

104TH CONGRESS
1ST SESSION

H. R. 2532

To provide marketing loans and a total acreage base for the 1996 through 2002 crops of upland cotton, feed grains, rice, oilseeds, and wheat, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 25, 1995

Mr. MINGE (for himself, Mr. JOHNSON of South Dakota, Mr. PETERSON of Minnesota, Mr. POMEROY, Mr. HOLDEN, Mr. HILLIARD, and Mr. WILLIAMS) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To provide marketing loans and a total acreage base for the 1996 through 2002 crops of upland cotton, feed grains, rice, oilseeds, and wheat, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Family Farm Empowerment Act of 1995”.

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

Sec. 1. Short title; table of contents.

- Sec. 2. Marketing loans for 1996 through 2002 crops of certain agricultural commodities.
- Sec. 3. Total acreage base system.
- Sec. 4. Conforming amendments to current price support programs for program crops.
- Sec. 5. Elimination of acreage reduction programs.
- Sec. 6. Extension of cottonseed oil and sunflower oil export programs.
- Sec. 7. Suspension of permanent price support authority.
- Sec. 8. Removal of three-entity rule; direct attribution.

1 **SEC. 2. MARKETING LOANS FOR 1996 THROUGH 2002 CROPS**
 2 **OF CERTAIN AGRICULTURAL COMMODITIES.**

3 Title I of the Agricultural Act of 1949 (7 U.S.C.
 4 1441 et seq.) is amended by adding at the end the follow-
 5 ing:

6 **“SEC. 116. MARKETING LOANS FOR 1996 THROUGH 2002**
 7 **CROPS OF CERTAIN AGRICULTURAL COM-**
 8 **MODITIES.**

9 “(a) DEFINITIONS.—For the purposes of this section:

10 “(1) COVERED COMMODITIES.—The term ‘cov-
 11 ered commodities’ means rice, upland cotton, feed
 12 grains, wheat, and oilseeds.

13 “(2) FEED GRAINS.—The term ‘feed grains’
 14 means corn, grain sorghums, barley, oats, and rye.

15 “(3) OILSEEDS.—The term ‘oilseeds’ means
 16 soybeans, sunflower seeds, canola, rapeseed, saf-
 17 flower, flaxseed, mustard seed, and such other oil-
 18 seeds as the Secretary may designate.

19 “(b) MARKETING LOANS.—

20 “(1) AVAILABILITY.—The Secretary shall make
 21 available to eligible producers on a farm a

1 nonrecourse marketing loan for each of the 1996
2 through 2002 crops of covered commodities pro-
3 duced on the farm. The term of the marketing loan
4 shall be 15 months in length.

5 “(2) ELIGIBLE PRODUCERS.—To be eligible for
6 a loan under this subsection, the producers on a
7 farm may not plant covered commodities on a farm
8 in excess of the total acreage base of the farm, as
9 determined under section 503.

10 “(3) LOAN RATE.—Loans made under this sub-
11 section shall be made at the rate of 115 percent of
12 the simple average national price received by produc-
13 ers of the covered commodity, as determined by the
14 Secretary, during the marketing years for the imme-
15 diately preceding 5 crops of the covered commodity,
16 excluding the year in which the average price was
17 the highest and the year in which the average price
18 was the lowest in such period.

19 “(c) LIMITATION ON TOTAL VALUE OF MARKETING
20 LOANS.—The combined annual value of loans made to a
21 producer under subsection (b) may not exceed \$175,000.

22 “(d) REPAYMENT.—

23 “(1) REPAYMENT RATE.—Producers on a farm
24 may repay loans made under subsection (b) for a
25 covered commodity at a level that is the lesser of—

1 “(A) the loan rate determined for the com-
2 modity; or

3 “(B) the prevailing domestic market price
4 for the commodity, as determined by the Sec-
5 retary.

6 “(2) PREVAILING DOMESTIC MARKET PRICE.—
7 The Secretary shall prescribe by regulation—

8 “(A) a formula to determine the prevailing
9 domestic market price for each covered com-
10 modity, which may include adjustments for dif-
11 ferences in quality but not for differences in lo-
12 cation; and

13 “(B) a mechanism by which the Secretary
14 shall announce periodically the prevailing do-
15 mestic market prices established under this sub-
16 section.

17 “(e) ADJUSTMENT ACCOUNT.—

18 “(1) ESTABLISHMENT.—The Secretary shall es-
19 tablish an Adjustment Account, which shall be used
20 to make—

21 “(A) payments to producers of the 1996
22 through 2002 crops of covered commodities who
23 participate in the marketing loan program es-
24 tablished under subsection (b); and

1 “(B) payments to producers of the 1994
2 and 1995 crops of covered commodities that are
3 authorized under sections 101B, 103B, 105B,
4 107B, and 205, but not paid before the date of
5 the enactment of this section.

6 “(2) AMOUNT IN ACCOUNT.—The Secretary
7 shall transfer into the Adjustment Account from
8 funds of the Commodity Credit Corporation such
9 sums as shall be necessary to implement this section
10 and make marketing loans available under sub-
11 section (b).

12 “(3) AVAILABILITY OF FUNDS.—Funds in the
13 Adjustment Account shall remain available until ex-
14 pended.

15 “(f) ADVANCE PAYMENT.—At the request of a pro-
16 ducer who intends to obtain a marketing loan under sub-
17 section (b) for a crop of a covered commodity, the Sec-
18 retary shall make available to the producer in advance of
19 planting not more than 10 percent of the projected mar-
20 keting loan for that crop year.

21 “(g) MARKETING LOAN DEFICIENCY PAYMENTS.—

22 “(1) IN GENERAL.—For each of the 1996
23 through 2002 crops of covered commodities, the Sec-
24 retary may make payments available to producers
25 who, although eligible to obtain a marketing loan

1 under subsection (b), agree to forego obtaining the
2 loan in return for payments under this subsection.

3 “(2) COMPUTATION.—A payment under this
4 subsection shall be computed by multiplying—

5 “(A) the loan payment rate; by

6 “(B) the quantity of the covered commod-
7 ity which the producer is eligible to place under
8 loan but for which the producer foregoes ob-
9 taining the loan in return for payments under
10 this subsection.

11 “(3) LOAN PAYMENT RATE.—For purposes of
12 this subsection, the loan payment rate shall be the
13 amount by which—

14 “(A) the loan rate for the commodity de-
15 termined under subsection (b); exceeds

16 “(B) the repayment rate for the commod-
17 ity determined under subsection (d).”.

18 **SEC. 3. TOTAL ACREAGE BASE SYSTEM.**

19 (a) DEFINITIONS.—Section 502 of the Agricultural
20 Act of 1949 (7 U.S.C. 1462) is amended by striking para-
21 graph (3) and inserting the following new paragraphs:

22 “(3) FEED GRAINS.—The term ‘feed grains’
23 means corn, grain sorghums, barley, oats, and rye.

1 “(4) COVERED COMMODITY.—The term ‘cov-
2 ered commodity’ means rice, upland cotton, feed
3 grains, wheat, or oilseeds.”.

4 (b) CROP ACREAGE BASE.—Section 503 of such Act
5 (7 U.S.C. 1463) is amended—

6 (1) in subsection (a)—

7 (A) by striking paragraph (1) and insert-
8 ing the following new paragraph:

9 “(1) IN GENERAL.—The Secretary shall provide
10 for the establishment and maintenance of a total
11 crop acreage base for covered commodities, including
12 any covered commodity crop produced under an es-
13 tablished practice of double cropping”; and

14 (B) in paragraph (2), by striking “The
15 sum of the crop acreage bases” and inserting
16 “The total crop acreage base”;

17 (2) by striking subsection (b) and inserting the
18 following:

19 “(b) CALCULATION.—The total crop acreage base for
20 a farm for a crop year shall be the number of acres that
21 is equal to the average of the acreage planted and consid-
22 ered planted to one of the covered commodity crops for
23 harvest on the farm in each of the 5 crop years preceding
24 that crop year.”;

25 (3) by striking subsection (g); and

1 (4) in subsection (h)—

2 (A) by striking “(1) IN GENERAL.—”; and

3 (B) by striking paragraph (2).”.

4 (c) APPLICATION OF TITLE.—Section 509 of such
5 Act (7 U.S.C. 1469) is amended by striking “1991
6 through 1997 program crops” and inserting “1991
7 through 2002 crops of covered commodities”.

8 **SEC. 4. CONFORMING AMENDMENTS TO CURRENT PRICE**
9 **SUPPORT PROGRAMS FOR PROGRAM CROPS.**

10 (a) WHEAT 0/85 PROGRAM.—Section 107B(c)(1)(E)
11 of the Agricultural Act of 1949 (7 U.S.C. 1445b–
12 3a(c)(1)(E)) is amended by striking “through 1997” in
13 clauses (i) and (vii) each place it appears and inserting
14 “and 1995”.

15 (b) FEED GRAINS 0/85 PROGRAM.—Section
16 105B(c)(1)(E) of such Act (7 U.S.C. 1444f(c)(1)(E)) is
17 amended by striking “through 1997” in clauses (i) and
18 (vii) each place it appears and inserting “and 1995”.

19 (c) COTTON PROGRAM.—Section 103B of such Act
20 (7 U.S.C. 1444–2) is amended—

21 (1) in the section heading, by striking “1997”
22 and inserting “1995”;

23 (2) in subsections (a)(1), (b)(1), (c)(1)(A),
24 (c)(1)(B)(ii), and (o), by striking “1997” each place
25 it appears and inserting “1995”;

1 (3) in subsection (c)(1)(D)(i) and
2 (c)(1)(D)(v)(II) by striking “through 1997” each
3 place it appears and inserting “and 1995”;

4 (4) in the heading of subsection
5 (c)(1)(D)(v)(II), by striking “THROUGH 1997 CROPS”
6 and inserting “AND 1995 CROPS”;

7 (5) in subsection (e)(1)(D), by striking “29½
8 percent for each of the 1995 and 1996 crops, and
9 29 percent for the 1997 crop” and inserting “29½
10 percent for the 1995 crop”; and

11 (6) in subparagraphs (B)(i), (D)(i), (E)(i), and
12 (F)(i) of subsection (a)(5), by striking “1998” each
13 place it appears and inserting “1996”.

14 (d) RICE 50/85 PROGRAM.—Section 101B of such
15 Act (7 U.S.C. 1441–2) is amended—

16 (1) in subsections (c)(1)(D)(i) and
17 (c)(1)(D)(v)(II), by striking “through 1997” each
18 place it appears and inserting “and 1995”; and

19 (2) in the heading of subsection
20 (c)(1)(D)(v)(II), by striking “THROUGH 1997 CROPS”
21 and inserting “AND 1995 CROPS”.

22 (e) OILSEEDS.—Section 205(c) of such Act (7 U.S.C.
23 1446f(c)) is amended by striking “through 1997” both
24 places it appears and inserting “and 1995”.

1 **SEC. 5. ELIMINATION OF ACREAGE REDUCTION PRO-**
2 **GRAMS.**

3 (a) WHEAT.—Section 107B of the Agricultural Act
4 of 1949 (7 U.S.C. 1445b–3a) is amended by striking sub-
5 section (e) and redesignating subsections (f) through (q)
6 as subsections (e) through (p), respectively.

7 (b) FEED GRAINS.—Section 105B of such Act (7
8 U.S.C. 1444f) is amended by striking subsection (e) and
9 redesignating subsections (f) through (r) as subsections
10 (e) through (q), respectively.

11 (c) COTTON.—Section 103B of such Act (7 U.S.C.
12 1444–2) is amended by striking subsection (e) and red-
13 ignating subsections (f) through (o) as subsections (e)
14 through (n), respectively.

15 (d) RICE.—Section 101B of such Act (7 U.S.C.
16 1441–2) is amended by striking subsection (e) and red-
17 ignating subsections (f) through (n) as subsections (e)
18 through (m), respectively.

19 **SEC. 6. EXTENSION OF COTTONSEED OIL AND SUNFLOWER**
20 **OIL EXPORT PROGRAMS.**

21 Section 301(b)(2)(A) of the Disaster Assistance Act
22 of 1988 (7 U.S.C. 1464 note) is amended by striking
23 “through 1995” and inserting “through 2002”.

24 **SEC. 7. SUSPENSION OF PERMANENT PRICE SUPPORT AU-**
25 **THORITY.**

26 (a) WHEAT.—

1 (1) NONAPPLICABILITY OF CERTIFICATE RE-
2 QUIREMENTS.—Sections 379d through 379j of the
3 Agricultural Adjustment Act of 1938 (7 U.S.C.
4 1379d–1379j) shall not be applicable to wheat proc-
5 essors or exporters during the period June 1, 1995,
6 through May 31, 2003.

7 (2) SUSPENSION OF LAND USE, WHEAT MAR-
8 KETING ALLOCATION, AND PRODUCER CERTIFICATE
9 PROVISIONS.—Sections 331 through 339, 379b, and
10 379c of the Agricultural Adjustment Act of 1938 (7
11 U.S.C. 1331 through 1339, 1379b, and 1379c) shall
12 not be applicable to the 1996 through 2002 crops of
13 wheat.

14 (3) SUSPENSION OF CERTAIN QUOTA PROVI-
15 SIONS.—The joint resolution entitled “A joint reso-
16 lution relating to corn and wheat marketing quotas
17 under the Agricultural Adjustment Act of 1938, as
18 amended”, approved May 26, 1941 (7 U.S.C. 1330
19 and 1340), shall not be applicable to the crops of
20 wheat planted for harvest in the calendar years 1996
21 through 2002.

22 (4) NONAPPLICABILITY OF SECTION 107 OF THE
23 AGRICULTURAL ACT OF 1949.—Section 107 of the
24 Agricultural Act of 1949 (7 U.S.C. 1445a) shall not

1 be applicable to the 1996 through 2002 crops of
2 wheat.

3 (b) FEED GRAINS.—

4 (1) NONAPPLICABILITY OF SECTION 105 OF THE
5 AGRICULTURAL ACT OF 1949.—Section 105 of the
6 Agricultural Act of 1949 (7 U.S.C. 1444b) shall not
7 be applicable to the 1996 through 2002 crops of
8 feed grains.

9 (2) RECOURSE LOAN PROGRAM FOR SILAGE.—
10 Section 403 of the Food Security Act of 1985 (7
11 U.S.C. 1444e-1) is amended by striking “1996” and
12 inserting “2002”.

13 (c) OILSEEDS.—Section 201(a) of the Agricultural
14 Act of 1949 (7 U.S.C. 1446(a)) is amended by striking
15 “oilseeds” and all that follows through “determine),”.

16 **SEC. 8. REMOVAL OF THREE-ENTITY RULE; DIRECT ATTRI-**
17 **BUTION.**

18 Section 1001A of the Food Security Act of 1985 (7
19 U.S.C. 1308-1) is amended by striking subsection (a) and
20 inserting the following new subsection:

21 “(a) DIRECT CONTRIBUTION.—In the case of pay-
22 ments specified in paragraphs (1) and (2) of section 1001,
23 the Secretary shall attribute—

24 “(1) payments received by an individual directly
25 to the individual; and

1 “(2) payments received by an entity to individ-
2 uals who own the entity in proportion to the owner-
3 ship interest of the individual in the entity.”.

○