

107TH CONGRESS
1ST SESSION

H. R. 32

To amend the Agricultural Market Transition Act to establish a flexible fallow program under which a producer may idle a portion of the total planted acreage of the loan commodities of the producer in exchange for higher loan rates for marketing assistance loans on the remaining acreage of the producer.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 2001

Mr. BEREUTER (for himself and Mr. SCHAFFER) introduced the following bill;
which was referred to the Committee on Agriculture

A BILL

To amend the Agricultural Market Transition Act to establish a flexible fallow program under which a producer may idle a portion of the total planted acreage of the loan commodities of the producer in exchange for higher loan rates for marketing assistance loans on the remaining acreage of the producer.

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 “Food Security and
5 Land Stewardship Act of 2001”.

1 **SEC. 2. FLEXIBLE FALLOW PROGRAM.**

2 (a) IN GENERAL.—The Agricultural Market Transi-
3 tion Act is amended by inserting after section 137 (7
4 U.S.C. 7237) the following new section:

5 **“SEC. 138. ALTERNATIVE LOAN RATES UNDER FLEXIBLE**
6 **FALLOW PROGRAM.**

7 “(a) DEFINITION OF TOTAL PLANTED ACREAGE.—
8 In this section, the term ‘total planted acreage’ means the
9 cropland acreage of a producer that for the 2000 crop year
10 was—

11 “(1) planted to a loan commodity;

12 “(2) prevented from being planted to a loan
13 commodity; or

14 “(3) fallow as part of a fallow rotation practice
15 with respect to a loan commodity, as determined by
16 the Secretary.

17 “(b) ELECTION TO PARTICIPATE.—In lieu of receiv-
18 ing a loan rate under section 132 with respect to produc-
19 tion eligible for a loan under section 131, a producer may
20 elect to participate in a flexible fallow program for any
21 of the 2001 or 2002 crops under which annually—

22 “(1) the producer determines which acres of the
23 total planted acreage are assigned to a specific loan
24 commodity;

25 “(2) the producer determines—

1 “(A) the projected percentage reduction
2 rate of production of the specific loan com-
3 modity based on the acreage assigned to the
4 loan commodity under paragraph (1); and

5 “(B) the acreage of the total planted acre-
6 age of the producer to be set aside under sub-
7 paragraph (A), regardless of whether the acre-
8 age is on the same farm as the acreage planted
9 to the specific loan commodity;

10 “(3) based on the projected percentage reduc-
11 tion rate of production as a result of the acreage set
12 aside under paragraph (2), the producer receives the
13 loan rate for each loan commodity produced by the
14 producer, as determined under subsection (c); and

15 “(4) the acreage planted to loan commodities
16 for harvest and set aside under this section is lim-
17 ited to the total planted acreage of the producer.

18 “(c) LOAN RATES UNDER PROGRAM.—

19 “(1) IN GENERAL.—Subject to paragraphs (2)
20 and (3), in the case of a producer of a loan com-
21 modity that elects to participate in the flexible fallow
22 program under this section, the loan rate for a mar-
23 keting assistance loan under section 131 for a crop
24 of the loan commodity shall be based on the pro-
25 jected percentage reduction rate of production deter-

1 mined by the producer under subsection (b)(2), in
 2 accordance with the following table:

“Pro- jected Per- centage Reduc- tion Rate	Corn Loan Rate (\$/bush- el)	Wheat Loan Rate (\$/bushel)	Soybean Loan Rate (\$/bushel)	Upland Cotton Loan Rate (\$/pound)	Rice Loan Rate (\$/hund- red- weight)
0%	1.89	2.75	4.72	0.5192	6.50
1%	1.91	2.78	4.77	0.5268	6.60
2%	1.93	2.81	4.81	0.5344	6.70
3%	1.95	2.83	4.86	0.5420	6.80
4%	1.97	2.86	4.91	0.5496	6.90
5%	1.99	2.89	4.96	0.5572	7.00
6%	2.01	2.92	5.01	0.5648	7.10
7%	2.03	2.95	5.06	0.5724	7.20
8%	2.05	2.98	5.11	0.5800	7.30
9%	2.07	3.01	5.16	0.5876	7.40
10%	2.09	3.04	5.21	0.5952	7.50
11%	2.12	3.08	5.29	0.6028	7.60
12%	2.15	3.13	5.36	0.6104	7.70
13%	2.18	3.17	5.43	0.6180	7.80
14%	2.21	3.22	5.51	0.6256	7.90
15%	2.24	3.27	5.58	0.6332	8.00
16%	2.28	3.31	5.65	0.6408	8.10
17%	2.31	3.36	5.73	0.6484	8.20
18%	2.34	3.41	5.81	0.6560	8.30
19%	2.37	3.46	5.88	0.6636	8.40
20%	2.41	3.51	5.96	0.6712	8.50
21%	2.44	3.55	6.04	0.6788	8.60
22%	2.47	3.60	6.12	0.6864	8.70
23%	2.51	3.65	6.19	0.6940	8.80
24%	2.54	3.70	6.27	0.7016	8.90
25%	2.57	3.75	6.35	0.7092	9.00
26%	2.61	3.80	6.43	0.7168	9.10
27%	2.64	3.85	6.51	0.7244	9.20
28%	2.68	3.90	6.60	0.7320	9.30
29%	2.71	3.95	6.68	0.7396	9.40
30%	2.75	4.01	6.76	0.7472	9.50.

3 “(2) COUNTY AVERAGE YIELDS.—

4 “(A) IN GENERAL.—The loan rate for a
 5 marketing assistance loan made to a producer
 6 for a crop of a loan commodity under para-
 7 graph (1) shall apply with respect to the pro-

1 duction of the crop of the loan commodity by
2 the producer in a quantity that does not exceed
3 the historical county average yield for the loan
4 commodity established by the National Agricul-
5 tural Statistics Service, adjusted for long-term
6 yield trends.

7 “(B) EXCESS PRODUCTION.—The loan
8 rate for a marketing assistance loan made to a
9 producer for a crop of a loan commodity under
10 paragraph (1) with respect to the production of
11 the crop of the loan commodity in excess of the
12 historical county average yield for the loan com-
13 modity described in subparagraph (A) shall be
14 equal to the loan rate established for a 0% pro-
15 jected percentage reduction rate for the loan
16 commodity under paragraph (1).

17 “(C) DISASTERS.—

18 “(i) IN GENERAL.—If the production
19 of a crop of a loan commodity by a pro-
20 ducer is less than the historical county av-
21 erage yield for the loan commodity de-
22 scribed in subparagraph (A) as a result of
23 damaging weather, an insurable peril, or
24 related condition, the producer may receive

1 a payment on the lost production that shall
2 equal the difference between—

3 “(I) the maximum quantity of
4 loan commodity that could have been
5 designated for the loan rate author-
6 ized under this section for the pro-
7 ducer; and

8 “(II) the quantity of loan com-
9 modity the producer was able to
10 produce and commercially market.

11 “(ii) CALCULATION OF PAYMENT.—

12 The payment described in clause (i) shall
13 be equal to the loan deficiency payment the
14 producer could have received on the lost
15 production on any date, selected by the
16 producer, on which a loan deficiency pay-
17 ment was available for that crop of the
18 loan commodity.

19 “(3) OTHER LOAN COMMODITIES.—In the case
20 of a producer of a loan commodity not covered by
21 paragraphs (1) and (2) that elects to participate in
22 the flexible fallow program under this section, the
23 loan rate for a marketing assistance loan under sec-
24 tion 131 for the crop of the loan commodity shall be
25 based on—

1 “(A) in the case of grain sorghum, barley,
2 and oats, such level as the Secretary determines
3 is fair and reasonable in relation to the rate
4 that loans are made available for corn, taking
5 into consideration the feeding value of the com-
6 modity in relation to corn;

7 “(B) in the case of extra long staple cot-
8 ton, such level as the Secretary determines is
9 fair and reasonable; and

10 “(C) in the case of oilseeds other than soy-
11 beans, such level as the Secretary determines is
12 fair and reasonable in relation to the loan rate
13 available for soybeans, except that the rate for
14 the oilseeds (other than cottonseed) shall not be
15 less than the rate established for soybeans on a
16 per-pound basis for the same crop.

17 “(d) CONSERVATION USE OF SET-ASIDE ACRE-
18 AGE.—To be eligible for a loan rate under this section,
19 a producer shall devote all of the acreage set aside under
20 this section to a conservation use approved by the Sec-
21 retary and manage the set-aside acreage using manage-
22 ment practices designed to enhance soil conservation and
23 wildlife habitat. The Secretary shall prescribe the ap-
24 proved management practices for a county in consultation
25 with the relevant State technical committee.

1 “(1) LIMITED GRAZING.—The Secretary may
2 permit limited grazing on the set-aside acreage when
3 the grazing is incidental to the gleaning of crop resi-
4 dues on adjacent fields.

5 “(e) CERTIFICATION.—To be eligible to participate in
6 the flexible fallow program for the 2001 or 2002 crops,
7 a producer shall certify to the Secretary (by farm serial
8 number) the total planted acreage assigned, planted, and
9 set aside with respect to each loan commodity.”.

10 (b) CONFORMING AMENDMENTS.—

11 (1) LOAN RATE ADJUSTMENTS.—Section 132 of
12 the Agricultural Market Transition Act (7 U.S.C.
13 7232) is amended—

14 (A) in subsection (a)(1)(B), by striking
15 “\$2.58” and inserting “\$2.75”; and

16 (B) in subsection (f)(1), by striking sub-
17 paragraph (B) and inserting the following new
18 subparagraph:

19 “(B) not more than \$4.72 per bushel.”.

20 (2) EFFECTIVE DATE.—The amendments made
21 by this subsection shall apply beginning with the
22 2001 crop of a loan commodity (as defined in sec-
23 tion 102 of the Agricultural Market Transition Act
24 (7 U.S.C. 7202)).

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