

105TH CONGRESS  
1ST SESSION

# H. R. 2185

To establish equitable service for customers and equal opportunity for employees of the United States Department of Agriculture.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 17, 1997

Mrs. CLAYTON (for herself, Mr. HILLIARD, Mr. BISHOP, Mr. THOMPSON, Mr. HASTINGS of Florida, Ms. JACKSON-LEE of Texas, Ms. KILPATRICK, Mr. LEWIS of Georgia, Ms. NORTON, Mr. SCOTT, Mr. WYNN, Mr. BONIOR, Mr. DIXON, Mr. ABERCROMBIE, Mr. CLAY, Mrs. MEEK of Florida, Ms. BROWN of Florida, Mr. SERRANO, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BROWN of Ohio, Ms. MCKINNEY, Mr. CONYERS, Mr. WATT of North Carolina, Ms. WATERS, and Mrs. MINK of Hawaii) introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committees on Government Reform and Oversight, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To establish equitable service for customers and equal opportunity for employees of the United States Department of Agriculture.

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.**

4 This Act may be cited as the “USDA Accountability  
5 and Equity Act of 1997”.

1 **SEC. 2. DEFINITIONS.**

2 As used in this Act:

3 (1) The term “Department” means the Depart-  
4 ment of Agriculture.

5 (2) The term “Secretary” means the Secretary  
6 of Agriculture.

7 (3) The term “Assistant Secretary” means the  
8 Assistant Secretary of Agriculture for Administra-  
9 tion.

10 (4) The term “socially disadvantaged customer”  
11 means socially disadvantaged farmer or rancher, as  
12 defined in section 355(e)(2) of the Consolidated  
13 Farm and Rural Development Act.

14 **TITLE I—PROGRAM**  
15 **ACCOUNTABILITY**

16 **SEC. 101. CONVERSION OF COUNTY COMMITTEES.**

17 Effective 90 days after the date of the enactment of  
18 this Act, section 8(a)(5)(B) of the Soil Conservation and  
19 Domestic Allotment Act (16 U.S.C. 590h(a)(5)(B)) is  
20 amended—

21 (1) by striking clause (ii) and inserting the fol-  
22 lowing:

23 “(ii) Any such committee shall consist of not  
24 fewer than 5 nor more than 7 members as follows:

25 “(I) Not fewer than 3 and not more than  
26 5 members shall be fairly representative of the

1 agricultural producers in the county or area,  
2 and shall be elected by the agricultural produc-  
3 ers in such county or area under such proce-  
4 dures as the Secretary may prescribe.

5 “(II) two members shall be demographi-  
6 cally representative of members of groups of ag-  
7 ricultural producers in the county or area who,  
8 in the absence of the members, would be under-  
9 represented on the committee, and shall be ap-  
10 pointed by the Secretary, based on rec-  
11 ommendations made by the underrepresented  
12 groups. If the Secretary makes such an ap-  
13 pointment from among persons not so rec-  
14 ommended, the Secretary shall provide the rea-  
15 sons therefor upon request.”; and

16 (2) by adding at the end the following:

17 “(vi) The civil service laws shall apply to all  
18 persons performing functions for any county, area,  
19 or local committee, subject to such regulations as  
20 the Secretary may prescribe taking into account the  
21 recommendations made under section 102 of the  
22 USDA Accountability and Equity Act of 1997.

23 “(vii) The county executive director of a county,  
24 area, or local committee, or such other person as the  
25 Secretary may select, shall have sole responsibility

1 for making loan determinations under credit pro-  
2 grams administered by the Department of Agri-  
3 culture in the county, area, or locality, subject to the  
4 approval of the State director of the Consolidated  
5 Farm Service Agency.”.

6 **SEC. 102. CONVERSION OF NONFEDERAL FARM SERVICE**  
7 **AGENCY COUNTY COMMITTEE EMPLOYEES**  
8 **TO FEDERAL CIVIL SERVICE STATUS.**

9 (a) COUNTY AND AREA OFFICE STAFFS.—

10 (1) IN GENERAL.—Subparagraph (E) of section  
11 8(b)(5) of the Soil Conservation and Domestic Allot-  
12 ment Act (16 U.S.C. 590h(b)(5)(E)) is amended to  
13 read as follows:

14 “(E) REGULATIONS AND COUNTY AND AREA  
15 OFFICE EMPLOYEES.—(i)(I) The Secretary shall  
16 issue such regulations as the Secretary considers  
17 necessary relating to the selection of members to  
18 and the exercise of the functions of the respective  
19 committees, and to the administration through such  
20 committees of the programs described in subpara-  
21 graph (D).

22 “(II) Regulations governing payments or grants  
23 under this subsection, whenever practicable, shall be  
24 classified on the basis of being related to a soil-de-  
25 pleting practice or a soil-building practice.

1           “(ii) Employees performing services for county  
2           and area committees may be appointed only by the  
3           Secretary or the designee of the Secretary.”.

4           (2) CONVERSION OF PERMANENT COUNTY AND  
5           AREA OFFICE EMPLOYEES.—Subject to regulations  
6           of the Office of Personnel Management, employees  
7           of county committees employed pursuant to section  
8           8(b) of the Soil Conservation and Domestic Allot-  
9           ment Act (16 U.S.C. 590h(b)) who, on the effective  
10          date of this section, are so employed under an ap-  
11          pointment not limited to 1 year or less shall be con-  
12          verted to Federal civil service appointments, as fol-  
13          lows:

14                 (A) Employees who have completed 3 years  
15                 of service shall be given career civil service ap-  
16                 pointments.

17                 (B) Employees who have completed less  
18                 than 3 years of service shall be given career-  
19                 conditional civil service appointments.

20          (3) CONVERSION OF TEMPORARY COUNTY AND  
21          AREA OFFICE EMPLOYEES.—Subject to regulations  
22          of the Office of Personnel Management, employees  
23          of county committees employed pursuant to section  
24          8(b) of the Soil Conservation and Domestic Allot-  
25          ment Act (16 U.S.C. 590h(b)) who, on the effective

1 date of this section, are so employed under an ap-  
2 pointment limited to 1 year or less shall, subject to  
3 the discretion of the Secretary, be converted to tem-  
4 porary Federal civil service appointments.

5 (b) OTHER AMENDMENTS.—

6 (1) DEPARTMENT OF AGRICULTURE REORGA-  
7 NIZATION ACT OF 1994.—Section 226 of the Depart-  
8 ment of Agriculture Reorganization Act of 1994 (7  
9 U.S.C. 6932) is amended—

10 (A) by striking subsection (e);

11 (B) in subsection (g), by striking “(f)” and  
12 inserting “(e)”; and

13 (C) by redesignating subsections (f)  
14 through (h) as subsections (e) through (g), re-  
15 spectively.

16 (2) TITLE 5 OF THE UNITED STATES CODE.—

17 Title 5, United States Code, is amended—

18 (A) in sections 3502(a)(C)(i) and  
19 6312(a)(1) by striking “Act;” and inserting  
20 “Act, but only if that individual was first em-  
21 ployed as an employee of such a county commit-  
22 tee or of such a committee or association of  
23 producers before the effective date of section  
24 102 of the USDA Accountability and Equity  
25 Act of 1997;” and

1 (B) in sections 5306(a)(1)(C), 8331(1)(F),  
2 8701(a)(8), and 8901(1)(G) by inserting “first”  
3 before “employed” and by striking “16;” and  
4 inserting “16 before the effective date of section  
5 102 of the USDA Accountability and Equity  
6 Act of 1997;”.

7 (c) EFFECTIVE DATE.—This section and the amend-  
8 ments made by this section shall take effect 180 days after  
9 the date of the enactment of this Act.

## 10 **TITLE II—PROGRAM EQUITY**

### 11 **SEC. 201. ACCESS TO CREDIT.**

12 Section 373(a) of the Consolidated Farm and Rural  
13 Development Act (7 U.S.C. 2008h(a)) is amended to read  
14 as follows:

15 “(a) DELINQUENT BORROWERS PROHIBITED FROM  
16 OBTAINING DIRECT OPERATING LOANS; EXCEPTIONS.—

17 “(1) PROHIBITION.—Except as provided in  
18 paragraph (2), the Secretary may not make a direct  
19 operating loan under subtitle B to a borrower who  
20 is delinquent on any loan made or guaranteed under  
21 this title.

22 “(2) EXCEPTIONS.—

23 “(A) IN GENERAL.—Paragraph (1) shall  
24 not apply to a borrower if—

1           “(i) the borrower was granted a prin-  
2           cipal or interest write-down under section  
3           353 with respect to the loan on which the  
4           borrower is delinquent, and the delin-  
5           quency is a result of conditions the bor-  
6           rower could not control;

7           “(ii) there are no unsatisfied judg-  
8           ments against the borrower;

9           “(iii) 2 years has passed since a prin-  
10          cipal or interest write-down was granted  
11          under section 353 to the borrower;

12          “(iv) the Secretary determines that  
13          the borrower has acted in a fiscally respon-  
14          sible manner for 2 years before application  
15          for the direct operating loan; or

16          “(v) the farm operations of the bor-  
17          rower are pending liquidation.

18          “(B) REQUIREMENTS APPLICABLE TO  
19          LOANS TO DELINQUENT BORROWERS.—Any di-  
20          rect operating loan to a borrower to whom a  
21          paragraph of the preceding sentence applies  
22          shall be made subject to such requirements and  
23          conditions as may be necessary to ensure that  
24          the borrower does not become delinquent on the  
25          loan.”.

1 **SEC. 202. LEASE BACK, BUY BACK OPPORTUNITIES.**

2 Out of any money in the Treasury of the United  
3 States not otherwise appropriated, there are appropriated  
4 to the Secretary of Agriculture \$10,000,000 for each of  
5 fiscal years 1998 and 1999 for leases or contracts to sell  
6 real property acquired under the Consolidated Farm and  
7 Rural Development Act to beginning farmers or ranchers  
8 (as defined under section 343(a)(8) of such Act) whose  
9 operations were shown by a farm and home plan to cash  
10 flow during the 3 years before April 4, 1996.

11 **SEC. 203. DEBT WRITE-DOWNS NOT TREATED AS INCOME**  
12 **FOR TAX PURPOSES.**

13 Section 353(d) of the Consolidated Farm and Rural  
14 Development Act (7 U.S.C. 2001(d)) is amended by add-  
15 ing at the end the following:

16 “(3) TAX TREATMENT OF WRITE-DOWNS.—No  
17 amount shall be includible in gross income for pur-  
18 poses of the Internal Revenue Code of 1986 by rea-  
19 son of any discharge of indebtedness under this sec-  
20 tion.”.

21 **SEC. 204. ACCESSIBILITY OF HOUSING LOANS.**

22 Section 502(a) of the Housing Act of 1949 (42  
23 U.S.C. 1472(a)) is amended by adding after paragraph  
24 (3) the following new paragraph:

25 “(4) The Secretary may not deny eligibility to any  
26 applicant for a loan under this section on the basis of the

1 lack of a credit history or a poor credit history, if the ap-  
2 plicant demonstrates, in accordance with such require-  
3 ments as the Secretary may prescribe, that the applicant  
4 has been able, for a reasonable period of time, to live in  
5 a financially independent manner and pay rent and utility  
6 bills in a timely manner.”.

7 **SEC. 205. EXPANSION OF THE ENVIRONMENTAL QUALITY**  
8 **INCENTIVES PROGRAM FOR SOCIALLY DIS-**  
9 **ADVANTAGED AGRICULTURAL PRODUCERS.**

10 (a) IN GENERAL.—Section 1241(b) of the Food Se-  
11 curity Act of 1985 (16 U.S.C. 3841(b)) is amended—

12 (1) in paragraph (1), by striking  
13 “\$200,000,000” and inserting “\$300,000,000”;

14 (2) in paragraph (2), by striking “50 percent”  
15 and inserting “ $\frac{1}{3}$ ”; and

16 (3) by adding at the end the following:

17 “(3) ASSISTANCE TO SOCIALLY DISADVAN-  
18 TAGED AGRICULTURAL PRODUCERS.—For each of  
19 fiscal years 1998 through 2002,  $\frac{1}{3}$  of the funding  
20 available for technical assistance, cost-share pay-  
21 ments, incentives payments, and education under the  
22 environmental quality incentives program under  
23 chapter 4 of subtitle D shall be targeted to increase  
24 assistance to socially disadvantaged farmers and

1 ranchers (as defined in section 355(e)(2) of the Con-  
2 solidated Farm and Rural Development Act).”.

3 (b) SAME-YEAR PAYMENTS FOR CONTRACTS IN THE  
4 ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.—Sec-  
5 tion 1240G of such Act (16 U.S.C. 3839aa–7) is amended  
6 by striking subsection (c).

7 **SEC. 206. PROGRAM EQUITY FUNDING.**

8 Section 1447(b) of the National Agricultural Re-  
9 search, Extension, and Teaching Policy Act of 1977 (7  
10 U.S.C. 3222b(b)) is amended to read as follows:

11 “(b) APPROPRIATION.—

12 “(1) IN GENERAL.—Out of any money in the  
13 Treasury of the United States not otherwise appro-  
14 priated, there are appropriated to the Secretary of  
15 Agriculture \$15,000,000 for fiscal year 1998 and for  
16 each succeeding fiscal year to carry out this section.

17 “(2) AVAILABILITY.—Amounts appropriated  
18 under paragraph (1) shall remain available until ex-  
19 pended.”.

20 **SEC. 207. ADVISORY COMMITTEE TO STUDY WHETHER**  
21 **LAND GRANT INSTITUTIONS ARE BEING**  
22 **FUNDED EQUITABLY.**

23 (a) ESTABLISHMENT.—The Secretary shall establish  
24 in the Department a bipartisan advisory committee to con-  
25 duct a study of funding of institutions of higher education

1 (as defined in section 1201(a) of the Higher Education  
2 Act of 1965) to determine whether eligible institutions (as  
3 defined in section 1447(a) of the National Agricultural  
4 Research, Extension, and Teaching Policy Act of 1977)  
5 and 1994 Institutions (as defined in section 532 of the  
6 Equity in Educational Land-Grant Status Act of 1994)  
7 are receiving equitable support to assist the Department  
8 in carrying out its mission.

9 (b) NUMBER OF MEMBERS.—The advisory committee  
10 shall be composed of not fewer than 5 members and not  
11 more than 25 members, appointed by the Secretary.

12 (c) PROHIBITION AGAINST COMPENSATION.—

13 (1) IN GENERAL.—Except as provided in para-  
14 graph (2), the members of the advisory committee  
15 may not receive pay, allowances, or benefits by rea-  
16 son of their service on the advisory committee.

17 (2) TRAVEL EXPENSES.—Each member of the  
18 advisory committee shall receive travel expenses, in-  
19 cluding per diem in lieu of subsistence, in accord-  
20 ance with sections 5702 and 5703 of title 5, United  
21 States Code.

22 (d) QUORUM.—One third of the members of the advi-  
23 sory committee shall constitute a quorum.

1 (e) CHAIRPERSON.—The Secretary (or the delegate  
2 of the Secretary) shall be the chairperson of the advisory  
3 committee.

4 (f) EXPERTS AND CONSULTANTS.—The chairperson  
5 of the advisory committee may procure temporary and  
6 intermittent services under section 3109(b) of title 5,  
7 United States Code.

8 (g) STAFF OF FEDERAL AGENCIES.—Upon request  
9 of the chairperson of the advisory committee, the head of  
10 any Federal department or agency may detail, on a reim-  
11 bursable basis, any of the personnel of that department  
12 or agency to the advisory committee to assist it in carrying  
13 out its duties under this section.

14 (h) POWERS.—

15 (1) HEARINGS AND SESSIONS.—The advisory  
16 committee may, for the purpose of carrying out this  
17 section, hold hearings, sit and act at times and  
18 places, take testimony, and receive evidence as the  
19 advisory committee considers appropriate. The advi-  
20 sory committee may administer oaths or affirma-  
21 tions to witnesses appearing before it.

22 (2) POWERS OF MEMBERS AND AGENTS.—Any  
23 member or agent of the advisory committee may, if  
24 authorized by the advisory committee, take any ac-

1       tion which the advisory committee is authorized to  
2       take by this section.

3           (3) OBTAINING OFFICIAL DATA.—The advisory  
4       committee may secure directly from any department  
5       or agency of the United States information nec-  
6       essary to enable it to carry out this section. Upon  
7       request of the chairperson of the advisory commit-  
8       tee, the head of that department or agency shall fur-  
9       nish that information to the advisory committee.

10          (4) MAILS.—The advisory committee may use  
11       the United States mails in the same manner and  
12       under the same conditions as other departments and  
13       agencies of the United States.

14          (i) REPORT.—Within 9 months after the Secretary  
15       appoints the members of the advisory committee, the advi-  
16       sory committee shall submit to the Secretary a report on  
17       the matters described in subsection (a).

18          (j) TERMINATION.—The advisory committee shall  
19       terminate upon the submission of the report required by  
20       subsection (i).

1 **SEC. 208. FUNDING OF PROGRAM OF OUTREACH AND**  
2 **TECHNICAL ASSISTANCE TO SOCIALLY DIS-**  
3 **ADVANTAGED FARMERS.**

4 Section 2501(a)(3) of the Food, Agriculture, Con-  
5 servation, and Trade Act of 1990 (7 U.S.C. 2279(a)(3))  
6 is amended to read as follows:

7 “(3) APPROPRIATION.—Out of any money in  
8 the Treasury of the United States not otherwise ap-  
9 propriated, there are appropriated to the Secretary  
10 \$10,000,000 for each fiscal year to carry out this  
11 section.”.

12 **SEC. 209. FUNDING OF EXTENSION INDIAN RESERVATION**  
13 **PROGRAM.**

14 Section 1677(g) of the Food, Agriculture, Conserva-  
15 tion, and Trade Act of 1990 (7 U.S.C. 5930(g)) is amend-  
16 ed to read as follows:

17 “(g) APPROPRIATION.—Out of any money in the  
18 Treasury of the United States not otherwise appropriated,  
19 there are appropriated to the Secretary \$8,000,000 for  
20 each fiscal year to carry out this section.”.

1 **TITLE III—FUNDING OF FARM**  
2 **OWNERSHIP AND OPERATING**  
3 **LOANS**

4 **SEC. 301. FUNDING OF FARM OWNERSHIP AND OPERATING**  
5 **LOAN PROGRAMS.**

6 Section 346(b)(1) of the Consolidated Farm and  
7 Rural Development Act (7 U.S.C. 1994(b)(1)) is amended  
8 by adding at the end the following:

9 “(H) Out of any money in the Treasury of  
10 the United States not otherwise appropriated,  
11 there are appropriated to the Secretary for fis-  
12 cal year 1998 and for each succeeding fiscal  
13 year \$585,000,000 for direct loans, of which—

14 “(i) \$85,000,000 shall be for farm  
15 ownership loans under subtitle A; and

16 “(ii) \$500,000,000 shall be for oper-  
17 ating loans under subtitle B.”.

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