years, producers that, although not eligible to obtain such a marketing assistance loan under section 131, produce a loan commodity.”.

(2) BENEFICIAL INTEREST.—Section 135(e)(1) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7235(e)) (as amended by section 126(2)) is amended by striking “A producer” and inserting “Effective for the 2001 through 2006 crops, a producer”.

(e) COST OF PRODUCTION INSURANCE.—

(1) IN GENERAL.—Section 523 of the Federal Crop Insurance Act (7 U.S.C. 1523) by adding at the end the following:

“(e) COST OF PRODUCTION INSURANCE PROGRAM.—

“(1) PILOT PROGRAM.—

“(A) IN GENERAL.—During each of the 2003 through 2006 reinsurance years, the Corporation shall carry out a pilot program throughout the United States under which cost of production crop insurance is made available to producers of agricultural commodities.

“(B) PRIORITY.—Subject to subparagraph (C), in carrying out subparagraph (A), the Corporation shall offer coverage on at least—

“(i) for the 2003 reinsurance year, 20 agricultural commodities;

“(ii) for the 2004 and 2005 reinsurance years, in addition to the agricultural commodities described in clause (i), apples, asparagus, blueberries (wild and domestic), cabbage, canola, carrots, cherries, Christmas trees, citrus, cucumbers, dry beans, eggplant, floriculture, grapes, greenhouse and nursery agricultural commodities, green peas, green peppers, hay, lettuce, maple, mushrooms, pears, potatoes, pumpkins, snap beans, spinach, squash, strawberries, sugar beets, and tomatoes; and

“(iii) for the 2006 reinsurance year, in addition to the agricultural commodities described in clauses (i) and (ii), 10 additional commodities, as determined by the Corporation.

“(C) ACREAGE LIMITATION.—For each of the 2003 through 2006 reinsurance years, the Corporation may not extend coverage under this paragraph in excess of 40 percent of the acreage planted to any agricultural commodity included under the pilot program.

“(2) PERMANENT PROGRAM.—For the 2007 and subsequent reinsurance years, the Corporation shall convert the cost of production insurance program into a permanent program unless the Corporation determines that—

“(A) the program could not be conducted on an actuarially sound basis; or

“(B) the expansion of the coverage would cause increased risk for fraud, waste, or abuse of the program.”.

(2) ADDITIONAL PAYMENT OF PREMIUM.—Section 508(e) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)) is amended by adding at the end the following:

“(6) BONUS PAYMENT.—

“(A) IN GENERAL.—Subject to subparagraph (C), in addition to any other payment authorized under this subsection, the Corporation shall pay an additional part of the premium for crop insurance policies described

in subsection (a) as determined by this Corporation for producers that—

- “(i) are small or moderate in size;
- “(ii) adopt innovative risk management strategies and increase the level of coverage;
- “(iii) are producers of a specialty crop and increase the level of coverage; or
- “(iv) are located in an underserved area.

“(B) AMOUNT PER POLICY.—A payment under this paragraph shall not exceed \$850 per crop insurance policy.

“(C) FUNDING LIMITATION.—The amount of funds of the Corporation that may be used to carry out this paragraph may not exceed—

- “(i) \$45,000,000 for fiscal year 2003;
- “(ii) \$50,000,000 for fiscal year 2004; and
- “(iii) \$61,000,000 for fiscal year 2005 and each subsequent fiscal year.

“(D) RESERVE.—

“(i) IN GENERAL.—Subject to clause (ii), of the funds made available to carry out this paragraph, the Corporation shall reserve for payments to producers that obtain cost of production policies described in section 523(e)—

- “(I) \$10,400,000 for fiscal year 2003;
- “(II) \$36,000,000 for fiscal year 2004; and
- “(III) \$50,000,000 for fiscal year 2005.

“(ii) UNUSED FUNDS.—Any funds made reserved under clause (i) that are not obligated by June 1 of the fiscal year shall be used to provide payments to producers that obtain any type of crop insurance made available under this Act.”.

(3) RESEARCH AND DEVELOPMENT FUNDING.—Section 522(e) of the Federal Crop Insurance Act (7 U.S.C. 1522(e)) by striking paragraph (1) and inserting the following:

“(1) REIMBURSEMENTS.—Of the amounts made available from the insurance fund established under section 516(c), the Corporation may use to provide reimbursements under subsection (b) not more than—

- “(A) \$32,000,000 for fiscal year 2002;
- “(B) \$22,500,000 for each of fiscal years 2003 and 2004;
- “(C) \$25,000,000 for fiscal year 2005; and
- “(D) \$15,000,000 for fiscal year 2006 and each subsequent fiscal year.”.

(4) EDUCATION AND INFORMATION FUNDING.—Section 524(a)(4) of the Federal Crop Insurance Act (7 U.S.C. 1524(a)(4)) is amended by striking subparagraph (A) and inserting the following:

“(A) for the education and information program established under paragraph (2)—

- “(i) \$10,000,000 for each of fiscal years 2002 through 2005; and

“(ii) \$5,000,000 for fiscal year 2006 and each subsequent fiscal year; and”.

(5) REPORTS.—

(A) PLAN.—Not later than September 30, 2002, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that contains an implementation plan for this subsection and the amendments made by this subsection.

(B) IMPLEMENTATION.—Not later than 2 years after the date of enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the implementation of this subsection and the amendments made by this subsection.

(f) INITIATIVE FOR FUTURE AGRICULTURE AND FOOD SYSTEMS.—Section 401(b)(1) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621(b)(1)) (as amended by section 401) is amended—

(1) in subparagraph (A), by striking “\$120,000,000” and inserting “\$130,000,000”; and

(2) in subparagraph (B), by striking “\$145,000,000” and inserting “\$225,000,000”.

**SA 2575.** Mr. BINGAMAN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. 1670. RURAL ELECTRONIC COMMERCE EXTENSION PROGRAM.**

(a) FINDINGS.—Congress finds that—

(1) electronic commerce sales in 1998 were approximately \$100,000,000,000 and are expected to reach \$1,300,000,000,000 by 2003;

(2) electronic commerce presents an enormous opportunity and challenge for small businesses, especially businesses in rural areas;

(3) while infrastructure for electronic commerce is growing rapidly in rural areas, small businesses will not be able to take advantage of the new technology without assistance;

(4) while electronic commerce will give businesses new markets and new ways of doing business, many small businesses in rural areas will have difficulty adopting appropriate electronic commerce business practices and technologies;

(5) the United States has an interest in ensuring that small businesses in rural areas participate in electronic commerce, to encourage success of the businesses, and to promote productivity and economic growth throughout the economy of the United States; and

(6) an electronic commerce extension program should be established using the nationwide county-based infrastructure within the Cooperative Extension Service to help small businesses throughout the United States to identify, adapt, adopt, and use electronic commerce business practices and technologies.

(b) PURPOSE.—The purpose of this section is to establish within the Cooperative State Research, Education, and Extension Service of the Department of Agriculture a rural electronic commerce extension program for small businesses and microenterprises in rural areas of the United States.

(c) PROGRAM.—Subtitle H of title XVI of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5921 et seq.) is amended by adding after section 1669 the following:

**SEC. 1670. RURAL ELECTRONIC COMMERCE EXTENSION PROGRAM.**

“(a) DEFINITIONS.—In this section:

“(1) DEVELOPMENT CENTER.—The term ‘development center’ means—

“(A) the North Central Regional Center for Rural Development;

“(B) the Northeast Regional Center for Development;

“(C) the Southern Rural Development Center; and

“(D) the New Mexico State University Cooperative Extension Service, working in cooperation with the Western Rural Development Center.

“(2) EXTENSION PROGRAM.—The term ‘extension program’ means the rural electronic commerce extension program established under subsection (b).

“(3) MICROENTERPRISE.—The term ‘microenterprise’ means a commercial enterprise

that has 5 or fewer employees, 1 or more of whom owns the enterprise.

“(4) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture, acting through the Administrator of the Cooperative State Research, Education, and Extension Service.

“(5) SMALL BUSINESS.—The term ‘small business’ has the meaning given the term ‘small-business concern’ by section 3(a) of the Small Business Act (15 U.S.C. 632(a)).

“(b) ESTABLISHMENT.—The Secretary shall establish a rural electronic commerce extension program to—

“(1) expand and enhance electronic commerce practices and technology to be used by small businesses and microenterprises in rural areas;

“(2) disseminate information and expertise through a cooperative extension service clearinghouse system in rural areas;

“(3) disseminate management, scientific, engineering, and technical information to small businesses in rural areas through the extension program; and

“(4) use, when appropriate, the expertise, technology, and capabilities of other institutions and organizations, including—

“(A) State and local governments;

“(B) Federal departments and agencies;

“(C) institutions of higher education;

“(D) nonprofit organizations;

“(E) small businesses and microenterprises that have experience in electronic commerce practice and technology; and

“(F) the development centers.

“(c) ADMINISTRATION.—

“(1) IN GENERAL.—In carrying out this section, the Secretary shall—

“(A) provide leadership, support, and coordination for the extension programs;

“(B) establish policies, practices, and procedures to assist rural communities in the adoption and use of electronic commerce techniques;

“(C) identify and strengthen existing mechanisms designed to assist rural areas in the adoption and use of electronic commerce techniques;

“(D) provide grants to fund projects and activities under the extension program; and

“(E) establish a clearinghouse system for States, communities, and businesses to obtain information on best practices, technology transfer, training, education, adoption, and use of electronic commerce in rural areas.

“(2) OFFICE OF RURAL ELECTRONIC COMMERCE.—The Secretary shall establish, in the Cooperative State Research, Education, and Extension Service, an Office of Rural Electronic Commerce to assist in carrying out this section.

“(d) GRANTS.—

“(1) IN GENERAL.—The Secretary shall carry out a program under which—

“(A) funds are distributed to each of the development centers to—

“(i) assemble regional expertise, and develop innovative education programs, that may be adapted and refined by State extension programs;

“(ii) train State-based cooperative extension agents to deliver rural electronic commerce education programs; and

“(iii) establish networks among universities, local governments, and private industries to focus on regional economic issues; and

“(B) competitive grants are made to cooperative extension service programs at land-grant colleges and universities (or consortia of land-grant colleges and universities)—

“(i) to develop and facilitate nationally innovative rural electronic commerce business strategies; and

“(ii) to assist small businesses and micro-enterprises in identifying, adapting, implementing, and using electronic commerce business practices and technologies.

“(2) ELIGIBILITY.—

“(A) CRITERIA.—

“(i) IN GENERAL.—The Secretary, shall—

“(I) establish criteria for the submission, evaluation, and funding of applications for grants to carry out projects and activities under the extension program; and

“(II) evaluate, rank, and select grant applications described in subclause (I) on the basis of the selection criteria.

“(ii) FACTORS.—The selection criteria established under clause (i) shall include—

“(I) the ability of an applicant to provide training and education on best practices, technology transfer, adoption, and use of electronic commerce in rural communities by small business and microenterprise;

“(II) the quality of the service to be provided by a proposed project or activity under the extension program;

“(III) the extent and geographic diversity of the area served by the proposed project or activity under the extension program;

“(IV) the extent of participation of land-grant colleges and universities in the extension program (including any economic benefits that would result from that participation);

“(V) the percentage of funding and in-kind commitments from non-Federal sources that would be needed by and available for a proposed project or activity under the extension program; and

“(VI) the extent of participation of low-income and minority businesses or microenterprises in a proposed project or activity under the extension program.

“(B) APPLICATION.—As a condition of being considered for the receipt of funds under this section, an applicant shall submit to the Secretary an application that meets the criteria established under subparagraph (A)(i)(I).

“(C) NON-FEDERAL SHARE.—

“(i) IN GENERAL.—As a condition of the receipt of funds under this section, an applicant shall agree to obtain from non-Federal sources (including State, local, nonprofit, or private sector sources) contributions of—

“(I) except as provided in clause (iii), during each of the years in which the extension program receives funding under subsection (g), 50 percent of the estimated capital and annual operating and maintenance costs of the extension program; and

“(II) after expiration of the initial funding period specified in subclause (I), 100 percent of the estimated capital and annual operating and maintenance costs of the extension program.

“(ii) FORM.—The non-Federal share required under clause (i)(I) may be provided in the form of in-kind contributions.

“(iii) EXCEPTION.—The non-Federal share required under clause (i)(I) may be reduced to 25 percent of the estimated capital and annual operating and maintenance costs of the extension program if the grant recipient serves low-income or minority-owned businesses or microenterprises, as determined by the Secretary.

“(3) LIMITATION ON AMOUNT OF FUNDS AWARDED.—

“(A) INDIVIDUAL LAND-GRANT COLLEGES AND UNIVERSITIES.—A land-grant college or university shall not receive funds under this section in an amount that exceeds \$900,000.

“(B) CONSORTIA OF LAND-GRANT COLLEGES AND UNIVERSITIES.—With respect to a consortium of land-grant colleges and universities that receives funds under this section—

“(i) the total amount of the funds awarded to the consortium shall not exceed the product obtained by multiplying—

“(I) \$900,000; by

“(II) the number of land-grant colleges and universities comprising the consortium; and

“(ii) each land-grant college or university that is a member of the consortium shall receive an equal percentage of the total amount of funds awarded.

“(4) SELECTION.—At least once every 180 days, the Secretary shall evaluate, prioritize, and fund applications for proposed projects and activities under the extension program using the criteria established under paragraph (2)(A)(i)(I).

“(e) EVALUATION.—

“(i) IN GENERAL.—Not later than 1 year after a project or activity under the extension program is funded by a grant under this section, the evaluation panel established under paragraph (2)(A) shall evaluate the project or activity.

“(2) EVALUATION PANEL.—

“(A) IN GENERAL.—Not later than 30 days after the date of enactment of this section, the Secretary shall establish an evaluation panel to—

“(i) establish criteria for evaluating projects and activities under the extension program; and

“(ii) using the criteria established under clause (i), evaluate the projects and activities.

“(B) COMPOSITION.—The evaluation panel shall be composed of—

“(i) appropriate Federal, State, local government, and land-grant college or university officials, as determined by the Secretary; and

“(ii) private individuals with expertise in electronic commerce, technology, or small business, as determined by the Secretary.

“(3) CRITERIA.—The evaluation panel shall evaluate projects and activities under the extension program using criteria established by the Secretary that assess the efficiency and efficacy of the extension program.

“(4) ASSISTANCE FROM GRANT RECIPIENTS.—A recipient of a grant under this section shall, to the maximum extent practicable, provide to the evaluation panel such materials as the evaluation panel may request to assist in the evaluation of any project or activity carried out by the recipient under the extension program.

“(f) REPORT.—Not later than 2 years after the date of enactment of this section, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

“(1) the policies, practices, and procedures used to assist rural communities in efforts to adopt and use electronic commerce techniques;

“(2) the clearinghouse system for States, communities, small businesses, and individuals established to obtain information regarding best practices, technology transfer, training, education, adoption, and use of electronic commerce in rural areas; and

“(3) the criteria used for the submission, evaluation, and funding of projects and activities under the extension program.

“(g) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There is authorized to be appropriated to carry out this section \$60,000,000 for each of fiscal years 2002 through 2006, of which \$20,000,000 for each fiscal year shall be made available to carry out activities under subsection (d)(1)(A).

“(2) ADMINISTRATIVE COSTS.—The Secretary may use not more than 2 percent of the funds made available under paragraph (1) to pay administrative costs incurred in carrying out this section.”

—

SA 2576. Mr. DASCHLE (for himself and Mr. LUGAR) submitted an amend-

ment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike the period at the end of section 1021 and insert a period and the following:

**SEC. 1022. ASSISTANT SECRETARY OF AGRICULTURE FOR CIVIL RIGHTS.**

(a) IN GENERAL.—Section 218 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6918) is amended by adding at the end the following:

“(f) ASSISTANT SECRETARY OF AGRICULTURE FOR CIVIL RIGHTS.—

“(1) DEFINITION OF SOCIALLY DISADVANTAGED FARMER OR RANCHER.—In this subsection, the term ‘socially disadvantaged farmer or rancher’ has the meaning given the term in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)).

“(2) ESTABLISHMENT OF POSITION.—The Secretary shall establish within the Department the position of Assistant Secretary of Agriculture for Civil Rights.

“(3) APPOINTMENT.—The Assistant Secretary of Agriculture for Civil Rights shall be appointed by the President, by and with the advice and consent of the Senate.

“(4) DUTIES.—The Assistant Secretary of Agriculture for Civil Rights shall—

“(A) enforce and coordinate compliance with all civil rights laws and related laws—

“(i) by the agencies of the Department; and

“(ii) under all programs of the Department (including all programs supported with Department funds);

“(B) ensure that—

“(i) the Department has measurable goals for treating customers and employees fairly and on a nondiscriminatory basis; and

“(ii) the goals and the progress made in meeting the goals are included in—

“(I) strategic plans of the Department; and

“(II) annual reviews of the plans;

“(C) ensure the compilation and public disclosure of data critical to assessing Department civil rights compliance in achieving on a nondiscriminatory basis participation of socially disadvantaged farmers and ranchers in programs of the Department on a non-discriminatory basis;

“(D) hold Department agency heads and senior executives accountable for civil rights compliance and performance; and

“(E) assess performance of Department agency heads and senior executives on the basis of success made in those areas;

“(F) ensure, to the maximum extent practicable—

“(i) a sufficient level of participation by socially disadvantaged farmers and ranchers in deliberations of county and area committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)); and

“(ii) that participation data and election results involving the committees are made available to the public; and

“(F) perform such other functions as may be prescribed by the Secretary.”

(b) COMPENSATION.—Section 5315 of title 5, United States Code, is amended by striking “Assistant Secretaries of Agriculture (2)” and inserting “Assistant Secretaries of Agriculture (3)”.

(c) CONFORMING AMENDMENTS.—Section 296(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)) is amended—

(1) in paragraph (3), by striking “or” at the end;

(2) in paragraph (4), by striking the period at the end and inserting “; or”; and

(3) by adding at the end the following:

“(5) the authority of the Secretary to establish within the Department the position of Assistant Secretary of Agriculture for Civil Rights under section 218(f).”.

**SA 2577.** Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike the period at the end of section 164 and insert a period and the following:

**SEC. 165. RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND.**

“(a) DEFINITION OF AGRICULTURAL COMMODITY.—In this section:

“(1) IN GENERAL.—The term ‘agricultural commodity’ has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

“(2) EXCLUSIONS.—The term ‘agricultural commodity’ does not include forage, livestock, timber, forest or hay.

“(b) COMMODITIES.—

“(1) IN GENERAL.—Notwithstanding any other provision of this title, except as provided in paragraph (2), the Secretary shall not provide a payment, loan, or other benefit under this title to an owner or producer, with respect to land or a loan commodity planted or considered planted on land during a crop year unless the land has been planted, considered planted, or devoted to an agricultural commodity during—

“(A) at least 1 of the 5 crop years preceding the 2002 crop year; or

“(B) at least 3 of the 10 crop years preceding the 2002 crop year.

“(2) CROP ROTATION.—Paragraph (1) shall not apply to an owner or producer, with respect to any agricultural commodity planted or considered planted, on land if the land—

“(A) has been planted, considered planted, or devoted to an agricultural commodity during at least 1 of the 20 crop years preceding the 2002 crop year; and

“(B) has been maintained using long-term crop rotation practices, as determined by the Secretary.

“(c) CONSERVATION RESERVE LAND.—For purposes of this section, land that is enrolled in the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) shall be considered planted to an agricultural commodity.”.

**SA 2578.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to en-

sure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 128, line 8, insert the following:

**Subtitle F—Miscellaneous Commodity Provision**

**SEC. 166. AGRICULTURAL PRODUCERS SUPPLEMENTAL PAYMENTS AND ASSISTANCE.**

(a) IN GENERAL.—The Secretary of Agriculture may use such funds of the Commodity Credit Corporation as are necessary to provide payments and assistance under Public Law 107-25 (115 Stat. 201) to persons that (as determined by the Secretary)—

(1) are eligible to receive the payments or assistance; but

(2) did not receive the payments or assistance because the Secretary failed to carry out Public Law 107-25 in a timely manner.

(b) LIMITATION.—The amount of payments or assistance provided under Public Law 107-25 and this section to an eligible person described in subsection (a) shall not exceed the amount of payments or assistance the person would have been eligible to receive if Public Law 107-25 had been implemented in a timely manner.

**SA 2579.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 492, line 13 insert the following section:

“(c) LIVESTOCK.—Section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)) (as amended by section 637(a)) is amended by adding at the end of the following:

“(14) LIVESTOCK.—The term ‘livestock’ includes horses.”.

**SA 2580.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 492, line 13 insert the following section:

“(c) LIVESTOCK.—The term ‘livestock’ includes horses.”.

**SA 2581.** Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 205, line 12, strike section 212(d) and insert the following:

(d) DURATION OF CONTRACTS; HARDWOOD TREES.—Section 1231(e) of the Food Security Act of 1985 (16 U.S.C. 3831(e)) is amended—

(1) in paragraph (1), by striking “shall enter into contracts of not less than 10, nor more than 15, years.” and inserting the following: “may enter into contracts—

“(A) for land enrolled in the conservation reserve program that is not covered by a hardwood tree contract, covering not to exceed 3,000,000 acres, for 30 or more years; and

“(B) covering any remaining acreage, with terms of not less than 10, nor more than 15, years.”; and

(2) in paragraph (2)—

(A) by striking “In the” and inserting the following:

“(A) IN GENERAL.—In the”; and

“(B) EXISTING HARDWOOD TREE CONTRACTS.—The Secretary”; and

(C) by adding at the end the following:

“(C) EXTENSION OF HARDWOOD TREE CONTRACTS.—

“(i) IN GENERAL.—In the case of land devoted to hardwood trees under a contract entered into under this subchapter before the date of enactment of this sub-paragraph, the Secretary may extend the contract for a term of not more than 15 years.

“(ii) BASE PAYMENTS.—The amount of a base payment for a contract extended under clause (i)—

“(I) shall be determined by the Secretary; but

“(II) shall not exceed 50 percent of the base payment that was applicable to the contract before the contract was extended.”.

**SA 2582.** Mr. KYL submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 258, strike lines 6 through 9 and insert the following:

“water rights on a permanent basis;

“(B) implement the program in accordance with the purposes of such laws described in subparagraph (A) as are applicable; and

“(C) comply with—

“(i) all interstate compacts, court decrees, and Federal or State laws (including regulations) that may affect water or water rights; and

“(ii) all procedural and substantive State water law.”.

**SA 2583.** Mr. BREAUX (for himself and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 937, strike line 17 and insert the following:

**SEC. 1011. SWEET POTATO CROP INSURANCE.**

Section 508(a)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)(2)) is amended in

the first sentence by striking “tobacco and potatoes,” and inserting “tobacco, potatoes, and sweet potatoes.”

**SEC. 1012. CONTINUOUS COVERAGE.**

**SA 2584.** Mr. BREAUX (for himself, Ms. LANDRIEU, and Mrs. LINCOLN) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 39, strike line 18 and all that follows through page 40, line 8, and insert the following:

“(e) BENEFICIAL INTEREST.—For any of the 2001 through 2006 crops, if a producer eligible for a payment under subsection (a) loses beneficial interest in the loan commodity, the producer shall be eligible for the payment determined as of the date on which the producer lost beneficial interest in the loan commodity, as determined by the Secretary.”

**SA 2585.** Mr. HARKIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 125, between lines 4 and 5, insert the following:

**SEC. 1. MARKET LOSS ASSISTANCE FOR APPLE PRODUCERS.**

(a) IN GENERAL.—Of the funds made available to carry out section 191 of the Federal Agriculture Improvement and Reform Act of 1996 (as amended by section 163), the Secretary of Agriculture shall use \$25,000,000 for each of fiscal years 2002 through 2005 to make payments, as soon as practicable after the date of enactment of this Act, to apple producers to provide relief for the loss of markets during the 2000 crop year.

**(b) PAYMENT QUANTITY.—**

(1) IN GENERAL.—Subject to paragraph (2), the payment quantity of apples for which the producers on a farm are eligible for payments under this section shall be equal to the quantity of the 2000 crop of apples produced by the producers on the farm.

(2) MAXIMUM QUANTITY.—The payment quantity of apples for which the producers on a farm are eligible for payments under this section shall not exceed 5,000,000 pounds of apples produced on the farm.

(c) LIMITATIONS.—Subject to subsection (b)(2), the Secretary shall not establish a payment limitation, or gross income eligibility limitation, with respect to payments made under this section.

(d) APPLICABILITY.—This section applies only with respect to the 2000 crop of apples and producers of that crop.

**SA 2586.** Mr. HARKIN submitted an amendment intended to be proposed to

amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 12, line 22, strike “mohair.”

On page 37, strike lines 1 through 12 and insert the following:

“(12) in the case of nongraded wool (including unshorn pelts), \$40 per pound;

“(13) in the case of honey, \$.60 per pound;

“(14) in the case of dry peas, \$6.78 per hundredweight;

“(15) in the case of lentils, \$12.79 per hundredweight;

“(16) in the case of large chickpeas, \$17.44 per hundredweight; and

“(17) in the case of small chickpeas, \$8.10 per hundredweight.

On page 59, line 2, strike “Promotion” and insert “Production”.

On page 70, strike lines 4 through 10 and insert the following:

(h) SUBSTITUTABILITY OF SUGAR.—Section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7251) is amended—

(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following:

“(i) SUBSTITUTION OF REFINED SUGAR.—For purposes of Additional U.S. Note 6 to chapter 17 of the Harmonized Tariff Schedule of the United States and the reexport programs and polyhydric alcohol program administered by the Foreign Agricultural Service of the Department of Agriculture, all refined sugars (whether derived from sugar beets or sugarcane) produced by cane sugar refineries and beet sugar processors shall be fully substitutable for the export of sugar in refined form or in sugar containing products.”

(i) CROPS.—Subsection (j) of section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7251) (as redesignated by subsection (h)(1)) is amended—

(1) by striking “(other than subsection (f))”; and

(2) by striking “2002” and inserting “2006”.

(j) INTEREST RATE.—Section 163 of the Federal Ag-

On page 86, strike lines 8 through 11 and insert the following:

“(III) LIMITATIONS.—The allotment for a new processor under this clause shall not exceed—

“(aa) in the case of the first fiscal year of operation of a new processor, 50,000 short tons (raw value); and

“(bb) in the case of each subsequent fiscal year of operation of the new processor, a quantity established by the Secretary in accordance with subclause (I).

“(IV) NEW ENTRANT STATES.—

“(aa) IN GENERAL.—Notwithstanding subparagraphs (A) and (C) of section 359c(e)(3), to accommodate an allocation under subclause (I) to a new processor located in a new entrant mainland State, the Secretary may provide the new entrant mainland State with an allotment to accommodate the allocation of the new entrant processor.

“(bb) EFFECT ON OTHER ALLOTMENTS.—The allotment to the new entrant State shall be subtracted, on a pro rata basis, from the allotments otherwise allotted to each mainland State under section 359c(e)(3).

On page 86, line 20, strike “or successor in interest,” and insert “successor in interest,

or any remaining processor of an affiliated entity.”

On page 93, strike lines 3 through 7 and insert the following:

(2) Part VII of subtitle B of title III of the Agricultural Adjustment Act of 1938 (as amended by subsection (a)) is amended by inserting before section 359b (7 U.S.C. 1359bb) the following:

**“SEC. 359a. DEFINITIONS.**

On page 94, strike lines 6 through 8 and insert the following:

(4) Section 359j of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359jj) is amended—

(A) in subsection (b), by striking “sections 359a through 359i” and inserting “this part”; and

(B) by striking subsection (c).

On page 97, lines 11 and 12, strike “Except as provided in paragraph (3), the” and insert “The”.

Beginning on page 97, strike line 24 and all that follows through page 98, line 12, and insert the following:

“(3) SELECTION BY PRODUCER.—If a county in which a historical peanut producer described in paragraph (2) is located is declared a disaster area during 1 or more of the 4 crop years described in paragraph (2), for purposes of determining the 4-year average yield for the historical peanut producer, the historical peanut producer may elect to substitute, for not more than 1 of the crop years during which a disaster is declared—

“(A) the State 4-year average yield of peanuts produced in the State; or

“(B) the average yield for the historical peanut producer determined by the Secretary under paragraph (1).

On page 116, strike lines 7 through 15 and insert the following:

“(a) OFFICIAL INSPECTION.—All peanuts placed under a marketing assistance loan under section 158G or otherwise sold or marketed shall be officially inspected and graded by a Federal or State inspector.

On page 126, line 21, strike “contract commodities” and insert “loan commodities (other than wool and honey)”.

On page 126, line 22, strike “and mohair”.

On page 128, between lines 8 and 9, insert the following:

**SEC. 166. COMMODITY CREDIT CORPORATION INVENTORY.**

Section 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) is amended in the last sentence by inserting before the period at the end the following: “(including, at the option of the Corporation, the use of private sector entities)”.

Beginning on page 130, strike line 22 and all that follows through page 131, line 2.

On page 131, line 3, strike “(9)” and insert “(8)”.

On page 131, line 7, strike “(10)” and insert “(9)”.

On page 131, line 20, strike “(11)” and insert “(10)”.

On page 132, line 10, strike “(12)” and insert “(11)”.

On page 132, line 13, strike “(13)” and insert “(12)”.

On page 133, line 4, strike “(14)” and insert “(13)”.

On page 133, line 12, strike “(15)” and insert “(14)”.

On page 133, line 20, strike “(16)” and insert “(15)”.

On page 133, line 23, strike “(17)” and insert “(16)”.

On page 134, line 3, strike “(18)” and insert “(17)”.

On page 134, line 7, strike “(19)” and insert “(18)”.

On page 134, line 11, strike “(20)” and insert “(19)”.

On page 134, line 15, strike "(21)" and insert "(20)".

On page 134, line 19, strike "(22)" and insert "(21)".

On page 138, line 13, strike "to eligible" and insert "to all eligible".

On page 148, line 11, insert "management of" before "conservation".

On page 151, line 9, insert "for the entire agricultural operation" before the semi-colon.

On page 151, line 11, insert "management of" before "conservation".

On page 152, line 1, insert "AND REQUIREMENTS" after "PRACTICES".

On page 152, line 2, insert "and requirements" after "practices".

On page 153, line 8, insert "as described in subsection (b)(2)(B)" before the period.

On page 154, line 2, insert "management of" before "conservation".

On page 155, strike lines 15 through 20 and insert the following:

"(A) determined by the State conservationist, in consultation with the State technical committee established under subtitle G and the local subcommittee of the State technical committee; and

"(B) approved by the Secretary.

On page 160, line 7, strike "the" and insert "applicable".

On page 166, line 9, strike "purposes" and insert "objectives".

On page 166, line 15, insert "local" before "conservation".

On page 177, line 13, insert "education and outreach, and monitoring and evaluation" after "assistance".

On page 220, lines 24 and 25, strike "facility," and insert "facility (including a methane recovery system)".

On page 230, line 17, strike "(a) IN GENERAL".

On page 286, line 23, strike the quotation marks at the end.

On page 288, line 12, insert "(b)" after "1623".

On page 288, line 17, strike "1964" and insert "1946".

On page 290, line 8, insert "that are located east of the 98th meridian" before the period.

On page 331, line 6, strike "a certification of" and insert "evidence of".

On page 331, strike lines 16 through 25 and insert the following:

"(A) submit a single proposal for 1 or more countries in which the certified institutional partner has already demonstrated organizational capacity; and

"(B) receive expedited review of the proposal."

On page 334, strike lines 9 through 17 and insert the following:

#### SEC. 305. FOOD AID CONSULTATIVE GROUP.

Section 205(f) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1725(f)) is amended by striking "2002" and inserting "2006".

On page 335, line 22, add "and" at the end.

On page 335, strike lines 23 through 26.

On page 336, strike "(4)" and insert "(3)".

Beginning on page 337, strike line 11 and all that follows through page 338, line 5, and insert the following:

#### SEC. 309. SALE PROCEDURE.

Section 403 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1733) is amended—

(1) in subsection (b)—

(A) by striking "The Secretary" and inserting the following:

"(1) IN GENERAL.—In carrying out this Act, the Secretary"; and

(B) by adding at the end the following:

"(2) CURRENCIES.—Sales of commodities described in paragraph (1) may be in United States dollars or in a different currency.";

(2) in subsection (e)—

(A) by striking "In carrying" and inserting the following:

"(1) IN GENERAL.—In carrying"; and

(B) by adding at the end the following:

"(2) SALE PRICE.—Sales of commodities de-

scribed in paragraph (1) shall be made at a reasonable market price in the economy where the commodity is to be sold, as determined by the Secretary or the Administrator, as appropriate.;" and

(3) by adding at the end the following:

"(1) SALE PROCEDURE.—Subsections (b)(2) and (e)(2) shall apply to sales of commodities in recipient countries to generate proceeds to carry out projects under—

"(1) section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)); and

"(2) title VIII of the Agricultural Trade Act of 1978.".

On page 340, line 1, insert "JOHN OGONOWSKI" before "FARMER-TO-FARMER PROGRAM".

On page 340, line 12, strike "180" and insert "180 days".

On page 340, line 13, strike "360" and insert "12 months".

Beginning on page 349, strike line 13 and all that follows through page 350, line 13, and insert the following:

"(a) IN GENERAL.—There are established the Food for Progress Program and the International Food for Education and Nutrition Program through which eligible commodities are made available to eligible organizations to carry out programs of assistance in developing countries.

"(b) FOOD FOR PROGRESS PROGRAM.—

"(1) IN GENERAL.—To provide agricultural commodities to support the introduction or expansion of free trade enterprises in national economies and to promote food security in recipient countries, the Secretary shall establish the Food for Progress Program, under which the Secretary may enter into agreements (including multiyear agreements and agreements for programs in more than 1 country) with entities described in paragraph (2).

"(2) ENTITIES.—The Secretary may enter into agreements under paragraph (1) with—

"(A) the governments of emerging agricultural countries;

"(B) private voluntary organizations;

"(C) nonprofit agricultural organizations and cooperatives;

"(D) nongovernmental organizations; and

"(E) other private entities.

"(3) CONSIDERATIONS.—In determining whether to enter into an agreement to establish a program under paragraph (1), the Secretary shall take into consideration whether an emerging agricultural country is committed to carrying out, or is carrying out, policies that promote—

"(A) economic freedom;

"(B) private production of food commodities for domestic consumption; and

"(C) the creation and expansion of efficient domestic markets for the purchase and sale of those commodities.

On page 350, strike line 18.

On page 352, between lines 19 and 20, insert the following:

"(6) ELIGIBLE COSTS.—Subject to paragraphs (2) and (7), the Secretary shall pay all or part of—

"(A) the costs and charges described in paragraphs (1) through (5) and (7) of section 406(b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1736(b)) with respect to an eligible commodity;

"(B) the internal transportation, storage, and handling costs incurred in moving the eligible commodity, if the Secretary determines that—

"(i) payment of the costs is appropriate; and

"(ii) the recipient country is a low income, net food-importing country that—

"(I) meets the poverty criteria established by the International Bank for Reconstruction and Development for Civil Works Preference; and

"(II) has a national government that is committed to or is working toward, through a national action plan, the World Declaration on Education for All convened in 1990 in Jomtien, Thailand, and the followup Dakar Framework for Action of the World Education Forum in 2000; and

"(C) the projected costs of an eligible organization for administration, sales, monitoring, and technical assistance under an agreement under paragraph (2) (including an itemized budget), taking into consideration, as determined by the Secretary—

"(i) the projected amount of such costs itemized by category; and

"(ii) the projected amount of assistance to be received from other donors.

"(7) FUNDING.—

"(A) COMMODITY CREDIT CORPORATION.—

"(i) IN GENERAL.—Subject to clause (ii), the Secretary may use the funds, facilities, and authorities of the Corporation to carry out this subsection.

"(ii) LIMITATION.—Not more than \$150,000,000 for each of fiscal years 2002 through 2005 shall be used to carry out this subsection.

"(B) USE LIMITATIONS.—Of the funds made available under subparagraph (A), the Secretary may use to carry out paragraph (6)(C) not more than \$20,000,000 for each of fiscal years 2002 through 2005.

"(C) REALLOCATION.—Funds not allocated under this subsection by April 30 of a fiscal year shall be made available for proposals submitted under the Food for Progress Program under subsection (b).

On page 352, line 20, strike "(6)" and insert "(8)".

On page 354, between lines 4 and 5, insert the following:

"(4) MULTIYEAR AGREEMENTS.—In carrying out this title, on request and subject to the availability of commodities, the Secretary is encouraged to approve agreements that provide for commodities to be made available for distribution on a multiyear basis, if the agreements otherwise meet the requirements of this title.

On page 355, lines 13 and 14, strike "in subsection (h)(2)(C)(i)" and insert "under this title".

On page 356, line 14, strike "a certification of" and insert "evidence of".

On page 357, strike lines 1 through 18 and insert the following:

"(i) submit a single proposal for 1 or more countries in which the certified institutional partner has already demonstrated organizational capacity; and

"(ii) receive expedited review of the proposal.

On page 358, line 11, strike "nearby to" and insert "near".

Beginning on page 358, strike line 21 and all that follows through page 359, line 2, and insert the following:

"(C) HUMANITARIAN OR DEVELOPMENT PURPOSES.—The Secretary may authorize the use of proceeds or exchanges to pay the costs incurred by an eligible organization under this title for—

On page 363, lines 8 and 9, strike "paragraphs (6) through (8)" and insert "paragraphs (5) through (7)".

On page 363, strike lines 12 through 15 and insert the following:

"(2) MINIMUM TONNAGE.—Subject to paragraph (6)(B), not less than 400,000 metric tons of commodities may be provided under this title for the program established under subsection (b) for each of fiscal years 2002 through 2006.

On page 363, line 19, strike “this title” and insert “the program established under subsection (b)’’.

On page 363, line 22, strike “(7)(B)” and insert “(6)(B)’’.

On page 364, lines 1 and 2, strike “this section” and all that follows through the period and insert “the program established under subsection (b)’’.

On page 364, strike lines 3 through 14.

On page 364, line 15, strike “(6)” and insert “(5)’’.

On page 364, line 21, strike “(7)” and insert “(6)’’.

On page 364, line 24, strike “this title” and insert “the program established under subsection (b)’’.

Beginning on page 366, strike line 6 and all that follows through page 367, line 6.

On page 367, line 7, strike “(viii)” and insert “(vi)’’.

On page 367, line 10, strike “(ix)” and insert “(vii)’’.

On page 367, line 11, strike “(viii)” and insert “(vi)’’.

On page 367, strike lines 18 through 23 and insert the following:

“(B) FUNDING.—Except for costs described in clauses (i) through (iii) of subparagraph (A), unless authorized in advance in an appropriations Act or reallocated under paragraph (7)(C)—

“(i) not more than \$55,000,000 of funds that would be available to carry out paragraph (2) may be used to cover costs under clauses (iv), (v), and (vi) of subparagraph (A); and

“(ii) of the amount provided under clause (i), not more than \$12,000,000 shall be made available to cover costs under subparagraph (A)(vi).

On page 367, line 24, strike “(8)” and insert “(7)’’.

On page 368, line 5, strike “(7)(A)(ix)(I)” and insert “(6)(A)(vii)(I)’’.

On page 373, strike lines 24 and 25 and insert the following:

(B) by striking “other than the country of origin”— and all that follows and inserting “other than the country of origin, for the purpose of carrying out programs under this subsubsection.”.

On page 375, lines 3 and 4, strike “a certification of” and insert “evidence of”.

On page 375, strike lines 14 through 23 and insert the following:

“(A) submit a single proposal for 1 or more countries in which the certified institutional partner has already demonstrated organizational capacity; and

“(B) receive expedited review of the proposal.”.

On page 404, between lines 7 and 8, insert the following:

#### SEC. 425. REDEMPTION OF BENEFITS THROUGH GROUP LIVING ARRANGEMENTS.

Section 10 of the Food Stamp Act of 1977 (7 U.S.C. 2019) is amended by inserting after the first sentence the following: “Notwithstanding the preceding sentence, a center, organization, institution, shelter, group living arrangement, or establishment described in that sentence may be authorized to redeem coupons through a financial institution described in that sentence if the center, organization, institution, shelter, group living arrangement, or establishment is equipped with 1 or more point-of-sale devices and is operating in an area in which an electronic benefit transfer system described in section 7(i) has been implemented.”.

On page 404, line 8, strike “425” and insert “426”.

On page 404, line 21, strike “426” and insert “427”.

On page 408, line 1, strike “427” and insert “428”.

On page 408, line 18, strike “428” and insert “429”.

On page 411, line 3, strike “429” and insert “430”.

On page 411, line 12, strike “430” and insert “431”.

Beginning on page 416, strike line 11 and all that follows through page 418, line 11, and insert the following:

#### (10) ADJUSTMENTS OF PAYMENT ERROR RATE.—

##### “(A) IN GENERAL.—

“(i) ADJUSTMENT FOR HIGHER PERCENTAGE OF HOUSEHOLDS WITH EARNED INCOME.—With respect to fiscal year 2002 and each fiscal year thereafter, in applying paragraph (1), the Secretary shall adjust the payment error rate determined under paragraph (2)(A) as necessary to take into account any increases in errors that result from the State agency’s having a higher percentage of participating households that have earned income than the lesser of—

“(I) the percentage of participating households in all States that have earned income; or

“(II) the percentage of participating households in the State in fiscal year 1992 that had earned income.

##### “(ii) ADJUSTMENT FOR HIGHER PERCENTAGE OF HOUSEHOLDS WITH NONCITIZEN MEMBERS.—With respect to fiscal year 2002 and each fiscal year thereafter, in applying paragraph (1), the Secretary shall adjust the payment error rate determined under paragraph (2)(A) as necessary to take into account any increases in errors that result from the State agency’s having a higher percentage of participating households that have 1 or more members who are not United States citizens than the lesser of—

“(I) the percentage of participating households in all States that have 1 or more members who are not United States citizens; or

“(II) the percentage of participating households in the State in fiscal year 1998 that had 1 or more members who were not United States citizens.

##### “(B) ADDITIONAL ADJUSTMENTS.—For

On page 418, line 22, strike “431” and insert “432”.

On page 419, line 12, strike “432” and insert “433”.

On page 419, line 16, strike “430(a)(6)” and insert “431(a)(6)”.

On page 425, line 1, strike “433” and insert “434”.

Beginning on page 427, strike line 23 and all that follows through page 428, line 5, and insert the following:

(c) PARTICIPANT EXPENSES.—Section 6(d)(4)(I)(I) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)(I)(I)) is amended by striking “except that the State agency may limit such reimbursement to each participant to \$25 per month” and inserting “except that, in the case of each of fiscal years 2002 through 2009, the State agency may limit such reimbursement to each participant to \$50 per month”.

(d) FEDERAL REIMBURSEMENT.—Section 16(h)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(3)) is amended by striking “except that such total amount shall not exceed an amount representing \$25 per participant per month” and inserting “except that, in the case of each of fiscal years 2002 through 2009, such total amount shall not exceed an amount representing \$50 per participant per month”.

On page 428, line 9, strike “434” and insert “435”.

On page 429, line 7, strike “435” and insert “436”.

On page 429, line 21, strike “436” and insert “437”.

On page 430, line 8, strike “437” and insert “438”.

On page 436, line 9, strike “438” and insert “439”.

On page 438, after line 24, add the following:

#### (b) REPORT TO CONGRESS AND INCREASED AUTHORIZATION.—

(1) IN GENERAL.—Not later than 270 days after the date of enactment of this Act, the Secretary of Agriculture shall develop and submit to Congress a report that—

(A) describes the similarities and differences (in terms of program administration, rules, benefits, and requirements) between—

(i) the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), other than section 19 of that Act (7 U.S.C. 2028); and

(ii) the program to provide assistance to Puerto Rico under section 19 of that Act (as in effect on the day before the date of enactment of this Act);

(B) specifies the costs and savings associated with each similarity and difference; and

(C) states the recommendation of the Secretary as to whether additional funding should be provided to carry out section 19 of that Act.

(2) INCREASED AUTHORIZATION.—Effective on the date of submission to Congress of the report under paragraph (1), there is authorized to be appropriated to carry out section 19 of the Food Stamp Act of 1977 (7 U.S.C. 2028) (in addition to amounts made available to carry out that section under law other than this subsection) \$50,000,000 for each fiscal year.

(3) LIMITATION.—No amounts may be made available to carry out this subsection unless specifically provided by an appropriation Act.

On page 439, line 1, strike “(b)” and insert “(c)’’.

On page 439, line 3, strike “(c)” and insert “(d)’’.

On page 439, line 11, strike “439” and insert “440”.

On page 440, strike line 3 and insert the following:

“(5) meet, as soon as practicable through the provision of grants of not to exceed \$25,000 each, specific

On page 440, strike lines 6 and 7 and insert the following:

“(A) infrastructure improvement and development (including the purchase of equipment necessary for the production, handling, or marketing of locally produced food);

On page 440, line 14, strike “440” and insert “441”.

On page 442, line 1, strike “441” and insert “442”.

On page 442, line 3, strike “The Food” and insert the following:

(a) IN GENERAL.—The Food

On page 444, between lines 16 and 17, insert the following:

(b) EFFECTIVE DATE.—The amendment made by this section takes effect on the date of enactment of this Act.

On page 444, line 17, strike “442” and insert “443”.

On page 445, line 8, strike “443” and insert “444”.

On page 448, strike lines 8 through 22 and insert the following:

“(2) AMOUNT OF GRANTS.—

“(A) FISCAL YEAR 2003.—For fiscal year 2003, the amount of each grant per caseload slot shall be equal to \$50, adjusted by the percentage change between—

(i) the value of the State and local government price index, as published by the Bureau of Economic Analysis of the Department of Commerce, for the 12-month period ending June 30, 2001; and

(ii) the value of that index for the 12-month period ending June 30, 2002.

“(B) FISCAL YEARS 2004 THROUGH 2006.—For each of fiscal years 2004 through 2006, the amount of each grant per caseload slot shall

be equal to the amount of the grant per case-load slot for the preceding fiscal year, adjusted by the percentage change between—

“(i) the value of the State and local government price index, as published by the Bureau of Economic Analysis of the Department of Commerce, for the 12-month period ending June 30 of the second preceding fiscal year; and

“(ii) the value of that index for the 12-month period ending June 30 of the preceding fiscal year.”

(2) in subsection (d)(2), by striking “2002” each place it appears and inserting “2006”; and

(3) by striking subsection (1).

On page 454, after line 22, add the following:

#### SEC. 456. COMMODITY DONATIONS.

The Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note; Public Law 100-237) is amended—

(1) by redesignating sections 17 and 18 as sections 18 and 19, respectively; and

(2) by inserting after section 16 the following:

#### “SEC. 17. COMMODITY DONATIONS.

“(a) IN GENERAL.—Notwithstanding any other provision of law concerning commodity donations, any commodities acquired in the conduct of the operations of the Commodity Credit Corporation and any commodities acquired under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to the extent that the commodities are in excess of the quantities of commodities needed to carry out other authorized activities of the Commodity Credit Corporation and the Secretary (including any quantity specifically reserved for a specific purpose), may be used for any program authorized to be carried out by the Secretary that involves the acquisition of commodities for use in a domestic feeding program, including any program conducted by the Secretary that provides commodities to individuals in cases of hardship.

“(b) PROGRAMS.—A program described in subsection (a) includes a program authorized by—

“(1) the Emergency Food Assistance Act of 1983 (7 U.S.C. 7501 et seq.);

“(2) the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);

“(3) the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);

“(4) the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.); or

“(5) such other laws as the Secretary determines to be appropriate.”

#### SEC. 457. PURCHASES OF LOCALLY PRODUCED FOODS.

(a) IN GENERAL.—The Secretary of Agriculture shall—

(1) encourage institutions participating in the national school lunch program authorized under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the school breakfast program established by section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) to purchase, in addition to other food purchases, locally produced foods for school meal programs to the maximum extent practicable and appropriate;

(2) not less often than annually, advise institutions participating in a program described in paragraph (1) of the policy described in that paragraph; and

(3) in accordance with requirements established by the Secretary, provide start-up grants to not more than 200 institutions to defray the initial costs of equipment, materials, and storage facilities, and similar costs, incurred in carrying out the policy described in paragraph (1).

#### (b) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section

\$400,000 for each of fiscal years 2002 through 2006.

(2) LIMITATION.—No amounts may be made available to carry out this section unless specifically provided by an appropriation Act.

On page 455, line 1, strike “456” and insert “458”.

On page 455, strike lines 6 through 20 and insert the following:

(b) PROGRAM PURPOSE.—The purpose of the seniors farmers’ market nutrition program is to provide to low-income seniors resources in the form of fresh, nutritious, unprepared, locally grown fruits, vegetables, and herbs from farmers’ markets, roadside stands, and community-supported agriculture programs.

On page 456, between lines 12 and 13, insert the following:

(e) AUTHORITY.—The authority provided by this section is in addition to, and not in lieu of, the authority of the Secretary of Agriculture to carry out any similar program under the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.).

On page 456, line 13, strike “457” and insert “459”.

On page 457, line 18, strike “458” and insert “460”.

On page 477, line 6, strike “459” and insert “461”.

On page 479, line 7, strike “460” and insert “462”.

On page 536, strike lines 5 through 8 and insert the following:

“(3) a description of how the company intends to work with community-based organizations and local entities (including local economic development companies, local lenders, and local investors) and to seek to address the unmet equity capital needs of the communities served;

Beginning on page 544, strike line 23 and all that follows through page 547, line 8, and insert the following:

#### “SEC. 384H. OPERATIONAL ASSISTANCE GRANTS.

“(a) IN GENERAL.—In accordance with this section, the Secretary may make grants to Rural Business Investment Companies and to other entities, as authorized by this subtitle, to provide operational assistance to smaller enterprises financed, or expected to be financed, by the entities.

“(b) TERMS.—Grants made under this section shall be made over a multiyear period (not to exceed 10 years) under such other terms as the Secretary may require.

“(c) USE OF FUNDS.—The proceeds of a grant made under this section may be used by the Rural Business Investment Company receiving the grant only to provide operational assistance in connection with an equity investment in a business located in a rural area.

“(d) SUBMISSION OF PLANS.—A Rural Business Investment Company shall be eligible for a grant under this section only if the Rural Business Investment Company submits to the Secretary, in such form and manner as the Secretary may require, a plan for use of the grant.

#### “(e) GRANT AMOUNT.—

“(1) RURAL BUSINESS INVESTMENT COMPANIES.—The amount of a grant made under this section to a Rural Business Investment Company shall be equal to the lesser of—

“(A) 50 percent of the amount of resources (in cash or in kind) raised by the Rural Business Investment Company; or

“(B) \$1,000,000.

“(2) OTHER ENTITIES.—The amount of a grant made under this section to any entity other than a Rural Business Investment Company shall be equal to the resources (in cash or in kind) raised by the entity in accordance with the requirements applicable to Rural Business Investment Companies under this subtitle.

On page 551, lines 22 and 23, strike “30 percent of the voting” and insert “15 percent of the”.

On page 552, line 6, strike “REQUIREMENT” and insert “REQUIREMENTS”.

On page 552, line 6, insert “(a) RURAL BUSINESS INVESTMENT COMPANIES.—” before “Each”.

On page 552, between lines 19 and 20, insert the following:

#### “(b) PUBLIC REPORTS.—

“(1) IN GENERAL.—The Secretary shall prepare and make available to the public an annual report on the program established under this subtitle, including detailed information on—

“(A) the number of Rural Business Investment Companies licensed by the Secretary during the previous fiscal year;

“(B) the aggregate amount of leverage that Rural Business Investment Companies have received from the Federal Government during the previous fiscal year;

“(C) the aggregate number of each type of leveraged instruments used by Rural Business Investment Companies during the previous fiscal year and how each number compares to previous fiscal years;

“(D) the number of Rural Business Investment Company licenses surrendered and the number of Rural Business Investment Companies placed in liquidation during the previous fiscal year, identifying the amount of leverage each Rural Business Investment Company has received from the Federal Government and the type of leverage instruments each Rural Business Investment Company has used;

“(E) the amount of losses sustained by the Federal Government as a result of operations under this subtitle during the previous fiscal year and an estimate of the total losses that the Federal Government can reasonably expect to incur as a result of the operations during the current fiscal year;

“(F) actions taken by the Secretary to maximize recoupment of funds of the Federal Government incurred to implement and administer the Rural Business Investment Program under this subtitle during the previous fiscal year and to ensure compliance with the requirements of this subtitle (including regulations);

“(G) the amount of Federal Government leverage that each licensee received in the previous fiscal year and the types of leverage instruments each licensee used;

“(H) for each type of financing instrument, the sizes, types of geographic locations, and other characteristics of the small business investment companies using the instrument during the previous fiscal year, including the extent to which the investment companies have used the leverage from each instrument to make loans or equity investments in rural areas; and

“(I) the actions of the Secretary to carry out this subtitle.

“(2) PROHIBITION.—In compiling the report required under paragraph (1), the Secretary may not—

“(A) compile the report in a manner that permits identification of any particular type of investment by an individual Rural Business Investment Company or small business concern in which a Rural Business Investment Company invests; and

“(B) may not release any information that is prohibited under section 1905 of title 18, United States Code.

On page 582, line 17, strike “grant” and insert “grant, loan, or loan guarantee”.

On page 582, strike lines 18 through 20 and insert the following:

“(1) be able to furnish, improve, or extend a broadband service to an eligible rural community; and

On page 630, line 7, strike “default” and insert “payment default, or the collateral has not been converted.”.

On page 638, strike lines 21 through 25 and insert the following:

“(F) RURAL ENTREPRENEURS AND MICRO-ENTERPRISE ASSISTANCE PROGRAM; NATIONAL RURAL COOPERATIVE AND BUSINESS EQUITY FUND; RURAL BUSINESS INVESTMENT PROGRAM.—In section 378 and subtitles G and H, the term ‘rural area’ means an area that is located—

On page 664, strike lines 4 through 13.

On page 664, line 14, strike “**645**” and insert “**644**”.

On page 665, line 1, strike “**646**” and insert “**645**”.

On page 675, line 17, strike “**647**” and insert “**646**”.

On page 675, line 20, strike “**646**” and insert “**645**”.

On page 711, strike lines 17 through 25.

On page 712, line 1, strike “**662**” and insert “**661**”.

On page 716, strike lines 18 through 22.

On page 716, line 23, strike “(c)” and insert “(b)”.

On page 717, line 7, strike “**663**” and insert “**662**”.

On page 737, lines 17 and 18, strike “(excluding land and facilities at the Beltsville Agricultural Research Center)”.

Beginning on page 755, strike line 17 and all that follows through page 756, line 15, and insert the following:

(1) by redesignating subsections (e) through (g) as subsections (f) through (h), respectively;

(2) by inserting after subsection (d) the following:

“(e) GRANT PRIORITY.—In selecting projects for which grants shall be made under this section, the Secretary shall give priority to public and private research or educational institutions and organizations the goals of which include—

“(1) formation of interdisciplinary teams to review or conduct research on the environmental effects of the release of new genetically modified agricultural products;

“(2) conduct of studies relating to bio-safety of genetically modified agricultural products;

“(3) evaluation of the cost and benefit for development of an identity preservation system for genetically modified agricultural products;

“(4) establishment of international partnerships for research and education on bio-safety issues; or

“(5) formation of interdisciplinary teams to renew and conduct research on the nutritional enhancement and environmental benefits of genetically modified agricultural products.”; and

(3) in subsection (h) (as redesignated by paragraph (1)), by striking paragraph (2) and inserting the following:

“(2) WITHHOLDING OF OUTLAYS FOR RESEARCH ON BIOTECHNOLOGY RISK ASSESSMENT.—Of the amounts of outlays made under this section or any other provision of law to carry out research on biotechnology (as defined and determined by the Secretary of Agriculture) for any fiscal year, the Secretary of Agriculture shall withhold at least 3 percent for grants for research on biotechnology risk assessment on all categories identified by the Secretary of Agriculture as biotechnology.”.

On page 758, strike lines 6 through 121 and insert the following:

“(26) PROGRAM TO COMBAT CHILDHOOD OBESITY.—Research and extension grants may be made under this section to institutions of higher education with demonstrated capacity in basic and clinical obesity research, nutrition research, and community health edu-

cation research to develop and evaluate community-wide strategies that catalyze partnerships between families and health care, education, recreation, mass media, and other community resources to reduce the incidence of childhood obesity.

On page 761, strike lines 12 through 26 and insert the following:

(C) in paragraph (3), by striking the period at the end and inserting a semicolon; and (D) by adding at the end the following:

“(4) determining desirable traits for organic commodities using advanced genomics, field trials, and other methods;

“(5) pursuing classical and marker-assisted breeding for publicly held varieties of crops and animals optimized for organic systems;

“(6) identifying marketing and policy constraints on the expansion of organic agriculture; and

“(7) conducting advanced on-farm research and development that emphasizes observation of, experimentation with, and innovation for working organic farms, including research relating to production and marketing and to socioeconomic conditions.”; and

On page 765, between lines 20 and 21, insert the following:

**SEC. 7. BOVINE JOHNE'S DISEASE CONTROL PROGRAM.**

Title IV of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621 et seq.) is amended by adding at the end the following:

**“SEC. 409. BOVINE JOHNE'S DISEASE CONTROL PROGRAM.**

“(a) ESTABLISHMENT.—The Secretary, in coordination with State veterinarians and other appropriate State animal health professionals, may establish a program to conduct research, testing, and evaluation of programs for the control and management of Johne's disease in livestock.

“(b) FUNDING.—Of the amounts authorized to carry out this Act, the Secretary may use such sums as are necessary to carry out this section for each of fiscal years 2003 through 2006.”.

On page 795, line 5, insert “(a) IN GENERAL.” before “The”.

On page between lines 15 and 16, insert the following:

(b) SPECIAL GRANTS FOR RESEARCH ON DAIRY PIPELINE CLEANERS.—The Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i) is amended in subsection (c)—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking “and” at the end;

(B) in subparagraph (B), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(C) to conduct research on means of preventing and eliminating the dangers of dairy pipeline cleaner, including—

“(i) developing safer packaging mechanisms and a new transfer mechanism, including a new pumping mechanism for dairy pipeline cleaner;

“(ii) outlining—

“(I) the accident history for dairy pipeline cleaner;

“(II) the causes of accidents involving dairy pipeline cleaner; and

“(III) potential means of prevention of such accidents, including improved labeling and pump structure; and

“(iii) other means of improving efforts to prevent ingestion of dairy pipeline cleaner.”; and

(2) in paragraph (4)—

(A) in subparagraph (A), by striking “and” at the end;

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following:

“(B) \$100,000 for each of fiscal years 2002 through 2006 may be used to carry out paragraph (1)(C); and”.

Beginning on page 815, strike line 16 and all that follows through page 816, line 3, and insert the following:

**SEC. 798C. ORGANICALLY PRODUCED PRODUCT RESEARCH AND EDUCATION.**

Not later than December 1, 2004, the Secretary, acting through the Administrator of the Economic Research Service, shall prepare, in consultation with the Advisory Committee on Small Farms, and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report on—

(1) the impact on small farms of the implementation of the national organic program under part 205 of title 7, Code of Federal Regulations; and

(2) the production and marketing costs to producers and handlers associated with transitioning to organic production.

On page 816, lines 7 through 9, strike “Agriculture Library), shall facilitate access by research and extension professionals in the United States to, and the use by those professionals of,” and insert “Agriculture Library) and the Economic Research Service, shall facilitate access by research and extension professionals, farmers, and other interested persons in the United States to, and the use by those persons of.”.

On page 837, strike line 15 and insert the following:

**SEC. 807. FOREST LEGACY PROGRAM.**

Section 7(l) of the Cooperative Forestry Management Act of 1978 (16 U.S.C. 2103c(l)) is amended by adding at the end the following:

“(3) STATE AUTHORIZATION.—Notwithstanding any other provision of this Act, a State may authorize any local government, or any qualified organization that is defined in section 170(h)(3) of the Internal Revenue Code of 1986 and organized for at least 1 of the purposes described in clause (i), (ii), or (iii) of section 170(h)(4)(A) of that Code, to acquire in land in the State, in accordance with this section, 1 or more interests in conservation easements to carry out the Forest Legacy Program in the State.”.

**SEC. 808. FOREST FIRE RESEARCH CENTERS.**

Beginning on page 840, strike line 23 and all that follows through page 841, line 2, and insert the following:

“(1) at least 1 center shall be located in California, Idaho, Montana, Oregon, or Washington; and

“(2) at least 1 center shall be located in Arizona, Colorado, Nevada, New Mexico, or Wyoming.

Beginning on page 842, strike line 6 and all that follows through page 854, line 3, and insert the following:

**SEC. 809. WILDFIRE PREVENTION AND HAZARDOUS FUEL PURCHASE PILOT PROGRAM.**

(a) FINDINGS.—Congress finds that—

(1) the damage caused by wildfire disasters has been equivalent in magnitude to the damage resulting from the Northridge earthquake, Hurricane Andrew, and the recent flooding of the Mississippi River and the Red River;

(2) more than 20,000 communities in the United States are at risk from wildfire and approximately 11,000 of those communities are located near Federal land;

(3) the accumulation of heavy forest fuel loads continues to increase as a result of disease, insect infestations, and drought, further increasing the risk of fire each year;

(4) modification of forest fuel load conditions through the removal of hazardous fuels would—

(A) minimize catastrophic damage from wildfires;

(B) reduce the need for emergency funding to respond to wildfires; and

(C) protect lives, communities, watersheds, and wildlife habitat;

(5) the hazardous fuels removed from forest land represent an abundant renewable resource, as well as a significant supply of biomass for biomass-to-energy facilities;

(6) the United States should invest in technologies that promote economic and entrepreneurial opportunities in processing forest products removed through hazardous fuel reduction activities; and

(7) the United States should—

(A) develop and expand markets for traditionally underused wood and other biomass as an outlet for value-added excessive forest fuels; and

(B) commit resources to support planning, assessments, and project reviews to ensure that hazardous fuels management is accomplished expeditiously and in an environmentally sound manner.

(b) DEFINITIONS.—In this section:

(1) BIOMASS-TO-ENERGY FACILITY.—The term “biomass-to-energy facility” means a facility that uses forest biomass or other biomass as a raw material to produce electric energy, useful heat, or a transportation fuel.

(2) ELIGIBLE COMMUNITY.—The term “eligible community” means—

(A) any town, township, municipality, or other similar unit of local government (as determined by the Secretary), or any area represented by a nonprofit corporation or institution organized under Federal or State law to promote broad-based economic development, that—

(i) has a population of not more than 10,000 individuals;

(ii) is located within a county in which at least 15 percent of the total primary and secondary labor and proprietor income is derived from forestry, wood products, and forest-related industries, such as recreation, forage production, and tourism; and

(iii) is located near forest land, the condition of which land the Secretary determines poses a substantial present or potential hazard to—

(I) the safety of a forest ecosystem;

(II) the safety of wildlife; or

(III) in the case of a wildfire, the safety of firefighters, other individuals, and communities; and

(B) any county that is not contained within a metropolitan statistical area that meets the conditions described in clauses (ii) and (iii) of subparagraph (A).

(3) FOREST BIOMASS.—The term “forest biomass” means fuel and biomass accumulation from precommercial thinnings, slash, and brush on forest land.

(4) HAZARDOUS FUEL.—The term “hazardous fuel” means any excessive accumulation of forest biomass or other biomass on public or private forest land in the wildland-urban interface (as defined by the Secretary) that—

(A) is located near an eligible community;

(B) is designated as condition class 2 or 3 under the report of the Forest Service entitled “Protecting People and Sustainable Resources in Fire-Adapted Ecosystems”, dated October 13, 2000 (including any related maps); and

(C) the Secretary determines poses a substantial present or potential hazard to—

(i) the safety of a forest ecosystem;

(ii) the safety of wildlife; or

(iii) in the case of wildfire, the safety of firefighters, other individuals, and communities.

(5) INDIAN TRIBE.—The term “Indian tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(6) NATIONAL FIRE PLAN.—The term “National Fire Plan” means the plan prepared by the Secretary of Agriculture and the Secretary of the Interior entitled “Managing the Impact of Wildfires on Communities and the Environment” and dated September 8, 2000.

(7) PERSON.—The term “person” includes—

(A) a community;

(B) an Indian tribe;

(C) a small business, microbusiness, or other business that is incorporated in the United States; and

(D) a nonprofit organization.

(8) SECRETARY.—The term “Secretary” means—

(A) the Secretary of Agriculture (or a designee), with respect to National Forest System land and private land in the United States; and

(B) the Secretary of the Interior (or a designee) with respect to Federal land under the jurisdiction of the Secretary of the Interior or an Indian tribe.

(C) WILDFIRE PREVENTION AND HAZARDOUS FUEL PURCHASE PILOT PROGRAM.—

(1) GRANTS.—

(A) IN GENERAL.—Subject to the availability of appropriations, the Secretary may make grants to—

(i) persons that operate existing or new biomass-to-energy facilities to offset the costs incurred by those persons in purchasing hazardous fuels derived from public and private forest land adjacent to eligible communities; and

(ii) persons in rural communities that are seeking ways to improve the use of, or add value to, hazardous fuels.

(B) SELECTION CRITERIA.—The Secretary shall select recipients for grants under subparagraph (A)(i) based on—

(i) planned purchases by the recipients of hazardous fuels, as demonstrated by the recipient through the submission to the Secretary of such assurances as the Secretary may require;

(ii) the level of anticipated benefits of those purchases in reducing the risk of wildfires;

(iii) the extent to which the biomass-to-energy facility avoids adverse environmental impacts, including cumulative impacts, over the expected life of the biomass-to-energy facility; and

(iv) the demonstrable level of anticipated benefits for eligible communities, including the potential to develop thermal or electric energy resources or affordable energy for communities.

(2) GRANT AMOUNTS.—

(A) IN GENERAL.—A grant under subparagraph (A)(i) shall—

(i) be based on—

(I) the distance required to transport hazardous fuels to a biomass-to-energy facility; and

(II) the cost of removal of hazardous fuels; and

(ii) be in an amount that is at least equal to the product obtained by multiplying—

(I) the number of tons of hazardous fuels delivered to a grant recipient; by

(II) an amount that is at least \$5 but not more than \$10 per ton of hazardous fuels, as determined by the Secretary taking into consideration the factors described in clause (i).

(B) LIMITATION ON INDIVIDUAL GRANTS.—

(i) IN GENERAL.—Except as provided in clause (ii), a grant under subparagraph (A) shall not exceed \$1,500,000 for any biomass-to-energy facility for any fiscal year.

(ii) SMALL BIOMASS-TO-ENERGY FACILITIES.—

A biomass-to-energy facility that has an annual production of 5 megawatts or less shall not be subject to the limitation under clause (i).

(3) MONITORING OF GRANT RECIPIENT ACTIVITIES.—

(A) IN GENERAL.—As a condition of receipt of a grant under this subsection, a grant recipient shall keep such records as the Secretary may require, including records that—

(i) completely and accurately disclose the use of grant funds; and

(ii) describe all transactions involved in the purchase of hazardous fuels derived from forest land.

(B) ACCESS.—On notice by the Secretary, the operator of a biomass-to-energy facility that purchases or uses hazardous fuels with funds from a grant under this subsection shall provide the Secretary with—

(i) reasonable access to the biomass-to-energy facility; and

(ii) an opportunity to examine the inventory and records of the biomass-to-energy facility.

(4) MONITORING OF EFFECT OF TREATMENTS.—

(A) IN GENERAL.—To determine and document the environmental impact of hazardous fuel removal, the Secretary shall monitor—

(i) environmental impacts of activities carried out under this subsection; and

(ii) Federal land from which hazardous fuels are removed and sold to a biomass-to-energy facility under this subsection.

(B) EMPLOYMENT.—

(i) IN GENERAL.—The Comptroller General of the United States shall monitor—

(I) the number of jobs created in or near eligible communities as a result of the implementation of this subsection;

(II) the opportunities created for small businesses and microbusinesses as a result of the implementation of this subsection;

(III) the types and amounts of energy supplies created as a result of the implementation of this subsection; and

(IV) energy prices for eligible communities.

(ii) REPORT.—Beginning in fiscal year 2003, the Comptroller General of the United States shall submit to the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Resources and the Committee on Agriculture of the House of Representatives an annual report that describes the information obtained through monitoring under clause (i).

(5) REVIEW AND REPORT.—

(A) IN GENERAL.—Not later than September 30, 2004, the Comptroller General shall submit to each of the committees described in paragraph (4)(B)(ii) a report that describes the results and effectiveness of the pilot program.

(B) REPORTS BY SECRETARY.—The Secretary shall submit to each of the committees described in paragraph (4)(B)(ii) an annual report describing the results of the pilot program that includes—

(i) an identification of the size of each biomass-to-energy facility that receives a grant under this section; and

(ii) the haul radius associated with each grant.

(C) TECHNICAL FEASIBILITY REPORT.—Not later than December 1, 2003, the Secretary of Agriculture, in cooperation with the Forest Products Lab and the Economic Action Program of the Forest Service, shall submit to each of the committees described in paragraph (4)(B)(ii) a report that describes—

(i) the technical feasibility of the use by small-scale biomass energy units of small-diameter trees and forest residues as a source of fuel;

(ii) the environmental impacts relating to the use of small-diameter trees and forest residues as described in clause (i); and

(iii) any social or economic benefits of small-scale biomass energy units for rural communities.

(6) GRANTS TO OTHER PERSONS.—

(A) IN GENERAL.—In addition to biomass-to-energy facilities, the Secretary may make grants under this subsection to persons in rural communities that are seeking ways to improve the use of, or add value to, hazardous fuels.

(B) SELECTION.—The Secretary shall select recipients of grants under subparagraph (A) based on—

(i) the extent to which the grant recipient avoids environmental impacts; and

(ii) the demonstrable level of anticipated benefits to rural communities, including opportunities for small businesses and micro-businesses and the potential for new job creation, that may result from the provision of the grant.

(C) MONITORING.—With respect to a grant made under this paragraph—

(i) the monitoring provisions described in paragraph (3) and applicable to biomass-to-energy facilities shall apply; and

(ii) the Secretary shall monitor the environmental impacts of projects funded by grants provided under this paragraph.

(7) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$50,000,000 for each of fiscal years 2002 through 2006.

(d) LONG-TERM FOREST STEWARDSHIP CONTRACTS FOR HAZARDOUS FUELS REMOVAL.—

(1) ANNUAL ASSESSMENT OF TREATMENT ACREAGE.—

(A) IN GENERAL.—Subject to the availability of appropriations, not later than March 1 of each of fiscal years 2002 through 2006, the Secretary shall submit to Congress an assessment of the number of acres of National Forest System land recommended to be treated during the subsequent fiscal year using stewardship end result contracts authorized by paragraph (3).

(B) COMPONENTS.—The assessment shall—

(i) be based on the treatment schedules contained in the report entitled “Protecting People and Sustaining Resources in Fire-Adapted Ecosystems”, dated October 13, 2000, and incorporated into the National Fire Plan;

(ii) identify the acreage by condition class, type of treatment, and treatment year to achieve the restoration goals outlined in the report within 10-, 15-, and 20-year time periods;

(iii) give priority to condition class 3 areas (as described in subsection (b)(4)(B)), including modifications in the restoration goals based on the effects of—

(I) fire;

(II) hazardous fuel treatments under the National Fire Plan; or

(III) updates in data;

(iv) provide information relating to the type of material and estimated quantities and range of sizes of material that shall be included in the treatments;

(v) describe the land allocation categories in which the contract authorities shall be used; and

(vi) give priority to areas described in subsection (b)(4)(A).

(2) FUNDING RECOMMENDATION.—The Secretary shall include in the annual assessment under paragraph (1) a request for funds sufficient to implement the recommendations contained in the assessment using stewardship end result contracts described in paragraph (3) in any case in which the Secretary determines that the objectives of the National Fire Plan would best be accomplished through forest stewardship end result contracting.

(3) STEWARDSHIP END RESULT CONTRACTING.—

(A) IN GENERAL.—Subject to the availability of appropriations, the Secretary may enter into not more than 28 stewardship end result contracts to implement the National Fire Plan on National Forest System land based on the treatment schedules provided in the annual assessments conducted under paragraph (1)(B)(i).

(B) PERIOD OF CONTRACTS.—The contracting goals and authorities described in subsections (b) through (g) of section 347 of the Department of the Interior and Related Agencies Appropriations Act, 1999 (commonly known as the “Stewardship End Result Contracting Demonstration Project”) (16 U.S.C. 2104 note; Public Law 105-277), shall apply to contracts entered into under this paragraph, except that 14 of the 28 percent of the contracts entered into under subparagraph (A) shall be subject to the conditions that—

(i) funds from the contract, and any offset value of forest products that exceeds the value of the resource improvement treatments carried out under the contract, shall be deposited in the Treasury of the United States;

(ii) section 347(c)(3)(A) of the Department of the Interior and Related Agencies Appropriations Act, 1999 (commonly known as the “Stewardship End Result Contracting Demonstration Project”) (16 U.S.C. 2104 note; Public Law 105-277) shall not apply to those contracts; and

(iii) the implementation shall be accomplished using separate contracts for the harvesting or collection, and sale, of merchantable material.

(C) STATUS REPORT.—Beginning with the assessment required under paragraph (1) for fiscal year 2003, the Secretary shall include in the annual assessment under paragraph (1) a status report of the stewardship end result contracts entered into under this paragraph.

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2002 through 2006.

(e) EXCLUDED AREAS.—In carrying out this section, the Secretary shall—

(1) because of sensitivity of natural, cultural, or historical resources, designate areas to be excluded from any program under this section; and

(2) carry out this section only in the wildland-urban interface, as defined by the Secretary.

(f) TERMINATION OF AUTHORITY.—The authority provided under this section shall terminate on September 30, 2006.

On page 854, strike line 4 and insert the following:

**SEC. 810. ENHANCED COMMUNITY FIRE PROTECTION.**

On page 858, strike line 8 and insert the following:

**SEC. 811. WATERSHED FORESTRY ASSISTANCE PROGRAM.**

On page 870, strike line 1 and insert the following:

**SEC. 812. SUBURBAN AND COMMUNITY FORESTRY AND OPEN SPACE INITIATIVE.**

The Cooperative Forestry Assistance Act of 1978 is amended by inserting after section 7 (16 U.S.C. 2103c) the following:

**“SEC. 7A. SUBURBAN AND COMMUNITY FORESTRY AND OPEN SPACE INITIATIVE.**

“(a) DEFINITIONS.—In this section:

“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means a State (including a political subdivision) or nonprofit organization that the Secretary determines under subsection (c)(1)(A)(ii) is eligible to receive a grant under subsection (c)(2).

“(2) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given the term in section 4

of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

“(3) PRIVATE FOREST LAND.—The term ‘private forest land’ means land that is—

“(A)(i) covered by trees; or

“(ii) suitable for growing trees, as determined by the Secretary;

“(B) suburban, as determined by the Secretary; and

“(C) owned by—

“(i) a private entity; or

“(ii) an Indian tribe.

“(4) PROGRAM.—The term ‘program’ means the Suburban and Community Forestry and Open Space Initiative established by subsection (b).

“(5) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture, acting through the Chief of the Forest Service.

“(b) ESTABLISHMENT.—

“(1) IN GENERAL.—There is established within the Forest Service a program to be known as the ‘Suburban and Community Forestry and Open Space Initiative’.

“(2) PURPOSE.—The purpose of the program is to provide assistance to eligible entities to carry out projects and activities to—

“(A) conserve private forest land and maintain working forests in suburban environments; and

“(B) provide communities a means by which to address significant suburban sprawl.

“(c) GRANT PROGRAM.—

“(1) IDENTIFICATION OF ELIGIBLE PRIVATE FOREST LAND.—

“(A) IN GENERAL.—The Secretary, in consultation with State foresters or equivalent State officials and State or county planning offices, shall establish criteria for—

“(i) the identification, subject to subparagraph (B), of private forest land in each State that may be conserved under this section; and

“(ii) the identification of eligible entities.

“(B) CONDITIONS FOR ELIGIBLE PRIVATE FOREST LAND.—Private forest land identified for conservation under subparagraph (A)(i) shall be land that is—

“(i) located in an area that is affected, or threatened to be affected, by significant suburban sprawl, as determined by—

“(I) the appropriate State forester or equivalent State official; and

“(II) the planning office of the State or county in which the private forest land is located; and

“(ii) threatened by present or future conversion to nonforest use.

“(2) GRANTS.—

“(A) PROJECTS AND ACTIVITIES.—

“(i) IN GENERAL.—In carrying out this section, the Secretary shall award grants to eligible entities to carry out a project or activity described in clause (ii).

“(ii) TYPES.—A project or activity referred to in clause (i) is a project or activity that—

“(I) is carried out to conserve private forest land and contain significant suburban sprawl; and

“(II) provides for guaranteed public access to land on which the project or activity is carried out, unless the appropriate State forester or equivalent State official and the State or county planning office request, and provide justification for the request, that the requirement be waived.

“(B) APPLICATION; STEWARDSHIP PLAN.—An eligible entity that seeks to receive a grant under this section shall submit for approval—

“(i) to the Secretary, in such form as the Secretary shall prescribe, an application for the grant (including a description of any private forest land to be conserved using funds from the grant); and

“(ii) to the State forester or equivalent State official, a stewardship plan that describes the manner in which any private forest land to be conserved using funds from the grant will be managed in accordance with this section.

“(C) APPROVAL OR DISAPPROVAL.—

“(i) IN GENERAL.—Subject to clause (ii), as soon as practicable after the date on which the Secretary receives an application under subparagraph (B)(i) or a resubmission under subclause (II)(bb), the Secretary shall—

“(I)(aa) approve the application; and

“(bb) award a grant to the applicant; or

“(II)(aa) disapprove the application; and

“(bb) provide the applicant a statement that describes the reasons why the application was disapproved (including a deadline by which the applicant may resubmit the application).

“(ii) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to applicants that propose to fund projects and activities that promote, in addition to the primary purposes of conserving private forest land and containing significant suburban sprawl—

“(I) the sustainable management of private forest land;

“(II) community and school education programs and curricula relating to sustainable forestry; and

“(III) community involvement in determining the objectives for projects or activities that are funded under this section.

“(3) COST SHARING.—

“(A) IN GENERAL.—The amount of a grant awarded under this section to carry out a project or activity shall not exceed 50 percent of the total cost of the project or activity.

“(B) ASSURANCES.—As a condition of receipt of a grant under this section, an eligible entity shall provide to the Secretary such assurances as the Secretary determines are sufficient to demonstrate that the share of the cost of each project or activity that is not funded by the grant awarded under this section has been secured.

“(C) FORM.—The share of the cost of carrying out any project or activity described in subparagraph (A) that is not funded by a grant awarded under this section may be provided in cash or in kind.

“(d) USE OF GRANT FUNDS FOR PURCHASES OF LAND OR EASEMENTS.—

“(1) PURCHASES.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), funds made available, and grants awarded, under this section may be used to purchase private forest land or interests in private forest land (including conservation easements) only from willing sellers at fair market value.

“(B) SALES AT LESS THAN FAIR MARKET VALUE.—A sale of private forest land or an interest in private forest land at less than fair market value shall be permitted only on certification by the landowner that the sale is being entered into willingly and without coercion.

“(2) TITLE.—Title to private forest land or an interest in private forest land purchased under paragraph (1) may be held, as determined appropriate by the Secretary, by—

“(A) a State (including a political subdivision of a State); or

“(B) a nonprofit organization.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

“(1) \$50,000,000 for fiscal year 2003; and

“(2) such sums as are necessary for each fiscal year thereafter.”.

**SEC. 813. GENERAL PROVISIONS.**

On page 870, strike line 21 and insert the following:

**SEC. 814. STATE FOREST STEWARDSHIP COORDINATING COMMITTEES.**

On page 871, between lines 22 and 23, insert the following:

**SEC. 815. OFFICE OF TRIBAL RELATIONS.**

The Cooperative Forestry Assistance Act of 1978 is amended by inserting after section 19 (16 U.S.C. 2113) the following:

**SEC. 19A. OFFICE OF TRIBAL RELATIONS.**

“(a) DEFINITIONS.—In this section:

“(1) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

“(2) OFFICE.—The term ‘Office’ means the Office of Tribal Relations established under subsection (b)(1).

“(3) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture, acting through the Chief of the Forest Service.

“(b) ESTABLISHMENT.—

“(1) IN GENERAL.—The Secretary shall establish within the Forest Service the Office of Tribal Relations.

“(2) DIRECTOR.—The Office shall be headed by a Director, who shall—

“(A) be appointed by the Secretary, in consultation with interested Indian tribes; and

“(B) report directly to the Secretary.

“(3) ADMINISTRATIVE SUPPORT.—The Secretary shall ensure, to the maximum extent practicable, that adequate staffing and funds are made available to enable the Director to carry out the duties described in subsection (c).

“(c) DUTIES OF THE DIRECTOR.—

“(1) IN GENERAL.—The Director shall—

“(A) provide advice to the Secretary on all issues, policies, actions, and programs of the Forest Service that affect Indian tribes, including—

“(i) consultation with tribal governments;

“(ii) programmatic review for equitable tribal participation;

“(iii) monitoring and evaluation of relations between the Forest Service and Indian tribes;

“(iv) the coordination and integration of programs of the Forest Service that affect, or are of interest to, Indian tribes;

“(v) training of Forest Service personnel for competency in tribal relations; and

“(vi) the development of legislation affecting Indian tribes;

“(B) coordinate organizational responsibilities within the administrative units of the Forest Service to ensure that matters affecting the rights and interests of Indian tribes are handled in a manner that is—

“(i) comprehensive;

“(ii) responsive to tribal needs; and

“(iii) consistent with policy guidelines of the Forest Service;

“(C)(i) develop generally applicable policies and procedures of the Forest Service pertaining to Indian tribes; and

“(ii) monitor the application of those policies and procedures throughout the administrative regions of the Forest Service;

“(D) provide such information or guidance to personnel of the Forest Service that are responsible for tribal relations as is required, as determined by the Secretary;

“(E) exercise such direct administrative authority pertaining to tribal relations programs as may be delegated by the Secretary;

“(F) for the purpose of coordinating programs and activities of the Forest Service with programs and actions of other agencies or departments that affect Indian tribes, consult with—

“(i) other agencies of the Department of Agriculture, including the Natural Resources Conservation Service; and

“(ii) other Federal agencies, including—

“(I) the Department of the Interior; and

“(II) the Environmental Protection Agency;

“(G) submit to the Secretary an annual report on the status of relations between the Forest Service and Indian tribes that includes, at a minimum—

“(i) an examination of the participation of Indian tribes in programs administered by the Secretary;

“(ii) a description of the status of initiatives being carried out to improve working relationships with Indian tribes; and

“(iii) recommendations for improvements or other adjustments to operations of the Forest Service that would be beneficial in strengthening working relationships with Indian tribes; and

“(H) carry out such other duties as the Secretary may assign.

“(d) COORDINATION.—In carrying out this section, the Office and other offices within the Forest Service shall consult on matters involving the rights and interests of Indian tribes.”.

**SEC. 816. ASSISTANCE TO TRIBAL GOVERNMENTS.**

The Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101 et seq.) is amended by adding at the end the following:

**SEC. 21. ASSISTANCE TO TRIBAL GOVERNMENTS.**

“(a) DEFINITION OF INDIAN TRIBE.—In this section, the term ‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

“(b) ESTABLISHMENT.—The Secretary may provide financial, technical, educational and related assistance to Indian tribes for—

“(1) tribal consultation and coordination with the Forest Service on issues relating to—

“(A) tribal rights and interests on Forest Service land (including national forests and national grassland);

“(B) coordinated or cooperative management of resources shared by the Forest Service and Indian tribes; and

“(C) provision of tribal traditional, cultural, or other expertise or knowledge;

“(2) projects and activities for conservation education and awareness with respect to forest land under the jurisdiction of Indian tribes;

“(3) technical assistance for forest resources planning, management, and conservation on land under the jurisdiction of Indian tribes; and

“(4) the acquisition by Indian tribes, from willing sellers, of conservation interests (including conservation easements) in forest land and resources on land under the jurisdiction of the Indian tribes.

“(c) IMPLEMENTATION.—

“(1) IN GENERAL.—Not later than 18 months after the date of enactment of this section, the Secretary shall promulgate regulations to implement subsection (b) (including regulations for determining the distribution of assistance under that subsection).

“(2) CONSULTATION.—In developing regulations under paragraph (1), the Secretary shall engage in full, open, and substantive consultation with Indian tribes and representatives of Indian tribes.

“(d) COORDINATION WITH THE SECRETARY OF THE INTERIOR.—The Secretary shall coordinate with the Secretary of the Interior during the establishment, implementation, and administration of subsection (b) to ensure that programs under that subsection—

“(1) do not conflict with tribal programs provided under the authority of the Department of the Interior; and

“(2) meet the goals of the Indian tribes.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary for fiscal year 2002 and each fiscal year thereafter.”.

**SEC. 817. SUDDEN OAK DEATH SYNDROME.**

(a) FINDINGS.—Congress finds that—

(1) tan oak, coast live oak, Shreve's oak, and black oak trees are among the most beloved features of the topography of California and the Pacific Northwest and efforts should be made to protect those trees from disease;

(2) the die-off of those trees, as a result of the exotic Phytophthora fungus, is approaching epidemic proportions;

(3) very little is known about the new species of Phytophthora, and scientists are struggling to understand the causes of sudden oak death syndrome, the methods of transmittal, and how sudden oak death syndrome can best be treated;

(4) the Phytophthora fungus has been found on—

(A) Rhododendron plants in nurseries in California; and

(B) wild huckleberry plants, potentially endangering the commercial blueberry and cranberry industries;

(5) sudden oak death syndrome threatens to create major economic and environmental problems in California, the Pacific Northwest, and other regions, including—

(A) the increased threat of fire and fallen trees;

(B) the cost of tree removal and a reduction in property values; and

(C) loss of revenue due to—

(i) restrictions on imports of oak products and nursery stock; and

(ii) the impact on the commercial rhododendron, blueberry, and cranberry industries; and

(6) Oregon and Canada have imposed an emergency quarantine on the importation of oak trees, oak products, and certain nursery plants from California.

(b) RESEARCH, MONITORING, AND TREATMENT OF SUDDEN OAK DEATH SYNDROME.—

(1) IN GENERAL.—The Secretary of Agriculture (referred to in this section as the “Secretary”) shall carry out a sudden oak death syndrome research, monitoring, and treatment program to develop methods to control, manage, or eradicate sudden oak death syndrome from oak trees on public and private land.

(2) RESEARCH, MONITORING, AND TREATMENT ACTIVITIES.—In carrying out the program under paragraph (1), the Secretary may—

(A) conduct open space, roadside, and aerial surveys;

(B) provide monitoring technique workshops;

(C) develop baseline information on the distribution, condition, and mortality rates of oaks in California and the Pacific Northwest;

(D) maintain a geographic information system database;

(E) conduct research activities, including research on forest pathology, Phytophthora ecology, forest insects associated with oak decline, urban forestry, arboriculture, forest ecology, fire management, silviculture, landscape ecology, and epidemiology;

(F) evaluate the susceptibility of oaks and other vulnerable species throughout the United States; and

(G) develop and apply treatments.

(c) MANAGEMENT, REGULATION, AND FIRE PREVENTION.—

(1) IN GENERAL.—The Secretary shall conduct sudden oak death syndrome management, regulation, and fire prevention activities to reduce the threat of fire and fallen trees killed by sudden oak death syndrome.

(2) MANAGEMENT, REGULATION, AND FIRE PREVENTION ACTIVITIES.—In carrying out paragraph (1), the Secretary may—

(A) conduct hazard tree assessments;

(B) provide grants to local units of government for hazard tree removal, disposal and

recycling, assessment and management of restoration and mitigation projects, green waste treatment facilities, reforestation, resistant tree breeding, and exotic weed control;

(C) increase and improve firefighting and emergency response capabilities in areas where fire hazard has increased due to oak die-off;

(D) treat vegetation to prevent fire, and assessment of fire risk, in areas heavily infested with sudden oak death syndrome;

(E) conduct national surveys and inspections of—

(i) commercial rhododendron and blueberry nurseries; and

(ii) native rhododendron and huckleberry plants;

(F) provide for monitoring of oaks and other vulnerable species throughout the United States to ensure early detection; and

(G) provide diagnostic services.

(d) EDUCATION AND RESEARCH.—

(1) IN GENERAL.—The Secretary shall conduct education and outreach activities to make information available to the public on sudden death oak syndrome.

(2) EDUCATION AND OUTREACH ACTIVITIES.—In carrying out paragraph (1), the Secretary may—

(A) develop and distribute educational materials for homeowners, arborists, urban foresters, park managers, public works personnel, recreationists, nursery workers, landscapers, naturalists, firefighting personnel, and other individuals, as the Secretary determines appropriate;

(B) design and maintain a website to provide information on sudden oak death syndrome; and

(C) provide financial and technical support to States, local governments, and nonprofit organizations providing information on sudden oak death syndrome.

(e) SUDDEN OAK DEATH SYNDROME ADVISORY COMMITTEE.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Secretary shall establish a Sudden Oak Death Syndrome Advisory Committee (referred to in this subsection as the “Committee”) to assist the Secretary in carrying out this section.

(B) MEMBERSHIP.—

(i) COMPOSITION.—The Committee shall consist of—

(I) 1 representative of the Animal and Plant Health Inspection Service, to be appointed by the Administrator of the Animal and Plant Health Inspection Service;

(II) 1 representative of the Agricultural Research Service, to be appointed by the Administrator of the Agricultural Research Service;

(III) 1 representative of the Forest Service, to be appointed by the Chief of the Forest Service;

(IV) 2 individuals appointed by the Secretary from each of the States affected by sudden oak death syndrome; and

(V) any individual, to be appointed by the Secretary, in consultation with the Governors of the affected States, that the Secretary determines—

(aa) has an interest or expertise in sudden oak death syndrome; and

(bb) would contribute to the Committee.

(ii) DATE OF APPOINTMENTS.—The appointment of a member of the Committee shall be made not later than 90 days after the date of enactment of this Act.

(C) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Committee have been appointed, the Committee shall hold the initial meeting of the Committee.

(2) DUTIES.—

(A) IMPLEMENTATION PLAN.—The Committee shall prepare a comprehensive imple-

mentation plan to address the management, control, and eradication of sudden oak death syndrome.

(B) REPORTS.—

(i) INTERIM REPORT.—Not later than 1 year after the date of enactment of this Act, the Committee shall submit to Congress the implementation plan prepared under paragraph (1).

(ii) FINAL REPORT.—Not later than 3 years after the date of enactment of this Act, the Committee shall submit to Congress a report that contains—

(I) a summary of the activities of the Committee;

(II) an accounting of funds received and expended by the Committee; and

(III) findings and recommendations of the Committee.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2002 through 2006—

(1) to carry out subsection (b), \$7,500,000, of which not more than \$1,500,000 shall be used for treatment;

(2) to carry out subsection (c), \$6,000,000;

(3) to carry out subsection (d), \$500,000; and

(4) to carry out subsection (e), \$250,000.

On page 876, line 4, strike “647” and insert “646”.

On page 876, line 6, strike “L” and insert “K”.

On page 877, strike lines 1 through 7 and insert the following:

“(C) EXCLUSIONS.—The term ‘biomass’ does not include—

“(i) paper that is commonly recycled; or

“(ii) unsegregated garbage.

On page 884, strike lines 1 through 6 and insert the following:

“(2) BIREFINERY.—The term ‘biorefinery’ means equipment and processes that—

“(A) convert biomass into fuels and chemicals; and

“(B) may produce electricity.

On page 885, strike lines 7 through 15 and insert the following:

“(A) IN GENERAL.—In selecting projects to receive grants under subsection (c), the Secretary—

“(i) shall select projects based on the likelihood that the projects will demonstrate the commercial viability of a process for converting biomass into fuels or chemicals; and

“(ii) may consider the likelihood that the projects will produce electricity.

On page 886, line 8, strike “and”.

On page 886, line 10, strike the period and insert “; and”.

On page 886, between lines 10 and 11, insert the following:

“(x) the potential for developing advanced industrial biotechnology approaches.

On page 898, line 8, strike “15” and insert “30”.

On page 898, strike lines 10 through 14 and insert the following:

“(ii) MAXIMUM AMOUNT OF COMBINED GRANT AND LOAN.—The combined amount of a grant and loan made or guaranteed under subsection (a) for a renewable energy system shall not exceed 60 percent of the cost of the renewable energy system.

On page 899, line 8, strike “15” and insert “30”.

On page 899, strike lines 11 through 15 and insert the following:

“(ii) MAXIMUM AMOUNT OF COMBINED GRANT AND LOAN.—The combined amount of a grant and loan made or guaranteed under subsection (a) for an energy efficiency project shall not exceed 50 percent of the cost of the energy efficiency improvement.

On page 902, line 12, strike “research”.

On page 902, line 15, strike “or”.

On page 902, line 16, strike the period and insert “; or”.

On page 902, between lines 16 and 17, insert the following:

“(7) a consortium comprised of entities described in paragraphs (1) through (6).”

On page 902, strike line 23 and insert the following:

“(3) generate both usable electricity and heat;

On page 911, strike lines 7 through 10 and insert the following:

“(A) a college or university or a research foundation maintained by a college or university;

On page 912, line 17, strike “and establish”.

On page 913, strike line 3 and insert the following:

“(2) DEVELOPMENT OF BENCHMARK STANDARDS.—

“(A) IN GENERAL.—The Secretary shall develop benchmark standards for measuring the carbon content of soils and plants (including trees) based on—

“(i) information from the conference under paragraph (1);

“(ii) research conducted under this section; and

“(iii) other information available to the Secretary.

“(B) OPPORTUNITY FOR PUBLIC COMMENT.—The Secretary shall provide an opportunity for the public to comment on the benchmark standards developed under subparagraph (A).

“(3) REPORT.—Not later than 180 days after

On page 918, line 16, strike “(as amended by section 661)”. On page 918, line 18, strike “21” and insert “20”.

On page 918, strike lines 20 through 23 and insert the following:

“(a) DEFINITIONS.—In this section:

“(1) RENEWABLE ENERGY.—The term ‘renewable energy’ means energy derived from a wind, solar, biomass, geothermal, or hydrogen source.

“(2) RURAL AREA.—The term ‘rural area’ includes any area that is not within the boundaries of—

“(A) a city, town, village, or borough having a population of more than 20,000; or

“(B) an urbanized area (as determined by the Secretary).

On page 919, line 2, after “utilities”, insert the following: “(as determined by the Secretary)”.

Beginning on page 925, strike line 14 and all that follows through page 926, line 25, and insert the following:

“(B) ELIGIBILITY CRITERIA.—To be eligible for a grant under paragraph (1), a project shall (as determined by the Secretary)—

“(i) be designed to—

“(I) achieve long-term sequestration of carbon or long-term reductions in greenhouse gas emissions;

“(II) address concerns regarding leakage; or

“(III) promote additionality; and

“(ii) not involve—

“(I) the reforestation of land that has been deforested since 1990; or

“(II) the conversion of native grassland.

“(C) PRIORITY CRITERIA.—The Secretary shall give priority in awarding a grant under paragraph (1) to an eligible project that—

“(i) involves multiple parties, a whole farm approach, or any other approach, such as the aggregation of land areas, that would—

“(I) increase the environmental benefits or reduce the transaction costs of the eligible project; and

“(II) reduce the costs of measuring, monitoring, and verifying any net sequestration of carbon or net reduction in greenhouse gas emissions; and

“(ii) provides certain benefits, such as improvements in—

“(I) soil fertility;

“(II) wildlife habitat;

“(III) water quality;

“(IV) soil erosion management;

“(V) the use of renewable resources to produce energy;

“(VI) the avoidance of ecosystem fragmentation; and

“(VII) the promotion of ecosystem restoration with native species.

Beginning on page 927, strike line 22 and all that follows through page 928, line 11.

On page 928, line 12, strike “(d)” and insert “(c)”

On page 928, line 20, strike “(e)” and insert “(d)”.

On page 930, strike lines 8 through 10 and insert the following:

**“Subtitle D—Country of Origin Labeling”**

**“SEC. 281. DEFINITIONS.”**

On page 932, line 6, strike “272” and insert “282”.

On page 934, line 6, strike “274” and insert “284”.

On page 935, line 12, strike “273” and insert “283”.

On page 935, line 16, strike “272” and insert “282”.

On page 935, line 23, strike “272” and insert “282”.

On page 936, line 1, strike “272” and insert “282”.

On page 936, line 6, strike “274” and insert “284”.

On page 936, line 14, strike “275” and insert “285”.

On page 937, strike lines 1 through 3 and insert the following:

**“Subtitle E—Commodity-Specific Grading Standards”**

**“SEC. 291. DEFINITION OF SECRETARY.”**

On page 937, line 6, strike “282” and insert “292”.

On page 937, line 12, strike “283” and insert “293”.

On page 937, between lines 16 and 17, insert the following:

**“SEC. 1. EQUAL CROP INSURANCE TREATMENT OF POTATOES AND SWEET POTATOES.”**

Section 508(a)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)(2)) is amended in the first sentence by striking “and potatoes” and inserting “, potatoes, and sweet potatoes”.

Beginning on page 941, strike line 6 and all that follows through page 942, line 23, and insert the following:

**“SEC. 1. UNLAWFUL STOCKYARD PRACTICES INVOLVING NONAMBULATORY LIVESTOCK.”**

Title III of the Packers and Stockyards Act, 1921 (7 U.S.C. 201 et seq.), is amended by adding at the end the following:

**“SEC. 318. UNLAWFUL STOCKYARD PRACTICES INVOLVING NONAMBULATORY LIVESTOCK.”**

“(a) DEFINITIONS.—In this section:

“(1) HUMANELY EUTHANIZE.—The term ‘humanely euthanize’ means to kill an animal by mechanical, chemical, or other means that immediately render the animal unconscious, with this state remaining until the animal’s death.

“(2) NONAMBULATORY LIVESTOCK.—The term ‘nonambulatory livestock’ means any livestock that is unable to stand and walk unassisted.

“(b) UNLAWFUL PRACTICES.—

“(1) IN GENERAL.—Except as provided in paragraph (2), it shall be unlawful for any stockyard owner, market agency, or dealer to buy, sell, give, receive, transfer, market, hold, or drag any nonambulatory livestock unless the nonambulatory livestock has been humanely euthanized.

“(2) EXCEPTIONS.—

“(A) NON-GIPSA FARMS.—Paragraph (1) shall not apply to any farm the animal care practices of which are not subject to the au-

thority of the Grain Inspection, Packers, and Stockyards Administration.

“(B) VETERINARY CARE.—Paragraph (1) shall not apply in a case in which nonambulatory livestock receive veterinary care intended to render the livestock ambulatory.

“(C) APPLICATION OF PROHIBITION.—Subsection (b) shall apply beginning one year after the date of the enactment of the Agriculture, Conservation, and Rural Enhancement Act of 2001. By the end of such period, the Secretary shall promulgate regulations to carry out this section.”

On page 945, between lines 5 and 6, insert the following:

**“SEC. 10. LIMITATION ON EXHIBITION OF POLAR BEARS.”**

The Animal Welfare Act is amended by inserting after section 17 (7 U.S.C. 2147) the following:

**“SEC. 18. LIMITATION ON EXHIBITION OF POLAR BEARS.”**

“An exhibitor that is a carnival, circus, or traveling show (as determined by the Secretary) shall not exhibit polar bears.”

On page 951, between lines 6 and 7, insert the following:

**“SEC. 10. FARMERS’ MARKET PROMOTION PROGRAM.”**

(a) SURVEY.—Section 4 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3003) is amended—

(1) in the first sentence, by striking “a continuing” and inserting “an annual”; and

(2) by striking the second sentence.

(b) DIRECT MARKETING ASSISTANCE.—Section 5 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3004) is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking “Extension Service of the United States Department of Agriculture” and inserting “Secretary”; and

(B) in the second sentence—

(i) by striking “Extension Service” and inserting “Secretary”; and

(ii) by striking “and on the basis of which of these two agencies, or combination thereof, can best perform these activities” and inserting “, as determined by the Secretary”;

(2) by redesignating subsection (b) as subsection (c); and

(3) by inserting after subsection (a) the following:

“(b) DEVELOPMENT OF FARMERS’ MARKETS.—The Secretary shall—

“(1) work with the Governor of a State, and a State agency designated by the Governor, to develop programs to train managers of farmers’ markets;

“(2) develop opportunities to share information among managers of farmers’ markets;

“(3) establish a program to train cooperative extension service employees in the development of direct marketing techniques; and

“(4) work with producers to develop farmers’ markets.”

(c) FARMERS’ MARKET PROMOTION PROGRAM.—The Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3001 et seq.) is amended by inserting after section 5 the following:

**“SEC. 6. FARMERS’ MARKET PROMOTION PROGRAM.”**

“(a) ESTABLISHMENT.—The Secretary shall carry out a program, to be known as the ‘Farmers’ Market Promotion Program’ (referred to in this section as the ‘Program’), to make grants to eligible entities for projects to establish, expand, and promote farmers’ markets.

“(b) PROGRAM PURPOSES.—The purposes of the Program are—

“(1) to increase domestic consumption of agricultural commodities by improving and

expanding, or assisting in the improvement and expansion of, domestic farmers' markets, roadside stands, community-supported agriculture programs, and other direct producer-to-consumer infrastructure; and

“(2) to develop, or aid in the development of, new farmers' markets, roadside stands, community-supported agriculture programs, and other direct producer-to-consumer infrastructure.

“(c) ELIGIBLE ENTITIES.—An entity shall be eligible to receive a grant under the Program if the entity is—

- “(1) an agricultural cooperative;
- “(2) a local government;
- “(3) a nonprofit corporation;
- “(4) a public benefit corporation;
- “(5) an economic development corporation;
- “(6) a regional farmers' market authority;

or

“(7) such other entity as the Secretary may designate.

“(d) CRITERIA AND GUIDELINES.—The Secretary shall establish criteria and guidelines for the submission, evaluation, and funding of proposed projects under the Program.

“(e) AMOUNT.—

“(1) IN GENERAL.—Under the Program, the amount of a grant to an eligible entity for any 1 project shall be not more than \$500,000 for any 1 fiscal year.

“(2) AVAILABILITY.—The amount of a grant to an eligible entity for a project shall be available until expended or until the date on which the project terminates.

“(f) COST SHARING.—

“(1) FEDERAL SHARE.—The Federal share of the cost of a project carried out under the Program shall not exceed 60 percent.

“(2) NON-FEDERAL SHARE.—

“(A) FORM.—The non-Federal share of the cost of a project carried out under the Program may be paid in the form of cash or the provision of services, materials, or other in-kind contributions.

“(B) LIMITATION.—The value of any real or personal property owned by an eligible entity as of the date on which the eligible entity submits a proposal for a project under the Program shall not be credited toward the non-Federal share required under this paragraph.

“(g) FUNDING.—

“(1) IN GENERAL.—There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2003 through 2008.

“(2) LIMITATION.—No amounts may be made available to carry out this section unless specifically provided by an appropriation Act.”.

On page 951, strike lines 7 through 11 and insert the following:

**SEC. 10. TRANSPARENCY AND ACCOUNTABILITY FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS; PUBLIC DISCLOSURE REQUIREMENTS FOR COUNTY COMMITTEE ELECTIONS.**

(a) TRANSPARENCY AND ACCOUNTABILITY FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS.—The Food, Agriculture, Conservation, and Trade Act of 1990 is amended by inserting after section 2501 (7 U.S.C. 2279) the following:

**SEC. 2501A. TRANSPARENCY AND ACCOUNTABILITY FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS.**

“(a) PURPOSE.—The purpose of this section is to ensure compilation and public disclosure of data to assess and hold the Department of Agriculture accountable for the non-discriminatory participation of socially disadvantaged farmers and ranchers in programs of the Department.

“(b) DEFINITION OF SOCIALLY DISADVANTAGED FARMER OR RANCHER.—In this section, the term ‘socially disadvantaged farmer or

rancher’ has the meaning given the term in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)).

“(c) COMPILATION OF PROGRAM PARTICIPATION DATA.—

“(1) ANNUAL REQUIREMENT.—For each county and State in the United States, the Secretary shall compute annually the participation rate of socially disadvantaged farmers and ranchers as a percentage of the total participation of all farmers and ranchers for each program of the Department of Agriculture established for farmers or ranchers.

“(2) DETERMINATION OF PARTICIPATION.—In determining the rates under paragraph (1), the Secretary shall consider, for each county and State, the number of socially disadvantaged farmers and ranchers of each race, ethnicity, and gender in proportion to the total number of farmers and ranchers participating in each program.”.

(b) PUBLIC DISCLOSURE REQUIREMENTS FOR COUNTY COMMITTEE ELECTIONS.—Section 8(b)(5) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)(5)) is amended by striking subparagraph (B) and inserting the following:

On page 958, strike the closing quotation marks and insert the following:

“(v) PUBLIC AVAILABILITY AND REPORT TO CONGRESS.—

“(I) PUBLIC DISCLOSURE.—The Secretary shall maintain and make readily available to the public, via website and otherwise in electronic and paper form, all data required to be collected and computed under section 2501A(c) of the Food, Agriculture, Conservation, and Trade Act of 1990 and clause (iii)(V) collected annually since the most recent Census of Agriculture.

“(II) REPORT TO CONGRESS.—After each Census of Agriculture, the Secretary shall report to Congress the rate of loss or gain in participation by each socially disadvantaged group, by race, ethnicity, and gender, since the previous Census.”.

On page 977, after line 15, add the following:

**SEC. 10. PEST MANAGEMENT IN SCHOOLS.**

(a) SHORT TITLE.—This section may be cited as the “School Environment Protection Act of 2001”.

(b) PEST MANAGEMENT.—The Federal Insecticide, Fungicide, and Rodenticide Act is amended—

(1) by redesignating sections 33 and 34 (7 U.S.C. 136x, 136y) as sections 34 and 35, respectively; and

(2) by inserting after section 32 (7 U.S.C. 136w–7) the following:

**“SEC. 33. PEST MANAGEMENT IN SCHOOLS.**

“(a) DEFINITIONS.—In this section:

“(1) BAIT.—The term ‘bait’ means a pesticide that contains an ingredient that serves as a feeding stimulant, odor, pheromone, or other attractant for a target pest.

“(2) CONTACT PERSON.—The term ‘contact person’ means an individual who is—

“(A) knowledgeable about school pest management plans; and

“(B) designated by a local educational agency to carry out implementation of the school pest management plan of a school.

“(3) EMERGENCY.—The term ‘emergency’ means an urgent need to mitigate or eliminate a pest that threatens the health or safety of a student or staff member.

“(4) LOCAL EDUCATIONAL AGENCY.—The term ‘local educational agency’ has the meaning given the term in section 3 of the Elementary and Secondary Education Act of 1965.

“(5) SCHOOL.—

“(A) IN GENERAL.—The term ‘school’ means a public—

“(i) elementary school (as defined in section 3 of the Elementary and Secondary Education Act of 1965);

“(ii) secondary school (as defined in section 3 of that Act);

“(iii) kindergarten or nursery school that is part of an elementary school or secondary school; or

“(iv) tribally-funded school.

“(B) INCLUSIONS.—The term ‘school’ includes any school building, and any area outside of a school building (including a lawn, playground, sports field, and any other property or facility), that is controlled, managed, or owned by the school or school district.

“(6) SCHOOL PEST MANAGEMENT PLAN.—The term ‘school pest management plan’ means a pest management plan developed under subsection (b).

“(7) STAFF MEMBER.—

“(A) IN GENERAL.—The term ‘staff member’ means a person employed at a school or local educational agency.

“(B) EXCLUSIONS.—The term ‘staff member’ does not include—

“(i) a person hired by a school, local educational agency, or State to apply a pesticide; or

“(ii) a person assisting in the application of a pesticide.

“(8) STATE AGENCY.—The term ‘State agency’ means the an agency of a State, or an agency of an Indian tribe or tribal organization (as those terms are defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), that exercises primary jurisdiction over matters relating to pesticide regulation.

“(9) UNIVERSAL NOTIFICATION.—The term ‘universal notification’ means notice provided by a local educational agency or school to—

“(A) parents, legal guardians, or other persons with legal standing as parents of each child attending the school; and

“(B) staff members of the school.

“(b) SCHOOL PEST MANAGEMENT PLANS.—

“(1) STATE PLANS.—

“(A) GUIDANCE.—As soon as practicable (but not later than 180 days) after the date of enactment of the School Environment Protection Act of 2001, the Administrator shall develop, in accordance with this section—

“(i) guidance for a school pest management plan; and

“(ii) a sample school pest management plan.

“(B) PLAN.—As soon as practicable (but not later than 1 year) after the date of enactment of the School Environment Protection Act of 2001, each State agency shall develop and submit to the Administrator for approval, as part of the State cooperative agreement under section 23, a school pest management plan for local educational agencies in the State.

“(C) COMPONENTS.—A school pest management plan developed under subparagraph (B) shall, at a minimum—

“(i) implement a system that—

“(I) eliminates or mitigates health risks, or economic or aesthetic damage, caused by pests;

“(II) employs—

“(aa) integrated methods;

“(bb) site or pest inspection;

“(cc) pest population monitoring; and

“(dd) an evaluation of the need for pest management; and

“(III) is developed taking into consideration pest management alternatives (including sanitation, structural repair, and mechanical, biological, cultural, and pesticide strategies) that minimize health and environmental risks;

“(ii) require, for pesticide applications at the school, universal notification to be provided—

“(I) at the beginning of the school year;  
 “(II) at the midpoint of the school year;  
 and  
 “(III) at the beginning of any summer session, as determined by the school;  
 “(iii) establish a registry of staff members of a school, and of parents, legal guardians, or other persons with legal standing as parents of each child attending the school, that have requested to be notified in advance of any pesticide application at the school;  
 “(iv) establish guidelines that are consistent with the definition of a school pest management plan under subsection (a);  
 “(v) require that each local educational agency use a certified applicator or a person authorized by the State agency to implement the school pest management plans;  
 “(vi) be consistent with the State cooperative agreement under section 23; and  
 “(vii) require the posting of signs in accordance with paragraph (4)(G).

“(D) APPROVAL BY ADMINISTRATOR.—Not later than 90 days after receiving a school pest management plan submitted by a State agency under subparagraph (B), the Administrator shall—

“(i) determine whether the school pest management plan, at a minimum, meets the requirements of subparagraph (C); and

“(ii)(I) if the Administrator determines that the school pest management plan meets the requirements, approve the school pest management plan as part of the State cooperative agreement; or

“(II) if the Administrator determines that the school pest management plan does not meet the requirements—

“(aa) disapprove the school pest management plan;

“(bb) provide the State agency with recommendations for and assistance in revising the school pest management plan to meet the requirements; and

“(cc) provide a 90-day deadline by which the State agency shall resubmit the revised school pest management plan to obtain approval of the plan, in accordance with the State cooperative agreement.

“(E) DISTRIBUTION OF STATE PLAN TO SCHOOLS.—On approval of the school pest management plan of a State agency, the State agency shall make the school pest management plan available to each local educational agency in the State.

“(F) EXCEPTION FOR EXISTING STATE PLANS.—If, on the date of enactment of the School Environment Protection Act of 2001, a State has implemented a school pest management plan that, at a minimum, meets the requirements under subparagraph (C) (as determined by the Administrator), the State agency may maintain the school pest management plan and shall not be required to develop a new school pest management plan under subparagraph (B).

“(2) IMPLEMENTATION BY LOCAL EDUCATIONAL AGENCIES.—

“(A) IN GENERAL.—Not later than 1 year after the date on which a local educational agency receives a copy of a school pest management plan of a State agency under paragraph (1)(E), the local educational agency shall develop and implement in each of the schools under the jurisdiction of the local educational agency a school pest management plan that meets the standards and requirements under the school pest management plan of the State agency, as determined by the Administrator.

“(B) EXCEPTION FOR EXISTING PLANS.—If, on the date of enactment of the School Environment Protection Act of 2001, a State maintains a school pest management plan that, at a minimum, meets the standards and criteria established under this section (as determined by the Administrator), and a local educational agency in the State has imple-

mented the State school pest management plan, the local educational agency may maintain the school pest management plan and shall not be required to develop and implement a new school pest management plan under subparagraph (A).

“(C) APPLICATION OF PESTICIDES AT SCHOOLS.—A school pest management plan shall prohibit—

“(i) the application of a pesticide (other than a pesticide, including a bait, gel or paste, described in paragraph (4)(C)) to any area or room at a school while the area or room is occupied or in use by students or staff members (except students or staff members participating in regular or vocational agricultural instruction involving the use of pesticides); and

“(ii) the use by students or staff members of an area or room treated with a pesticide by broadcast spraying, baseboard spraying, tenting, or fogging during—

“(I) the period specified on the label of the pesticide during which a treated area or room should remain unoccupied; or

“(II) if there is no period specified on the label, the 24-hour period beginning at the end of the treatment.

“(3) CONTACT PERSON.—

“(A) IN GENERAL.—Each local educational agency shall designate a contact person to carry out a school pest management plan in schools under the jurisdiction of the local educational agency.

“(B) DUTIES.—The contact person of a local educational agency shall—

“(i) maintain information about the scheduling of pesticide applications in each school under the jurisdiction of the local educational agency;

“(ii) act as a contact for inquiries, and disseminate information requested by parents or guardians, about the school pest management plan;

“(iii) maintain and make available to parents, legal guardians, or other persons with legal standing as parents of each child attending the school, before and during the notice period and after application—

“(I) copies of material safety data sheet for pesticides applied at the school, or copies of material safety data sheets for end-use dilutions of pesticides applied at the school, if data sheets are available;

“(II) labels and fact sheets approved by the Administrator for all pesticides that may be used by the local educational agency; and

“(III) any final official information related to the pesticide, as provided to the local educational agency by the State agency; and

“(iv) for each school, maintain all pesticide use data for each pesticide used at the school (other than antimicrobial pesticides (as defined in clauses (i) and (ii) of section 2(mm)(1)(A))) for at least 3 years after the date on which the pesticide is applied; and

“(v) make that data available for inspection on request by any person.

“(4) NOTIFICATION.—

“(A) UNIVERSAL NOTIFICATION.—At the beginning of each school year, at the midpoint of each school year, and at the beginning of any summer session (as determined by the school), a local educational agency or school shall provide to staff members of a school, and to parents, legal guardians, and other persons with legal standing as parents of students enrolled at the school, a notice describing the school pest management plan that includes—

“(i) a summary of the requirements and procedures under the school pest management plan;

“(ii) a description of any potential pest problems that the school may experience (including a description of the procedures that may be used to address those problems);

“(iii) the address, telephone number, and website address of the Office of Pesticide Programs of the Environmental Protection Agency; and

“(iv) the following statement (including information to be supplied by the school as indicated in brackets):

“As part of a school pest management plan, \_\_\_\_\_ (insert school name) may use pesticides to control pests. The Environmental Protection Agency (EPA) and \_\_\_\_\_ (insert name of State agency exercising jurisdiction over pesticide registration and use) registers pesticides for that use. EPA continues to examine registered pesticides to determine that use of the pesticides in accordance with instructions printed on the label does not pose unreasonable risks to human health and the environment. Nevertheless, EPA cannot guarantee that registered pesticides do not pose risks, and unnecessary exposure to pesticides should be avoided. Based in part on recommendations of a 1993 study by the National Academy of Sciences that reviewed registered pesticides and their potential to cause unreasonable adverse effects on human health, particularly on the health of pregnant women, infants, and children, Congress enacted the Food Quality Protection Act of 1996. That law requires EPA to reevaluate all registered pesticides and new pesticides to measure their safety, taking into account the unique exposures and sensitivity that pregnant women, infants, and children may have to pesticides. EPA review under that law is ongoing. You may request to be notified at least 24 hours in advance of pesticide applications to be made and receive information about the applications by registering with the school. Certain pesticides used by the school (including baits, pastes, and gels) are exempt from notification requirements. If you would like more information concerning any pesticide application or any product used at the school, contact \_\_\_\_\_ (insert name and phone number of contact person).’.

“(B) NOTIFICATION TO PERSONS ON REGISTRY.—

“(i) IN GENERAL.—Except as provided in clause (ii) and paragraph (5)—

“(I) notice of an upcoming pesticide application at a school shall be provided to each person on the registry of the school not later than 24 hours before the end of the last business day during which the school is in session that precedes the day on which the application is to be made; and

“(II) the application of a pesticide for which a notice is given under subclause (I) shall not commence before the end of the business day.

“(ii) NOTIFICATION CONCERNING PESTICIDES USED IN CURRICULA.—If pesticides are used as part of a regular vocational agricultural curriculum of the school, a notice containing the information described in subclauses (I), (IV), (VI), and (VII) of clause (iii) for all pesticides that may be used as a part of that curriculum shall be provided to persons on the registry only once at the beginning of each academic term of the school.

“(iii) CONTENTS OF NOTICE.—A notice under clause (i) shall contain—

“(I) the trade name, common name (if applicable), and Environmental Protection Agency registration number of each pesticide to be applied;

“(II) a description of each location at the school at which a pesticide is to be applied;

“(III) a description of the date and time of application, except that, in the case of an outdoor pesticide application, a notice shall include at least 3 dates, in chronological order, on which the outdoor pesticide application may take place if the preceding date is canceled;

“(IV) information that the State agency shall provide to the local educational agency, including a description of potentially acute and chronic effects that may result from exposure to each pesticide to be applied based on—

“(aa) a description of potentially acute and chronic effects that may result from exposure to each pesticide to be applied, as stated on the label of the pesticide approved by the Administrator;

“(bb) information derived from the material safety data sheet for the end-use dilution of the pesticide to be applied (if available) or the material safety data sheets; and

“(cc) final, official information related to the pesticide prepared by the Administrator and provided to the local educational agency by the State agency;

“(V) a description of the purpose of the application of the pesticide;

“(VI) the address, telephone number, and website address of the Office of Pesticide Programs of the Environmental Protection Agency; and

“(VII) the statement described in subparagraph (A)(iv) (other than the ninth sentence of that statement).

“(C) NOTIFICATION AND POSTING EXEMPTION.—A notice or posting of a sign under subparagraph (A), (B), or (G) shall not be required for the application at a school of—

“(i) an antimicrobial pesticide;

“(ii) a bait, gel, or paste that is placed—

“(I) out of reach of children or in an area that is not accessible to children; or

“(II) in a tamper-resistant or child-resistant container or station; and

“(iii) any pesticide that, as of the date of enactment of the School Environment Protection Act of 2001, is exempt from the requirements of this Act under section 25(b) (including regulations promulgated at section 152 of title 40, Code of Federal Regulations (or any successor regulation)).

“(D) NEW STAFF MEMBERS AND STUDENTS.—After the beginning of each school year, a local educational agency or school within a local educational agency shall provide each notice required under subparagraph (A) to—

“(i) each new staff member who is employed during the school year; and

“(ii) the parent or guardian of each new student enrolled during the school year.

“(E) METHOD OF NOTIFICATION.—A local educational agency or school may provide a notice under this subsection, using information described in paragraph (4), in the form of—

“(i) a written notice sent home with the students and provided to staff members;

“(ii) a telephone call;

“(iii) direct contact;

“(iv) a written notice mailed at least 1 week before the application; or

“(v) a notice delivered electronically (such as through electronic mail or facsimile).

“(F) REISSUANCE.—If the date of the application of the pesticide needs to be extended beyond the period required for notice under this paragraph, the school shall issue a notice containing only the new date and location of application.

“(G) POSTING OF SIGNS.—

“(i) IN GENERAL.—Except as provided in paragraph (5)—

“(I) a school shall post a sign not later than the last business day during which school is in session preceding the date of application of a pesticide at the school; and

“(II) the application for which a sign is posted under subclause (I) shall not commence before the time that is 24 hours after the end of the business day on which the sign is posted.

“(ii) LOCATION.—A sign shall be posted under clause (i)—

“(I) at a central location noticeable to individuals entering the building; and

“(II) at the proposed site of application.

“(iii) ADMINISTRATION.—A sign required to be posted under clause (i) shall—

“(I) remain posted for at least 24 hours after the end of the application;

“(II) be—

“(aa) at least 8½ inches by 11 inches for signs posted inside the school; and

“(bb) at least 4 inches by 5 inches for signs posted outside the school; and

“(III) contain—

“(aa) information about the pest problem for which the application is necessary;

“(bb) the name of each pesticide to be used;

“(cc) the date of application;

“(dd) the name and telephone number of the designated contact person; and

“(ee) the statement contained in subparagraph (A)(iv).

“(iv) OUTDOOR PESTICIDE APPLICATIONS.—

“(I) IN GENERAL.—In the case of an outdoor pesticide application at a school, each sign shall include at least 3 dates, in chronological order, on which the outdoor pesticide application may take place if the preceding date is canceled.

“(II) DURATION OF POSTING.—A sign described in subclause (I) shall be posted after an outdoor pesticide application in accordance with clauses (ii) and (iii).

“(5) EMERGENCIES.—

“(A) IN GENERAL.—A school may apply a pesticide at the school without complying with this part in an emergency, subject to subparagraph (B).

“(B) SUBSEQUENT NOTIFICATION OF PARENTS, GUARDIANS, AND STAFF MEMBERS.—Not later than the earlier of the time that is 24 hours after a school applies a pesticide under this paragraph or on the morning of the next business day, the school shall provide to each parent or guardian of a student listed on the registry, a staff member listed on the registry, and the designated contact person, notice of the application of the pesticide in an emergency that includes—

“(i) the information required for a notice under paragraph (4)(G); and

“(ii) a description of the problem and the factors that required the application of the pesticide to avoid a threat to the health or safety of a student or staff member.

“(C) METHOD OF NOTIFICATION.—The school may provide the notice required by paragraph (B) by any method of notification described in paragraph (4)(E).

“(D) POSTING OF SIGNS.—Immediately after the application of a pesticide under this paragraph, a school shall post a sign warning of the pesticide application in accordance with clauses (ii) through (iv) of paragraph (4)(B).

“(C) RELATIONSHIP TO STATE AND LOCAL REQUIREMENTS.—Nothing in this section (including regulations promulgated under this section)—

“(1) precludes a State or political subdivision of a State from imposing on local educational agencies and schools any requirement under State or local law (including regulations) that is more stringent than the requirements imposed under this section; or

“(2) establishes any exception under, or affects in any other way, section 24(b).

“(D) EXCLUSION OF CERTAIN PEST MANAGEMENT ACTIVITIES.—Nothing in this section (including regulations promulgated under this section) applies to a pest management activity that is conducted—

“(1) on or adjacent to a school; and

“(2) by, or at the direction of, a State or local agency other than a local educational agency.

“(E) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such

sums as are necessary to carry out this section.”.

(c) CONFORMING AMENDMENT.—The table of contents in section 1(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. prec. 121) is amended by striking the items relating to sections 30 through 32 and inserting the following:

“Sec. 30. Minimum requirements for training of maintenance applicators and service technicians.

“Sec. 31. Environmental Protection Agency minor use program.

“Sec. 32. Department of Agriculture minor use program.

“(a) In general.

“(b) Minor use pesticide data.

“(2) Minor Use Pesticide Data Revolving Fund.

“Sec. 33. Pest management in schools.

“(a) Definitions.

“(1) Bait.

“(2) Contact person.

“(3) Emergency.

“(4) Local educational agency.

“(5) School.

“(6) Staff member.

“(7) State agency.

“(8) Universal notification.

“(b) School pest management plans.

“(1) State plans.

“(2) Implementation by local educational agencies.

“(3) Contact person.

“(4) Notification.

“(5) Emergencies.

“(c) Relationship to State and local requirements.

“(d) Exclusion of certain pest management activities.

“(e) Authorization of appropriations.

“Sec. 34. Severability.

“Sec. 35. Authorization of appropriations.”.

(d) EFFECTIVE DATE.—This section and the amendments made by this section take effect on October 1, 2001.

On page 978, line 11, strike “FELONIES” and insert “MAJOR VIOLATIONS”.

On page 978, line 13, after “person”, insert the following: “that commits a violation of this title described in this subparagraph shall be guilty of a felony and, on conviction,.”.

On page 979, line 25, strike “MISDEMEANORS” and insert “OTHER VIOLATIONS”.

On page 980, line 12, after “person”, insert the following: “that commits a violation of this title described in this subparagraph shall be guilty of a misdemeanor and, on conviction,.”.

On page 985, strike line 1 and insert the following:

#### Subtitle D—Animal Health Protection

##### SEC. 1041. SHORT TITLE.

This subtitle may be cited as the “Animal Health Protection Act”.

##### SEC. 1042. FINDINGS.

Congress finds that—

(1) the prevention, detection, control, and eradication of diseases and pests of animals are essential to protect—

(A) animal health;

(B) the health and welfare of the people of the United States;

(C) the economic interests of the livestock and related industries of the United States;

(D) the environment of the United States; and

(E) interstate commerce and foreign commerce of the United States in animals and other articles;

(2) animal diseases and pests are primarily transmitted by animals and articles regulated under this subtitle;

(3) the health of animals is affected by the methods by which animals and articles are transported in interstate commerce and foreign commerce;

(4) the Secretary must continue to conduct research on animal diseases and pests that constitute a threat to the livestock of the United States; and

(5)(A) all animals and articles regulated under this subtitle are in or affect interstate commerce or foreign commerce; and

(B) regulation by the Secretary and cooperation by the Secretary with foreign countries, States or other jurisdictions, or persons are necessary—

(i) to prevent and eliminate burdens on interstate commerce and foreign commerce;

(ii) to regulate effectively interstate commerce and foreign commerce; and

(iii) to protect the agriculture, environment, economy, and health and welfare of the people of the United States.

#### SEC. 1043. DEFINITIONS.

In this subtitle:

(1) ANIMAL.—The term “animal” means any member of the animal kingdom (except a human).

(2) ARTICLE.—The term “article” means any pest or disease or any material or tangible object that could harbor a pest or disease.

(3) DISEASE.—The term “disease” means—

(A) any infectious or noninfectious disease or condition affecting the health of livestock; or

(B) any condition detrimental to production of livestock.

(4) ENTER.—The term “enter” means to move into the commerce of the United States.

(5) EXPORT.—The term “export” means to move from a place within the territorial limits of the United States to a place outside the territorial limits of the United States.

(6) FACILITY.—The term “facility” means any structure.

(7) IMPORT.—The term “import” means to move from a place outside the territorial limits of the United States to a place within the territorial limits of the United States.

(8) INDIAN TRIBE.—The term “Indian tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(9) INTERSTATE COMMERCE.—The term “interstate commerce” means trade, traffic, or other commerce—

(A) between a place in a State and a place in another State, or between places within the same State but through any place outside that State; or

(B) within the District of Columbia or any territory or possession of the United States.

(10) LIVESTOCK.—The term “livestock” means all farm-raised animals.

(11) MEANS OF CONVEYANCE.—The term “means of conveyance” means any personal property used for or intended for use for the movement of any other personal property.

(12) MOVE.—The term “move” means—

(A) to carry, enter, import, mail, ship, or transport;

(B) to aid, abet, cause, or induce carrying, entering, importing, mailing, shipping, or transporting;

(C) to offer to carry, enter, import, mail, ship, or transport;

(D) to receive in order to carry, enter, import, mail, ship, or transport;

(E) to release into the environment; or

(F) to allow any of the activities described in this paragraph.

(13) PEST.—The term “pest” means any of the following that can directly or indirectly injure, cause damage to, or cause disease in livestock:

(A) A protozoan.

(B) A plant.

(C) A bacteria.

(D) A fungus.

(E) A virus or viroid.

(F) An infectious agent or other pathogen.

(G) An arthropod.

(H) A parasite.

(I) A prion.

(J) A vector.

(K) An animal.

(L) Any organism similar to or allied with any of the organisms described in this paragraph.

(14) SECRETARY.—The term “Secretary” means the Secretary of Agriculture.

(15) STATE.—The term “State” means any of the States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands of the United States, or any territory or possession of the United States.

(16) THIS SUBTITLE.—Except when used in this section, the term “this subtitle” includes any regulation or order issued by the Secretary under the authority of this subtitle.

(17) UNITED STATES.—The term “United States” means all of the States.

#### SEC. 1044. RESTRICTION ON IMPORTATION OR ENTRY.

(a) IN GENERAL.—The Secretary may prohibit or restrict—

(1) the importation or entry of any animal, article, or means of conveyance, or use of any means of conveyance or facility, if the Secretary determines that the prohibition or restriction is necessary to prevent the introduction into or dissemination within the United States of any pest or disease of livestock;

(2) the further movement of any animal that has strayed into the United States if the Secretary determines that the prohibition or restriction is necessary to prevent the introduction into or dissemination within the United States of any pest or disease of livestock; and

(3) the use of any means of conveyance in connection with the importation or entry of livestock if the Secretary determines that the prohibition or restriction is necessary because the means of conveyance has not been maintained in a clean and sanitary condition or does not have accommodations for the safe and proper movement and humane treatment of livestock.

(b) REGULATIONS.—The Secretary may promulgate regulations requiring that any animal imported or entered be raised or handled under post-importation quarantine conditions by or under the supervision of the Secretary for the purpose of determining whether the animal is or may be affected by any pest or disease of livestock.

(c) DESTRUCTION OR REMOVAL.—

(1) IN GENERAL.—The Secretary may order the destruction or removal from the United States of—

(A) any animal, article, or means of conveyance that has been imported but has not entered the United States if the Secretary determines that destruction or removal from the United States is necessary to prevent the introduction into or dissemination within the United States of any pest or disease of livestock;

(B) any animal or progeny of any animal, article, or means of conveyance that has been imported or entered in violation of this subtitle; or

(C) any animal that has strayed into the United States if the Secretary determines that destruction or removal from the United States is necessary to prevent the introduction into or dissemination within the United States of any pest or disease of livestock.

(2) REQUIREMENTS OF OWNERS.—

(A) ORDERS TO DISINFECT.—The Secretary may require the disinfection of—

(i) a means of conveyance used in connection with the importation of an animal;

(ii) an individual involved in the importation of an animal and personal articles of the individual; and

(iii) any article used in the importation of an animal.

(B) FAILURE TO COMPLY WITH ORDERS.—If an owner fails to comply with an order of the Secretary under this section, the Secretary may—

(i) take remedial action, destroy, or remove from the United States the animal or progeny of any animal, article, or means of conveyance as authorized under paragraph (1); and

(ii) recover from the owner the costs of any care, handling, disposal, or other action incurred by the Secretary in connection with the remedial action, destruction, or removal.

#### SEC. 1045. EXPORTATION.

(a) IN GENERAL.—The Secretary may prohibit or restrict—

(1) the exportation of any animal, article, or means of conveyance if the Secretary determines that the prohibition or restriction is necessary to prevent the dissemination from or within the United States of any pest or disease of livestock;

(2) the exportation of any livestock if the Secretary determines that the livestock is unfit to be moved;

(3) the use of any means of conveyance or facility in connection with the exportation of any animal or article if the Secretary determines that the prohibition or restriction is necessary to prevent the dissemination from or within the United States of any pest or disease of livestock; or

(4) the use of any means of conveyance in connection with the exportation of livestock if the Secretary determines that the prohibition or restriction is necessary because the means of conveyance has not been maintained in a clean and sanitary condition or does not have accommodations for the safe and proper movement and humane treatment of livestock.

(b) REQUIREMENTS OF OWNERS.—

(1) ORDERS TO DISINFECT.—The Secretary may require the disinfection of—

(A) a means of conveyance used in connection with the exportation of an animal;

(B) an individual involved in the exportation of an animal and personal articles of the individual; and

(C) any article used in the exportation of an animal.

(2) FAILURE TO COMPLY WITH ORDERS.—If an owner fails to comply with an order of the Secretary under this section, the Secretary may—

(A) take remedial action with respect to the animal, article, or means of conveyance referred to in paragraph (1); and

(B) recover from the owner the costs of any care, handling, disposal, or other action incurred by the Secretary in connection with the remedial action.

(c) CERTIFICATION.—The Secretary may certify the classification, quality, quantity, condition, processing, handling, or storage of any animal or article intended for export.

#### SEC. 1046. INTERSTATE MOVEMENT.

The Secretary may prohibit or restrict—

(1) the movement in interstate commerce of any animal, article, or means of conveyance if the Secretary determines that the prohibition or restriction is necessary to prevent the introduction or dissemination of any pest or disease of livestock; and

(2) the use of any means of conveyance or facility in connection with the movement in interstate commerce of any animal or article if the Secretary determines that the prohibition or restriction is necessary to prevent the introduction or dissemination of any pest or disease of livestock.

**SEC. 1047. SEIZURE, QUARANTINE, AND DISPOSAL.**

(a) IN GENERAL.—The Secretary may hold, seize, quarantine, treat, destroy, dispose of, or take other remedial action with respect to—

(1) any animal or progeny of any animal, article, or means of conveyance that—

(A) is moving or has been moved in interstate commerce or has been imported and entered; and

(B) the Secretary has reason to believe may carry, may have carried, or may have been affected with or exposed to any pest or disease of livestock at the time of movement or that is otherwise in violation of this subtitle;

(2) any animal or progeny of any animal, article, or means of conveyance that is moving or is being handled, or has moved or has been handled, in interstate commerce in violation of this subtitle;

(3) any animal or progeny of any animal, article, or means of conveyance that has been imported, and is moving or is being handled or has moved or has been handled, in violation of this subtitle; or

(4) any animal or progeny of any animal, article, or means of conveyance that the Secretary finds is not being maintained, or has not been maintained, in accordance with any post-importation quarantine, post-importation condition, post-movement quarantine, or post-movement condition in accordance with this subtitle.

## (b) EXTRAORDINARY EMERGENCIES.—

(1) IN GENERAL.—Subject to paragraph (2), if the Secretary determines that an extraordinary emergency exists because of the presence in the United States of a pest or disease of livestock and that the presence of the pest or disease threatens the livestock of the United States, the Secretary may—

(A) hold, seize, treat, apply other remedial actions to, destroy (including preventative slaughter), or otherwise dispose of, any animal, article, facility, or means of conveyance if the Secretary determines the action is necessary to prevent the dissemination of the pest or disease; and

(B) prohibit or restrict the movement or use within a State, or any portion of a State of any animal or article, means of conveyance, or facility if the Secretary determines that the prohibition or restriction is necessary to prevent the dissemination of the pest or disease.

## (2) STATE ACTION.—

(A) IN GENERAL.—The Secretary may take action in a State under this subsection only on finding that measures being taken by the State are inadequate to control or eradicate the pest or disease, after review and consultation with—

“(i) the Governor or an appropriate animal health official of the State; or

“(ii) in the case of any animal, article, facility, or means of conveyance under the jurisdiction of an Indian tribe, the head of the Indian tribe.

(B) NOTICE.—Subject to subparagraph (C), before any action is taken in a State under subparagraph (A), the Secretary shall—

(i) notify the Governor, an appropriate animal health official of the State, or head of the Indian tribe of the proposed action;

(ii) issue a public announcement of the proposed action; and

## (iii) publish in the Federal Register—

(I) the findings of the Secretary;

(II) a description of the proposed action; and

(III) a statement of the reasons for the proposed action.

(C) NOTICE AFTER ACTION.—If it is not practicable to publish in the Federal Register the information required under subparagraph (B)(iii) before taking action under subpara-

graph (A), the Secretary shall publish the information as soon as practicable, but not later than 10 business days, after commencement of the action.

## (c) QUARANTINE, DISPOSAL, OR OTHER REMEDIAL ACTION.—

(1) IN GENERAL.—The Secretary, in writing, may order the owner of any animal, article, facility, or means of conveyance referred to in subsection (a) or (b) to maintain in quarantine, dispose of, or take other remedial action with respect to the animal, article, facility, or means of conveyance, in a manner determined by the Secretary.

(2) FAILURE TO COMPLY WITH ORDERS.—If the owner fails to comply with the order of the Secretary, the Secretary may—

(A) seize, quarantine, dispose of, or take other remedial action with respect to the animal, article, facility, or means of conveyance under subsection (a) or (b); and

(B) recover from the owner the costs of any care, handling, disposal, or other remedial action incurred by the Secretary in connection with the seizure, quarantine, disposal, or other remedial action.

## (d) COMPENSATION.—

(1) IN GENERAL.—Except as provided in paragraph (3), the Secretary shall compensate the owner of any animal, article, facility, or means of conveyance that the Secretary requires to be destroyed under this section.

## (2) AMOUNT.—

(A) IN GENERAL.—Subject to subparagraphs (B) and (C), the compensation shall be based on the fair market value, as determined by the Secretary, of the destroyed animal, article, facility, or means of conveyance.

(B) LIMITATION.—Compensation paid any owner under this subsection shall not exceed the difference between—

(i) the fair market value of the destroyed animal, article, facility, or means of conveyance; and

(ii) any compensation received by the owner from a State or other source for the destroyed animal, article, facility, or means of conveyance.

(C) REVIEWABILITY OF DETERMINATION.—The determination by the Secretary of the amount to be paid under this subsection shall be final and not subject to judicial review.

(3) EXCEPTIONS.—No payment shall be made by the Secretary under this subsection for—

(A) any animal, article, facility, or means of conveyance that has been moved or handled by the owner in violation of an agreement for the control and eradication of diseases or pests or in violation of this subtitle;

(B) any progeny of any animal or article, which animal or article has been moved or handled by the owner of the animal or article in violation of this subtitle;

(C) any animal, article, or means of conveyance that is refused entry under this subtitle; or

(D) any animal, article, facility, or means of conveyance that becomes or has become affected with or exposed to any pest or disease of livestock because of a violation of an agreement for the control and eradication of diseases or pests or a violation of this subtitle by the owner.

**SEC. 1048. INSPECTIONS, SEIZURES, AND WARRANTS.**

(a) GUIDELINES.—The activities authorized by this section shall be carried out consistent with guidelines approved by the Attorney General.

(b) WARRANTLESS INSPECTIONS.—The Secretary may stop and inspect, without a warrant, any person or means of conveyance moving—

(1) into the United States, to determine whether the person or means of conveyance

is carrying any animal or article regulated under this subtitle;

(2) in interstate commerce, on probable cause to believe that the person or means of conveyance is carrying any animal or article regulated under this subtitle; or

(3) in intrastate commerce from any State, or any portion of a State, quarantined under section 1047(b), on probable cause to believe that the person or means of conveyance is carrying any animal or article quarantined under section 1047(b).

## (c) INSPECTIONS WITH WARRANTS.—

(1) IN GENERAL.—The Secretary may enter, with a warrant, any premises in the United States for the purpose of making inspections and seizures under this subtitle.

## (2) APPLICATION AND ISSUANCE OF WARRANTS.—

(A) IN GENERAL.—On proper oath or affirmation showing probable cause to believe that there is on certain premises any animal, article, facility, or means of conveyance regulated under this subtitle, a United States judge, a judge of a court of record in the United States, or a United States magistrate judge may issue a warrant for the entry on premises within the jurisdiction of the judge or magistrate to make any inspection or seizure under this subtitle.

(B) EXECUTION.—The warrant may be applied for and executed by the Secretary or any United States marshal.

**SEC. 1049. DETECTION, CONTROL, AND ERADICATION OF DISEASES AND PESTS.**

(a) IN GENERAL.—The Secretary may carry out operations and measures to detect, control, or eradicate any pest or disease of livestock (including the drawing of blood and diagnostic testing of animals), including animals at a slaughterhouse, stockyard, or other point of concentration.

(b) COMPENSATION.—The Secretary may pay a claim arising out of the destruction of any animal, article, or means of conveyance consistent with the purposes of this subtitle.

**SEC. 1050. VETERINARY ACCREDITATION PROGRAM.**

(a) IN GENERAL.—The Secretary may establish a veterinary accreditation program that is consistent with this subtitle, including the establishment of standards of conduct for accredited veterinarians.

(b) CONSULTATION.—The Secretary shall consult with State animal health officials regarding the establishment of the veterinary accreditation program.

**SEC. 1051. COOPERATION.**

(a) IN GENERAL.—To carry out this subtitle, the Secretary may cooperate with other Federal agencies, States or political subdivisions of States, national governments of foreign countries, local governments of foreign countries, domestic or international organizations, domestic or international associations, Indian tribes, and other persons.

(b) RESPONSIBILITY.—The person or other entity cooperating with the Secretary shall be responsible for the authority necessary to carry out operations or measures—

(1) on all land and property within a foreign country or State, or under the jurisdiction of an Indian tribe, other than on land and property owned or controlled by the United States; and

(2) using other facilities and means, as determined by the Secretary.

## (c) SCREWWORMS.—

(1) IN GENERAL.—The Secretary may, independently or in cooperation with national governments of foreign countries or international organizations or associations, produce and sell sterile screwworms to any national government of a foreign country or international organization or association, if the Secretary determines that the livestock industry and related industries of the United

States will not be adversely affected by the production and sale.

(2) PROCEEDS.—

(A) INDEPENDENT PRODUCTION AND SALE.—If the Secretary independently produces and sells sterile screwworms under paragraph (1), the proceeds of the sale shall be—

(i) deposited into the Treasury of the United States; and

(ii) credited to the account from which the operating expenses of the facility producing the sterile screwworms have been paid.

(B) COOPERATIVE PRODUCTION AND SALE.—

(i) IN GENERAL.—If the Secretary cooperates to produce and sell sterile screwworms under paragraph (1), the proceeds of the sale shall be divided between the United States and the cooperating national government or international organization or association in a manner determined by the Secretary.

(ii) ACCOUNT.—The United States portion of the proceeds shall be—

(I) deposited into the Treasury of the United States; and

(II) credited to the account from which the operating expenses of the facility producing the sterile screwworms have been paid.

(d) COOPERATION IN PROGRAM ADMINISTRATION.—The Secretary may cooperate with State authorities, Indian tribe authorities, or other persons in the administration of regulations for the improvement of livestock and livestock products.

(e) CONSULTATION WITH OTHER FEDERAL AGENCIES.—

(1) IN GENERAL.—The Secretary shall consult with the head of a Federal agency with respect to any activity that is under the jurisdiction of the Federal agency.

(2) LEAD AGENCY.—The Department of Agriculture shall be the lead agency with respect to issues related to pests and diseases of livestock.

**SEC. 1052. REIMBURSABLE AGREEMENTS.**

(a) AUTHORITY TO ENTER INTO AGREEMENTS.—The Secretary may enter into reimbursable fee agreements with persons for preclearance of animals or articles at locations outside the United States for movement into the United States.

(b) FUNDS COLLECTED FOR PRECLEARANCE.—Funds collected for preclearance activities shall—

(1) be credited to accounts that may be established by the Secretary for carrying out this section; and

(2) remain available until expended for the preclearance activities, without fiscal year limitation.

(c) PAYMENT OF EMPLOYEES.—

(1) IN GENERAL.—Notwithstanding any other law, the Secretary may pay an officer or employee of the Department of Agriculture performing services under this subtitle relating to imports into and exports from the United States for all overtime, night, or holiday work performed by the officer or employee at a rate of pay determined by the Secretary.

(2) REIMBURSEMENT.—

(A) IN GENERAL.—The Secretary may require a person for whom the services are performed to reimburse the Secretary for any expenses paid by the Secretary for the services under this subsection.

(B) USE OF FUNDS.—All funds collected under this subsection shall—

(i) be credited to the account that incurs the costs; and

(ii) remain available until expended, without fiscal year limitation.

(d) LATE PAYMENT PENALTIES.—

(1) COLLECTION.—On failure by a person to reimburse the Secretary in accordance with this section, the Secretary may assess a late payment penalty against the person, including interest on overdue funds, as required by section 3717 of title 31, United States Code.

(2) USE OF FUNDS.—Any late payment penalty and any accrued interest shall—

(A) be credited to the account that incurs the costs; and

(B) remain available until expended, without fiscal year limitation.

**SEC. 1053. ADMINISTRATION AND CLAIMS.**

(a) ADMINISTRATION.—To carry out this subtitle, the Secretary may—

(1) acquire and maintain real or personal property;

(2) employ a person;

(3) make a grant; and

(4) notwithstanding chapter 63 of title 31, United States Code, enter into a contract, cooperative agreement, memorandum of understanding, or other agreement.

(b) TORT CLAIMS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary may pay a tort claim, in the manner authorized by the first paragraph of section 2672 of title 28, United States Code, if the claim arises outside the United States in connection with an activity authorized under this subtitle.

(2) REQUIREMENTS.—A claim may not be allowed under this subsection unless the claim is presented in writing to the Secretary not later than 2 years after the date on which the claim arises.

**SEC. 1054. PENALTIES.**

(a) CRIMINAL PENALTIES.—Any person that knowingly violates this subtitle, or that knowingly forges, counterfeits, or, without authority from the Secretary, uses, alters, defaces, or destroys any certificate, permit, or other document provided under this subtitle shall be guilty of a misdemeanor, and, on conviction, shall be fined in accordance with title 18, United States Code, imprisoned not more than 1 year, or both.

(b) CIVIL PENALTIES.—

(1) IN GENERAL.—Any person that violates this subtitle, or that forges, counterfeits, or, without authority from the Secretary, uses, alters, defaces, or destroys any certificate, permit, or other document provided under this subtitle may, after notice and opportunity for a hearing on the record, be assessed a civil penalty by the Secretary that does not exceed the greater of—

(A)(i) \$50,000 in the case of any individual, except that the civil penalty may not exceed \$1,000 in the case of an initial violation of this subtitle by an individual moving regulated articles not for monetary gain;

(ii) \$250,000 in the case of any other person for each violation; and

(iii) \$500,000 for all violations adjudicated in a single proceeding; or

(B) twice the gross gain or gross loss for any violation or forgery, counterfeiting, or unauthorized use, alteration, defacing or destruction of a certificate, permit, or other document provided under this subtitle that results in the person's deriving pecuniary gain or causing pecuniary loss to another person.

(2) FACTORS IN DETERMINING CIVIL PENALTY.—In determining the amount of a civil penalty, the Secretary shall take into account the nature, circumstance, extent, and gravity of the violation or violations and the Secretary may consider, with respect to the violator—

(A) the ability to pay;

(B) the effect on ability to continue to do business;

(C) any history of prior violations;

(D) the degree of culpability; and

(E) such other factors as the Secretary considers to be appropriate.

(3) SETTLEMENT OF CIVIL PENALTIES.—The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty that may be assessed under this subsection.

(4) FINALITY OF ORDERS.—

(A) FINAL ORDER.—The order of the Secretary assessing a civil penalty shall be treated as a final order reviewable under chapter 158 of title 28, United States Code.

(B) REVIEW.—The validity of the order of the Secretary may not be reviewed in an action to collect the civil penalty.

(C) INTEREST.—Any civil penalty not paid in full when due under an order assessing the civil penalty shall thereafter accrue interest until paid at the rate of interest applicable to civil judgments of the courts of the United States.

(c) SUSPENSION OR REVOCATION OF ACCREDITATION.—

(1) IN GENERAL.—The Secretary may, after notice and opportunity for a hearing on the record, suspend or revoke the accreditation of any veterinarian accredited under this subtitle that violates this subtitle.

(2) FINAL ORDER.—The order of the Secretary suspending or revoking accreditation shall be treated as a final order reviewable under chapter 158 of title 28, United States Code.

(3) SUMMARY SUSPENSION.—

(A) IN GENERAL.—Notwithstanding paragraph (1), the Secretary may summarily suspend the accreditation of a veterinarian who the Secretary has reason to believe has violated this subtitle.

(B) HEARINGS.—The Secretary shall provide the accredited veterinarian with a subsequent notice and an opportunity for a prompt post-suspension hearing on the record.

(d) LIABILITY FOR ACTS OF AGENTS.—In the construction and enforcement of this subtitle, the act, omission, or failure of any officer, agent, or person acting for or employed by any other person within the scope of the employment or office of the officer, agent, or person, shall be deemed also to be the act, omission, or failure of the other person.

(e) GUIDELINES FOR CIVIL PENALTIES.—The Secretary shall coordinate with the Attorney General to establish guidelines to determine under what circumstances the Secretary may issue a civil penalty or suitable notice of warning in lieu of prosecution by the Attorney General of a violation of this subtitle.

**SEC. 1055. ENFORCEMENT.**

(a) COLLECTION OF INFORMATION.—

(1) IN GENERAL.—The Secretary may gather and compile information and conduct any inspection or investigation that the Secretary considers to be necessary for the administration or enforcement of this subtitle.

(2) SUBPOENAS.—

(A) IN GENERAL.—The Secretary shall have power to issue a subpoena to compel the attendance and testimony of any witness and the production of any documentary evidence relating to the administration or enforcement of this subtitle or any matter under investigation in connection with this subtitle.

(B) LOCATION OF PRODUCTION.—The attendance of any witness and production of documentary evidence relevant to the inquiry may be required from any place in the United States.

(C) ENFORCEMENT.—

(i) IN GENERAL.—In case of disobedience to a subpoena by any person, the Secretary may request the Attorney General to invoke the aid of any court of the United States within the jurisdiction in which the investigation is conducted, or where the person resides, is found, transacts business, is licensed to do business, or is incorporated, to require the attendance and testimony of any witness and the production of documentary evidence.

(ii) NONCOMPLIANCE.—In case of a refusal to obey a subpoena issued to any person, a

court may order the person to appear before the Secretary and give evidence concerning the matter in question or to produce documentary evidence.

(ii) CONTEMPT.—Any failure to obey the order of the court may be punished by the court as contempt of the court.

(D) COMPENSATION.—

(i) WITNESSES.—A witness summoned by the Secretary under this subtitle shall be paid the same fees and mileage that are paid to a witness in a court of the United States.

(ii) DEPOSITIONS.—A witness whose deposition is taken, and the person taking the deposition, shall be entitled to the same fees that are paid for similar services in a court of the United States.

(E) PROCEDURES.—

(i) PUBLICATION.—The Secretary shall publish procedures for the issuance of subpoenas under this section.

(ii) REVIEW.—The procedures shall include a requirement that subpoenas be reviewed for legal sufficiency and, to be effective, be signed by the Secretary.

(iii) DELEGATION.—If the authority to sign a subpoena is delegated to an agency other than the Office of Administrative Law Judges, the agency receiving the delegation shall seek review of the subpoena for legal sufficiency outside that agency.

(b) AUTHORITY OF ATTORNEY GENERAL.—The Attorney General may—

(1) prosecute, in the name of the United States, all criminal violations of this subtitle that are referred to the Attorney General by the Secretary or are brought to the notice of the Attorney General by any person;

(2) bring an action to enjoin the violation of or to compel compliance with this subtitle, or to enjoin any interference by any person with the Secretary in carrying out this subtitle, in any case in which the Secretary has reason to believe that the person has violated, or is about to violate this subtitle or has interfered, or is about to interfere, with the actions of the Secretary; or

(3) bring an action for the recovery of any unpaid civil penalty, funds under a reimbursable agreement, late payment penalty, or interest assessed under this subtitle.

(c) COURT JURISDICTION.—

(1) IN GENERAL.—The United States district courts, the District Court of Guam, the District Court of the Northern Mariana Islands, the District Court of the Virgin Islands, the highest court of American Samoa, and the United States courts of the other territories and possessions are vested with jurisdiction in all cases arising under this subtitle.

(2) VENUE.—Any action arising under this subtitle may be brought, and process may be served, in the judicial district where a violation or interference occurred or is about to occur, or where the person charged with the violation, interference, impending violation, impending interference, or failure to pay resides, is found, transacts business, is licensed to do business, or is incorporated.

(3) EXCEPTION.—Paragraphs (1) and (2) do not apply to subsections (b) and (c) of section 1054.

**SEC. 1056. REGULATIONS AND ORDERS.**

The Secretary may promulgate such regulations, and issue such orders, as the Secretary determines necessary to carry out this subtitle.

**SEC. 1057. AUTHORIZATION OF APPROPRIATIONS.**

(a) IN GENERAL.—There are authorized to be appropriated such sums as are necessary to carry out this subtitle.

(b) TRANSFER OF FUNDS.—

(1) IN GENERAL.—In connection with an emergency under which a pest or disease of livestock threatens any segment of agricultural production in the United States, the

Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department of Agriculture such funds as the Secretary determines are necessary for the arrest, control, eradication, or prevention of the spread of the pest or disease of livestock and for related expenses.

(2) AVAILABILITY.—Any funds transferred under this subsection shall remain available until expended, without fiscal year limitation.

(c) USE OF FUNDS.—In carrying out this subtitle, the Secretary may use funds made available to carry out this subtitle for—

(1) printing and binding, without regard to section 501 of title 44, United States Code;

(2) the employment of civilian nationals in foreign countries; and

(3) the construction and operation of research laboratories, quarantine stations, and other buildings and facilities for special purposes.

**SEC. 1058. REPEALS AND CONFORMING AMENDMENTS.**

(a) REPEALS.—The following provisions of law are repealed:

(1) Public Law 97-46 (7 U.S.C. 147b).

(2) Section 101(b) of the Act of September 21, 1944 (7 U.S.C. 429).

(3) The Act of August 28, 1950 (7 U.S.C. 2260).

(4) Section 919 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 2260a).

(5) Section 306 of the Tariff Act of 1930 (19 U.S.C. 1306).

(6) Sections 6 through 8 and 10 of the Act of August 30, 1890 (21 U.S.C. 102 through 105).

(7) The Act of February 2, 1903 (21 U.S.C. 111, 120 through 122).

(8) Sections 2 through 9, 11, and 13 of the Act of May 29, 1884 (21 U.S.C. 112, 113, 114, 114a, 114a-1, 115 through 120, 130).

(9) The first section and sections 2, 3, and 5 of the Act of February 28, 1947 (21 U.S.C. 114b, 114c, 114d, 114d-1).

(10) The Act of June 16, 1948 (21 U.S.C. 114e, 114f).

(11) Public Law 87-209 (21 U.S.C. 114g, 114h).

(12) Section 2506 of the Food, Agriculture, Conservation, and Trade Act of 1990 (21 U.S.C. 114i).

(13) The third and fourth provisos of the fourth paragraph under the heading “BUREAU OF ANIMAL INDUSTRY” of the Act of May 31, 1920 (21 U.S.C. 116).

(14) The first section and sections 2, 3, 4, and 6 of the Act of March 3, 1905 (21 U.S.C. 123 through 127).

(15) The first proviso under the heading “GENERAL EXPENSES, BUREAU OF ANIMAL INDUSTRY” under the heading “BUREAU OF ANIMAL INDUSTRY” of the Act of June 30, 1914 (21 U.S.C. 128).

(16) The fourth proviso under the heading “SALARIES AND EXPENSES” under the heading “ANIMAL AND PLANT HEALTH INSPECTION SERVICE” of title I of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (21 U.S.C. 129).

(17) The third paragraph under the heading “MISCELLANEOUS” of the Act of May 26, 1910 (21 U.S.C. 131).

(18) The first section and sections 2 through 6 and 11 through 13 of Public Law 87-518 (21 U.S.C. 134 through 134h).

(19) Public Law 91-239 (21 U.S.C. 135 through 135b).

(20) Sections 12 through 14 of the Federal Meat Inspection Act (21 U.S.C. 612 through 614).

(21) Chapter 39 of title 46, United States Code.

(b) CONFORMING AMENDMENTS.—

(1) Section 414(b) of the Plant Protection Act (7 U.S.C. 7714(b)) is amended—

(A) in paragraph (1), by striking “, or the owner’s agent.”; and

(B) in paragraph (2), by striking “or agent of the owner” each place it appears.

(2) Section 423 of the Plant Protection Act (7 U.S.C. 7733) is amended—

(A) by striking subsection (b) and inserting the following:

“(b) LOCATION OF PRODUCTION.—The attendance of any witness and production of documentary evidence relevant to the inquiry may be required from any place in the United States.”;

(B) in the third sentence of subsection (e), by inserting “to an agency other than the Office of Administrative Law Judges” after “is delegated”; and

(C) by striking subsection (f).

(3) Section 11(h) of the Endangered Species Act of 1973 (16 U.S.C. 1540(h)) is amended in the first sentence by striking “animal quarantine laws (21 U.S.C. 101-105, 111-135b, and 612-614)” and inserting “animal quarantine laws (as defined in section 2509(f) of the Food, Agriculture, Conservation, and Trade Act of 1990 (21 U.S.C. 136a(f)))”.

(4) Section 18 of the Federal Meat Inspection Act (21 U.S.C. 618) is amended by striking “of the cattle” and all that follows through “as herein described” and inserting “of the carcasses and products of cattle, sheep, swine, goats, horses, mules, and other equines”.

(5) Section 2509 of the Food, Agriculture, Conservation, and Trade Act of 1990 (21 U.S.C. 136a) is amended—

(A) in subsection (c), by inserting after paragraph (1) the following:

“(2) VETERINARY DIAGNOSTICS.—The Secretary may prescribe and collect fees to recover the costs of carrying out the provisions of the Animal Health Protection Act that relate to veterinary diagnostics.”;

(B) in subsection (f)(1), by striking subparagraphs (B) through (O) and inserting the following:

“(B) section 9 of the Act of August 30, 1890 (21 U.S.C. 101);

“(C) the Animal Health Protection Act; or

“(D) any other Act administered by the Secretary relating to plant or animal diseases or pests.”.

(c) EFFECT ON REGULATIONS.—A regulation issued under a provision of law repealed by subsection (a) shall remain in effect until the Secretary issues a regulation under section 1056 that supersedes the earlier regulation.

**Subtitle E—Administration**

On page 984, after line 2, insert the following:

**SEC. 10. REPORT TO CONGRESS ON POUCHED AND CANNED SALMON.**

(a) IN GENERAL.—Not later than 120 days after the date of enactment of this Act, the Secretary of Agriculture (referred to in this section as the “Secretary”) shall submit to Congress a report on efforts to expand the promotion, marketing, and purchasing of pouched and canned salmon harvested and processed in the United States under food and nutrition programs administered by the Secretary.

(b) COMPONENTS.—The report under subsection (a) shall include—

(1) an analysis of pouched and canned salmon inventories in the United States that, as of the date on which the report is submitted, that available for purchase;

(2) an analysis of the demand for pouched and canned salmon and value-added products (such as salmon “nuggets”) by—

(A) partners of the Department of Agriculture (including other appropriate Federal agencies); and

(B) consumers; and

(3) an analysis of impediments to additional purchases of pouched and canned salmon, including—

(A) any marketing issues; and

(B) recommendations for methods to resolve those impediments.

On page 985, line 2, strike “456” and insert “458”.

On page 985, line 3, strike “456” and insert “458”. —

**SA 2587.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 424, strike line 7 and insert the following:

**SEC. 460. USE OF APPROVED FOOD SAFETY TECHNOLOGY.**

In acquiring commodities for distribution through programs authorized under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.), the Child Nutrition Act of 1966 (42 U.S.C. 1711 et seq.), the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), the Emergency Food Assistance Act of 1983 (7 U.S.C. 7501 et seq.), or the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note; Public Law 93-86), the Secretary of Agriculture shall to prohibit or discourage the use of any technology that the Secretary of Agriculture or the Secretary of Health and Human Services has approved to improve food safety. —

**SA 2588.** Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 34, line 19, strike the period at the end and insert a period and the following:

**SEC. 114. PILOT PROGRAM FOR FARM COUNTER-CYCICAL SAVINGS ACCOUNTS.**

Subtitle B of title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7211 et seq.) is amended by adding at the end the following:

**“SEC. 119. PILOT PROGRAM FOR FARM COUNTER-CYCICAL SAVINGS ACCOUNTS.**

“(a) DEFINITIONS.—In this section:

“(1) ADJUSTED GROSS REVENUE.—The term ‘adjusted gross revenue’ means the adjusted gross income for all agricultural enterprises of a producer in a year, excluding revenue earned from nonagricultural sources, as determined by the Secretary.

“(A) by taking into account gross receipts from the sale of crops and livestock on all agricultural enterprises of the producer, including insurance indemnities resulting from losses in the agricultural enterprises;

“(B) by including all farm payments paid by the Secretary for all agricultural enterprises of the producer, including any marketing loan gains described in section

1001(3)(A) of the Food Security Act of 1985 (7 U.S.C. 1308(3)(A));

“(C) by deducting the cost or basis of livestock or other items purchased for resale, such as feeder livestock, on all agricultural enterprises of the producer; and

“(D) as represented on—

“(i) a schedule F of the Federal income tax returns of the producer; or

“(ii) a comparable tax form related to the agricultural enterprises of the producer, as approved by the Secretary.

“(2) AGRICULTURAL ENTERPRISE.—The term ‘agricultural enterprise’ means the production and marketing of all agricultural commodities (including livestock but excluding tobacco) on a farm or ranch.

“(3) AVERAGE ADJUSTED GROSS REVENUE.—The term ‘average adjusted gross revenue’ means—

“(A) the average of the adjusted gross revenue of a producer for each of the preceding 5 taxable years; or

“(B) in the case of a beginning farmer or rancher or other producer that does not have adjusted gross revenue for each of the preceding 5 taxable years, the estimated income of the producer that will be earned from all agricultural enterprises for the applicable year, as determined by the Secretary.

“(4) PRODUCER.—The term ‘producer’ means an individual or entity, as determined by the Secretary for an applicable year, that—

“(A) shares in the risk of producing, or provides a material contribution in producing, an agricultural commodity for the applicable year;

“(B) has a substantial beneficial interest in the agricultural enterprise in which the agricultural commodity is produced;

“(C)(i) during each of the preceding 5 taxable years, has filed—

“(I) a schedule F of the Federal income tax returns; or

“(II) a comparable tax form related to the agricultural enterprises of the individual or entity, as approved by the Secretary; or

“(ii) is a beginning farmer or rancher or other producer that does not have adjusted gross revenue for each of the preceding 5 taxable years, as determined by the Secretary; and

“(D)(i) has earned at least \$50,000, but not more than \$250,000, in average adjusted gross revenue over the preceding 5 taxable years;

“(ii) is a limited resource farmer or rancher, as determined by the Secretary; or

“(iii) in the case of a beginning farmer or rancher or other producer that does not have average adjusted gross revenue for the preceding 5 taxable years, has at least \$50,000, but not more than \$250,000, in estimated income from all agricultural enterprises for the applicable year, as determined by the Secretary.

“(b) ESTABLISHMENT.—For each of fiscal years 2003 through 2005, the Secretary shall establish a pilot program in 3 States (as determined by the Secretary) under which a producer may establish a farm counter-cyclical savings account in the name of the producer in a bank or financial institution selected by the producer and approved by the Secretary.

“(c) CONTENT OF ACCOUNT.—A farm counter-cyclical savings account shall consist of—

“(1) contributions of the producer; and

“(2) matching contributions of the Secretary.

“(d) PRODUCER CONTRIBUTIONS.—

“(1) IN GENERAL.—A producer may deposit such amounts in the account of the producer as the producer considers appropriate.

“(e) MATCHING CONTRIBUTIONS.—

“(1) IN GENERAL.—Subject to paragraphs (2) through (5), the Secretary shall provide a matching contribution on the amount deposited by the producer into the account.

“(2) FORMULA.—The Secretary shall establish a formula to determine the amount of matching contributions that will be provided by the Secretary under paragraph (1).

“(3) MAXIMUM CONTRIBUTIONS FOR INDIVIDUAL PRODUCER.—The amount of matching contributions that may be provided by the Secretary for an individual producer under this subsection shall not exceed \$5,000 annually.

“(4) MAXIMUM CONTRIBUTIONS FOR ALL PRODUCERS IN A STATE.—The total amount of matching contributions that may be provided by the Secretary for all producers in a State under this subsection shall not exceed \$2,000,000 for each of fiscal years 2003 through 2005.

“(5) DATE FOR MATCHING CONTRIBUTIONS.—The Secretary shall provide the matching contributions required for a producer under paragraph (1) as of the date that a majority of the covered commodities grown by the producer are harvested.

“(f) INTEREST.—Funds deposited into the account may earn interest at the commercial rates provided by the bank or financial institution in which the Account is established.

“(g) USE.—Funds credited to the account—

“(1) shall be available for withdrawal by a producer, in accordance with subsection (h); and

“(2) may be used for purposes determined by the producer.

“(h) WITHDRAWAL.—

“(1) IN GENERAL.—Subject to paragraph (2), in an applicable year, a producer may withdraw from the account an amount equal to 90 percent of average the adjusted gross revenue of the producer for the previous 5 years less the adjusted gross revenue of the producer.

“(2) RETIREMENT.—A producer that ceases to be actively engaged in farming, as determined by the Secretary—

“(A) may withdraw the full balance from, and close, the account; and

“(B) may not establish another account.

“(i) ADMINISTRATION.—The Secretary shall administer this section through the Farm Service Agency and local, county, and area offices of the Department of Agriculture.”. —

**SA 2589.** Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

In subparagraph 421(a)(2)(A), strike “36-month” and insert “12-month (24-month prior to fiscal year 2004)”. —

**SA 2590.** Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and

rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert:

- “(i) 8 percent for each of fiscal years 2002 through 2006;
- “(ii) 8.5 percent for each of fiscal years 2007 through 2008;
- “(iii) 9 percent for fiscal year 2009;
- “(iv) 9.5 percent for fiscal year 2010; and
- “(v) 10 percent for fiscal year 2011 and each subsequent fiscal year.”

**SA 2591.** Mr. BAUCUS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 941, line 4, strike the period at the end and insert the following:

**Subtitle C—Income Loss Assistance**

**SEC. 10. INCOME LOSS ASSISTANCE.**

(a) **IN GENERAL.**—The Secretary of Agriculture (referred to in this subtitle as the “Secretary”) shall use \$1,800,000,000 of funds of the Commodity Credit Corporation to make emergency financial assistance available to producers on a farm that have incurred qualifying income losses for the 2001 crop.

(b) **ADMINISTRATION.**—The Secretary shall make assistance available under this section in the same manner as provided under section 815 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105-277; 114 Stat. 1549A-55), including using the same loss thresholds for the quantity and economic losses as were used in administering that section.

(c) **USE OF FUNDS FOR CASH PAYMENTS.**—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments not for crop disasters, but for income loss to carry out the purposes of this section.

**SEC. 10. LIVESTOCK ASSISTANCE PROGRAM.**

(a) **IN GENERAL.**—The Secretary shall use \$500,000,000 of the funds of the Commodity Credit Corporation to make and administer payments for livestock losses to producers for 2001 losses in a county that has received an emergency designation by the President or the Secretary after January 1, 2001, of which \$12,000,000 shall be made available for the American Indian livestock program under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105-277; 114 Stat. 1549A-51).

(b) **ADMINISTRATION.**—The Secretary shall make assistance available under this section in the same manner as provided under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105-277; 114 Stat. 1549A-51).

**SEC. 10. COMMODITY PURCHASES.**

(a) **IN GENERAL.**—The Secretary shall use \$220,000,000 of funds of the Commodity Credit Corporation to purchase agricultural commodities, especially agricultural commodities that have experienced low prices during the 2001 crop year, as determined by the Secretary.

(b) **GEOGRAPHIC DIVERSITY.**—The Secretary is encouraged to purchase agricultural commodities under this section in a manner that reflects the geographic diversity of agricultural production in the United States, particularly agricultural production in the Northeast and Mid-Atlantic States.

(c) **OTHER PURCHASES.**—The Secretary shall ensure that purchases of agricultural commodities under this section are in addition to purchases by the Secretary under any other law.

(d) **TRANSPORTATION AND DISTRIBUTION COSTS.**—The Secretary may use not more than \$20,000,000 of the funds made available under subsection (a) to provide assistance to States to cover costs incurred by the States in transporting and distributing agricultural commodities purchased under this section.

(e) **PURCHASES FOR SCHOOL NUTRITION PROGRAMS.**—The Secretary shall use not less than \$55,000,000 of the funds made available under subsection (a) to purchase agricultural commodities of the type distributed under section 6(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(a)) for distribution to schools and service institutions in accordance with section 6(a) of that Act.

**SEC. 10. COMMODITY CREDIT CORPORATION.**

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this subtitle.

**SEC. 10. ADMINISTRATIVE EXPENSES.**

(a) **IN GENERAL.**—In addition to funds otherwise available, not later than 30 days after the date of enactment of this Act, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to pay the salaries and expenses of the Department of Agriculture in carrying out this subtitle \$50,000,000, to remain available until expended.

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

**SEC. 10. REGULATIONS.**

(a) **IN GENERAL.**—The Secretary may promulgate such regulations as are necessary to implement this subtitle.

(b) **PROCEDURE.**—The promulgation of the regulations and administration of this subtitle shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

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

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

(c) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) **MARKETING ASSESSMENT FOR SUGAR.**—Section 156(f) of the Agricultural Market Transition Act (7 U.S.C. 7272(f)) shall not apply with respect to the 2001 crop of sugar-cane and sugar beets.

(d) **FSA EMERGENCY PROGRAMS.**—For an additional amount for salaries and expenses of the Farm Service Agency to administer emergency programs, there is appropriated, out of any moneys in the Treasury not otherwise appropriated, \$50,000,000, to remain available until expended.

(e) **EMERGENCY DESIGNATION.**—The entire amount made available in subtitle c

(1) shall be available only to the extent that the President submits to Congress an official budget request for the amount that includes designation of the entire amount of the request as an emergency requirement for

the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.); and

(2) is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

**SA 2592.** Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the end of Title VII, add the following:

**SEC. 7. INTERSTATE MOVEMENT OF ANIMALS FOR ANIMAL FIGHTING.**

(a) **REMOVAL OF LIMITATION.**—Section 26 of the Animal Welfare Act (7 U.S.C. 2156) is amended by striking subsection (d) and inserting the following:

“(d) **ACTIVITIES NOT SUBJECT TO PROHIBITION.**—This section does not apply to the selling, buying, transporting, or delivery of animals in interstate or foreign commerce for any purpose or purposes, so long as those purposes do not include that of an animal fighting venture.”

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) takes effect on the date that is 30 days after the date of enactment of this Act.

**SA 2593.** Mr. BUNNING submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title X, add the following:

**SEC. . REPORT.**

(a) **IN GENERAL.**—Not later than December 31, 2002, and annually thereafter through 2006, the General Accounting Office shall submit a report to Congress describing programs and activities that tobacco States have funded using funds received under the Master Settlement Agreement of 1997.

(b) **TOBACCO STATE.**—The term “tobacco State” has the same meaning that such term has in the Master Settlement Agreement of 1997.

**SA 2594.** Mr. BUNNING submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place add the following:

**SEC. . REPORT.**

(a) **IN GENERAL.**—Not later than December 31, 2002, and annually thereafter through

2006, the General Accounting Office shall submit a report to Congress describing programs and activities that tobacco States have funded using funds received under the Master Settlement Agreement of 1997.

(b) TOBACCO STATE.—The term “tobacco State” has the same meaning that such term has in the Master Settlement Agreement of 1997.

**SA 2595.** Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. . PENALTIES AND FOREIGN COMMERCE PROVISIONS OF THE ANIMAL WELFARE ACT.**

(a) IN GENERAL.—Section 26 of the Animal Welfare Act (7 U.S.C. 2156) is amended—

- (1) in subsection (e)—
  - (A) by inserting “PENALTIES.” after “(e);”
  - (B) by striking “\$5,000” and inserting “\$15,000”; and
  - (C) by striking “1 year” and inserting “2 years”; and

(2) in subsection (g)(2)(B), by inserting before the semicolon at the end the following: “or from any State into any foreign country”.

(b) EFFECTIVE DATE.—The amendments made by this section take effect 30 days after the date of enactment of this Act.

**SA 2596.** Mr. SMITH of New Hampshire (for himself, Mr. TORRICELLI, Mr. GRAHAM, Mr. ALLEN, Mr. ENSIGN, Mr. HELMS, Mr. NELSON of Florida, Mr. LIEBERMAN, and Mr. SMITH of Oregon) proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the end of Section 335, insert the following:

(c) EFFECTIVE DATE.—The amendments made by this section shall not take effect until the President certifies to Congress that Cuba is not a state sponsor of international terrorism.”

**SA 2597.** Mr. TORRICELLI (for himself, Mr. NELSON of Florida, and Mr. LIEBERMAN) proposed an amendment to amendment SA 2596 proposed by Mr. SMITH of New Hampshire to the amendment SA 2471 submitted by Mr. SMITH of New Hampshire and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant

food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the end, strike “.” and insert “and until the President certifies to Congress that all convicted felons wanted by the Federal Bureau of Investigation who are currently living as fugitives in Cuba have been returned to the United States for incarceration.”

**SA 2598.** Mr. McCAIN (for himself, Mr. GRAMM, and Mr. KERRY) proposed an amendment to the bill S. 1731, to strengthen the safety net for agricultural procedures, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

At the end of this underlying bill, insert the following:

**SEC. . MARKET NAME FOR CATFISH.**

The term “catfish” shall be considered to be a common or usual name (or part thereof) for any fish in keeping with Food and Drug Administration procedures that follow scientific standards and market practices for establishing such names for the purposes of section 403 of the Federal Food, Drug, and Cosmetic Act, including with respect to the importation of such fish pursuant to section 801 of such Act.

**SEC. . LABELING OF FISH AS CATFISH.**

Section 755 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002 is repealed.

**SA 2599.** Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net of agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike the period at the end of section 164 and insert a period and the following:

**SEC. 165. RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND; FOOD STAMP PROGRAM FUNDING INCREASES.**

(a) RESTRICTION.—Section 194 of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104-127; 110 Stat. 945) is amended to read as follows:

**SEC. 194. RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND.**

“(a) DEFINITION OF AGRICULTURAL COMMODITY.—In this section:

“(1) IN GENERAL.—The term ‘agricultural commodity’ has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

“(2) EXCLUSIONS.—The term ‘agricultural commodity’ does not include forage, livestock, timber, or hay.

“(b) COMMODITIES.—

“(1) IN GENERAL.—Notwithstanding any other provision of this title, except as provided in paragraph (2), the Secretary shall not provide a payment, loan, or other benefit under this title to an owner or producer,

with respect to land or a loan commodity planted or considered planted on land during a crop year unless the land has been planted, considered planted, or devoted to an agricultural commodity during—

“(A) at least 1 of the 5 crop years preceding the 2002 crop year; or

“(B) at least 3 of the 10 crop years preceding the 2002 crop year.

“(2) CROP ROTATION.—Paragraph (1) shall not apply to an owner or producer, with respect to any agricultural commodity planted or considered planted, on land if the land—

“(A) has been planted, considered planted, or devoted to an agricultural commodity during at least 1 of the 20 crop years preceding the 2002 crop year; and

“(B) has been maintained using long-term crop rotation practices, as determined by the Secretary.

“(c) CROP INSURANCE.—Notwithstanding any provision of the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), the Federal Crop Insurance Corporation shall not pay premium subsidies or administrative costs of a reinsured company for insurance regarding a crop insurance policy of a producer under that Act unless, the land that is covered by the insurance policy—

“(1) has been planted, considered planted, or devoted to an agricultural commodity during—

“(A) at least 1 of the 5 crop years preceding the 2002 crop year; or

“(B) at least 3 of the 10 crop years preceding the 2002 crop year; or

“(2) (A) has been planted, considered planted, or devoted to an agricultural commodity during at least 1 of the 20 crop years preceding the 2002 crop year; and

(B) has been maintained using long-term crop rotation practices, as determined by the Secretary.

“(d) CONSERVATION RESERVE LAND.—For purposes of this section, land that is enrolled in the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) shall be considered planted to an agricultural commodity.”

**(b) FOOD STAMP PROGRAM.—**

**(1) EXCLUSION OF LICENSED VEHICLES FROM FINANCIAL RESOURCES.—**

(A) IN GENERAL.—Section 5(g)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)(2)) is amended by striking subparagraph (C) and inserting the following:

“(C) EXCLUDED VEHICLES.—Financial resources under this paragraph shall not include—

“(i) 1 licensed vehicle per household; and

“(ii) a vehicle (and any other property, real or personal, to the extent that the property is directly related to the maintenance or use of the vehicle) if the vehicle is—

“(I) used to produce earned income;

“(II) necessary for the transportation of a physically disabled household member; or

“(III) depended on by a household to carry fuel for heating or water for home use and provides the primary source of fuel or water, respectively, for the household.”

(B) CONFORMING AMENDMENT.—Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by striking subsection (h).

(2) RESTORATION OF BENEFITS TO CERTAIN ELDERLY INDIVIDUALS.—Section 402(a)(2)(I) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)(I)) is amended by striking “who” and all that follows and inserting the following: “who—

“(i) is lawfully residing in the United States; and

“(ii) is 65 years of age or older.”.

**SA 2600.** Mr. CARPER (for himself and Ms. COLLINS) submitted an amendment intended to be proposed by him to the bill H.R. 3090, to provide tax incentives for economic recovery; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

**SEC. . MODIFICATIONS APPLICABLE TO QUALIFIED SMALL BUSINESS STOCK.**

(a) REDUCTION IN HOLDING PERIOD.—

(1) IN GENERAL.—Section 1202(a) is amended by striking “5 years” and inserting “3 years”.

(2) CONFORMING AMENDMENTS.—Subsections (g)(2)(A) and (j)(1)(A) of section 1202 are each amended by striking “5 years” and inserting “3 years”.

(b) REPEAL OF MINIMUM TAX PREFERENCE.—

(1) IN GENERAL.—Section 57(a) (relating to items of tax preference) is amended by striking paragraph (7).

(2) TECHNICAL AMENDMENT.—Section 53(d)(1)(B)(ii)(II) is amended by striking “, (5), and (7)” and inserting “and (5)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to stock issued after the date of the enactment of this Act.

**SA 2601.** Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. . REVIEW OF STATE MEAT INSPECTION PROGRAMS.**

(a) FINDINGS.—Congress finds that—

(1) the goal of a safe and wholesome supply to meat and meat food products throughout the United States would be better served if a consistent set of requirements, established by the Federal Government, were applied to all meat and meat food products, whether produced under State inspection or Federal inspection;

(2) under such a system, State and Federal meat inspection programs would function together to create a seamless inspection system to ensure food safety and inspire consumer in the food supply in interstate commerce; and

(3) such a system would ensure the viability of State meat inspection programs, which should help to foster the viability of small establishments.

(b) IN GENERAL.—Not later than September 30, 2003, the Secretary of Agriculture shall conduct a comprehensive review of each State meat and poultry inspection program, which shall include—

(1) a determination of the effectiveness of the State program; and

(2) identification of changes that are necessary to enable the possible future transition to a State program of implementing a State meat and poultry inspection program that enforces the mandatory antemortem and postmortem inspection, reinspection, sanitation, sanitation, and related titles of the Federal Meat Inspection Act and the Poultry Products Inspection Act. (including the regulations, directives, notices, policy memoranda, and other regulatory requirements issued under those titles);

(c) COMMENT FROM INTERESTED PARTIES.—In designing the review described in subsection (a), the Secretary of Agriculture shall, to the maximum extent practicable, obtain comment from interested parties.

(d) FUNDING.—

(1) IN GENERAL.—There are authorized to be appropriated such sums as are necessary to carry out this section.

**AUTHORITY FOR COMMITTEES TO MEET**

**COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Banking, Housing and Urban Affairs be authorized to meet during the session of the Senate on December 13, 2001, at 10 a.m., to conduct a hearing on “Housing and Community Development Needs in America.”

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON FOREIGN RELATIONS**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, December 13, 2001, at 3 p.m., to hold a hearing titled, “Contributions of Central Asian Nations to the Campaign Against Terrorism.”

**Agenda**

**Witnesses**

Panel 1: The Honorable Elizabeth Jones, Assistant Secretary for European and Eurasian Affairs, U.S. State Department, Washington, DC. Additional witnesses to be announced.

Panel 2: Witnesses to be announced.

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON GOVERNMENTAL AFFAIRS**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Thursday, December 13, 2001 at 9 a.m. to hold a hearing entitled “Riding the Rails: How Secure is our Passenger and Transit Infrastructure?”

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON THE JUDICIARY**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet and conduct a markup on Thursday, December 13, 2001, at 10 a.m. in Dirksen Room 226.

**Tentative Agenda**

Nominations: Callie V. Granade to be U.S. District Court Judge for the Southern District of Alabama; Marcia S. Krieger to be U.S. District Court Judge for the District of Colorado; James C. Mahan to be U.S. District Court Judge for the District of Nevada; Philip R. Martinez to be U.S. District Court Judge for the Western District of Texas; C. Ashley Royal to be U.S. District Court Judge for the Middle District of Georgia; Michael Battle, to be U.S. attorney for the Western District of New York; Christopher J. Christie,

to be U.S. attorney for the District of New Jersey; Harry E. Cummins, to be U.S. attorney for the Eastern District of Arizona; David Preston York, to be U.S. attorney, for the Southern District of Alabama; Mauricio J. Tamargo to be Chair of the Foreign Claims Settlement Commission of the United States.

Bills: S. 1174, Children’s Confinement Conditions Improvement Act of 2001 [Leahy/Hatch/Kennedy]; H.R. 1892, Family Sponsor Immigration Act of 2001; H.R. 2277, To provide for work authorization for nonimmigrant spouses of treaty traders and treaty investors; H.R. 2278, To provide for work authorization for nonimmigrant spouses of intracompany transferees, and to reduce the period of time during which certain intracompany transferees have to be continuously employed before applying for admission to the United States; H.R. 1840, to extend eligibility for refugee status of unmarried sons and daughters of certain Vietnamese refugees; H.R. 861, To make technical amendments to section 10 of title 9, United States Code; H.R. 2048, To require a report on the operations of the State Justice Institute.

Resolutions: S.J. Res. 8, A joint resolution designating 2002 as the “Year of the Rose” [Landrieu/Breaux/Lincoln/Bayh/Feinstein]; S.J. Res. 13, A joint resolution conferring honorary citizenship of the United States on Paul Yves Roch Gilbert du Motier, also known as the Marquis de Lafayette [Warner/Allen/Kerry/Breaux/Helms/Sessions/Roberts/Jeffords/Inhofe/Leahy].

The PRESIDING OFFICER. Without objection, it is so ordered.

**SELECT COMMITTEE ON INTELLIGENCE**

Mr. REID. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet to conduct a closed business meeting on Thursday, December 13, 2001 at 3:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

**SUBCOMMITTEE ON STRATEGIC**

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Strategic of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, December 13, 2001, at 10 a.m., in open and closed session to receive testimony on the security of U.S. nuclear weapons and nuclear weapons facilities.

The PRESIDING OFFICER. Without objection, it is so ordered.

**SUBCOMMITTEE ON STRATEGIC**

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Strategic of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, December 13, 2001, at 2:30 p.m., in open and closed session to receive testimony on the security of U.S. nuclear weapons and nuclear weapons facilities.

The PRESIDING OFFICER. Without objection, it is so ordered.