

AGRICULTURE RISK PROTECTION

ACT OF 2000
Public Law 106-224
106th Congress

An Act

To amend the Federal Crop Insurance Act to strengthen the safety net for agricultural producers by providing greater access to more affordable risk management tools and improved protection from production and income loss, to improve the efficiency and integrity of the Federal crop insurance program. NOTE: June 20, 2000 - [H.R. 2559].

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled; NOTE: Agricultural Risk Protection Act of 2000.

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short NOTE: 7 USC 1501 note. Title.--This Act may be cited as the "Agricultural Risk Protection Act of 2000".

(b) Table of Contents.--The table of contents of this Act is as follows:

TITLE I--CROP INSURANCE COVERAGE

Subtitle A--Crop Insurance Coverage

Subtitle C--Research and Pilot Programs

Sec. 131. Research and development.

Sec. 132. Pilot programs.

Sec. 133. Education and risk management assistance.

Sec. 134. Options pilot program.

TITLE II--AGRICULTURAL ASSISTANCE

Subtitle B--Conservation

Sec. 211. Conservation assistance.

Sec. 212. Condition on development of Little Darby National Wildlife Refuge, Ohio.

TITLE I--CROP INSURANCE COVERAGE

Subtitle A--Crop Insurance Coverage

Subtitle C--Research and Pilot Programs

SEC. 133. EDUCATION AND RISK MANAGEMENT ASSISTANCE.

The Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), as amended by section 132(a), is amended by adding at the end the following:

"SEC. 524. NOTE: 7 USC 1524. EDUCATION AND RISK MANAGEMENT ASSISTANCE.

(a) Education Assistance.--

(1) In general.--Subject to the amounts made available under paragraph (4)--

(A) the Corporation shall carry out the program established under paragraph (2); and

(B) the Secretary, acting through the Cooperative State Research, Education, and Extension Service, shall carry out the program established under paragraph (3).

(2) Education and information.--The Corporation shall establish a program under which crop insurance education and information is provided to producers in States in which (as determined by the Secretary)--

(A) there is traditionally, and continues to be, a low level of Federal crop insurance participation and availability; and

(B) producers are underserved by the Federal crop insurance program.

(3) Partnerships for risk management education.--

(A) Authority.--The Secretary, acting through the Cooperative State Research, Education, and Extension Service, shall establish a program under which competitive grants are made to qualified public and private entities (including land grant colleges, cooperative extension services, and colleges or universities), as determined by the Secretary, for the purpose of educating agricultural producers about the full range of risk management activities, including futures, options, agricultural trade options, crop insurance, cash forward contracting, debt reduction, production diversification, farm resources risk reduction, and other risk management strategies.

(B) Basis for grants.--A grant under this paragraph shall be awarded on the basis of merit and shall be subject to peer or merit review.

(C) Obligation period.--Funds for a grant under this paragraph shall be available to the Secretary for obligation for a 2-year period.

(D) Administrative costs.--The Secretary may use not more than 4 percent of the funds made available for grants under this paragraph for administrative costs incurred by the Secretary in carrying out this paragraph.

(4) Funding.--From the insurance fund established under section 516(c), there is transferred--

(A) for the education and information program established under paragraph (2), \$5,000,000 for fiscal year 2001 and each subsequent fiscal year; and

(B) for the partnerships for risk management education program established under paragraph (3), \$5,000,000 for fiscal year 2001 and each subsequent fiscal year.

(b) Agricultural Management Assistance.--

(1) Authority.--The Secretary shall provide cost share assistance to producers, in a manner determined by the Secretary, in not less than 10, nor more than 15, States in which participation in the Federal crop insurance program is historically low, as determined by the Secretary.

(2) Uses.--A producer may use cost share assistance provided under this subsection to--

(A) construct or improve--

(i) watershed management structures; or

(ii) irrigation structures;

(B) plant trees to form windbreaks or to improve water quality;

(C) mitigate financial risk through production diversification or resource conservation practices, including--

(i) soil erosion control;

(ii) integrated pest management; or

(iii) transition to organic farming;

(D) enter into futures, hedging, or options contracts in a manner designed to help reduce production, price, or revenue risk;

(E) enter into agricultural trade options as a hedging transaction to reduce production, price, or revenue risk; or

(F) conduct any other activity related to the activities described in subparagraphs (A) through (E), as determined by the Secretary.

(2) Payment limitation.--The total amount of payments made to a person (as defined in section 1001(5) of the Food Security Act (7 U.S.C. 1308(5))) under this subsection for any year may not exceed \$50,000.

(3) Commodity credit corporation.--

(A) In general.--The Secretary shall carry out this subsection through the Commodity Credit Corporation.

(B) Funding.--The Commodity Credit Corporation shall make available to carry out this subsection \$10,000,000 for fiscal year 2001 and each subsequent fiscal year."

TITLE II--AGRICULTURAL ASSISTANCE

Subtitle B--Conservation

SEC. 211. CONSERVATION NOTE: 16 USC 3830 note. ASSISTANCE.

(a) Farmland Protection.--For the purposes described in section 388 Of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104-127), the Secretary shall use \$10,000,000 of funds of the Commodity Credit Corporation to make payments to--

(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

(2) any organization that--

(A) is organized for, and at all times since the formation of the organization has been operated principally for, one or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

(C) is described in section 509(a)(2) of that Code; or

(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(b) Soil and Water Conservation Assistance.--

(1) Establishment.--The Secretary shall use \$40,000,000 of funds of the Commodity Credit Corporation to provide financial assistance to farmers and ranchers to--

(A) address threats to soil, water, and related natural resources, including grazing land, wetland, and wildlife habitat;

(B) comply with Federal and State environmental laws; and

(C) make beneficial, cost-effective changes to cropping systems, grazing management, manure, nutrient, pest, or irrigation management, land uses, or other measures needed to conserve and improve soil, water, and related natural resources.

(2) Type of assistance.--Assistance under this subsection may be made in the form of cost share payments or incentive payments, as determined by the Secretary.

(3) Areas.--The Secretary shall provide assistance under this subsection to areas that are not designated under section 1230(c) of the Food Security Act of 1985 (16 U.S.C. 3830(c)).