Public Law 98-180
98th Congress

An Act

Nov. 29, 1983
[H.R. 3385]

To stabilize the supply and demand for dairy products, to make modifications in the tobacco production adjustment program, to provide emergency livestock feed assistance, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Dairy and Tobacco Adjustment Act of 1983".

Dairy and Tobacco Adjustment Act of 1983.
7 USC 1421 note.

TITLE I—DAIRY

SHORT TITLE

Dairy Production Stabilization Act of 1983.
7 USC 1421 note.

SEC. 101. This title may be cited as the "Dairy Production Stabilization Act of 1983".

Subtitle A—Dairy Stabilization Program

DAIRY PRODUCTION STABILIZATION

SEC. 102. (a) Section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)) is amended to read as follows:

"(d) Notwithstanding any other provision of law—

"(1)(A) Effective for the period beginning with the date of enactment of the Dairy Production Stabilization Act of 1983 and ending on the last day of the month of enactment of such Act, the price of milk shall be supported at a rate equivalent to $13.10 per hundredweight for milk containing 3.67 per centum milkfat.

Supra.

"(B) Effective for the period beginning on the first day of the first calendar month following the date of enactment of the Dairy Production Stabilization Act of 1983 and ending on September 30, 1985, the price of milk shall be supported at a rate equivalent to $12.60 per hundredweight for milk containing 3.67 per centum milkfat, except that—

"(i) on April 1, 1985, if the Secretary estimates that for the twelve-month period beginning on such date net price support purchases of milk or the products of milk would be in excess of six billion pounds milk equivalent, the Secretary may reduce the price support rate in effect on such date in the amount of 50 cents per hundredweight; and

"(ii) on July 1, 1985—

"(I) if the Secretary estimates that for the twelve-month period beginning on such date net price support purchases of milk or the products of milk would be in excess of five billion pounds milk equivalent, the Secretary may reduce the price support rate in effect on such date in the amount of 50 cents per hundredweight; or

"(II) if the Secretary estimates that for the twelve-month period beginning on such date net price support

purchases of milk or the products of milk would be five billion pounds milk equivalent or less and if the Secretary determines it necessary in order to assure an adequate supply of pure and wholesome milk to meet current needs, the Secretary may increase the price support rate in effect on such date in an amount not less than 50 cents per hundredweight.

"(C) The price of milk shall be supported through the purchase of milk and the products of milk.

"(2)(A)(i) Effective for the period beginning with the first day of the first calendar month following the date of enactment of the Dairy Production Stabilization Act of 1983 and ending on March 31, 1985, to encourage the adjustment of milk production to levels consistent with the national demand for milk and the products of milk, the Secretary shall provide for a reduction of 50 cents per hundredweight to be made in the price received on all milk produced in the United States and marketed by producers for commercial use.

Ante, p. 1128.

"(ii) Effective for the period beginning with the date of enactment of the Dairy Production Stabilization Act of 1983 and ending on the last day of the month of enactment of such Act, the provisions of paragraphs (2) through (7) of subsection (d) of this section, as in effect on the day immediately prior to the date of enactment of the Dairy Production Stabilization Act of 1983, shall be applicable to all milk produced in the United States and marketed by producers for commercial use. Enactment of the Dairy Production Stabilization Act of 1983 shall not affect in any manner the collection or enforcement of any deduction from the price of milk previously implemented by the Secretary under this subsection as in effect for any milk marketed for commercial use prior to the effective date of the reduction provided for in this paragraph, as added by section 102(a) of the Dairy Production Stabilization Act of 1983.

"(B) The funds represented by the reduction in the price required to be applied to the marketings of milk by a producer under subparagraph (A) shall be collected and remitted to the Commodity Credit Corporation, at such time and in such manner as prescribed by the Secretary, by each person making payment to a producer for milk purchased from the producer, except that in the case of a producer who markets milk of the producer's own production directly to consumers, such funds shall be remitted directly to the Corporation by the producer.

Commodity Credit Corporation, collection of funds.

"(C) To the extent that funds collected under this paragraph are inadequate to make the payments to producers who reduce marketings under paragraph (3), such payments shall be made using funds otherwise available to the Corporation. The funds remitted to the Corporation under this paragraph shall be considered as included in the payments to a producer of milk for purposes of the minimum price provisions of the Agricultural Adjustment Act of 1933, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937.

7 USC 601 note.
7 USC 674.

"(3)(A) The Secretary shall, not later than January 1, 1984, provide for a milk diversion program under which the Secretary shall offer to enter into a contract, at any time up to February 1, 1984, with any producer of milk in the United States for the purpose of reducing the quantity of milk marketed by the producer for commercial use during the fifteen-month period

Milk diversion program.
Contract offer.

Milk reduction plan, submittal to Secretary.

beginning on January 1, 1984. Each producer of milk in the United States seeking to enter into a contract for diversion payments under this paragraph shall, prior to entering into such contract, provide the Secretary with a plan that (i) describes the manner in which the producer intends to achieve the reduction in milk marketings that would be required under such contract, and (ii) includes an estimate by the producer of the amount of such reduction which the producer intends to achieve through increased slaughter of dairy cattle (including the approximate number of dairy cattle that will be sold for slaughter during each month of the contract). In setting the terms and conditions of such contracts, the Secretary shall take into account any adverse impact of the reductions in milk production on beef, pork, and poultry producers in the United States and shall take all feasible steps to minimize such impact.

Contract requirements.

"(B) Each such contract shall require that—

"(i) the producer shall reduce the quantity of milk marketed for commercial use in an amount equal to a percentage specified by the producer, but not less than 5 per centum nor more than 30 per centum, of the quantity of milk marketed by such producer for commercial use during the marketing history period described in subparagraph (F);

"(ii) any production capacity of a facility that becomes available for use because a producer reduces milk production in order to comply with the contract shall not be used by the producer, or made available by the producer for use by any other person, for the production of milk;

"(iii) any dairy cattle that would or could have been used by the producer for the production of milk if the producer had not entered into and complied with such contract shall not have been sold, leased, or otherwise transferred to another person after November 8, 1983, except as permitted by the Secretary up to the date of enactment of the Dairy Production Stabilization Act of 1983 in order to further the purposes of this Act, or unless such cattle are sold for slaughter or sold or transferred to another producer with respect to whom there is in effect a contract entered into under this subsection, except that the Secretary may, to the extent practicable and to the extent deemed consistent with the goals of the diversion program, permit the sale of registered, purebred cattle for breeding purposes subject to such terms and conditions as the Secretary may prescribe based on a history of such sales by the producer or the sale or transfer of any dairy cattle if the Secretary determines that such sale or transfer does not result in adversely affecting the purpose of the program; and

Ante, p. 1128.

Payment.

"(iv) the producer shall repay to the Secretary the entire payment received under this paragraph, including simple interest payable at a rate prescribed by the Secretary which shall, to the extent practicable, reflect the cost to the Corporation of its borrowings from the United States Treasury, commencing on the date payment is first received under this paragraph, if the producer fails to comply with such contract.

"(C) Except as provided in subparagraph (D), the Secretary shall pay to a producer who complies with a contract, entered into under this paragraph, an amount equal to the product of

$10 per hundredweight and the amount, measured in hundredweights, by which the quantity of milk marketed by such producer for commercial use during the period specified in such contract is less than the quantity of milk marketed by such producer for commercial use during the marketing history period.

"(D) No payment may be made under subparagraph (C) to a producer with respect to— Payment restrictions.

"(i) any reduction in the quantity of milk marketed by the producer for commercial use that exceeds the lesser of 30 per centum of the aggregate quantity of milk marketed by the producer for commercial use during the producer's marketing history period, or the sum of—

"(I) the reduction in the quantity of milk marketed for commercial use required under the provisions of the contract the producer has entered into under this paragraph, after any adjustment by the Secretary under subparagraph (E); and

"(II) 3 per centum of the quantity of milk marketed by the producer for commercial use during such producer's marketing history period;

"(ii) any reduction in the quantity of milk marketed by the producer for commercial use if such reduction is less than the larger of 5 per centum of the aggregate quantity of milk marketed by the producer for commercial use during the producer's marketing history period, or the difference between—

"(I) the reduction in the quantity of milk marketed for commercial use required under the provisions of the contract the producer has entered into under this paragraph, after any adjustment by the Secretary under subparagraph (E); and

"(II) 3 per centum of the quantity of milk marketed by the producer for commercial use during such producer's marketing history period;

"(iii) except as provided in subparagraph (H), any reduction in the quantity of milk marketed for commercial use by a producer who, as determined by the Secretary, was not actively engaged in the production of milk for commercial use as of the date of enactment of the Dairy Production Stabilization Act of 1983; and *Ante*, p. 1128.

"(iv) any reduction in the quantity of milk marketed for commercial use by a producer who violates any requirement specified in this paragraph.

"(E) The Secretary may, in accordance with such rules or procedures as prescribed by the Secretary, modify contracts entered into under this paragraph if the Secretary determines that, as a result of contracts entered into under this paragraph, (i) there would be an excessive reduction in the level of milk production in the United States, or (ii) there has been a substantial hardship to producers of beef cattle, dairy cattle, hogs, or poultry sold for slaughter. If, under the provisions of clause (ii), the Secretary should specify a reduction in marketings in any quarter that is less than the percentage specified in the contract, such modification shall not be so great as to require the producer to make a reduction in excess of 150 per centum of the reduction required by the contract in any succeeding quarter: Contract modification.

Provided, That after making any adjustments in milk marketed for commercial use in any period of the contract, except to the extent required by the foregoing provisions of this sentence, the aggregate reduction in milk marketed for commercial use for the entire diversion period must continue to be at least equal to the total reduction required by the contract. In the event of a modification, under clause (i) of this subparagraph, the Secretary may reduce the required reduction among all contracts on such basis as the Secretary determines will serve to reduce future dairy surpluses. In no event shall any reduction under this paragraph be apportioned on the basis of geographic region or area.

Diversion payments.

"(F) Any producer of milk in the United States seeking to enter into a contract for diversion payments under this paragraph shall provide the Secretary with evidence of such producer's marketing history. The marketing history shall be the marketings of milk by such producer for commercial use during calendar year 1982 (with production during the January through March quarter to be counted by the Secretary as corresponding to both the first and the last quarters of the fifteen-month diversion contract) or, at the option of the producer, the average marketings of milk by the producer during calendar years 1981 and 1982 (with production during the January through March quarter of each such year to be counted by the Secretary as corresponding to both the first and last quarters of the fifteen-month diversion contract). The producer's marketing history may be adjusted as the Secretary determines necessary to correct for abnormally low production resulting from a natural disaster or other condition beyond the control of the producer or such other factors as the Secretary determines necessary to provide a fair and equitable marketing history.

Marketing history.

"(G) No marketing history shall be assigned to any producer who commenced marketing of milk after December 31, 1982, except as provided in subparagraph (H).

"(H) A producer's marketing history established under this paragraph shall not be transferable to any other person, unless the entire milk production facility used by the producer to produce milk for commercial use during the marketing history period and the producer's entire dairy herd were transferred by reason of the death of the producer, by reason of a gift from the producer, or to a member or members of the family of the producer. The term 'member of the family of the producer' means (i) an ancestor of the producer, (ii) the spouse of the producer, (iii) a lineal descendant of the producer, or the producer's spouse, or a parent of the producer, or (iv) the spouse of any such lineal descendant.

"Member of the family of the producer."

"(I) Eligibility for diversion payments shall be determined on the basis of the marketing history provided for in subparagraph (F).

"(J)(i) Producers eligible for diversion payments shall apply for such payments at the end of each quarter. Payment may be made to any producer who can establish that marketings of milk by such producer for commercial use have been reduced from the level of marketings during the corresponding period of the marketing history period in an amount as specified by the Secretary for each quarter in the contract: *Provided,* That the aggregate quantity of such reductions for the entire diversion

period must be at least equal to the total reduction required by the contract. Prior to approving such payment, the Secretary shall require evidence that such reduction in marketings has taken place. As part of such evidence, the producer shall certify, in a form specified by the Secretary, that such reduction is a net decrease in marketings of milk for commercial use and has not been offset by expansion of production in other production facilities in which the producer has an interest, or by transfer of partial interest in the production facility, or by employment of such other scheme or device to qualify for payment for which such producer would otherwise not be eligible.

Certification of reduction.

"(ii) Payments made under this paragraph during the contract period shall be considered preliminary settlements for reductions in marketings. A final settlement shall be made following the end of the contract period and shall be based on the volume of marketings for the entire contract period. If, based on total marketings for the contract period, it is determined that preliminary settlements have resulted in overpayments to the producer, the Secretary shall recover such overpayments from such producer.

Settlement.

Overpayment recovery.

"(K) Application for payment shall be made by producers through the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act.

16 USC 590h.

"(L) A producer may assign a contract entered into under this paragraph only if—

Contract assignment.

"(i) the producer's interest in the entire milk production facility and the entire dairy herd used by the producer to produce milk for commercial marketings have been transferred as a unit to the person to whom the assignment is to be made;

"(ii) the assignee is a person to whom the producer's marketing history may be transferred under subparagraph (H);

"(iii) the producer and the assignee agree in writing that the assignee shall succeed to all rights and liabilities of the producer under the contract; and

"(iv) a copy of such writing is submitted to the Secretary before the transfer occurs.

"(M) A contract entered into under this paragraph by a producer who by reason of death cannot perform or assign such contract may be performed or assigned, in accordance with subparagraph (L), by the estate of such producer.

"(N) If the provisions for reductions in the price received for milk marketed for commercial use as provided for in paragraph (2) are held to be invalid by any court, or the Secretary is restrained or enjoined by any court from implementing such provisions, the Secretary shall immediately suspend making any diversion payments under this paragraph for the period beginning with the date of such court action and shall resume making such payments only if such court action is overruled, stayed, or terminated.

Payment suspension.

"(O) If the Secretary determines that there has been a marked deviation in the composition of milk marketed for commercial use by a producer from that of such producer's marketings during the marketing history period, an adjustment as determined appropriate by the Secretary shall be made in

Payment adjustment.

the producer's diversion payments to reflect the composition of milk marketed during the marketing history period.

Records and reports.

"(4) Each producer who markets milk and each person required to make payment to the Corporation under this subsection shall keep such records and make such reports, in such manner, as the Secretary determines necessary to carry out this subsection. The Secretary may make such investigations as the Secretary deems necessary for the effective administration of this subsection or to determine whether any person subject to the provisons of this subsection has engaged or is engaged or is about to engage in any act or practice that constitutes or will constitute a violation of any provision of this subsection or regulation issued under this subsection. For the purpose of such investigation, the Secretary may administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any records that are relevant to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States. In case of contumacy by, or refusal to obey a subpena to, any person, the Secretary may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of records. Such court may issue an order requiring such person to appear before the Secretary to produce records or to give testimony on the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district of which such person is an inhabitant or wherever such person may be found.

Investigations.

U.S. courts, assistance.

"(5)(A) The district courts of the United States are vested with jurisdiction specifically to enforce, and to prevent and restrain any person from violating, any provision of this subsection or any regulation issued under this subsection. Any such civil action authorized to be brought under this subsection shall be referred to the Attorney General for appropriate action. The Secretary is not required, however, to refer to the Attorney General minor violations of this subsection whenever the Secretary believes that the administration and enforcement of this subsection would be adequately served by suitable written notice or warning to any person committing such violation.

Penalties.

"(B) Each person (i) as to whom there is a failure to make a reduction in the price of milk received by such person as required by paragraph (2), (ii) who fails to remit to the Corporation the funds required to be collected and remitted by paragraph (2)(B), or (iii) who fails to make the reduction in marketings required by a contract under paragraph (3) shall be liable, in addition to any amount due, to a marketing penalty at a rate equal to the support price for milk in effect at the time the failure occurs on the quantity of milk as to which the failure applies. The Secretary may reduce any such marketing penalty in such amount as the Secretary determines equitable in any case in which the Secretary determines that the failure was unintentional or without knowledge on the part of the person concerned. Each person who knowingly violates any other provi-

sion of this subsection, or any regulation issued under this subsection, shall be liable for a civil penalty of not more than $1,000 for each such violation. Any penalty provided for under this subparagraph shall be assessed by the Secretary after notice and opportunity for a hearing.

"(C) Any person against whom a penalty is assessed under subparagraph (B) may obtain review of such penalty in an appropriate district court of the United States by filing a civil action in such court not later than thirty days after such penalty is imposed. The Secretary shall promptly file in such court a certified copy of the record upon which the penalty is based. The findings of the Secretary may be set aside only if found to be unsupported by substantial evidence. Penalty review.

"(D) The district courts of the United States shall have jurisdiction to review and enforce any penalty imposed under subparagraph (B). Enforcement.

"(E) The remedies provided in this paragraph shall be in addition to, and not exclusive of, other remedies that may be available.

"(F) In carrying out this subsection, the Secretary may, as the Secretary deems appropriate—

"(i) use the services of State and county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act; and 16 USC 590h.

"(ii) enter into agreements to use, on a reimbursable or nonreimbursable basis, the services of administrators of Federal milk marketing orders and State milk marketing programs.

"(6) The term 'United States' as used in paragraphs (2) and (3) of this subsection means the forty-eight contiguous States in the continental United States.". "United States."

(b) The Secretary of Agriculture shall implement the provisions of section 201(d) of the Agricultural Act of 1949, as amended by subsection (a) of this section, without regard to the provisions requiring notice and other procedures for public participation in rulemaking contained in section 553 of title 5, United States Code, or in any directive of the Secretary. 7 USC 1446 note. 7 USC 1446.

AVOIDANCE OF ADVERSE IMPACT OF DAIRY DIVERSION PROGRAM ON BEEF AND PORK PRODUCERS

SEC. 103. In order to minimize the adverse impact of the dairy diversion program on beef and pork producers in the United States during the period the diversion program is in effect— 7 USC 1446 note.

(1) the Secretary of Agriculture shall, to the maximum extent practicable, use funds available for the purposes of clause (2) of section 32 of Public Law No. 320, 74th Congress (7 U.S.C. 612c) and other funds available to the Secretary under the commodity distribution and other nutrition programs of the Department of Agriculture to increase the use of beef and pork for such purposes;

(2) the Secretary of Defense and other Federal and State agencies are encouraged to use increased quantities of beef and pork to meet the food needs of the programs which they administer; and

(3) the Secretary of Agriculture shall take appropriate action to encourage the consumption of beef and pork by members of the public.

Subtitle B—Dairy Promotion Program

FINDINGS AND DECLARATION OF POLICY

7 USC 4501.

SEC. 110. (a) Congress finds that—

(1) dairy products are basic foods that are a valuable part of the human diet;

(2) the production of dairy products plays a significant role in the Nation's economy, the milk from which dairy products are manufactured is produced by thousands of milk producers, and dairy products are consumed by millions of people throughout the United States;

(3) dairy products must be readily available and marketed efficiently to ensure that the people of the United States receive adequate nourishment;

(4) the maintenance and expansion of existing markets for dairy products are vital to the welfare of milk producers and those concerned with marketing, using, and producing dairy products, as well as to the general economy of the Nation; and

(5) dairy products move in interstate and foreign commerce, and dairy products that do not move in such channels of commerce directly burden or affect interstate commerce of dairy products.

(b) It, therefore, is declared to be the policy of Congress that it is in the public interest to authorize the establishment, through the exercise of the powers provided herein, of an orderly procedure for financing (through assessments on all milk produced in the United States for commercial use) and carrying out a coordinated program of promotion designed to strengthen the dairy industry's position in the marketplace and to maintain and expand domestic and foreign markets and uses for fluid milk and dairy products produced in the United States. Nothing in this subtitle may be construed to provide for the control of production or otherwise limit the right of individual milk producers to produce milk.

DEFINITIONS

7 USC 4502.

SEC. 111. As used in this subtitle—

(a) the term "Board" means the National Dairy Promotion and Research Board established under section 113 of this subtitle;

(b) the term "Department" means the Department of Agriculture;

(c) the term "Secretary" means the Secretary of Agriculture;

(d) the term "milk" means any class of cow's milk produced in the United States;

(e) the term "dairy products" means products manufactured for human consumption which are derived from the processing of milk, and includes fluid milk products;

(f) the term "fluid milk products" means those milk products normally consumed in liquid form as a beverage;

(g) the term "person" means any individual, group of individuals, partnership, corporation, association, cooperative, or any other entity;

(h) the term "producer" means any person engaged in the production of milk for commercial use;

(i) the term "promotion" means actions such as paid advertising, sales promotion, and publicity to advance the image and sales of and demand for dairy products;

(j) the term "research" means studies testing the effectiveness of market development and promotion efforts, studies relating to the nutritional value of milk and dairy products, and other related efforts to expand demand for milk and dairy products;

(k) the term "nutrition education" means those activities intended to broaden the understanding of sound nutritional principles including the role of milk and dairy products in a balanced diet; and

(l) the term "United States" as used in sections 110 through 117 means the forty-eight contiguous States in the continental United States.

ISSUANCE OF ORDERS

SEC. 112. (a) During the period beginning with the date of enactment of this subtitle and ending thirty days after receipt of a proposal for an initial dairy products promotion and research order, the Secretary shall publish such proposed order and give due notice and opportunity for public comment upon the proposed order. The proposal for an order may be submitted by an organization certified under section 114 of this subtitle or by any interested person affected by the provisions of this subtitle.

Public comments.
7 USC 4503.

(b) After notice and opportunity for public comment are given, as provided for in subsection (a) of this section, the Secretary shall issue a dairy products promotion and research order. Such order shall become effective not later than ninety days following publication of the proposal.

(c) The Secretary may, from time to time, amend a dairy products promotion and research order.

REQUIRED TERMS IN ORDERS

SEC. 113. Any order issued under this subtitle shall contain terms and conditions as follows:

7 USC 4504.

(a) The order shall provide for the establishment and administration of appropriate plans or projects for advertisement and promotion of the sale and consumption of dairy products, for research projects related thereto, for nutrition education projects, and for the disbursement of necessary funds for such purposes. Any such plan or project shall be directed toward the sale and marketing or use of dairy products to the end that the marketing and use of dairy products may be encouraged, expanded, improved, or made more acceptable. No such advertising or sales promotion program shall make use of unfair or deceptive acts or practices with respect to the quality, value, or use of any competing product.

(b) The order shall provide for the establishment and appointment by the Secretary of a National Dairy Promotion and Research Board that shall consist of not less than thirty-six members. Members of the Board shall be milk producers appointed by the Secretary from

National Dairy Promotion and Research Board. Establishment.

nominations submitted by eligible organizations certified under section 114 of this subtitle, or, if the Secretary determines that a substantial number of milk producers are not members of, or their interests are not represented by, any such eligible organization, then from nominations made by such milk producers in the manner authorized by the Secretary. In making such appointments, the Secretary shall take into account, to the extent practicable, the geographical distribution of milk production volume throughout the United States. In determining geographic representation, whole States shall be considered as a unit. A region may be represented by more than one director and a region may be made up of more than one State. The term of appointment to the Board shall be for three years with no member serving more than two consecutive terms, except that initial appointments shall be proportionately for one-year, two-year, and three-year terms. The Board shall appoint from its members an executive committee whose membership shall equally reflect each of the different regions in the United States in which milk is produced. The executive committee shall have such duties and powers as are conferred upon it by the Board. Board members shall serve without compensation, but shall be reimbursed for their reasonable expenses incurred in performing their duties as members of the Board including a per diem allowance as recommended by the Board and approved by the Secretary.

Geographic representation.

Executive committee.

Powers and duties.

(c) The order shall define the powers and duties of the Board that shall include only the powers enumerated in this section. These shall include, in addition to the powers set forth elsewhere in this section, the powers to (1) receive and evaluate, or on its own initiative develop, and budget for plans or projects to promote the use of fluid milk and dairy products as well as projects for research and nutrition education and to make recommendations to the Secretary regarding such proposals, (2) administer the order in accordance with its terms and provisions, (3) make rules and regulations to effectuate the terms and provisions of the order, (4) receive, investigate, and report to the Secretary complaints of violations of the order, and (5) recommend to the Secretary amendments to the order. The Board shall solicit, among others, research proposals that would increase the use of fluid milk and dairy products by the military and by persons in developing nations, and that would demonstrate the feasibility of converting surplus nonfat dry milk to casein for domestic and export use.

(d) The order shall provide that the Board shall develop and submit to the Secretary for approval any promotion, research, or nutrition education plan or project and that any such plan or project must be approved by the Secretary before becoming effective.

Budget approval.

(e) The order shall require the Board to submit to the Secretary for approval budgets on a fiscal period basis of its anticipated expenses and disbursements in the administration of the order, including projected costs of dairy products promotion and research projects.

Agreements.

(f) The order shall provide that the Board, with the approval of the Secretary, may enter into agreements for the development and conduct of the activities authorized under the order as specified in subsection (a) and for the payment of the cost thereof with funds collected through assessments under the order. Any such agreement shall provide that (1) the contracting party shall develop and submit to the Board a plan or project together with a budget or budgets that shall show estimated costs to be incurred for such plan or project, (2)

the plan or project shall become effective upon the approval of the Secretary, and (3) the contracting party shall keep accurate records of all of its transactions, account for funds received and expended, and make periodic reports to the Board of activities conducted, and such other reports as the Secretary or the Board may require.

Assessments.

(g) The order shall provide that each person making payment to a producer for milk produced in the United States and purchased from the producer shall, in the manner as prescribed by the order, collect an assessment based upon the number of hundredweights of milk for commercial use handled for the account of the producer and remit the assessment to the Board. The assessment shall be used for payment of the expenses in administering the order, with provision for a reasonable reserve, and shall include those administrative costs incurred by the Department after an order has been promulgated under this subtitle. The rate of assessment prescribed by the order shall be 15 cents per hundredweight of milk for commercial use or the equivalent thereof. A milk producer or the producer's cooperative who can establish that the producer is participating in active, ongoing qualified State or regional dairy product promotion or nutrition education programs intended to increase consumption of milk and dairy products generally shall receive credit in determining the assessment due from such producer for contributions to such programs of up to 10 cents per hundredweight of milk marketed or, for the period ending six months after the date of enactment of this Act, up to the aggregate rate in effect on the date of enactment of this Act of such contributions to such programs (but not to exceed 15 cents per hundredweight of milk marketed) if such aggregate rate exceeds 10 cents per hundredweight of milk marketed. Any person marketing milk of that person's own production directly to consumers shall remit the assessment directly to the Board in the manner prescribed by the order.

Records and reports.

(h) The order shall require the Board to (1) maintain such books and records (which shall be available to the Secretary for inspection and audit) as the Secretary may prescribe, (2) prepare and submit to the Secretary, from time to time, such reports as the Secretary may prescribe, and (3) account for the receipt and disbursement of all funds entrusted to it.

Investments.

(i) The order shall provide that the Board, with the approval of the Secretary, may invest, pending disbursement under a plan or project, funds collected through assessments authorized under this subtitle only in obligations of the United States or any agency thereof, in general obligations of any State or any political subdivision thereof, in any interest-bearing account or certificate of deposit of a bank that is a member of the Federal Reserve System, or in obligations fully guaranteed as to principal and interest by the United States.

Governmental policy, restriction of influence.

(j) The order shall prohibit any funds collected by the Board under the order from being used in any manner for the purpose of influencing governmental policy or action except as provided by subsection (c)(5).

Records and reports.

(k) The order shall require that each person receiving milk from farmers for commercial use, and any person marketing milk of that person's own production directly to consumers, maintain and make available for inspection such books and records as may be required by the order and file reports at the time, in the manner, and having the content prescribed by the order. Such information shall be made available to the Secretary as is appropriate to the administration or

Information, confidentiality.

enforcement of this subtitle, or any order or regulation issued under this subtitle. All information so obtained shall be kept confidential by all officers and employees of the Department, and only such information so obtained as the Secretary deems relevant may be disclosed by them and then only in a suit or administrative hearing brought at the request of the Secretary, or to which the Secretary or any officer of the United States is a party, and involving the order with reference to which the information to be disclosed was obtained. Nothing in this subsection may be deemed to prohibit (1) the issuance of general statements, based upon the reports, of the number of persons subject to an order or statistical data collected therefrom, which statements do not identify the information furnished by any person, or (2) the publication, by direction of the Secretary, of the name of any person violating any order, together with a statement of the particular provisions of the order violated by such person. No information obtained under the authority of this subtitle may be made available to any agency or officer of the Federal Government for any purpose other than the implementation of this subtitle and any investigatory or enforcement action necessary for the implementation of this subtitle. Any person violating the provisions of this subsection shall, upon conviction, be subject to a fine of not more than $1,000, or to imprisonment for not more than one year, or both, and, if an officer or employee of the Board or the Department, shall be removed from office.

Violations and penalties.

(l) The order shall provide terms and conditions, not inconsistent with the provisions of this subtitle, as necessary to effectuate the provisions of the order.

CERTIFICATION OF ORGANIZATIONS

7 USC 4505.

SEC. 114. (a) The eligibility of any organization to represent milk producers, and to participate in the making of nominations under section 113 of this subtitle shall be certified by the Secretary. The Secretary shall certify any organization that the Secretary determines meets the eligibility criteria established by the Secretary under this section and the Secretary's determination as to eligibility shall be final.

(b) Certification shall be based, in addition to other available information, on a factual report submitted by the organization, which shall contain information deemed relevant and specified by the Secretary, including, but not limited to, the following:

(1) geographic territory covered by the organization's active membership;

(2) nature and size of the organization's active membership including the proportion of the total number of active milk producers represented by the organization;

(3) evidence of stability and permanency of the organization;

(4) sources from which the organization's operating funds are derived;

(5) functions of the organization; and

(6) the organization's ability and willingness to further the aims and objectives of this subtitle.

The primary considerations in determining the eligibility of an organization shall be whether its membership consists primarily of milk producers who produce a substantial volume of milk and whether the primary or overriding interest of the organization is in the production or processing of fluid milk and dairy products and

promotion of the nutritional attributes of fluid milk and dairy products.

REQUIREMENT OF REFERENDUM

SEC. 115. (a) Within the sixty-day period immediately preceding September 30, 1985, the Secretary shall conduct a referendum among producers who, during a representative period (as determined by the Secretary), have been engaged in the production of milk for commercial use for the purpose of ascertaining whether the order then in effect shall be continued. Such order shall be continued only if the Secretary determines that it has been approved by not less than a majority of the producers voting in the referendum, who during a representative period (as determined by the Secretary) have been engaged in the production of milk for commercial use. If continuation of the order is not approved by a majority of the producers voting in the referendum, the Secretary shall terminate collection of assessments under the order within six months after the Secretary determines that such action is favored by a majority of the producers voting in the referendum and shall terminate the order in an orderly manner as soon as practicable after such determination. 7 USC 4506.

(b) The Secretary shall be reimbursed from assessments collected by the Board for any expenses incurred by the Department in connection with the conduct of any referendum under this section and section 116, except for the salaries of Government employees. Expenses, reimbursement.

SUSPENSION AND TERMINATION OF ORDERS

SEC. 116. (a) After September 30, 1985, the Secretary shall, whenever the Secretary finds that any order issued under this subtitle or any provision thereof obstructs or does not tend to effectuate the declared policy of this subtitle, terminate or suspend the operation of such order or such provisions thereof. 7 USC 4507.

(b) After September 30, 1985, the Secretary may conduct a referendum at any time, and shall hold a referendum on request of a representative group comprising 10 per centum or more of the number of producers subject to the order, to determine whether the producers favor the termination or suspension of the order. The Secretary shall suspend or terminate collection of assessments under the order within six months after the Secretary determines that suspension or termination of the order is favored by a majority of the producers voting in the referendum who, during a representative period (as determined by the Secretary), have been engaged in the production of milk for commercial use and shall terminate the order in an orderly manner as soon as practicable after such determination. Referendum.

(c) The termination or suspension of any order, or any provision thereof, shall not be considered an order within the meaning of this subtitle.

COOPERATIVE ASSOCIATION REPRESENTATION

SEC. 117. Whenever, under the provisions of this subtitle, the Secretary is required to determine the approval or disapproval of producers, the Secretary shall consider the approval or disapproval by any cooperative association of producers, engaged in a bona fide manner in marketing milk or the products thereof, as the approval 7 USC 4508.

or disapproval of the producers who are members of or under contract with such cooperative association of producers. If a cooperative association of producers elects to vote on behalf of its members, such cooperative association shall provide each producer, on whose behalf the cooperative association is expressing approval or disapproval, a description of the question presented in the referendum together with a statement of the manner in which the cooperative association intends to cast its vote on behalf of the membership. Such information shall inform the producer of procedures to follow to cast an individual ballot should the producer so choose within the period of time established by the Secretary for casting ballots. Such notification shall be made at least thirty days prior to the referendum and shall include an official ballot. The ballots shall be tabulated by the Secretary and the vote of the cooperative association shall be adjusted to reflect such individual votes.

PETITION AND REVIEW

7 USC 4509.

SEC. 118. (a) Any person subject to any order issued under this subtitle may file with the Secretary a petition stating that any such order or any provision of such order or any obligation imposed in connection therewith is not in accordance with law and requesting a modification thereof or an exemption therefrom. The petitioner shall thereupon be given an opportunity for a hearing on the petition, in accordance with regulations issued by the Secretary. After such hearing, the Secretary shall make a ruling on the petition, which shall be final if in accordance with law.

Hearing.

U.S. district courts, jurisdiction.

(b) The district courts of the United States in any district in which such person is an inhabitant or carries on business are hereby vested with jurisdiction to review such ruling, if a complaint for that purpose is filed within twenty days from the date of the entry of such ruling. Service of process in such proceedings may be had on the Secretary by delivering a copy of the complaint to the Secretary. If the court determines that such ruling is not in accordance with law, it shall remand such proceedings to the Secretary with directions either (1) to make such ruling as the court shall determine to be in accordance with law, or (2) to take such further proceedings as, in its opinion, the law requires.

ENFORCEMENT

7 USC 4510.

SEC. 119. (a) The district courts of the United States are vested with jurisdiction specifically to enforce, and to prevent and restrain any person from violating, any order or regulation made or issued under this subtitle. Any civil action authorized to be brought under this subsection shall be referred to the Attorney General for appropriate action, except that the Secretary is not required to refer to the Attorney General minor violations of this subtitle whenever the Secretary believes that the administration and enforcement of this subtitle would be adequately served by suitable written notice or warning to any person committing such violation.

Violations and penalties.

(b) Any person who willfully violates any provision of any order issued by the Secretary under this subtitle shall be assessed a civil penalty by the Secretary of not more than $1,000 for each such violation and, in the case of a willful failure to pay, collect, or remit the assessment as required by the order, in addition to the amount due, a penalty equal to the amount of the assessment on the

quantity of milk as to which the failure applies. The amount of any such penalty shall accrue to the United States and may be recovered in a civil suit brought by the United States.

(c) The remedies provided in subsections (a) and (b) of this section shall be in addition to, and not exclusive of, other remedies that may be available.

INVESTIGATIONS; POWER TO SUBPENA AND TAKE OATHS AND AFFIRMATIONS; AID OF COURTS

SEC. 120. The Secretary may make such investigations as the Secretary deems necessary for the effective administration of this subtitle or to determine whether any person subject to the provisions of this subtitle has engaged or is about to engage in any act that constitutes or will constitute a violation of any provision of this subtitle or of any order, or rule or regulation issued under this subtitle. For the purpose of such investigation, the Secretary may administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any records that are relevant to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States. In case of contumacy by, or refusal to obey a subpena to, any person, the Secretary may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of records. The court may issue an order requiring such person to appear before the Secretary to produce records or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof. Process in any such case may be served in the judicial district in which such person is an inhabitant or wherever such person may be found. 7 USC 4511.

ADMINISTRATIVE PROVISIONS

SEC. 121. (a) Nothing in this subtitle may be construed to preempt or supersede any other program relating to dairy product promotion organized and operated under the laws of the United States or any State. 7 USC 4512.

(b) The provisions of this subtitle applicable to orders shall be applicable to amendments to orders.

AUTHORIZATION

SEC. 122. There are hereby authorized to be appropriated such funds as are necessary to carry out the provisions of this subtitle. The funds so appropriated shall not be available for payment of the expenses or expenditures of the Board in administering any provisions of any order issued under the terms of this subtitle. 7 USC 4513.

TITLE II—TOBACCO

Tobacco Adjustment Act of 1983.

SHORT TITLE

SEC. 201. This title may be cited as the "Tobacco Adjustment Act of 1983". 7 USC 1421 note.

PRICE SUPPORT ADJUSTMENTS

Ante, p. 296.

SEC. 202. Effective for the 1984 and subsequent crops of tobacco, section 106 of the Agricultural Act of 1949 (7 U.S.C. 1445) is amended by adding at the end thereof the following new subsections:

"(f) Notwithstanding the foregoing provisions of this section—

"(1) For the 1984 crop of Flue-cured tobacco, the support level shall be the level in cents per pound at which the 1982 crop was supported.

"(2) For the 1985 crop of Flue-cured tobacco, the support level shall be the level in cents per pound at which the 1982 crop was supported, plus or minus, respectively, the amount by which (A) the support level for the 1985 crop, as determined under subsection (b), is greater or less than (B) the support level for the 1984 crop, as determined under subsection (b), as that difference may be adjusted by the Secretary under subsection (d) if the support level under clause (A) is greater than the support level under clause (B), except that the support level for the 1985 crop shall be the level in cents per pound at which the 1982 crop was supported if the support level as determined under subsection (b) for the 1985 crop would not be more than 5 per centum greater than the support level as determined under subsection (b) for the 1984 crop.

"(3) For the 1984 crop of any kind of tobacco (other than Flue-cured tobacco) for which marketing quotas are in effect or are not disapproved by producers and for the 1985 crop of any kind of tobacco (other than Flue-cured and Burley tobacco) for which marketing quotas are in effect or are not disapproved by producers, the Secretary shall establish the support level at such level as will not narrow the normal price support differential between Flue-cured tobacco and such other kind of tobacco. Before establishing the support level under this paragraph for any such kind of tobacco the Secretary shall publish in the Federal Register a notice of the level the Secretary proposes to establish and give an opportunity for the public to comment on the proposal. In determining the level to be established under this paragraph for a particular kind of tobacco, the Secretary shall take into consideration the cost of producing such kind of tobacco, the supply and demand conditions for such kind of tobacco, the comments received in response to the public notice of the proposal, and such other relevant factors as the Secretary determines appropriate.

Publication in Federal Register. Public comment.

"(4) For the 1985 crop of Burley tobacco and for the 1986 and each subsequent crop of any kind of tobacco for which marketing quotas are in effect or are not disapproved by producers, the support level shall be the level in cents per pound at which the immediately preceding crop was supported (or if the level for that crop was adjusted under subsection (g) the level at which such crop would have been supported without regard to any adjustment under subsection (g)), plus or minus, respectively, the amount by which (A) the support level for the crop for which the determination is being made, as determined under subsection (b), is greater or less than (B) the support level for the immediately preceding crop, as determined under subsection (b), as that difference may be adjusted by the Secretary

under subsection (d) if the support level under clause (A) is greater than the support level under clause (B).

"(g)(1) Except as provided in paragraph (2), notwithstanding the provisions of subsections (d) and (f) and section 403, the Secretary, if requested by the board of directors of the association through which price support for Flue-cured tobacco is made available to producers, may (1) designate for any crop certain grades of Flue-cured tobacco that are eligible for price support (but representing in the aggregate not more than 25 per centum of the total quantity of the Flue-cured tobacco crop that the Secretary estimates will be produced) that the Secretary determines are of such quantity or quality as to impair their marketability, and (2) without regard to the weighted average of the support rates for eligible grades of Flue-cured tobacco determined under the proviso to the first sentence of subsection (d), further reduce the support rates for such grades to the extent the Secretary deems necessary to reflect their market value, but in no event by more than 12 per centum of the respective support rates that would otherwise be established under this section.

"(2) Any reduction in the support rates for grades of Flue-cured tobacco under this subsection shall not be considered in determining the support levels for subsequent years.".

ELIMINATION OF DOUBLE ASSESSMENT; USE OF FUND

SEC. 203. Section 106A(d) of the Agricultural Act of 1949 (7 U.S.C. 1445-1(d)) is amended by—

(1) in paragraph (2), striking out "and subsequent crops" and inserting in lieu thereof "crop only"; and

(2) in paragraph (3), inserting before the semicolon at the end thereof the following: ": *Provided*, That, notwithstanding any other provision of law, use by the association of moneys in the Fund, including interest and other earnings, for the purposes of reducing the association's outstanding indebtedness to the Corporation associated with 1982 and subsequent crops of quota tobacco and making loan advances to producers is authorized, and use of such moneys for any other purposes that will be mutually beneficial to producers who contribute to the Fund and to the Corporation, shall, if approved by the Secretary, be considered an appropriate use of the Fund".

NO NET COST TOBACCO ACCOUNT—FLUE-CURED TOBACCO

SEC. 204. Section 106B(a) of the Agricultural Act of 1949 (7 U.S.C. 1445-2(a)) is amended by—

(1) in paragraph (1), striking out ", except that the term does not include such an association that has entered into such an agreement to make price support available to producers of Flue-cured tobacco"; and

(2) in paragraph (5), striking out "except Flue-cured tobacco".

LEASE AND TRANSFER OF FLUE-CURED TOBACCO; FORFEITURE OF ALLOTMENT AND QUOTA

SEC. 205. (a) Effective for the 1984 and subsequent crops of tobacco, section 316(a)(1) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314b(a)(1)) is amended to read as follows:

"(a)(1) Notwithstanding any other provision of law—

"(A)(i) The Secretary, if the Secretary determines that it will not impair the effective operation of the tobacco marketing quota or price support program, may permit the owner and operator of any farm for which a tobacco acreage allotment (other than a Burley, Flue-cured, dark air-cured, Fire-cured, Virginia sun-cured and cigar-binder, type 54 or 55 tobacco acreage allotment) is established under this Act to lease and transfer all or any part of such allotment to any other owner or operator of a farm in the same county for use in such county on a farm having a current tobacco allotment of the same kind.

"(ii) The Secretary shall, only with respect to the 1984 through 1986 crops of Flue-cured tobacco, permit the owner of a farm to which a Flue-cured tobacco acreage allotment or quota is assigned under this Act to lease and transfer all or any part of such allotment or quota to any other owner or operator of a farm in the same county for use in such county on a farm having a current Flue-cured tobacco acreage allotment or quota except that for the 1985 and 1986 crops such lease and transfer shall be permitted only if (except as otherwise provided in paragraph (2)(A)) the parties to the lease file a copy of the lease agreement with the county committee for the county in which the farms are located, together with a written statement certifying that none of the consideration for the lease has been or will be paid to the lessor, either directly or indirectly in any form including a loan by the lessee to the lessor, the endorsement of a note by the lessee for the lessor, or any other similar arrangement which represents the anticipated income for the lease, prior to the marketing of the tobacco produced under the lease and that the lease and transfer is otherwise in compliance with the provisions of this section. Beginning with the 1985 crop, the Secretary shall promulgate regulations establishing, insofar as is reasonably practicable, a similar requirement providing that none of the consideration for the lease of any Flue-cured tobacco acreage allotment and quota may be paid to the lessor prior to the marketing of the tobacco produced under the lease. The Secretary shall also require that any seller of a Flue-cured tobacco allotment and quota grant to the buyer an option to make payment therefore in equal annual installments payable each fall for a period not to exceed five years from the year in which the sale is made. With respect to the 1987 and subsequent crops of Flue-cured tobacco, the Secretary shall not permit the lease and transfer of Flue-cured tobacco acreage allotments and quotas.

Regulations.

"(B) If, after notice and opportunity for a hearing, the county committee determines that the lessee or the lessor of a Flue-cured tobacco acreage allotment or quota knowingly made a false statement in the written statement filed under subparagraph (A), (i) in the case of a false statement knowingly made by the lessee, the lease agreement for purposes of the Flue-cured tobacco marketing quota program with respect to the lessee's farm shall be considered null and void as of the date approved by the county committee or (ii) in the case of a false statement knowingly made by the lessor, the Flue-cured tobacco allotment and quota next established for the farm of the lessor shall be

Notice; hearing.

reduced by the percentage which the leased allotment or quota was of the total Flue-cured tobacco allotment or quota for the farm. Notice of any determination made by the county committee under the preceding provision shall be mailed as soon as practicable to the lessee or lessor involved. If the lessee or lessor is dissatisfied with such determination, the lessee or lessor may request, within fifteen days after notice of such determination is mailed, a review of such determination by a local review committee under section 363 of this Act.". Review. 7 USC 1363.

(b) Effective for the 1984 and subsequent crops of tobacco, section 317 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314c) is amended by inserting at the end thereof the following new subsection:

"(k)(1) Notwithstanding any other provision of law, any person who, on or after January 1, 1986, owns a farm for which a Flue-cured tobacco acreage allotment or marketing quota is established under this Act shall, subject to paragraph (2) of this subsection, forfeit such allotment or quota after February 15 of any year immediately following the last year of the three-year period immediately preceding the year for which the determination is being made in which Flue-cured tobacco has not been planted or considered planted on such farm during at least two years out of such three-year period.

"(2) The allotment or quota specified in paragraph (1) of this subsection shall be forfeited if, after notice and opportunity for a hearing, the appropriate county committee determines that the conditions for forfeiture specified in such paragraph exist. Any allotment or quota so forfeited shall be reallocated by such county committee for use by active Flue-cured tobacco producers (as defined in section 316(g)(1) of this Act) in the county involved. 7 USC 1314b.

"(3) Notice of any determination made by the county committee under paragraph (2) of this subsection shall be mailed, as soon as practicable, to the person involved. If such person is dissatisfied with such determination, such person may request, within fifteen days after notice of such determination is mailed, a review of such determination by a local review committee under section 363 of this Act.". Review. 7 USC 1363.

CONFORMING AMENDMENTS

SEC. 206. (a) Effective for the 1984 and subsequent crops of tobacco, section 316(c) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314b(c)) is amended by striking out the second through the sixth sentences.

(b) Effective for the 1987 and subsequent crops of tobacco, section 316 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314b), as amended by subsection (a), is further amended by—

(1) in subsection (a), striking out paragraph (2);

(2) in subsection (e)(1), striking out "or, in the case of Flue-cured tobacco," and inserting in lieu thereof "or, in the case of the sale of a Flue-cured tobacco acreage allotment or poundage quota,"; and

(3) in subsection (g)(2), striking out the second sentence.

MANDATORY SALE OF ALLOTMENTS AND QUOTAS BY NON-FARMING ENTITIES

SEC. 207. (a) Section 316A(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314b-1(a)) is amended by—

(1) inserting after "individual" the following: ", any partnership, any family farm corporation, any trust, estate or similar fiduciary account with respect to which the beneficial interest is in one or more individuals, or any educational institution that uses a Flue-cured acreage allotment or quota for instructional or demonstration purposes"; and

(2) striking out "1983" and inserting in lieu thereof "1984".

(b) Section 316B(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314b-2(a)) is amended by—

(1) striking out clause (2) and inserting in lieu thereof "(2) does not use the land on the farm for agricultural purposes, or does not use its Burley marketing quota for educational, instructional, or demonstration purposes;";

(2) striking out "1983" and inserting in lieu thereof "1984"; and

(3) adding at the end thereof the following sentence: "Notwithstanding the foregoing provisions of this subsection, any person to whom this subsection, as in effect prior to the enactment of the Tobacco Adjustment Act of 1983, applies and who—

Ante, p. 1143.

"(A) is required to sell or forfeit the marketing quota by December 1, 1983, because the person was not significantly involved in the management or use of the land for agricultural purposes, but

"(B) would be eligible to retain the marketing quota under this subsection, as amended by the Tobacco Adjustment Act of 1983,

may, if the person elects to do so, sell such person's marketing quota if a record of the transfer is filed with the county committee by February 1, 1984.".

FLUE-CURED MARKETING QUOTA ANNOUNCEMENT DATE

SEC. 208. Section 317(d) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314c(d)) is amended by striking out "December 1" and "February 1" each time they appear in the first and sixth sentences and inserting in lieu thereof "December 15" and "March 1", respectively.

RESERVE FOR NEW FLUE-CURED TOBACCO GROWERS; FARM YIELD

SEC. 209. (a) The second sentence of section 317(e) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314c(e)) is amended by—

(1) striking out "1 per centum" and inserting in lieu thereof "3 per centum"; and

(2) inserting "(except that not less than two-thirds of such reserve shall be for new farms)" immediately before the period at the end thereof.

(b) The last sentence of section 317(e) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314c(e)) is amended by striking out the phrase ", and shall not exceed the community average yield".

DETERMINATION OF FLUE-CURED TOBACCO PLANTED ACREAGE

SEC. 210. Section 317 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314c), as amended by section 205 of this Act, is further amended by adding at the end thereof the following new subsection:

"(l) The Secretary shall determine the acreage planted to Flue-cured tobacco on each farm whenever an acreage-poundage program for Flue-cured tobacco is in effect under this section.".

LIMIT ON THE LEASE OF BURLEY QUOTA; PROHIBITION AGAINST FALL LEASING

SEC. 211. Effective for the 1984 and subsequent crops of tobacco, section 319(g) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314e(g)) is amended by striking out the third proviso and inserting in lieu thereof the following new provisos: "*Provided further,* That not more than fifteen thousand pounds of Burley tobacco quota may be leased and transferred to any farm under this section: *Provided further,* That a lease and transfer of Burley tobacco quota shall not be effective for any crop year unless a record of the transfer is filed with the county committee not later than July 1 of that crop year:".

COMBINATION OF FARMS WITH BURLEY QUOTA

SEC. 212. (a) Section 318(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314d(b)) is amended by inserting "except as provided in section 379(b) of this Act," immediately after "(1)".

(b) Section 379 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1379) is amended by—

(1) inserting "(a)" immediately after the section designation; and

(2) adding at the end thereof a new subsection as follows:

"(b) In any case in which two or more tracts of land are located in contiguous counties in the same State and are owned by the same person, the Secretary shall permit such tracts to be combined as one farm if (1) a Burley tobacco poundage quota is established for one or more of such tracts, and (2) the relevant county committees determine that such tracts will be operated as a single farming unit.".

IMPORTED TOBACCO

SEC. 213. (a) Notwithstanding any other provision of law— 7 USC 511r.

(1) All tobacco offered for importation into the United States, except tobacco described in paragraph (2), shall be inspected, insofar as practicable, for grade and quality as tobacco marketed through a warehouse in the United States is inspected for grade and quality. Inspection.

(2) Cigar tobacco and oriental tobacco (both as provided for in Schedule 1, Part 13, Tariff Schedules of the United States) offered for importation into the United States shall be accompanied by a certification by the importer, in such form as the Secretary of Agriculture may prescribe, stating the kind and type of such tobacco, and, in the case of cigar tobacco, that such tobacco will be used solely in the manufacture or production of cigars. Certification. 19 USC 1202 note.

(b) The Secretary of Agriculture shall establish grade and quality standards for the purposes of subsection (a)(1) that are, insofar as Standards.

practicable, the same as those applicable to tobacco marketed through a warehouse in the United States.

Denial of entry.

(c) Any tobacco described in subsection (a)(2) that is not accompanied by the certification required by that subsection shall not be permitted entry into the United States. The provisions of section 1001 of title 18, United States Code, shall be applicable with respect to any certification made by an importer under such subsection.

Enforcement.

Regulations.

(d) The Secretary of Agriculture shall enforce the provisions of subsection (a) at the point of entry of tobacco offered for importation into the United States. The Secretary shall by regulation fix and collect from the importer fees and charges for inspection under subsection (a)(1) which shall, as nearly as practicable, cover the costs of such services, including the administrative and supervisory costs customarily included by the Secretary in user fee calculations. The fees and charges, when collected, shall be credited to the current appropriation account that incurs the cost and shall be available without fiscal year limitation to pay the expenses of the Secretary incident to providing services under subsection (a)(1).

TITLE III—DAIRY REPORTS AND OTHER PROVISIONS

DAIRY REPORTS

Submittal to congressional committees. 7 USC 4514. California standards, national applicability.

SEC. 301. The Secretary of Agriculture shall submit to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry the following reports:

(1) Not later than July 1, 1984, a report on the effect of applying, nationally, standards similar to the current California standards for fluid milk products in their final consumer form, as they would relate to—

(A) consumer acceptance, overall consumer consumption trends, and total per capita consumption;

(B) nutritional augmentation, particularly for young and older Americans;

(C) implementing improved interagency enforcement of minimum standards to prevent consumer fraud and deception;

(D) multiple component pricing for producer milk;

(E) reduced Commodity Credit Corporation purchases;

(F) consistency of product quality throughout the year and between marketing regions of the United States; and

(G) consumer prices.

Parity formula. Payment limit.

(2) Not later than December 31, 1984, a report on (A) recommendations for changes in the application of the parity formula to milk so as to make the formula more consistent with modern production methods and with special attention to the cost of producing milk as a result of changes in productivity, and (B) the feasibility of imposing a limitation on the total amount of payments and other assistance a producer of milk may receive during a year under section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)).

(3) Not later than April 15, 1985, a report on the effectiveness of the paid diversion program carried out under section 201(d) of the Agricultural Act of 1949.

(4) Not later than July 1, 1985, and July 1 of each year after the date of enactment of this title, an annual report describing activities conducted under the dairy products promotion and

research order issued under subtitle B of title I of this Act, and accounting for the receipt and disbursement of all funds received by the National Dairy Promotion and Research Board under such order including an independent analysis of the effectiveness of the program.

Ante, p. 1136.

BARTER OF DAIRY AND OTHER COMMODITIES

SEC. 302. (a) It is the sense of Congress that the Secretary of Agriculture should exchange or barter, to the maximum extent practicable under the provisions of law specified in subsection (b), commodities (especially dairy products) owned by the Commodity Credit Corporation for materials, goods, and equipment produced in foreign countries.

7 USC 1727g note.

(b) The provisions of law referred to in subsection (a) are—

(1) section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(h)),

(2) section 310 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1692), and

7 USC 1727g.

(3) section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431).

EMERGENCY FEED ASSISTANCE

SEC. 303. (a) As used in this section—

7 USC 1427 note.

(1) the term "damaged corn" means corn that is classified as U.S. No. 4, U.S. No. 5, or U.S. Sample grade under section 810.353 of title 7, Code of Federal Regulations; and

"Damaged corn."

(2) the term "eligible farmers and ranchers" means farmers and ranchers who are eligible to receive loans under section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961).

"Eligible farmers and ranchers."

(b) To assist eligible farmers and ranchers in areas that have been adversely affected by the drought, hot weather, or related disaster to preserve and maintain foundation herds of livestock and poultry (including their offspring), the Secretary of Agriculture shall make damaged corn held by the Commodity Credit Corporation available to such farmers and ranchers in accordance with section 407 of the Agricultural Act of 1949 (7 U.S.C. 1427).

(c) In making damaged corn available to such farmers and ranchers under this section, the Secretary shall offer the damaged corn held by the Corporation at a price that is equal to 75 per centum of the current basic county loan rate for such corn in effect under the Agricultural Act of 1949 (or a comparable price if there is no such current basic county loan rate).

7 USC 1421 note.

(d) The Secretary shall make damaged corn available for sale, as provided under this section, until September 30, 1984, or the date, as determined by the Secretary, on which any emergency created by the drought, hot weather, or related disaster no longer exists.

EGG INDUSTRY MARKETING ORDERS

SEC. 304. The Agricultural Adjustment Act (7 U.S.C. 601 et seq.), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by—

7 USC 674.

(1) striking out in the first sentence of section 8c(2) "poultry (but not excepting turkeys), eggs (but not excepting turkey hatching eggs)," and inserting in lieu thereof "poultry (but not

7 USC 608c.

excepting turkeys and not excepting poultry which produce commercial eggs),"; and

7 USC 608c.

(2) inserting in subsection (I) of section 8c(6) after the word "pecans," and before the word "avocados,", the word "eggs,".

SEPARABILITY

7 USC 1421 note.

SEC. 305. Except as otherwise provided in this Act, if any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of this Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

Approved November 29, 1983.

LEGISLATIVE HISTORY—H.R. 3385 (H.R. 4196) (S. 1529):

HOUSE REPORTS: No. 98-289 (Comm. on Agriculture) and No. 98-556 (Comm. of Conference).

SENATE REPORT No. 98-163 accompanying S. 1529 (Comm. on Agriculture, Nutrition, and Forestry).

CONGRESSIONAL RECORD, Vol. 129 (1983):

July 18, 19, considered and passed House.
Oct. 5, 6, S. 1529 considered in Senate.
Oct. 7, H.R. 3385 considered and passed Senate, amended.
Nov. 7, 9, H.R. 4196 considered and passed House.
Nov. 9, House agreed to Senate amendments with amendments.
Nov. 17, Senate agreed to conference report.
Nov. 18, House agreed to conference report.