

105TH CONGRESS
2D SESSION

S. 2517

To amend the Federal Crop Insurance Act to establish a pilot program commencing in crop year 2000 for a period of two years in certain States to provide improved crop insurance options for producers.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 24, 1998

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

A BILL

To amend the Federal Crop Insurance Act to establish a pilot program commencing in crop year 2000 for a period of two years in certain States to provide improved crop insurance options for producers.

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. PILOT PROGRAM TO PROVIDE IMPROVED CROP**
4 **INSURANCE OPTIONS FOR PRODUCERS.**

5 The Federal Crop Insurance Act (7 U.S.C. 1501 et
6 seq.) is amended by adding at the end the following:

1 **“SEC. 522. PILOT PROGRAM TO PROVIDE IMPROVED CROP**
2 **INSURANCE OPTIONS FOR PRODUCERS.**

3 “(a) DEFINITIONS.—In this section:

4 “(1) COMMODITY.—The term ‘commodity’
5 means winter wheat, spring wheat, corn, barley,
6 grain sorghum, and soybeans.

7 “(2) ELIGIBLE STATE.—The term ‘eligible
8 State’ means each of the States of Illinois, Indiana,
9 Iowa, Kansas, Minnesota, Nebraska, North Dakota,
10 and South Dakota.

11 “(b) PILOT PROGRAM.—The Corporation shall con-
12 duct a pilot program to be enacted no later than the year
13 2000 for a period of two years, under which the Corpora-
14 tion shall offer producers of a commodity in an eligible
15 State the option to elect plans of insurance under this Act
16 under which—

17 “(1) the Corporation will provide a premium
18 subsidy of 29 percent for each level of coverage in-
19 volving a 100 percent price election;

20 “(2) insurance is provided on the basis of 1
21 unit for a producer, regardless of State or county
22 boundaries to achieve maximum enterprise unit dis-
23 counts; provided such as is included within one of
24 the listed states;

25 “(3) the price discovery is based upon the ap-
26 propriate futures contract. The insured may either

1 elect a market price as determined by the Risk Man-
2 agement Agency or a futures price based on the ap-
3 propriate month and appropriate Board of Trade (to
4 be specified in report language);

5 “(4) up to 85% coverage level in 1% incre-
6 ments; and

7 “(5) a loss will trigger when the actual produc-
8 tion for the year is less than the bushel guarantee
9 established using Actual Production History (APH)
10 procedures.”.

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