

Public Law 95-279
95th Congress

An Act

May 15, 1978
[H.R. 6782]

To provide emergency assistance to producers of wheat, feed grains, and upland cotton, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Wheat, feed
grains, and
upland cotton,
emergency
assistance.

TITLE I—PRICE SUPPORT FOR PRODUCERS OF WHEAT,
FEED GRAINS, AND UPLAND COTTON

7 USC 1309.

SEC. 101. Section 1001 of the Food and Agriculture Act of 1977 is amended by inserting "(a)" after the section designation and adding a new subsection (b) as follows:

"(b) Notwithstanding any other provision of law, whenever a set-aside is in effect for one or more of the 1978 through 1981 crops of wheat, feed grains, and upland cotton, the Secretary may increase the established price for any such commodity by the amount the Secretary determines appropriate to compensate producers for participation in such set-aside. In determining the amount of any such increase, the Secretary shall take into account changes in the cost of production resulting from participation in the set-aside involved. If the established price is increased for any commodity for which a set-aside is in effect, the Secretary may increase the established price for any other commodity in such amount as the Secretary determines necessary for effective operation of the program. The Secretary shall adjust any increase in the established price to reflect, in whole or in part, any land diversion payments for the crop for which an increase is determined."

7 USC 1444.

SEC. 102. Effective only with respect to the 1978 through 1981 crops of upland cotton, section 103(f) of the Agricultural Act of 1949 is amended by striking out the first sentence of paragraph (1) and inserting in lieu thereof the following: "The Secretary shall, upon presentation of warehouse receipts reflecting accrued storage charges of not more than sixty days, make available for the 1978 through 1981 crops of upland cotton to cooperators nonrecourse loans for a term of ten months from the first day of the month in which the loan is made at such level as will reflect for Strict Low Middling one and one-sixteenth inch upland cotton (micronaire 3.5 through 4.9) at average location in the United States the smaller of (i) 85 percent of the average price (weighted by market and month) of such quality of cotton as quoted in the designated United States spot markets during three years of the five-year period ending July 31 in the year in which the loan level is announced, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period, or (ii) 90 percent of the average, for the fifteen-week period beginning July 1 of the year in which the loan level is announced, of the five lowest priced growths of the growths quoted for Strict Middling one and one-sixteenth inch cotton C.I.F. Northern Europe (adjusted downward by the average difference during the period April 15 through October 15 of the year in which the loan is

announced between such average Northern Europe price quotation of such quality of cotton and the market quotations in the designated United States spot markets for Strict Low Middling one and one-sixteenth inch cotton (micronaire 3.5 through 4.9): *Provided*, That in no event shall such loan level be less than 48 cents per pound. If for any crop the average Northern Europe price determined under clause (ii) of the first sentence of this paragraph is less than the average United States spot market price determined under clause (i) of the first sentence of this paragraph, the Secretary may, notwithstanding the foregoing provisions of this paragraph, increase the loan level to such level as the Secretary may deem appropriate, not in excess of the average United States spot market price determined under clause (i) of the first sentence of this paragraph.”.

SEC. 103. Sections 101 and 102 of this title shall become effective October 1, 1978, and any producers who, prior to such date, receive loans and payments on the 1978 crop of the commodity as computed under the Agricultural Act of 1949, as amended by the Food and Agriculture Act of 1977, may elect after September 30, 1978, to receive loans and payments as computed under this title.

Effective date.
7 USC 1309 note.

7 USC 1421 note.
7 USC 1281
note.

TITLE II—AGRICULTURAL COMMODITIES UTILIZATION PROGRAM

SEC. 201. Title I of the Agricultural Act of 1949 is amended by adding at the end thereof a new section 112 as follows:

“AGRICULTURAL COMMODITIES UTILIZATION PROGRAM

“SEC. 112. Notwithstanding any other provision of this Act—

7 USC 1445g.

“(a) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of the acreage set aside or diverted from the production of a commodity for any crop year under this title to be devoted to the production of any commodity (other than the commodities for which acreage is being set aside or diverted) for conversion into industrial hydrocarbons and blending with gasoline or other fossil fuels for use as motor or industrial fuel, if the Secretary determines that such production is desirable in order to provide an adequate supply of commodities for such purpose, is not likely to increase the cost of the price support programs, and will not adversely affect farm income.

“(b) (1) During any year in which there is no set-aside or diversion of acreage under this title, the Secretary may formulate and administer a program for the production, subject to such terms and conditions as the Secretary may prescribe, of commodities for conversion

into industrial hydrocarbons and blending with gasoline or other fossil fuels for use as motor or industrial fuel, if the Secretary determines that such production is desirable in order to provide an adequate supply of commodities for such purpose, is not likely to increase the cost of the price support programs, and will not adversely affect farm income. Under the program, producers of wheat, feed grains, upland cotton, and rice shall be paid incentive payments to devote a portion of their acreage to the production of commodities for conversion into industrial hydrocarbons and blending with gasoline or other fossil fuels for use as motor or industrial fuel.

“(2) The payments under this subsection shall be at such rate or rates as the Secretary determines to be fair and reasonable, taking into consideration the participation necessary to ensure an adequate supply of the agricultural commodities for conversion into industrial hydrocarbons and blending with gasoline or other fossil fuels for use as motor or industrial fuels.

Regulations.

“(3) The Secretary may issue such regulations as the Secretary deems necessary to carry out the provisions of this subsection.

“(4) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection.

Effective date.

“(5) The provisions of this subsection shall become effective October 1, 1978.”

TITLE III—INCREASE IN THE BORROWING AUTHORITY OF THE COMMODITY CREDIT CORPORATION

SEC. 301. (a) Section 4(i) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(i)) is amended by striking out “\$14,500,000,000” and inserting in lieu thereof “\$25,000,000,000”.

(b) Section 4 of the Act of March 8, 1938 (15 U.S.C. 713a-4), is amended by striking out “\$14,500,000,000” and inserting in lieu thereof “\$25,000,000,000”.

**15 USC 714b
note.**

(c) The increase in the borrowing authority of the Commodity Credit Corporation made by this section shall be effective only to the extent provided in appropriation Acts.

**Effective date.
15 USC 713a-4
note.**

(d) The provisions of this section shall become effective October 1, 1978.

TITLE IV—RAISIN MARKETING ORDERS

7 USC 608c.

SEC. 401. (a) Effective October 1, 1978, section 8c(6)(I) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is amended by—

- (1) inserting “raisins,” after “apples;” and
- (2) inserting “, raisins,” after “with respect to almonds”.

(b) Within a period of sixty days following the second anniversary of the implementation of this section, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that shall describe in detail how this section has been implemented including, but not limited to, information as to the issuance or amendment of any affected order, the annual amount of assessments collected, in the aggregate and by size and class of handler, the manner in which such assessments were collected, the amount of direct expenditures credited against the pro rata expense assessment obligations of each handler, and the purpose to which such assessments and such direct expenditures of each such handler were devoted.

Report to
Congress.
7 USC 608c note.

Approved May 15, 1978.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 95-641 (Comm. on Agriculture), No. 95-1044 (Comm. of Conference), and No. 95-1103 (Comm. of Conference).

SENATE REPORTS: No. 95-699 (Comm. on Agriculture, Nutrition, and Forestry) and No. 95-705 (Comm. on Appropriations).

CONGRESSIONAL RECORD:

Vol. 123 (1977): Oct. 31, considered and passed House.

Vol. 124 (1978): Mar. 21, considered and passed Senate, amended, in lieu of S. 2481.

Apr. 10, Senate agreed to conference report.

Apr. 12, House rejected conference report.

May 2, Senate agreed to second conference report.

May 4, House agreed to second conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS:

Vol. 14, No. 20 (1978): May 15, Presidential statement.