

105TH CONGRESS
1ST SESSION

H. R. 1387

To amend the Agricultural Market Transition Act to convert the price support program for sugarcane and sugar beets into a system of solely recourse loans and to provide for the gradual elimination of the program.

IN THE HOUSE OF REPRESENTATIVES

APRIL 17, 1997

Mr. MILLER of Florida (for himself, Mr. SCHUMER, Mr. CHABOT, Mr. QUINN, Mr. FRELINGHUYSEN, Mr. CAMPBELL, Mr. SHAW, Mr. HORN, Mr. KLUG, Mr. BARRETT of Wisconsin, Mr. MCINTOSH, Mr. MCGOVERN, Mr. LOBIONDO, Mr. PORTER, Mr. SENSENBRENNER, Mr. ROHRABACHER, Mr. CASTLE, Mr. ROYCE, Mr. SHAYS, Mr. RAMSTAD, Mrs. ROUKEMA, Mr. KENNEDY of Rhode Island, Mr. FRANKS of New Jersey, Mr. MEEHAN, Mr. CARDIN, Mr. MCHALE, Mr. NEUMANN, Mr. SOUDER, Mr. SANFORD, Mr. ENGLISH of Pennsylvania, Mr. PORTMAN, Mr. FAWELL, Mr. FOGLIETTA, Mr. OLVER, Mr. FRANK of Massachusetts, Mr. HINCHEY, Mr. MARKEY, Mr. NADLER, Mr. NEY, Mrs. LOWEY, Mrs. MCCARTHY of New York, Mr. MOAKLEY, Mrs. MALONEY of New York, Mr. DAVIS of Virginia, Mr. WOLF, Mr. GOSS, Mr. ENSIGN, Mr. LIPINSKI, Mr. OWENS, Mr. YATES, Mr. STARK, Mr. GEKAS, Mrs. MORELLA, Mr. PETRI, Mr. KASICH, Mr. VISCLOSKY, Mr. FORBES, Mr. WAMP, Mr. BASS, Mr. SMITH of New Jersey, and Mr. KOLBE) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Agricultural Market Transition Act to convert the price support program for sugarcane and sugar beets into a system of solely recourse loans and to provide for the gradual elimination of the program.

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. RECOURSE LOANS FOR PROCESSORS OF SUG-**
4 **ARCANE AND SUGAR BEETS AND REDUCTION**
5 **IN LOAN RATES.**

6 (a) GRADUAL REDUCTION IN LOAN RATES.—

7 (1) SUGARCANE PROCESSOR LOANS.—Sub-
8 section (a) of section 156 of the Agricultural Market
9 Transition Act (7 U.S.C. 7272) is amended by strik-
10 ing “equal to 18 cents per pound for raw cane
11 sugar.” and inserting the following: “, per pound for
12 raw cane sugar, equal to the following:

13 “(1) In the case of raw cane sugar processed
14 from the 1996 through 1998 crops, \$0.18.

15 “(2) In the case of raw cane sugar processed
16 from the 1999 crop, \$0.17.

17 “(3) In the case of raw cane sugar processed
18 from the 2000 crop, \$0.16.

19 “(4) In the case of raw cane sugar processed
20 from the 2001 crop, \$0.15.

21 “(5) In the case of raw cane sugar processed
22 from the 2002 crop, \$0.14.”.

23 (2) SUGAR BEET PROCESSOR LOANS.—Sub-
24 section (b) of such section is amended by striking
25 “equal to 22.9 cents per pound for refined beet

1 sugar.” and inserting the following: “, per pound of
2 refined beet sugar, that reflects—

3 “(1) an amount that bears the same relation to
4 the loan rate in effect under subsection (a) for a
5 crop as the weighted average of producer returns for
6 sugar beets bears to the weighted average of pro-
7 ducer returns for sugarcane, expressed on a cents
8 per pound basis for refined beet sugar and raw cane
9 sugar, for the most recent five-year period for which
10 data are available; plus

11 “(2) an amount that covers sugar beet proc-
12 essor fixed marketing expenses.”.

13 (b) CONVERSION TO RECOURSE LOANS.—Subsection
14 (e) of such section is amended—

15 (1) in paragraph (1), by inserting “only” after
16 “this section”;

17 (2) in paragraph (2)—

18 (A) by striking “During any fiscal year in
19 which” and inserting “If, during fiscal year
20 1997,”; and

21 (B) by striking “carry out this section”
22 and inserting “carry out this section for the
23 1996 crop of sugarcane and sugar beets”; and

24 (3) by adding at the end the following new
25 paragraph:

1 “(4) NATIONAL LOAN RATES.—Recourse loans
2 under this section shall be made available at all loca-
3 tions nationally at the rates specified in this section,
4 without adjustment to provide regional differen-
5 tials.”.

6 (c) CONVERSION TO PRIVATE SECTOR FINANCING.—

7 Such section is further amended—

8 (1) by redesignating subsection (i) as subsection
9 (j);

10 (2) by inserting after subsection (h) the follow-
11 ing new subsection:

12 “(i) CONVERSION TO PRIVATE SECTOR FINANC-
13 ING.—Notwithstanding any other provision of law, no
14 processor of the 2003 or subsequent crops of sugarcane
15 or sugar beets shall be eligible for loans under this section
16 with respect to such crops, and the Secretary of Agri-
17 culture may not make price support available, whether in
18 the form of loans, payments, purchases, or other oper-
19 ations, for the 2003 and subsequent crops of sugar beets
20 and sugarcane by using the funds of the Commodity Cred-
21 it Corporation or other funds available to the Secretary.”;

22 and

23 (3) in subsection (j), as redesignated by para-
24 graph (1), by striking “subsection (f)” and inserting
25 “subsections (f) and (i)”.

1 (d) TERMINATION OF MARKETING QUOTAS AND AL-
2 LOTMENTS.—

3 (1) TERMINATION.—Part VII of subtitle B of
4 title III of the Agricultural Adjustment Act of 1938
5 (7 U.S.C. 1359aa–1359jj) is repealed.

6 (2) CONFORMING AMENDMENT.—Section
7 344(f)(2) of such Act (7 U.S.C. 1344(f)(2)) is
8 amended by striking “sugar cane for sugar, sugar
9 beets for sugar,”.

10 (e) OTHER CONFORMING AMENDMENTS.—

11 (1) POWERS OF COMMODITY CREDIT CORPORA-
12 TION.—Section 5(a) of the Commodity Credit Cor-
13 poration Charter Act (15 U.S.C. 714c(a)) is amend-
14 ed by inserting “(except for sugarcane and sugar
15 beets of the 2003 and subsequent crops)” after “ag-
16 ricultural commodities”.

17 (2) SECTION 32 ACTIVITIES.—The second sen-
18 tence of the first paragraph of section 32 of the Act
19 of August 24, 1935 (7 U.S.C. 612c), is amended by
20 inserting “(other than sugarcane and sugar beets)”
21 after “commodity” the last place it appears.

22 (f) ASSURANCE OF ADEQUATE SUPPLIES OF
23 SUGAR.—Subsection (a) of section 902 of the Food Secu-
24 rity Act of 1985 (Public Law 99–198; 7 U.S.C. 1446g
25 note) is amended to read as follows:

1 “(a) Beginning with the quota year for sugar imports
2 which begins after the 1995/1996 quota year, the Presi-
3 dent shall use all authorities available to the President as
4 may be necessary to enable the Secretary of Agriculture
5 to ensure that adequate supplies of raw cane sugar are
6 made available to the United States market at prices no
7 greater than the higher of—

8 “(1) the world sugar price (adjusted to a deliv-
9 ered basis); or

10 “(2) the raw cane sugar loan rate in effect
11 under section 156 of the Agricultural Market Tran-
12 sition Act (7 U.S.C. 7272), plus interest.”.

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