

this section shall be equal to the average quantity of the 2003 crop of asparagus produced by producers on the farm.

(d) FUNDING.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall make available \$15,000,000 of the funds of the Commodity Credit Corporation to carry out a program to provide market loss payments to producers of asparagus under this section.

(2) ALLOCATION.—Of the amount made available under paragraph (1), the Secretary shall use—

(A) \$7,500,000 to make payments to producers of asparagus for the fresh market; and

(B) \$7,500,000 to make payments to producers of asparagus for the processed or frozen market.

## TITLE XI—LIVESTOCK

### SEC. 11001. LIVESTOCK MANDATORY REPORTING.

(a) WEB SITE IMPROVEMENTS AND USER EDUCATION.—

(1) IN GENERAL.—Section 251(g) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1636(g)) is amended to read as follows:

“(g) ELECTRONIC REPORTING AND PUBLISHING.—

“(1) IN GENERAL.—The Secretary shall, to the maximum extent practicable, provide for the reporting and publishing of the information required under this subtitle by electronic means.

“(2) IMPROVEMENTS AND EDUCATION.—

“(A) ENHANCED ELECTRONIC PUBLISHING.—The Secretary shall develop and implement an enhanced system of electronic publishing to disseminate information collected pursuant to this subtitle. Such system shall—

“(i) present information in a format that can be readily understood by producers, packers, and other market participants;

“(ii) adhere to the publication deadlines in this subtitle;

“(iii) present information in charts and graphs, as appropriate;

“(iv) present comparative information for prior reporting periods, as the Secretary considers appropriate; and

“(v) be updated as soon as practicable after information is reported to the Secretary.

“(B) EDUCATION.—The Secretary shall carry out a market news education program to educate the public and persons in the livestock and meat industries about—

“(i) usage of the system developed under subparagraph (A); and

“(ii) interpreting and understanding information collected and disseminated through such system.”.

(2) APPLICABILITY.—

(A) ENHANCED REPORTING.—The Secretary of Agriculture shall develop and implement the system required under paragraph (2)(A) of section 251(g) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1636(g)), as amended by paragraph (1), not later than one year after the date

on which the Secretary determines sufficient funds have been appropriated pursuant to subsection (c).

(B) CURRENT SYSTEM.—Notwithstanding the amendment made by paragraph (1), the Secretary shall continue to use the information format for disseminating information under subtitle B of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.) in effect on the date of the enactment of this Act at least until the date that is two years after the date on which the Secretary makes the determination referred to in subparagraph (A).

(b) STUDY AND REPORT.—

(1) STUDY.—The Secretary shall conduct a study on the effects of requiring packer processing plants to report to the Secretary information on wholesale pork cuts (including price and volume information), including—

(A) the positive or negative economic effects on producers and consumers; and

(B) the effects of a confidentiality requirement on mandatory reporting.

(2) INFORMATION.—During the period preceding the submission of the report under paragraph (3), the Secretary may collect, and each packer processing plant shall provide, such information as is necessary to enable the Secretary to conduct the study required under paragraph (1).

(3) REPORT.—Not later than one year after the date of the 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 conducted under paragraph (1).

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

#### SEC. 11002. COUNTRY OF ORIGIN LABELING.

Subtitle D of the Agricultural Marketing Act of 1946 (7 U.S.C. 1638 et seq.) is amended—

(1) in section 281(2)(A)—

(A) in clause (v), by striking “and”;

(B) in clause (vi), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(vii) meat produced from goats;

“(viii) chicken, in whole and in part;

“(ix) ginseng;

“(x) pecans; and

“(xi) macadamia nuts.”;

(2) in section 282—

(A) in subsection (a), by striking paragraphs (2) and (3) and inserting the following:

“(2) DESIGNATION OF COUNTRY OF ORIGIN FOR BEEF, LAMB, PORK, CHICKEN, AND GOAT MEAT.—

“(A) UNITED STATES COUNTRY OF ORIGIN.—A retailer of a covered commodity that is beef, lamb, pork, chicken, or goat meat may designate the covered commodity as exclusively having a United States country of origin only

if the covered commodity is derived from an animal that was—

“(i) exclusively born, raised, and slaughtered in the United States;

“(ii) born and raised in Alaska or Hawaii and transported for a period of not more than 60 days through Canada to the United States and slaughtered in the United States; or

“(iii) present in the United States on or before July 15, 2008, and once present in the United States, remained continuously in the United States.

“(B) MULTIPLE COUNTRIES OF ORIGIN.—

“(i) IN GENERAL.—A retailer of a covered commodity that is beef, lamb, pork, chicken, or goat meat that is derived from an animal that is—

“(I) not exclusively born, raised, and slaughtered in the United States,

“(II) born, raised, or slaughtered in the United States, and

“(III) not imported into the United States for immediate slaughter,

may designate the country of origin of such covered commodity as all of the countries in which the animal may have been born, raised, or slaughtered.

“(ii) RELATION TO GENERAL REQUIREMENT.—Nothing in this subparagraph alters the mandatory requirement to inform consumers of the country of origin of covered commodities under paragraph (1).

“(C) IMPORTED FOR IMMEDIATE SLAUGHTER.—A retailer of a covered commodity that is beef, lamb, pork, chicken, or goat meat that is derived from an animal that is imported into the United States for immediate slaughter shall designate the origin of such covered commodity as—

“(i) the country from which the animal was imported; and

“(ii) the United States.

“(D) FOREIGN COUNTRY OF ORIGIN.—A retailer of a covered commodity that is beef, lamb, pork, chicken, or goat meat that is derived from an animal that is not born, raised, or slaughtered in the United States shall designate a country other than the United States as the country of origin of such commodity.

“(E) GROUND BEEF, PORK, LAMB, CHICKEN, AND GOAT.—The notice of country of origin for ground beef, ground pork, ground lamb, ground chicken, or ground goat shall include—

“(i) a list of all countries of origin of such ground beef, ground pork, ground lamb, ground chicken, or ground goat; or

“(ii) a list of all reasonably possible countries of origin of such ground beef, ground pork, ground lamb, ground chicken, or ground goat.

“(3) DESIGNATION OF COUNTRY OF ORIGIN FOR FISH.—

“(A) IN GENERAL.—A retailer of a covered commodity that is farm-raised fish or wild fish may designate the covered commodity as having a United States country of origin only if the covered commodity—

“(i) in the case of farm-raised fish, is hatched, raised, harvested, and processed in the United States; and

“(ii) in the case of wild fish, is—

“(I) harvested in the United States, a territory of the United States, or a State, or by a vessel that is documented under chapter 121 of title 46, United States Code, or registered in the United States; and

“(II) processed in the United States, a territory of the United States, or a State, including the waters thereof, or aboard a vessel that is documented under chapter 121 of title 46, United States Code, or registered in the United States.

“(B) DESIGNATION OF WILD FISH AND FARM-RAISED FISH.—The notice of country of origin for wild fish and farm-raised fish shall distinguish between wild fish and farm-raised fish.

“(4) DESIGNATION OF COUNTRY OF ORIGIN FOR PERISHABLE AGRICULTURAL COMMODITIES, GINSENG, PEANUTS, PECANS, AND MACADAMIA NUTS.—

“(A) IN GENERAL.—A retailer of a covered commodity that is a perishable agricultural commodity, ginseng, peanut, pecan, or macadamia nut may designate the covered commodity as having a United States country of origin only if the covered commodity is exclusively produced in the United States.

“(B) STATE, REGION, LOCALITY OF THE UNITED STATES.—With respect to a covered commodity that is a perishable agricultural commodity, ginseng, peanut, pecan, or macadamia nut produced exclusively in the United States, designation by a retailer of the State, region, or locality of the United States where such commodity was produced shall be sufficient to identify the United States as the country of origin.”; and

(B) by striking subsection (d) and inserting the following:

“(d) AUDIT VERIFICATION SYSTEM.—

“(1) IN GENERAL.—The Secretary may conduct an audit of any person that prepares, stores, handles, or distributes a covered commodity for retail sale to verify compliance with this subtitle (including the regulations promulgated under section 284(b)).

“(2) RECORD REQUIREMENTS.—

“(A) IN GENERAL.—A person subject to an audit under paragraph (1) shall provide the Secretary with verification of the country of origin of covered commodities. Records maintained in the course of the normal conduct of the business of such person, including animal health papers, import or customs documents, or producer affidavits, may serve as such verification.

“(B) PROHIBITION ON REQUIREMENT OF ADDITIONAL RECORDS.—The Secretary may not require a person that prepares, stores, handles, or distributes a covered commodity to maintain a record of the country of origin of a covered commodity other than those maintained in the

course of the normal conduct of the business of such person.”; and

(3) in section 283—

(A) by striking subsections (a) and (c);

(B) by redesignating subsection (b) as subsection (a);

(C) in subsection (a) (as so redesignated), by striking “retailer” and inserting “retailer or person engaged in the business of supplying a covered commodity to a retailer”; and

(D) by adding at the end the following new subsection:

“(b) FINES.—If, on completion of the 30-day period described in subsection (a)(2), the Secretary determines that the retailer or person engaged in the business of supplying a covered commodity to a retailer has—

“(1) not made a good faith effort to comply with section 282, and

“(2) continues to willfully violate section 282 with respect to the violation about which the retailer or person received notification under subsection (a)(1),

after providing notice and an opportunity for a hearing before the Secretary with respect to the violation, the Secretary may fine the retailer or person in an amount of not more than \$1,000 for each violation.”.

**SEC. 11003. AGRICULTURAL FAIR PRACTICES ACT OF 1967 DEFINITIONS.**

Section 3 of the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2302) is amended—

(1) by striking “When used in this Act—” and inserting “In this Act.”;

(2) in subsection (a)—

(A) by redesignating paragraphs (1) through (4) as clauses (i) through (iv), respectively; and

(B) in clause (iv) (as so redesignated), by striking “clause (1), (2), or (3) of this paragraph” and inserting “clause (i), (ii), or (iii)”;

(3) by striking subsection (d);

(4) by redesignating subsections (a), (b), (c), and (e) as paragraphs (3), (4), (2), (1), respectively, indenting appropriately, and moving those paragraphs so as to appear in numerical order;

(5) in each paragraph (as so redesignated) that does not have a heading, by inserting a heading, in the same style as the heading in the amendment made by paragraph (6), the text of which is comprised of the term defined in the paragraph;

(6) in paragraph (2) (as so redesignated)—

(A) by striking “The term ‘association of producers’ means” and inserting the following:

“(2) ASSOCIATION OF PRODUCERS.—

“(A) IN GENERAL.—The term ‘association of producers’ means”; and

(B) by adding at the end the following:

“(B) INCLUSION.—The term ‘association of producers’ includes an organization whose membership is exclusively

limited to agricultural producers and dedicated to promoting the common interest and general welfare of producers of agricultural products.”; and

(7) in paragraph (3) (as so redesignated)—

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

“(3) HANDLER.—

“(A) IN GENERAL.—The term”; and

(B) by inserting after clause (iv) of subparagraph (A) (as redesignated by subparagraph (A) and paragraph (2)) the following:

“(B) EXCLUSION.—The term ‘handler’ does not include a person, other than a packer (as defined in section 201 of the Packers and Stockyards Act, 1921 (7 U.S.C. 191)), that provides custom feeding services for a producer.”.

**SEC. 11004. ANNUAL REPORT.**

(a) IN GENERAL.—The Packers and Stockyards Act, 1921, is amended—

(1) by redesignating section 416 (7 U.S.C. 229) as section 417; and

(2) by inserting after section 415 (7 U.S.C. 228d) the following:

**“SEC. 416. ANNUAL REPORT.**

“(a) IN GENERAL.—Not later than March 1 of each year, the Secretary shall submit to Congress and make publicly available a report that—

“(1) states, for the preceding year, separately for livestock and poultry and separately by enforcement area category (financial, trade practice, or competitive acts and practices), with respect to investigations into possible violations of this Act—

“(A) the number of investigations opened;

“(B) the number of investigations that were closed or settled without a referral to the General Counsel of the Department of Agriculture;

“(C) for investigations described in subparagraph (B), the length of time from initiation of the investigation to when the investigation was closed or settled without the filing of an enforcement complaint;

“(D) the number of investigations that resulted in referral to the General Counsel of the Department of Agriculture for further action, the number of such referrals resolved without administrative enforcement action, and the number of enforcement actions filed by the General Counsel;

“(E) for referrals to the General Counsel that resulted in an administrative enforcement action being filed, the length of time from the referral to the filing of the administrative action;

“(F) for referrals to the General Counsel that resulted in an administrative enforcement action being filed, the length of time from filing to resolution of the administrative enforcement action;

“(G) the number of investigations that resulted in referral to the Department of Justice for further action, and the number of civil enforcement actions filed by the Department of Justice on behalf of the Secretary pursuant to such a referral;

“(H) for referrals that resulted in a civil enforcement action being filed by the Department of Justice, the length of time from the referral to the filing of the enforcement action;

“(I) for referrals that resulted in a civil enforcement action being filed by the Department of Justice, the length of time from the filing of the enforcement action to resolution; and

“(J) the average civil penalty imposed in administrative or civil enforcement actions for violations of this Act, and the total amount of civil penalties imposed in all such enforcement actions; and

“(2) includes any other additional information the Secretary considers important to include in the annual report.

“(b) **FORMAT OF INFORMATION PROVIDED.**—For subparagraphs (C), (E), (F), and (H) of subsection (a)(1), the Secretary may, if appropriate due to the number of complaints for a given category, provide summary statistics (including range, maximum, minimum, mean, and average times) and graphical representations.”

(b) **SUNSET.**—Effective September 30, 2012, section 416 of the Packers and Stockyards Act, 1921, as added by subsection (a)(2), is repealed.

**SEC. 11005. PRODUCTION CONTRACTS.**

Title II of the Packers and Stockyards Act, 1921 (7 U.S.C. 198 et seq.) is amended by adding at the end the following:

**“SEC. 208. PRODUCTION CONTRACTS.**

**“(a) RIGHT OF CONTRACT PRODUCERS TO CANCEL PRODUCTION CONTRACTS.—**

**“(1) IN GENERAL.—**A poultry grower or swine production contract grower may cancel a poultry growing arrangement or swine production contract by mailing a cancellation notice to the live poultry dealer or swine contractor not later than the later of—

**“(A)** the date that is 3 business days after the date on which the poultry growing arrangement or swine production contract is executed; or

**“(B)** any cancellation date specified in the poultry growing arrangement or swine production contract.

**“(2) DISCLOSURE.—**A poultry growing arrangement or swine production contract shall clearly disclose—

**“(A)** the right of the poultry grower or swine production contract grower to cancel the poultry growing arrangement or swine production contract;

**“(B)** the method by which the poultry grower or swine production contract grower may cancel the poultry growing arrangement or swine production contract; and

**“(C)** the deadline for canceling the poultry growing arrangement or swine production contract.

**“(b) REQUIRED DISCLOSURE OF ADDITIONAL CAPITAL INVESTMENTS IN PRODUCTION CONTRACTS.—**

**“(1) IN GENERAL.—**A poultry growing arrangement or swine production contract shall contain on the first page a statement identified as ‘Additional Capital Investments Disclosure Statement’, which shall conspicuously state that additional large capital investments may be required of the poultry grower

or swine production contract grower during the term of the poultry growing arrangement or swine production contract.

“(2) APPLICATION.—Paragraph (1) shall apply to any poultry growing arrangement or swine production contract entered into, amended, altered, modified, renewed, or extended after the date of the enactment of this section.

**“SEC. 209. CHOICE OF LAW AND VENUE.**

“(a) LOCATION OF FORUM.—The forum for resolving any dispute among the parties to a poultry growing arrangement or swine production or marketing contract that arises out of the arrangement or contract shall be located in the Federal judicial district in which the principle part of the performance takes place under the arrangement or contract.

“(b) CHOICE OF LAW.—A poultry growing arrangement or swine production or marketing contract may specify which State’s law is to apply to issues governed by State law in any dispute arising out of the arrangement or contract, except to the extent that doing so is prohibited by the law of the State in which the principal part of the performance takes place under the arrangement or contract.

**“SEC. 210. ARBITRATION.**

“(a) IN GENERAL.—Any livestock or poultry contract that contains a provision requiring the use of arbitration to resolve any controversy that may arise under the contract shall contain a provision that allows a producer or grower, prior to entering the contract to decline to be bound by the arbitration provision.

“(b) DISCLOSURE.—Any livestock or poultry contract that contains a provision requiring the use of arbitration shall contain terms that conspicuously disclose the right of the contract producer or grower, prior to entering the contract, to decline the requirement to use arbitration to resolve any controversy that may arise under the livestock or poultry contract.

“(c) DISPUTE RESOLUTION.—Any contract producer or grower that declines a requirement of arbitration pursuant to subsection (b) has the right, to nonetheless seek to resolve any controversy that may arise under the livestock or poultry contract, if, after the controversy arises, both parties consent in writing to use arbitration to settle the controversy.

“(d) APPLICATION.—Subsections (a) (b) and (c) shall apply to any contract entered into, amended, altered, modified, renewed, or extended after the date of the enactment of the Food, Conservation, and Energy Act of 2008 .

“(e) UNLAWFUL PRACTICE.—Any action by or on behalf of a packer, swine contractor, or live poultry dealer that violates this section (including any action that has the intent or effect of limiting the ability of a producer or grower to freely make a choice described in subsection (b)) is an unlawful practice under this Act.

“(f) REGULATIONS.—The Secretary shall promulgate regulations to—

“(1) carry out this section; and

“(2) establish criteria that the Secretary will consider in determining whether the arbitration process provided in a contract provides a meaningful opportunity for the grower or producer to participate fully in the arbitration process.”.



**SEC. 11006. REGULATIONS.**

As soon as practicable, but not later than 2 years after the date of the enactment of this Act, the Secretary of Agriculture shall promulgate regulations with respect to the Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.) to establish criteria that the Secretary will consider in determining—

- (1) whether an undue or unreasonable preference or advantage has occurred in violation of such Act;
- (2) whether a live poultry dealer has provided reasonable notice to poultry growers of any suspension of the delivery of birds under a poultry growing arrangement;
- (3) when a requirement of additional capital investments over the life of a poultry growing arrangement or swine production contract constitutes a violation of such Act; and
- (4) if a live poultry dealer or swine contractor has provided a reasonable period of time for a poultry grower or a swine production contract grower to remedy a breach of contract that could lead to termination of the poultry growing arrangement or swine production contract.

**SEC. 11007. SENSE OF CONGRESS REGARDING PSEUDORABIES ERADICATION PROGRAM.**

It is the sense of Congress that—

- (1) the Secretary of Agriculture should recognize the threat feral swine pose to the domestic swine population and the entire livestock industry;
- (2) keeping the United States commercial swine herd free of pseudorabies is essential to maintaining and growing pork export markets;
- (3) the establishment and continued support of a swine surveillance system will assist the swine industry in the monitoring, surveillance, and eradication of pseudorabies; and
- (4) pseudorabies eradication is a high priority that the Secretary should carry out under the authorities of the Animal Health Protection Act.

**SEC. 11008. SENSE OF CONGRESS REGARDING THE CATTLE FEVER TICK ERADICATION PROGRAM.**

It is the sense of Congress that—

- (1) the cattle fever tick and the southern cattle tick are vectors of the causal agent of babesiosis, a severe and often fatal disease of cattle; and
- (2) implementing a national strategic plan for the cattle fever tick eradication program is a high priority that the Secretary of Agriculture should carry out in order to—
  - (A) prevent the entry of cattle fever ticks into the United States;
  - (B) enhance and maintain an effective surveillance program to rapidly detect any cattle fever tick incursions; and
  - (C) research, identify, and procure the tools and knowledge necessary to prevent and eradicate cattle fever ticks in the United States.

**SEC. 11009. NATIONAL SHEEP INDUSTRY IMPROVEMENT CENTER.**

(a) FUNDING.—Section 375(e)(6) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008j(e)(6)) is amended by striking subparagraphs (B) and (C) and inserting the following:

“(B) MANDATORY FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section \$1,000,000 for fiscal year 2008, to remain available until expended.

“(C) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section \$10,000,000 for each of fiscal years 2008 through 2012.”

(b) REPEAL OF REQUIREMENT TO PRIVATIZE REVOLVING FUND.—

(1) IN GENERAL.—Section 375 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008j) is amended by striking subsection (j).

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect on May 1, 2007.

**SEC. 11010. TRICHINAE CERTIFICATION PROGRAM.**

(a) VOLUNTARY TRICHINAE CERTIFICATION.—

(1) ESTABLISHMENT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Agriculture shall establish a voluntary trichinae certification program. Such program shall include the facilitation of the export of pork products and certification services related to such products.

(2) REGULATIONS.—The Secretary shall issue final regulations to implement the program under paragraph (1) not later than 90 days after the date of the enactment of this Act.

(3) REPORT.—If final regulations are not published in accordance with paragraph (2) within 90 days of the date of the 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 containing—

(A) an explanation of why the final regulations have not been issued in accordance with paragraph (2); and

(B) the date on which the Secretary expects to issue such final regulations.

(b) FUNDING.—Subject to the availability of appropriations under subsection (d)(1)(A) of section 10405 of the Animal Health Protection Act (7 U.S.C. 8304), as added by subsection (c), the Secretary shall use not less than \$6,200,000 of the funds made available under such subsection to carry out subsection (a).

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 10405 of the Animal Health Protection Act (7 U.S.C. 8304) is amended by adding at the end the following new subsection:

“(d) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There is authorized to be appropriated—

“(A) \$1,500,000 for each of fiscal years 2008 through 2012 to carry out section 11010 of the Food, Conservation, and Energy Act of 2008; and

“(B) such sums as may be necessary for each of fiscal years 2008 through 2012 to carry out this section.

“(2) AVAILABILITY.—Funds appropriated under paragraph (1) shall remain available until expended.”

**SEC. 11011. LOW PATHOGENIC DISEASES.**

The Animal Health Protection Act (7 U.S.C. 8301 et seq.) is amended—

(1) in section 10407(d)(2)(C) (7 U.S.C. 8306(d)(2)(C)), by striking “of longer than 60 days”;

(2) in section 10409(b) (7 U.S.C. 8308(b))—

(A) by redesignating paragraph (2) as paragraph (3);

(B) by inserting after paragraph (1) the following new paragraph:

“(2) SPECIFIC COOPERATIVE PROGRAMS.—The Secretary shall compensate industry participants and State agencies that cooperate with the Secretary in carrying out operations and measures under subsection (a) for 100 percent of eligible costs relating to cooperative programs involving Federal, State, and industry participants to control diseases of low pathogenicity in accordance with regulations issued by the Secretary.”; and

(C) in paragraph (3) (as so redesignated), by striking “of longer than 60 days”; and

(3) in section 10417(b)(3) (7 U.S.C. 8316(b)(3)), by striking “of longer than 60 days”.

**SEC. 11012. ANIMAL PROTECTION.**

(a) WILLFUL VIOLATIONS.—Section 10414(b)(1)(A) of the Animal Health Protection Act (7 U.S.C. 8316(b)(1)(A)) is amended by striking clause (iii) and inserting the following:

“(iii) for all violations adjudicated in a single proceeding—

“(I) \$500,000 if the violations do not include a willful violation; or

“(II) \$1,000,000 if the violations include 1 or more willful violations.”.

(b) SUBPOENA AUTHORITY.—Section 10415(a)(2) of the Animal Health Protection Act (7 U.S.C. 8314) is amended

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

“(A) IN GENERAL.—The Secretary shall have the power to subpoena the attendance and testimony of any witness, the production of all evidence (including books, papers, documents, electronically stored information, and other tangible things that constitute or contain evidence), or to require the person to whom the subpoena is directed to permit the inspection of premises relating to the administration or enforcement of this title or any matter under investigation in connection with this title.”;

(2) in subparagraph (B), by striking “documentary”; and

(3) in subparagraph (C)—

(A) in clause (i), by striking “testimony of any witness and the production of documentary evidence” and inserting “testimony of any witness, the production of evidence, or the inspection of premises”; and

(B) in clause (ii), by striking “question or to produce documentary evidence” and inserting “question, produce evidence, or permit the inspection of premises”.

**SEC. 11013. NATIONAL AQUATIC ANIMAL HEALTH PLAN.**

(a) IN GENERAL.—The Secretary of Agriculture may enter into a cooperative agreement with an eligible entity to carry out a project under a national aquatic animal health plan under the authority of the Secretary under section 10411 of the Animal Health Protection Act (7 U.S.C. 8310) for the purpose of detecting, controlling, or eradicating diseases of aquaculture species and promoting species-specific best management practices.

(b) COOPERATIVE AGREEMENTS BETWEEN ELIGIBLE ENTITIES AND THE SECRETARY.—

(1) DUTIES.—As a condition of entering into a cooperative agreement with the Secretary under this section, an eligible entity shall agree to—

(A) assume responsibility for the non-Federal share of the cost of carrying out the project under the national aquatic health plan, as determined by the Secretary in accordance with paragraph (2); and

(B) act in accordance with applicable disease and species specific best management practices relating to activities to be carried out under such project.

(2) NON-FEDERAL SHARE.—The Secretary shall determine the non-Federal share of the cost of carrying out a project under the national aquatic health plan on a case-by-case basis for each such project. Such non-Federal share may be provided in cash or in-kind.

(c) APPLICABILITY OF OTHER LAWS.—In carrying out this section, the Secretary may make use of the authorities under the Animal Health Protection Act (7 U.S.C. 8301 et seq.), including the authority to carry out operations and measures to detect, control, and eradicate pests and diseases and the authority to pay claims arising out of the destruction of any animal, article, or means of conveyance.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this section for each of fiscal years 2008 through 2012.

(e) ELIGIBLE ENTITY DEFINED.—In this section, the term “eligible entity” means a State, a political subdivision of a State, Indian tribe, or other appropriate entity, as determined by the Secretary of Agriculture.

**SEC. 11014. STUDY ON BIOENERGY OPERATIONS.**

(a) STUDY.—The Secretary of Agriculture shall conduct a study to evaluate the role of animal manure as a source of fertilizer and its potential additional uses. Such study shall include—

(1) a determination of the extent to which animal manure is utilized as fertilizer in agricultural operations by type (including species and agronomic practices employed) and size;

(2) an evaluation of the potential impact on consumers and on agricultural operations (by size) resulting from limitations being placed on the utilization of animal manure as fertilizer; and

(3) an evaluation of the effects on agriculture production contributable to the increased competition for animal manure use due to bioenergy production, including as a feedstock or a replacement for fossil fuels.

(b) REPORT.—Not later than one year after the date of the 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 the results of the study conducted under subsection (a).

**SEC. 11015. INTERSTATE SHIPMENT OF MEAT AND POULTRY INSPECTED BY FEDERAL AND STATE AGENCIES FOR CERTAIN SMALL ESTABLISHMENTS.**

(a) MEAT AND MEAT PRODUCTS.—The Federal Meat Inspection Act (21 U.S.C. 601 et seq.) is amended by adding at the end the following:

**“TITLE V—INSPECTIONS BY FEDERAL AND STATE AGENCIES**

**“SEC. 501. INTERSTATE SHIPMENT OF MEAT INSPECTED BY FEDERAL AND STATE AGENCIES FOR CERTAIN SMALL ESTABLISHMENTS.**

“(a) DEFINITIONS.—

“(1) APPROPRIATE STATE AGENCY.—The term ‘appropriate State agency’ means a State agency described in section 301(b).

“(2) DESIGNATED PERSONNEL.—The term ‘designated personnel’ means inspection personnel of a State agency that have undergone all necessary inspection training and certification to assist the Secretary in the administration and enforcement of this Act, including rules and regulations issued under this Act.

“(3) ELIGIBLE ESTABLISHMENT.—The term ‘eligible establishment’ means an establishment that is in compliance with—

“(A) the State inspection program of the State in which the establishment is located; and

“(B) this Act, including rules and regulations issued under this Act.

“(4) MEAT ITEM.—The term ‘meat item’ means—

“(A) a portion of meat; and

“(B) a meat food product.

“(5) SELECTED ESTABLISHMENT.—The term ‘selected establishment’ means an eligible establishment that is selected by the Secretary, in coordination with the appropriate State agency of the State in which the eligible establishment is located, under subsection (b) to ship carcasses, portions of carcasses, and meat items in interstate commerce.

“(b) AUTHORITY OF SECRETARY TO ALLOW SHIPMENTS.—

“(1) IN GENERAL.—Subject to paragraph (2), the Secretary, in coordination with the appropriate State agency of the State in which an establishment is located, may select the establishment to ship carcasses, portions of carcasses, and meat items in interstate commerce, and place on each carcass, portion of a carcass, and meat item shipped in interstate commerce a Federal mark, stamp, tag, or label of inspection, if—

“(A) the carcass, portion of carcass, or meat item qualifies for the mark, stamp, tag, or label of inspection under the requirements of this Act;

“(B) the establishment is an eligible establishment; and

“(C) inspection services for the establishment are provided by designated personnel.

“(2) PROHIBITED ESTABLISHMENTS.—In carrying out paragraph (1), the Secretary, in coordination with an appropriate State agency, shall not select an establishment that—

“(A) on average, employs more than 25 employees (including supervisory and nonsupervisory employees), as defined by the Secretary;

“(B) as of the date of the enactment of this section, ships in interstate commerce carcasses, portions of carcasses, or meat items that are inspected by the Secretary in accordance with this Act;

“(C)(i) is a Federal establishment;

“(ii) was a Federal establishment that was reorganized on a later date under the same name or a different name or person by the person, firm, or corporation that controlled the establishment as of the date of the enactment of this section; or

“(iii) was a State establishment as of the date of the enactment of this section that—

“(I) as of the date of the enactment of this section, employed more than 25 employees; and

“(II) was reorganized on a later date by the person, firm, or corporation that controlled the establishment as of the date of the enactment of this section;

“(D) is in violation of this Act;

“(E) is located in a State that does not have a State inspection program; or

“(F) is the subject of a transition carried out in accordance with a procedure developed by the Secretary under paragraph (3)(A).

“(3) ESTABLISHMENTS THAT EMPLOY MORE THAN 25 EMPLOYEES.—

“(A) DEVELOPMENT OF PROCEDURE.—The Secretary may develop a procedure to transition to a Federal establishment any establishment under this section that, on average, consistently employs more than 25 employees.

“(B) ELIGIBILITY OF CERTAIN ESTABLISHMENTS.—

“(i) IN GENERAL.—A State establishment that employs more than 25 employees but less than 35 employees as of the date of the enactment of this section may be selected as a selected establishment under this subsection.

“(ii) PROCEDURES.—A State establishment shall be subject to the procedures established under subparagraph (A) beginning on the date that is 3 years after the effective date described in subsection (j).

“(c) REIMBURSEMENT OF STATE COSTS.—The Secretary shall reimburse a State for costs related to the inspection of selected establishments in the State in accordance with Federal requirements in an amount of not less than 60 percent of eligible State costs.

“(d) COORDINATION BETWEEN FEDERAL AND STATE AGENCIES.—

“(1) IN GENERAL.—The Secretary shall designate an employee of the Federal Government as State coordinator for each appropriate State agency—

“(A) to provide oversight and enforcement of this title; and

“(B) to oversee the training and inspection activities of designated personnel of the State agency.

“(2) SUPERVISION.—A State coordinator shall be under the direct supervision of the Secretary.

“(3) DUTIES OF STATE COORDINATOR.—

“(A) IN GENERAL.—A State coordinator shall visit selected establishments with a frequency that is appropriate to ensure that selected establishments are operating in a manner that is consistent with this Act (including regulations and policies under this Act).

“(B) QUARTERLY REPORTS.—A State coordinator shall, on a quarterly basis, submit to the Secretary a report that describes the status of each selected establishment that is under the jurisdiction of the State coordinator with respect to the level of compliance of each selected establishment with the requirements of this Act.

“(C) IMMEDIATE NOTIFICATION REQUIREMENT.—If a State coordinator determines that any selected establishment that is under the jurisdiction of the State coordinator is in violation of any requirement of this Act, the State coordinator shall—

“(i) immediately notify the Secretary of the violation; and

“(ii) deselect the selected establishment or suspend inspection at the selected establishment.

“(4) PERFORMANCE EVALUATIONS.—Performance evaluations of State coordinators designated under this subsection shall be conducted by the Secretary as part of the Federal agency management control system.

“(e) AUDITS.—

“(1) PERIODIC AUDITS CONDUCTED BY INSPECTOR GENERAL OF THE DEPARTMENT OF AGRICULTURE.—Not later than 2 years after the effective date described in subsection (j), and not less often than every 3 years thereafter, the Inspector General of the Department of Agriculture shall conduct an audit of each activity taken by the Secretary under this section for the period covered by the audit to determine compliance with this section.

“(2) AUDIT CONDUCTED BY COMPTROLLER GENERAL OF THE UNITED STATES.—Not earlier than 3 years, nor later than 5 years, after the date of the enactment of this section, the Comptroller General of the United States shall conduct an audit of the implementation of this section to determine—

“(A) the effectiveness of the implementation of this section; and

“(B) the number of selected establishments selected by the Secretary to ship carcasses, portions of carcasses, or meat items under this section.

“(f) TECHNICAL ASSISTANCE DIVISION.—

“(1) ESTABLISHMENT.—Not later than 180 days after the effective date described in subsection (j), the Secretary shall establish in the Food Safety and Inspection Service of the Department of Agriculture a technical assistance division to coordinate the initiatives of any other appropriate agency of the Department of Agriculture to provide—

“(A) outreach, education, and training to very small or certain small establishments (as defined by the Secretary); and

“(B) grants to appropriate State agencies to provide outreach, technical assistance, education, and training to very small or certain small establishments (as defined by the Secretary).

“(2) PERSONNEL.—The technical assistance division shall be comprised of individuals that, as determined by the Secretary—

“(A) are of a quantity sufficient to carry out the duties of the technical assistance division; and

“(B) possess appropriate qualifications and expertise relating to the duties of the technical assistance division.

“(g) TRANSITION GRANTS.—The Secretary may provide grants to appropriate State agencies to assist the appropriate State agencies in helping establishments covered by title III to transition to selected establishments.

“(h) VIOLATIONS.—Any selected establishment that the Secretary determines to be in violation of any requirement of this Act shall be transitioned to a Federal establishment in accordance with a procedure developed by the Secretary under subsection (b)(3)(A).

“(i) EFFECT.—Nothing in this section limits the jurisdiction of the Secretary with respect to the regulation of meat and meat products under this Act.

“(j) EFFECTIVE DATE.—

“(1) IN GENERAL.—This section takes effect on the date on which the Secretary, after providing a period of public comment (including through the conduct of public meetings or hearings), promulgates final regulations to carry out this section.

“(2) REQUIREMENT.—Not later than 18 months after the date of the enactment of this section, the Secretary shall promulgate final regulations in accordance with paragraph (1).”.

(b) POULTRY AND POULTRY PRODUCTS.—The Poultry Products Inspection Act (21 U.S.C. 451 et seq.) is amended by adding at the end the following:

**“SEC. 31. INTERSTATE SHIPMENT OF POULTRY INSPECTED BY FEDERAL AND STATE AGENCIES FOR CERTAIN SMALL ESTABLISHMENTS.**

“(a) DEFINITIONS.—

“(1) APPROPRIATE STATE AGENCY.—The term ‘appropriate State agency’ means a State agency described in section 5(a)(1).

“(2) DESIGNATED PERSONNEL.—The term ‘designated personnel’ means inspection personnel of a State agency that have undergone all necessary inspection training and certification to assist the Secretary in the administration and enforcement of this Act, including rules and regulations issued under this Act.

“(3) ELIGIBLE ESTABLISHMENT.—The term ‘eligible establishment’ means an establishment that is in compliance with—

“(A) the State inspection program of the State in which the establishment is located; and



“(B) this Act, including rules and regulations issued under this Act.

“(4) POULTRY ITEM.—The term ‘poultry item’ means—

“(A) a portion of poultry; and

“(B) a poultry product.

“(5) SELECTED ESTABLISHMENT.—The term ‘selected establishment’ means an eligible establishment that is selected by the Secretary, in coordination with the appropriate State agency of the State in which the eligible establishment is located, under subsection (b) to ship poultry items in interstate commerce.

“(b) AUTHORITY OF SECRETARY TO ALLOW SHIPMENTS.—

“(1) IN GENERAL.—Subject to paragraph (2), the Secretary, in coordination with the appropriate State agency of the State in which an establishment is located, may select the establishment to ship poultry items in interstate commerce, and place on each poultry item shipped in interstate commerce a Federal mark, stamp, tag, or label of inspection, if—

“(A) the poultry item qualifies for the Federal mark, stamp, tag, or label of inspection under the requirements of this Act;

“(B) the establishment is an eligible establishment; and

“(C) inspection services for the establishment are provided by designated personnel.

“(2) PROHIBITED ESTABLISHMENTS.—In carrying out paragraph (1), the Secretary, in coordination with an appropriate State agency, shall not select an establishment that—

“(A) on average, employs more than 25 employees (including supervisory and nonsupervisory employees), as defined by the Secretary;

“(B) as of the date of the enactment of this section, ships in interstate commerce carcasses, portions of carcasses, or poultry items that are inspected by the Secretary in accordance with this Act;

“(C)(i) is a Federal establishment;

“(ii) was a Federal establishment as of the date of the enactment of this section, and was reorganized on a later date under the same name or a different name or person by the person, firm, or corporation that controlled the establishment as of the date of the enactment of this section; or

“(iii) was a State establishment as of the date of the enactment of this section that—

“(I) as of the date of the enactment of this section, employed more than 25 employees; and

“(II) was reorganized on a later date by the person, firm, or corporation that controlled the establishment as of the date of the enactment of this section;

“(D) is in violation of this Act;

“(E) is located in a State that does not have a State inspection program; or

“(F) is the subject of a transition carried out in accordance with a procedure developed by the Secretary under paragraph (3)(A).

“(3) ESTABLISHMENTS THAT EMPLOY MORE THAN 25 EMPLOYEES.—

“(A) DEVELOPMENT OF PROCEDURE.—The Secretary may develop a procedure to transition to a Federal establishment any establishment under this section that, on average, consistently employs more than 25 employees.

“(B) ELIGIBILITY OF CERTAIN ESTABLISHMENTS.—

“(i) IN GENERAL.—A State establishment that employs more than 25 employees but less than 35 employees as of the date of the enactment of this section may be selected as a selected establishment under this subsection.

“(ii) PROCEDURES.—A State establishment shall be subject to the procedures established under subparagraph (A) beginning on the date that is 3 years after the effective date described in subsection (i).

“(c) REIMBURSEMENT OF STATE COSTS.—The Secretary shall reimburse a State for costs related to the inspection of selected establishments in the State in accordance with Federal requirements in an amount of not less than 60 percent of eligible State costs.

“(d) COORDINATION BETWEEN FEDERAL AND STATE AGENCIES.—

“(1) IN GENERAL.—The Secretary shall designate an employee of the Federal Government as State coordinator for each appropriate State agency—

“(A) to provide oversight and enforcement of this section; and

“(B) to oversee the training and inspection activities of designated personnel of the State agency.

“(2) SUPERVISION.—A State coordinator shall be under the direct supervision of the Secretary.

“(3) DUTIES OF STATE COORDINATOR.—

“(A) IN GENERAL.—A State coordinator shall visit selected establishments with a frequency that is appropriate to ensure that selected establishments are operating in a manner that is consistent with this Act (including regulations and policies under this Act).

“(B) QUARTERLY REPORTS.—A State coordinator shall, on a quarterly basis, submit to the Secretary a report that describes the status of each selected establishment that is under the jurisdiction of the State coordinator with respect to the level of compliance of each selected establishment with the requirements of this Act.

“(C) IMMEDIATE NOTIFICATION REQUIREMENT.—If a State coordinator determines that any selected establishment that is under the jurisdiction of the State coordinator is in violation of any requirement of this Act, the State coordinator shall—

“(i) immediately notify the Secretary of the violation; and

“(ii) deselect the selected establishment or suspend inspection at the selected establishment.

“(4) PERFORMANCE EVALUATIONS.—Performance evaluations of State coordinators designated under this subsection shall be conducted by the Secretary as part of the Federal agency management control system.

“(e) AUDITS.—

“(1) PERIODIC AUDITS CONDUCTED BY INSPECTOR GENERAL OF THE DEPARTMENT OF AGRICULTURE.—Not later than 2 years

after the effective date described in subsection (i), and not less often than every 3 years thereafter, the Inspector General of the Department of Agriculture shall conduct an audit of each activity taken by the Secretary under this section for the period covered by the audit to determine compliance with this section.

“(2) AUDIT CONDUCTED BY COMPTROLLER GENERAL OF THE UNITED STATES.—Not earlier than 3 years, nor later than 5 years, after the date of the enactment of this section, the Comptroller General of the United States shall conduct an audit of the implementation of this section to determine—

“(A) the effectiveness of the implementation of this section; and

“(B) the number of selected establishments selected by the Secretary to ship poultry items under this section.

“(f) TRANSITION GRANTS.—The Secretary may provide grants to appropriate State agencies to assist the appropriate State agencies in helping establishments covered by this Act to transition to selected establishments.

“(g) VIOLATIONS.—Any selected establishment that the Secretary determines to be in violation of any requirement of this Act shall be transitioned to a Federal establishment in accordance with a procedure developed by the Secretary under subsection (b)(3)(A).

“(h) EFFECT.—Nothing in this section limits the jurisdiction of the Secretary with respect to the regulation of poultry and poultry products under this Act.

“(i) EFFECTIVE DATE.—

“(1) IN GENERAL.—This section takes effect on the date on which the Secretary, after providing a period of public comment (including through the conduct of public meetings or hearings), promulgates final regulations to carry out this section.

“(2) REQUIREMENT.—Not later than 18 months after the date of the enactment of this section, the Secretary shall promulgate final regulations in accordance with paragraph (1).”.

#### SEC. 11016. INSPECTION AND GRADING.

(a) GRADING.—Section 203 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622) is amended—

(1) by redesignating subsection (n) as subsection (o); and

(2) by inserting after subsection (m) the following new subsection:

“(n) GRADING PROGRAM.—To establish within the Department of Agriculture a voluntary fee based grading program for—

“(1) catfish (as defined by the Secretary under paragraph (2) of section 1(w) of the Federal Meat Inspection Act (21 U.S.C. 601(w))); and

“(2) any additional species of farm-raised fish or farm-raised shellfish—

“(A) for which the Secretary receives a petition requesting such voluntary fee based grading; and

“(B) that the Secretary considers appropriate.”.

(b) INSPECTION.—

(1) IN GENERAL.—The Federal Meat Inspection Act is amended—

(A) in section 1(w) (21 U.S.C. 601(w)) —

- (i) by striking “and” at the end of paragraph (1);
- (ii) by redesignating paragraph (2) as paragraph (3); and
- (iii) by inserting after paragraph (1) the following new paragraph:

“(2) catfish, as defined by the Secretary; and”;

(B) by striking section 6 (21 U.S.C. 606) and inserting the following new section:

“SEC. 6. (a) IN GENERAL.—For the purposes hereinbefore set forth the Secretary shall cause to be made, by inspectors appointed for that purpose, an examination and inspection of all meat food products prepared for commerce in any slaughtering, meat-canning, salting, packing, rendering, or similar establishment, and for the purposes of any examination and inspection and inspectors shall have access at all times, by day or night, whether the establishment be operated or not, to every part of said establishment; and said inspectors shall mark, stamp, tag, or label as ‘Inspected and passed’ all such products found to be not adulterated; and said inspectors shall label, mark, stamp, or tag as ‘Inspected and condemned’ all such products found adulterated, and all such condemned meat food products shall be destroyed for food purposes, as hereinbefore provided, and the Secretary may remove inspectors from any establishment which fails to so destroy such condemned meat food products: *Provided*, That subject to the rules and regulations of the Secretary the provisions of this section in regard to preservatives shall not apply to meat food products for export to any foreign country and which are prepared or packed according to the specifications or directions of the foreign purchaser, when no substance is used in the preparation or packing thereof in conflict with the laws of the foreign country to which said article is to be exported; but if said article shall be in fact sold or offered for sale for domestic use or consumption then this proviso shall not exempt said article from the operation of all the other provisions of this chapter.

“(b) CATFISH.—In the case of an examination and inspection under subsection (a) of a meat food product derived from catfish, the Secretary shall take into account the conditions under which the catfish is raised and transported to a processing establishment.”; and

(C) by adding at the end of title I the following new section:

“SEC. 25. Notwithstanding any other provision of this Act, the requirements of sections 3, 4, 5, 10(b), and 23 shall not apply to catfish.”.

(2) EFFECTIVE DATE.—

(A) IN GENERAL.—The amendments made by paragraph (1) shall not apply until the date on which the Secretary of Agriculture issues final regulations (after providing a period of public comment, including through the conduct of public meetings or hearings, in accordance with chapter 5 of title 5, United States Code) to carry out such amendments.

(B) REGULATIONS.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Agriculture, in consultation with the Commissioner of Food and Drugs, shall issue final regulations to carry out the amendments made by paragraph (1).

(3) BUDGET REQUEST.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Agriculture shall submit to Congress an estimate of the costs of implementing the amendments made by paragraph (1), including the estimated—

- (A) staff years;
- (B) number of establishments;
- (C) volume expected to be produced at such establishments; and
- (D) any other information used in estimating the costs of implementing such amendments.

**SEC. 11017. FOOD SAFETY IMPROVEMENT.**

(a) FEDERAL MEAT INSPECTION ACT.—Title I of the Federal Meat Inspection Act is further amended by inserting after section 11 (21 U.S.C. 611) the following:

**“SEC. 12. NOTIFICATION.**

“Any establishment subject to inspection under this Act that believes, or has reason to believe, that an adulterated or misbranded meat or meat food product received by or originating from the establishment has entered into commerce shall promptly notify the Secretary with regard to the type, amount, origin, and destination of the meat or meat food product.

**“SEC. 13. PLANS AND REASSESSMENTS.**

“The Secretary shall require that each establishment subject to inspection under this Act shall, at a minimum—

“(1) prepare and maintain current procedures for the recall of all meat or meat food products produced and shipped by the establishment;

“(2) document each reassessment of the process control plans of the establishment; and

“(3) upon request, make the procedures and reassessed process control plans available to inspectors appointed by the Secretary for review and copying.”.

(b) POULTRY PRODUCTS INSPECTION ACT.—Section 10 of the Poultry Products Inspection Act (21 U.S.C. 459) is amended—

(1) by striking the section heading and all that follows through “SEC. 10. No establishment” and inserting the following:

**“SEC. 10. COMPLIANCE BY ALL ESTABLISHMENTS.**

“(a) IN GENERAL.—No establishment”; and

(2) by adding at the end the following:

“(b) NOTIFICATION.—Any establishment subject to inspection under this Act that believes, or has reason to believe, that an adulterated or misbranded poultry or poultry product received by or originating from the establishment has entered into commerce shall promptly notify the Secretary with regard to the type, amount, origin, and destination of the poultry or poultry product.

“(c) PLANS AND REASSESSMENTS.—The Secretary shall require that each establishment subject to inspection under this Act shall, at a minimum—

“(1) prepare and maintain current procedures for the recall of all poultry or poultry products produced and shipped by the establishment;

“(2) document each reassessment of the process control plans of the establishment; and

“(3) upon request, make the procedures and reassessed process control plans available to inspectors appointed by the Secretary for review and copying.”.

## **TITLE XII—CROP INSURANCE AND DISASTER ASSISTANCE PROGRAMS**

### **Subtitle A—Crop Insurance and Agricultural Disaster Assistance**

#### **SEC. 12001. DEFINITION OF ORGANIC CROP.**

Section 502(b) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)) is amended—

(1) by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively; and

(2) by inserting after paragraph (6) the following:

“(7) ORGANIC CROP.—The term ‘organic crop’ means an agricultural commodity that is organically produced consistent with section 2103 of the Organic Foods Production Act of 1990 (7 U.S.C. 6502).”.

#### **SEC. 12002. GENERAL POWERS.**

(a) IN GENERAL.—Section 506 of the Federal Crop Insurance Act (7 U.S.C. 1506) is amended—

(1) in the first sentence of subsection (d), by striking “The Corporation” and inserting “Subject to section 508(j)(2)(A), the Corporation”; and

(2) by striking subsection (n).

(b) CONFORMING AMENDMENTS.—

(1) Section 506 of the Federal Crop Insurance Act (7 U.S.C. 1506) is amended by redesignating subsections (o), (p), and (q) as subsections (n), (o), and (p), respectively.

(2) Section 521 of the Federal Crop Insurance Act (7 U.S.C. 1521) is amended by striking the last sentence.

#### **SEC. 12003. REDUCTION IN LOSS RATIO.**

(a) PROJECTED LOSS RATIO.—Subsection (n)(2) of section 506 of the Federal Crop Insurance Act (7 U.S.C. 1506) (as redesignated by section 12002(b)(1)) is amended—

(1) in the paragraph heading, by striking “AS OF OCTOBER 1, 1998”;

(2) by striking “, on and after October 1, 1998,”; and

(3) by striking “1.075” and inserting “1.0”.

(b) PREMIUMS REQUIRED.—Section 508(d)(1) of the Federal Crop Insurance Act (7 U.S.C. 1508(d)(1)) is amended by striking “not greater than 1.1” and all that follows and inserting “not greater than—

“(A) 1.1 through September 30, 1998;

“(B) 1.075 for the period beginning October 1, 1998, and ending on the day before the date of enactment of the Food, Conservation, and Energy Act of 2008; and

“(C) 1.0 on and after the date of enactment of that Act.”.