

Jersey (Mr. SMITH) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 37, as amended.

The question was taken.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

REPORT ON HOUSE CONCURRENT RESOLUTION 68, CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 2000

Mr. SHAYS (during consideration of House Concurrent Resolution 37) from the Committee on the Budget, submitted a privileged report (Rept. No. 106-73) on the concurrent resolution (H. Con. Res. 68) establishing the congressional budget for the United States Government for fiscal year 2000 and setting forth appropriate budgetary levels for each of fiscal years 2001 through 2009, which was referred to the Union Calendar and ordered to be printed.

PROTECTING PRODUCERS WHO APPLIED FOR CROP REVENUE COVERAGE PLUS SUPPLEMENTAL ENDORSEMENT FOR 1999 CROP YEAR

Mr. COMBEST. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1212) to protect producers of agricultural commodities who applied for a Crop Revenue Coverage PLUS supplemental endorsement for the 1999 crop year, as amended.

The Clerk read as follows:

H.R. 1212

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CROP INSURANCE OPTIONS FOR PRODUCERS WHO APPLIED FOR CROP REVENUE COVERAGE PLUS.

(a) ELIGIBLE PRODUCERS.—This section applies with respect to a producer eligible for insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) who applied for the supplemental crop insurance endorsement known as Crop Revenue Coverage PLUS (referred to in this section as "CRCPLUS") for the 1999 crop year for a spring-planted agricultural commodity.

(b) ADDITIONAL PERIOD FOR OBTAINING OR TRANSFERRING COVERAGE.—Notwithstanding the sales closing date for obtaining crop insurance coverage established under section 508(f)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(f)(2)) and notwithstanding any other provision of law, the Federal Crop Insurance Corporation shall provide a 14-day period beginning on the date of enactment of this Act, but not to extend beyond April 12, 1999, during which a producer described in subsection (a) may—

(1) obtain from any approved insurance provider a level of coverage for the agricultural commodity for which the producer ap-

plied for the CRCPLUS endorsement that is equivalent to or less than the level of federally reinsured coverage that the producer applied for from the insurance provider that offered the CRCPLUS endorsement; and

(2) transfer to any approved insurance provider any federally reinsured coverage provided for other agricultural commodities of the producer by the same insurance provider that offered the CRCPLUS endorsement, as determined by the Corporation.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM) each will control 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. COMBEST).

Mr. COMBEST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to offer a bill, H.R. 1212, with an amendment. This bill's timely passage is critical to thousands of American farmers who may otherwise be unable to buy appropriate levels of insurance on their 1999 crops. The amendment to the bill is non-controversial and technical in nature.

Importantly, H.R. 1212, as amended, enjoys bipartisan support in the Congress, the administration's backing and does not cost the U.S. Treasury any money. I am pleased to be joined by the committee's ranking member, the gentleman from Texas (Mr. STENHOLM); chairman of the Subcommittee on Risk Management, Research, and Specialty Crops, the gentleman from Illinois (Mr. EWING); the gentleman from California (Mr. CONDIT); the gentleman from Arkansas (Mr. BERRY); the gentleman from Louisiana (Mr. COOKSEY); and the gentleman from Louisiana (Mr. JOHN) in offering this legislation.

The facts surrounding the need for this bill are complicated. But, in short, unless H.R. 1212 becomes law, thousands of farmers, by no fault of their own, will be left with three undesirable choices, staying with crop insurance policies that may not be economical for their operations, accepting catastrophic crop insurance that provides very low coverage, or settling for no crop insurance at all.

Mr. Speaker, leaving farmers in this predicament is unacceptable. That is why I am offering H.R. 1212. H.R. 1212 is straightforward. It provides a brief window of time up until April 12, 1999, in which farmers who are in this predicament may buy new crop insurance. The bill also permits affected farmers to transfer certain policies during the same period of time. The bill in no way interferes with private contracts.

While this bill is limited to providing immediate relief from a current problem, I want to assure my colleagues that the committee expects to thoroughly examine the underlying issues that led to this problem as we work to improve the crop insurance program for this year.

Mr. Speaker, I would ask my colleagues to support H.R. 1212, as amended, and urge its timely passage.

Mr. Speaker, I reserve the balance of my time.

□ 1500

Mr. STENHOLM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support for House passage of H.R. 1212. I want to commend my colleague from Arkansas (Mr. BERRY) for all of the work he has done on this legislation. The bill offers a no-cost solution to a problem created by the interaction between Federal crop insurance and the private insurance industry.

Mr. Speaker, crop insurance law and regulations provide definitive dates for the sale or cancellation of crop insurance policies. The deadlines help to protect the taxpayer from costs associated with adverse selection. Without firm deadlines, producers could wait until the growing season has commenced, make an assessment as to their likelihood of harvesting a good crop, and then those who had a good crop would decline crop insurance and those likely to have a loss purchase it. Sales closing dates help prevent bad insurance outcomes and excessive taxpayer cost at the same time.

Mr. Speaker, this year many producers purchased a Federal crop insurance policy known as Crop Revenue Coverage, CRC, based on the belief that a related policy known as CRCPlus would be available under certain terms. The CRCPlus enhancement policy, while it modifies a producer's insurance coverage, is not approved, not backed and not regulated by the Federal Government.

Mr. Speaker, after the Federal deadline for sale or cancellation for the Federal CRC policy passed in many areas, the company offering CRCPlus made an announcement that the terms of the policy would be changed from what many producers had applied for. Since some producers purchased their Federal CRC policies so that they could take advantage of CRCPlus, under the initial terms they have ended up with insurance outcomes that differ from their intentions.

Mr. Speaker, the bill before us would allow any producer who had applied for a CRCPlus policy to change their coverage under the Federal crop insurance program. In order to guard against costs associated with adverse selection, the bill provides that a producer may only change to a federally-backed policy that provides equivalent or lower coverage. In addition, the bill provides a date certain after which these changes could no longer be made. With these provisions CBO estimates that the bill will not increase program cost.

Mr. Speaker, this bill provides a fair opportunity for producers to make adjustments to changes and circumstances which were beyond their control. I thank the chairman of the committee and other Members for responding quickly to this situation.