

104TH CONGRESS
1ST SESSION

S. 1276

To permit agricultural producers to enter into market transition contracts and receive loans, to require a pilot revenue insurance program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 27 (legislative day, SEPTEMBER 25), 1995

Mr. GRASSLEY introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To permit agricultural producers to enter into market transition contracts and receive loans, to require a pilot revenue insurance program, and for other purposes.

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 “Farm Income Transi-
5 tion Act of 1995 ”.

6 **SEC. 2. CERTAINTY AND FLEXIBILITY FOR AGRICULTURAL**
7 **PROGRAMS.**

8 The Agricultural Act of 1949 (7 U.S.C. 1441 et seq.)
9 is amended—

1 (1) by transferring sections 106, 106A, and
2 106B to the end of part I of subtitle B of title III
3 of the Agricultural Adjustment Act of 1938 (7
4 U.S.C. 1311 et seq.) and redesignating the sections
5 as sections 320D, 320E, and 320F, respectively;

6 (2) by moving sections 104, 111, 112, 114, and
7 202 to the end of title IV and redesignating the sec-
8 tions as sections 428, 429, 430, 431, and 432 re-
9 spectively;

10 (3) by moving sections 108B, 204, and 206 to
11 the end of title IV (as amended by paragraph (2))
12 and redesignating the sections as sections 433, 434,
13 and 435, respectively; and

14 (4) by striking titles I through III and inserting
15 the following:

16 **“SEC. 2. DEFINITIONS.**

17 “In this Act:

18 “(1) **CONSIDERED PLANTED.**—The term ‘con-
19 sidered planted’, with respect to acreage on a farm,
20 means acreage considered planted to a covered com-
21 modity (as defined in section 201(a)) in the con-
22 servation reserve, or under a program in effect
23 under this Act through the 1995 crop of a commod-
24 ity or the 1996 crop of winter wheat on—

25 “(A) any reduced acreage on the farm;

1 “(B) any acreage on the farm that produc-
2 ers were prevented from planting to the com-
3 modity because of drought, flood, or other natu-
4 ral disaster, or other condition beyond the con-
5 trol of the producers;

6 “(C) acreage in a quantity equal to the dif-
7 ference between the permitted acreage for a
8 commodity and the acreage planted to the com-
9 modity, if the acreage considered to be planted
10 is devoted to conservation uses or the produc-
11 tion of crops permitted by the Secretary under
12 the programs established for any of the 1990
13 through 1994 crops of a commodity; or

14 “(D) any acreage on the farm that the
15 Secretary determines is necessary to be in-
16 cluded in establishing a fair and equitable crop
17 acreage base.

18 “(2) CROP ACREAGE BASE.—The term ‘crop
19 acreage base’ means the average of the quantity of
20 acres planted and considered planted to the com-
21 modity for the 1990 through 1994 crops, including
22 the crop acreage base for extra long staple cotton es-
23 tablished under section 103(h)(5) (as in effect prior
24 to the date of enactment of the Farm Income Tran-
25 sition Act of 1995).

1 “(3) DOUBLE CROPPING.—The term ‘double
2 cropping’ means a farming practice, as defined by
3 the Secretary, that has been carried out on a farm
4 during at least 3 of the 5 crop years immediately
5 preceding the crop year for which the crop acreage
6 base for the farm is established.

7 “(4) MARKET TRANSITION PAYMENT.—The
8 term ‘market transition payment’ means a payment
9 made pursuant to a contract entered into under sec-
10 tion 201 with producers on a farm who—

11 “(A) satisfy the eligibility requirements of
12 section 201(c); and

13 “(B) in exchange for annual payments, are
14 in compliance with the conservation compliance
15 plan for the farm prepared in accordance with
16 section 1212 of the Food Security Act of 1985
17 (16 U.S.C. 3812) and wetland protection re-
18 quirements applicable to the farm under sub-
19 title C of title XII of the Act (16 U.S.C. 3821
20 et seq.).

21 “(5) NONRECOURSE COMMODITY LOAN.—The
22 term ‘nonrecourse commodity loan’ means a
23 nonrecourse loan paid to producers on a farm under
24 the terms provided in section 202.

1 “(6) PERSON.—The term ‘person’ means an in-
2 dividual, corporation, or other entity, as defined by
3 the Secretary.

4 “(7) PRODUCERS.—The term ‘producers’ means
5 1 or more individual persons who, as determined by
6 the Secretary—

7 “(A) share in the risk of production of a
8 commodity; and

9 “(B) is, or would have been, entitled to a
10 share of the proceeds from the marketing of the
11 commodity.

12 “(8) SECRETARY.—The term ‘Secretary’ means
13 the Secretary of Agriculture.

14 “(9) UNITED STATES.—The term ‘United
15 States’ means the several States, the District of Co-
16 lumbia, the Commonwealth of Puerto Rico, the Vir-
17 gin Islands, Guam, American Samoa, and the other
18 territories and possessions of the United States.

1 **“TITLE I—FUNDING FOR FED-**
 2 **ERAL FARM PROGRAM COM-**
 3 **MODITY PAYMENTS**

4 **“SEC. 101. EXPENDITURES FOR MARKET TRANSITION PAY-**
 5 **MENTS FOR 1996 THROUGH 2002 CROP YEARS.**

6 “(a) TOTAL EXPENDITURES.—The total amount of
 7 funds expended by the Commodity Credit Corporation
 8 under this title may not exceed \$46,920,000,000 for—

9 “(1) payments made for the 1995 crop of a
 10 commodity after September 30, 1995; and

11 “(2) market transition payments for a commod-
 12 ity for the 1996 through 2002 crops.

13 “(b) TOTAL EXPENDITURES PER CROP YEAR.—The
 14 Secretary shall, to the maximum extent practicable, ex-
 15 pend not more than the following amounts on market
 16 transition payments:

17 “(1) For the 1996 crop, \$8,260,000,000.

18 “(2) For the 1997 crop, \$7,240,000,000.

19 “(3) For the 1998 crop, \$7,080,000,000.

20 “(4) For the 1999 crop, \$6,850,000,000.

21 “(5) For the 2000 crop, \$6,590,000,000.

22 “(6) For the 2001 crop, \$5,490,000,000.

23 “(7) For the 2002 crop, \$5,380,000,000.

24 “(c) COMMODITY CREDIT CORPORATION.—

1 “(1) SALARIES AND EXPENSES.—No funds of
2 the Commodity Credit Corporation may be used to
3 pay any salary or expense of an officer or employee
4 of the Department of Agriculture in connection with
5 the administration of market transition payments or
6 nonrecourse commodity loans.

7 “(2) AGRICULTURAL PRODUCTION.—No funds
8 of the Commodity Credit Corporation in excess of
9 the amounts authorized by subsection (b) may be
10 used to support—

11 “(A) the price of a covered commodity (as
12 defined in section 201(a)) or any similar activ-
13 ity in relation to the commodity; or

14 “(B) the income of producers on a farm.

15 **“TITLE II—MULTIYEAR PAY-**
16 **MENTS TO IMPROVE FARM-**
17 **ING CERTAINTY AND FLEXI-**
18 **BILITY**

19 **“SEC. 201. MARKET TRANSITION PAYMENTS.**

20 “(a) DEFINITION OF COVERED COMMODITY.—In this
21 section, the term ‘covered commodity’ means wheat, corn,
22 grain sorghums, barley, oats, upland cotton, extra long
23 staple cotton, and rice.

24 “(b) MARKET TRANSITION CONTRACTS.—

1 “(1) OFFER AND CONSIDERATION.—Beginning
2 as soon as practicable after the date of enactment of
3 the Farm Income Transition Act of 1995, but not
4 later than February 1, 1996, the Secretary shall
5 offer to enter into a market transition contract with
6 producers on a farm who satisfy the requirements of
7 subsection (c). Participating producers shall agree,
8 in exchange for annual payments, to comply with the
9 conservation compliance plan for the farm estab-
10 lished under section 1212 of the Food Security Act
11 of 1985 (16 U.S.C. 3812) and the wetland protec-
12 tion requirements applicable to the farm under sub-
13 title C of title XII of the Act (16 U.S.C. 3821 et
14 seq.).

15 “(2) ENTRY INTO CONTRACTS.—

16 “(A) DEADLINE.—Except as provided in
17 subparagraphs (B) and (C), producers on a
18 farm shall elect whether to enter into a market
19 transition contract not later than April 15,
20 1996.

21 “(B) CONSERVATION RESERVE LANDS.—

22 “(i) IN GENERAL.—In the case of a
23 conservation reserve contract applicable to
24 cropland on a farm that expires after April
25 15, 1996, producers on the farm shall have

1 the option of including the cropland on the
2 farm that has considered planting history
3 (as determined by the Secretary) in a mar-
4 ket transition contract of the producers.
5 To be eligible, the cropland must include
6 1 or more crop acreage bases attributable
7 to the cropland (as determined by the Sec-
8 retary).

9 “(ii) WHOLE FARM ENROLLED IN
10 CONSERVATION RESERVE.—Producers on a
11 farm who have enrolled the entire cropland
12 on the farm, as determined by the Sec-
13 retary, into the conservation reserve shall
14 have the option, on expiration of the con-
15 servation reserve contract, to enter into a
16 market transition contract.

17 “(iii) AMOUNT.—Market transition
18 payments made for cropland under this
19 subparagraph shall be made at the rate
20 and amount applicable to the market tran-
21 sition payment level for that year.

22 “(C) 1996 CROP OF WINTER WHEAT.—

23 “(i) IN GENERAL.—Producers on a
24 farm who plant a 1996 crop of winter
25 wheat in 1995 may elect to enter into a

1 market transition contract, or obtain loans
2 and payments for the 1996 crop of winter
3 wheat, under the same terms and condi-
4 tions as were in effect for the 1995 crop
5 of winter wheat.

6 “(ii) TIMING OF PAYMENTS.—The
7 Secretary shall, if the Secretary determines
8 practicable, pay producers on a farm who
9 plant a 1996 crop of winter wheat and
10 elect to enter into a market transition con-
11 tract for the crop—

12 “(I) an advance payment not
13 later than June 1, 1996; and

14 “(II) a final payment not later
15 than September 30, 1996.

16 “(iii) SUBSEQUENT CROPS.—Produc-
17 ers on a farm who plant a 1996 crop of
18 winter wheat shall elect whether to enter
19 into a market transition contract for each
20 of the 1997 through 2002 crops not later
21 than April 15, 1996.

22 “(3) DURATION OF CONTRACT.—Except for the
23 1996 crop of winter wheat, a market transition con-
24 tract shall apply to the 1996 crop of a covered com-
25 modity and terminate on December 31, 2002.

1 “(c) ELIGIBILITY FOR MARKET TRANSITION PAY-
2 MENTS.—

3 “(1) IN GENERAL.—To be eligible for market
4 transition payments, producers on a farm must—

5 “(A) own, rent, or crop share land that has
6 a crop acreage base that is attributable to the
7 farm, as determined by the Secretary; and

8 “(B) satisfy the criteria under paragraph
9 (2).

10 “(2) PAYMENTS BASED ON PRODUCTION HIS-
11 TORY.—Producers on a farm shall be eligible for
12 market transition payments if deficiency payments
13 and, if applicable, conservation reserve payments
14 were made for covered commodities that were plant-
15 ed, or considered planted, on a crop acreage base es-
16 tablished on the farm for at least 2 of the 1990
17 through 1994 crops.

18 “(d) AMOUNT OF MARKET TRANSITION PAY-
19 MENTS.—

20 “(1) DEFINITION OF PAYMENTS.—In this sub-
21 section (except as otherwise specifically provided),
22 the term ‘payments’ means—

23 “(A) deficiency payments; and

24 “(B) if applicable, the lesser of—

25 “(i) conservation reserve payments; or

1 “(ii) the amount of deficiency pay-
2 ments that would have been made for the
3 quantity of the covered commodity consid-
4 ered planted if the commodity had been
5 planted, as determined by the Secretary.

6 “(2) 1990-1994 PAYMENTS.—The Secretary
7 shall determine the total amount of payments—

8 “(A) made to producers on a farm for all
9 covered commodities that were planted or con-
10 sidered planted on the farm for the 1990
11 through 1994 crops; and

12 “(B) made for all covered commodities
13 that were planted and considered planted
14 throughout the United States for the 1990
15 through 1994 crops.

16 “(3) MARKET TRANSITION PAYMENT FOR 1996-
17 2002 CROPS.—The annual market transition payment
18 for each of the 1996 through 2002 crops shall equal
19 the product of—

20 “(A) the total amount of payments made
21 to producers on a farm determined under para-
22 graph (2)(A) divided by the total amount of
23 payments made throughout the United States
24 determined under paragraph (2)(C); and

1 “(B) the annual funding available for the
2 crop under section 101(b).

3 “(4) ADJUSTMENT.—To maintain equity and
4 fairness in market transition payments, the Sec-
5 retary shall, as determined appropriate, adjust the
6 payments to producers on a farm to reflect the ratio
7 of—

8 “(A) the land on the farm on which there
9 is historical production and considered planting
10 history on 1 or more crop acreage bases; to

11 “(B) the land on the farm for which the
12 producers on the farm are at risk in the year
13 of the market transition payment.

14 “(e) RECEIPT OF MARKET TRANSITION PAY-
15 MENTS.—

16 “(1) ANNUAL PAYMENT ESTIMATE.—The Sec-
17 retary shall announce the estimated minimum pay-
18 ment to producers entering into a market transition
19 contract not later than March 15 of each year of the
20 term of the contract. The producers may terminate
21 the contract without penalty not later than 15 days
22 after the date of the announcement.

23 “(2) TIMING OF PAYMENTS.—

1 “(A) IN GENERAL.—Payments shall be
2 made not later than September 30 of the year
3 covered by the contract.

4 “(B) ADVANCE PAYMENT.—

5 “(i) IN GENERAL.—Subject to clause
6 (ii), the Secretary may provide $\frac{1}{2}$ of the
7 annual payment in advance to producers
8 on a farm not later than March 15 of the
9 same year, at the option of the producers.

10 “(ii) 1996 CROP.—If the Secretary
11 elects to provide advance payments for the
12 1996 crop, the Secretary shall make the
13 advance payments as soon as practicable
14 after the date of enactment of the Farm
15 Income Transition Act of 1995, as deter-
16 mined by the Secretary.

17 “(3) ELIGIBILITY.—Producers on a farm who
18 have entered into a market transition contract shall
19 be eligible to receive market transition payments if
20 the producers comply with the conservation compli-
21 ance plan for the farm and applicable wetland pro-
22 tection requirements, as determined by the Sec-
23 retary.

24 “(f) PLANTING FLEXIBILITY.—Producers on a farm
25 who possess 1 or more crop acreage bases shall plant any

1 crop or conserving crop on the acreage base to receive a
2 market transition payment. If a perennial conserving crop
3 is planted, the producers shall not be required to replant
4 the crop in the subsequent year.

5 “(g) PAYMENT LIMITATION.—

6 “(1) AMOUNT.—The total amount of payments
7 made to a person under a market transition contract
8 for any year may not exceed \$50,000.

9 “(2) ATTRIBUTION.—The Secretary shall at-
10 tribute payments to a natural person in proportion
11 to the ownership interests of the person in a cor-
12 poration, limited partnership, or other entity (as de-
13 termined by the Secretary).

14 “(3) SCHEME OR DEVICE.—If the Secretary de-
15 termines that a person has knowingly adopted a ma-
16 terial scheme or device to obtain market transition
17 payments to which the person is not entitled, has
18 evaded the requirements of this section, or has acted
19 with the purpose of evading the requirements of this
20 section, the person shall be ineligible to receive all
21 payments applicable to the crop year for which the
22 scheme or device was adopted and the succeeding
23 crop year. The authority provided by this paragraph
24 shall be in addition to, and shall not supplant, the
25 authority provided by subsection (h).

1 “(4) REGULATIONS.—The Secretary shall issue
2 regulations—

3 “(A) defining the term ‘person’, as used in
4 this subsection, in a manner that conforms, to
5 the maximum extent practicable, to the regula-
6 tions defining the term ‘person’ issued under
7 section 1001 of the Food Security Act of 1985
8 (7 U.S.C. 1308);

9 “(B) prescribing such rules as the Sec-
10 retary determines are necessary to ensure a fair
11 and reasonable application of the limitation es-
12 tablished under this subsection; and

13 “(C) providing for the tracking of pay-
14 ments made or attributed to a person or entity
15 (as determined by the Secretary) on the basis
16 of the social security account number of the
17 person or the employer identification number of
18 the entity.

19 “(h) VIOLATION OF CONTRACT.—

20 “(1) IN GENERAL.—Except as provided in para-
21 graph (2), if the Secretary determines that produc-
22 ers on a farm are in violation of, or have violated,
23 the conservation compliance plan for the farm or
24 wetland protection requirements applicable to the
25 farm, the Secretary may terminate the market tran-

1 sition contract with respect to the producers. On ter-
2 mination, the producers shall forfeit all rights to re-
3 ceive future payments under the contract and shall
4 refund to the Secretary all payments received by the
5 producers during the period of the violation with in-
6 terest (as determined by the Secretary).

7 “(2) REFUND OR ADJUSTMENT.—If the Sec-
8 retary determines that a violation does not warrant
9 termination of the contract, the Secretary shall re-
10 quire the producers to—

11 “(A) refund to the Secretary a portion of
12 the payments received during the period of the
13 violation, together with interest, that is propor-
14 tionate to the severity of the violation (as deter-
15 mined by the Secretary); or

16 “(B) accept a reduction in the amount of
17 future payments that is proportionate to the se-
18 verity of the violation (as determined by the
19 Secretary).

20 “(i) TRANSFER OF INTEREST IN LAND SUBJECT TO
21 CONTRACT.—

22 “(1) EFFECT OF TRANSFER.—Except as pro-
23 vided in paragraph (2), if producers on a farm who
24 have entered into a market transition contract trans-
25 fer title of the land of the farm to another person,

1 or otherwise transfer the right to receive market
2 transition payments, the transfer shall void the con-
3 tract with the producers on the farm, effective as
4 of the date of the transfer, unless—

5 “(A) the transferee of the land or the right
6 to receive the remaining market transition pay-
7 ments agrees to assume all or a portion of the
8 obligations of the contract in proportion to the
9 transfer (as determined by the Secretary); and

10 “(B) the transferor agrees to transfer all
11 or a portion of the remaining transition pay-
12 ments in proportion to the transfer (as deter-
13 mined by the Secretary).

14 “(2) EXCEPTION.—If a producer who is eligible
15 for payments under a market transition contract
16 dies, becomes incompetent, or is otherwise unable to
17 receive the payments, the Secretary shall make the
18 payments in accordance with regulations prescribed
19 by the Secretary.

20 **“SEC. 202. NONRECOURSE AND MARKETING LOANS.**

21 “(a) DEFINITION OF COVERED COMMODITY.—In this
22 section, the term ‘covered commodity’ means corn, grain
23 sorghums, barley, oats, rye, wheat, upland cotton, extra
24 long staple cotton, rice, soybeans, sunflower seed,
25 rapeseed, canola, safflower, flaxseed, and mustard seed.

1 “(b) NONRECOURSE LOANS.—For each of the 1996
2 through 2002 crops of a covered commodity, the Secretary
3 shall make available to producers on a farm a nonrecourse
4 commodity loan under terms and conditions prescribed by
5 the Secretary. A nonrecourse commodity loan shall have
6 a term of 9 months, beginning on the first day of the first
7 month after the month in which the loan is made and may
8 be extended at the discretion of the Secretary.

9 “(c) LOAN RATE.—

10 “(1) IN GENERAL.—The Secretary shall an-
11 nounce the loan rate for each covered commodity not
12 later than the first day of the marketing year for
13 which the loan rate is to be in effect.

14 “(2) CALCULATION.—The loan rate for a mar-
15 keting transition loan for a crop shall be equal to 80
16 percent of the simple average price received by the
17 producer for the covered commodity during the im-
18 mediately preceding 5 marketing years for the com-
19 modity, excluding the year in which the average
20 price was lowest and the year in which the average
21 price was highest.

22 “(3) SIMPLE AVERAGE PRICE.—For purposes of
23 paragraph (2), the Secretary shall determine the
24 simple average price received by producers of a cov-

1 ered commodity for the immediately preceding mar-
2 keting year.

3 “(d) MARKETING LOANS.—

4 “(1) IN GENERAL.—The Secretary may permit
5 producers on a farm to repay a loan made under
6 this section for a covered commodity at a level that
7 is the lesser of—

8 “(A) the loan level; or

9 “(B) the prevailing world market price for
10 the commodity (adjusted to United States qual-
11 ity and location), as determined by the Sec-
12 retary.

13 “(2) PREVAILING WORLD MARKET PRICE.—If
14 the Secretary permits producers on a farm to repay
15 a loan in accordance with paragraph (1), the Sec-
16 retary shall prescribe by regulation—

17 “(A) a formula to determine the prevailing
18 world market price for the crop of a covered
19 commodity, adjusted to United States quality
20 and location; and

21 “(B) a mechanism by which the Secretary
22 shall announce periodically the prevailing world
23 market price for the crop of the commodity.

1 **“TITLE III—ADMINISTRATION**

2 **“SEC. 301. REVENUE INSURANCE.**

3 “(a) PILOT PROGRAM.—Not later than December 31,
4 1996, the Secretary shall carry out a pilot program in a
5 limited number of States or groups of States, as deter-
6 mined by the Secretary, under which a producer of an ag-
7 ricultural commodity can elect to receive revenue insur-
8 ance that will ensure that the producer receives an indem-
9 nity if the producer suffers a loss of revenue, as deter-
10 mined by the Secretary.

11 “(b) NATIONAL PROGRAM.—Not later than Decem-
12 ber 31, 2000, the Secretary shall offer revenue insurance
13 to agricultural producers at 1 or more levels of coverage
14 that is in addition to, or in place of, catastrophic and high-
15 er levels of crop insurance.

16 “(c) ADMINISTRATION.—Revenue insurance under
17 this section shall—

18 “(1) be offered through reinsurance arrange-
19 ments with private insurance companies;

20 “(2) offer at least a minimum level of coverage
21 that is an alternative to catastrophic crop insurance;

22 “(3) be actuarially sound; and

23 “(4) require the payment of premiums and ad-
24 ministrative fees by participating producers.

1 **“SEC. 302. ADMINISTRATION.**

2 “(a) **EQUITABLE RELIEF.**—

3 “(1) **LOANS AND PAYMENTS.**—Notwithstanding
4 section 201(h), if the failure of producers on a farm
5 to comply fully with the terms and conditions of the
6 program conducted under titles I through III pre-
7 cludes the making of loans and payments, the Sec-
8 retary may, notwithstanding the failure, make the
9 loans and payments in such amounts as the Sec-
10 retary determines are equitable in relation to the se-
11 riousness of the failure. The Secretary may consider
12 whether the producers made a good faith effort to
13 comply fully with the terms and conditions of the
14 program in determining whether equitable relief is
15 warranted under this paragraph.

16 “(2) **DEADLINES AND PROGRAM REQUIRE-**
17 **MENTS.**—The Secretary may authorize the county
18 and State committees established under section 8(b)
19 of the Soil Conservation and Domestic Allotment
20 Act (16 U.S.C. 590h(b)) to waive or modify dead-
21 lines and other program requirements in cases in
22 which lateness or failure to meet the other require-
23 ments does not affect adversely the operation of the
24 program.

25 “(b) **COMMODITY CREDIT CORPORATION.**—The Sec-
26 retary shall carry out the programs authorized by title I

1 through this title through the Commodity Credit Corpora-
2 tion.

3 “(c) ASSIGNMENT OF PAYMENTS.—Section 8(g) of
4 the Soil Conservation and Domestic Allotment Act (16
5 U.S.C. 590h(g)) shall apply to payments or loans made
6 under title I through this title.

7 “(d) SHARING OF PAYMENTS.—The Secretary shall
8 provide for the sharing of payments made under title I
9 through this title for any farm among the producers on
10 the farm on a fair and equitable basis.

11 “(e) TENANTS AND SHARECROPPERS.—In carrying
12 out this Act, the Secretary shall provide adequate safe-
13 guards to protect the interests of tenants and share-
14 croppers.”.

15 **SEC. 3. CONFORMING AMENDMENTS.**

16 Title X of the Food Security Act of 1985 is amended
17 by striking sections 1001, 1001A, 1001B, and 1001D (7
18 U.S.C. 1308 et seq.).

19 **SEC. 4. EFFECTIVE DATE.**

20 (a) EFFECTIVE DATE.—

21 (1) IN GENERAL.—Except as provided in this
22 subsection and as otherwise specifically provided in
23 this Act, this Act and the amendments made by this
24 Act shall apply beginning with the earlier of—

1 (A) the 1996 crop of an agricultural com-
2 modity; or

3 (B) December 1, 1995.

4 (2) MARKET TRANSITION CONTRACT.—Title II
5 of the Agricultural Act of 1949 (as amended by sec-
6 tion 2(4)) shall apply as of the beginning of signup
7 for market transition payments under section 201 of
8 the Act.

9 (b) PRIOR CROPS.—

10 (1) IN GENERAL.—Except as otherwise specifi-
11 cally provided and notwithstanding any other provi-
12 sion of law, this Act and the amendments made by
13 this Act shall not affect the authority of the Sec-
14 retary of Agriculture to carry out a price support or
15 production adjustment program for any of the 1991
16 through 1995 crops of an agricultural commodity es-
17 tablished under a provision of law in effect imme-
18 diately before the effective date specified in sub-
19 section (a).

20 (2) LIABILITY.—A provision of this Act or an
21 amendment made by this Act shall not affect the li-
22 ability of any person under any provision of law as
23 in effect before the application of the provision in
24 accordance with subsection (a).

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