

105TH CONGRESS
2D SESSION

S. 2573

To make spending reductions to save taxpayers money.

IN THE SENATE OF THE UNITED STATES

OCTOBER 7 (legislative day, OCTOBER 2), 1998

Mr. LAUTENBERG introduced the following bill; which was read twice and referred to the Committee on Armed Services

A BILL

To make spending reductions to save taxpayers money.

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; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Saving Taxpayers from Obsolete Programs and Spending
6 Act of 1998”.

7 (b) **TABLE OF CONTENTS.**—The table of contents of
8 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—AGRICULTURE, NUTRITION, AND FORESTRY

Subtitle A—Elimination of Permanent Agricultural Price Support and
Production Adjustment Authority

Sec. 101. Prohibition on agricultural price support and production adjustment.

- Sec. 102. Agricultural Market Transition Act.
- Sec. 103. Agricultural Adjustment Act of 1938.
- Sec. 104. Commodity Credit Corporation Charter Act.
- Sec. 105. Agricultural Act of 1949.
- Sec. 106. Agricultural Adjustment Act.
- Sec. 107. General commodity provisions.
- Sec. 108. Specific commodity provisions.
- Sec. 109. Liability.
- Sec. 110. Application.

Subtitle B—Phaseout of Peanut Program

CHAPTER 1—MARKETING QUOTAS FOR PEANUTS

- Sec. 121. Marketing quotas for 1999 through 2001 crops of peanuts.
- Sec. 122. Termination of marketing quotas for 2002 and subsequent crops of peanuts.

CHAPTER 2—MARKET TRANSITION PROGRAMS FOR PEANUTS

- Sec. 125. Market transition program for 1999 through 2001 crops of quota and additional peanuts.
- Sec. 126. Nonrecourse loans for 2002 and subsequent crops of peanuts.

CHAPTER 3—IMPLEMENTATION

- Sec. 128. Regulations.
- Sec. 129. Application.

Subtitle C—Other Agricultural Commodities

- Sec. 131. Extension of tobacco deficit reduction assessment.
- Sec. 132. Recourse loans for processors of sugarcane and sugar beets and reduction in loan rates.

Subtitle D—Forestry

- Sec. 141. Elimination of National Forest Salvage Fund.
- Sec. 142. Elimination of below-cost sales of timber from National Forest System lands.
- Sec. 143. Elimination of purchaser road credits as financing method for national forest road construction and recovery of Federal costs of forest road construction.

Subtitle E—Other Agricultural Programs

- Sec. 151. Elimination of interest rate subsidy for insured electric loans.
- Sec. 152. Elimination of market access program.
- Sec. 153. Elimination of Wildlife Services program.

TITLE II—ENERGY AND NATURAL RESOURCES

Subtitle A—Hardrock Mining Royalty

- Sec. 201. Definitions.
- Sec. 202. Royalty.
- Sec. 203. Abandoned Minerals Mine Reclamation Fund.
- Sec. 204. Limitation on patent issuance.
- Sec. 205. Mining claim maintenance requirements.

Subtitle B—Other Energy and Natural Resources Programs

- Sec. 211. Federal irrigation subsidies.
 Sec. 212. Annual domestic livestock grazing fee.
 Sec. 213. Sale of federally-owned facilities under Federal Power Marketing Administrations and termination of Administrations.
 Sec. 214. Plutonium pyroprocessing program.
 Sec. 215. Petroleum research and development.

TITLE III—DEFENSE

- Sec. 301. Tactical aircraft.
 Sec. 302. Uniformed Services University of the Health Sciences.
 Sec. 303. Return of funds made excess to requirements by improved economic conditions.
 Sec. 304. Theater missile defense.
 Sec. 305. Carrier crew deployment.
 Sec. 306. Strategic forces.
 Sec. 307. D5 (Trident II) missile program.
 Sec. 308. Drawdown of defense stocks of equipment and supplies.
 Sec. 309. Tactical aircraft pilot training.

TITLE IV—COMMERCE, SCIENCE, AND TRANSPORTATION

- Sec. 401. Termination of United States participation in the international space station program.

1 **TITLE I—AGRICULTURE,**
 2 **NUTRITION, AND FORESTRY**
 3 **Subtitle A—Elimination of Perma-**
 4 **nent Agricultural Price Support**
 5 **and Production Adjustment Au-**
 6 **thority**

7 **SEC. 101. PROHIBITION ON AGRICULTURAL PRICE SUP-**
 8 **PORT AND PRODUCTION ADJUSTMENT.**

9 Notwithstanding any other provision of law, effective
 10 beginning October 1, 2003, the Secretary of Agriculture
 11 and the Commodity Credit Corporation may not provide
 12 loans, purchases, payments, or other operations or take
 13 any other action to support the price, or adjust or control
 14 the production, of an agricultural commodity by using the

1 funds of the Commodity Credit Corporation or under the
2 authority of any law.

3 **SEC. 102. AGRICULTURAL MARKET TRANSITION ACT.**

4 (a) IN GENERAL.—The Agricultural Market Transi-
5 tion Act (7 U.S.C. 7201 et seq.) is repealed.

6 (b) CONFORMING AMENDMENTS.—

7 (1) CROP INSURANCE.—Section 508(b)(7)(A) of
8 the Federal Crop Insurance Act (7 U.S.C.
9 1508(b)(7)(A)) is amended by striking “Agricultural
10 Market” and all that follows through “, or for” and
11 inserting “conservation reserve program or for”.

12 (2) FLOOD RISK REDUCTION.—Section 385 of
13 the Federal Agriculture Improvement and Reform
14 Act of 1996 (7 U.S.C. 7334) is repealed.

15 (3) CONSERVATION FARM OPTION.—Section
16 1240M of the Food Security Act of 1985 (16 U.S.C.
17 3839bb) is repealed.

18 **SEC. 103. AGRICULTURAL ADJUSTMENT ACT OF 1938.**

19 (a) IN GENERAL.—The Agricultural Adjustment Act
20 of 1938 (7 U.S.C. 1281 et seq.) is repealed.

21 (b) CONFORMING AMENDMENTS.—

22 (1) REFERENCES TO PARITY PRICES.—Section
23 302 of the Agricultural Act of 1948 (7 U.S.C.
24 1301a) is amended by striking subsection (f).

1 (2) TRANSFER OF ACREAGE ALLOTMENTS.—
2 Section 706 of the Food and Agriculture Act of
3 1965 (7 U.S.C. 1305) is repealed.

4 (3) PROJECTED YIELDS.—Section 708 of the
5 Food and Agriculture Act of 1965 (7 U.S.C. 1306)
6 is repealed.

7 (4) TOBACCO DEFINITION.—Section 4 of Public
8 Law 89–12 (7 U.S.C. 1314e note) is repealed.

9 (5) BURLEY TOBACCO ACREAGE ALLOT-
10 MENTS.—The Act of July 12, 1952 (66 Stat. 597,
11 chapter 709; 7 U.S.C. 1315), is repealed.

12 (6) TRANSFER OF ALLOTMENTS SUBSEQUENT
13 TO 1965.—Section 703 of Public Law 89–321 (7
14 U.S.C. 1316) is repealed.

15 (7) WHEAT DIVERSION PROGRAMS.—Section
16 327 of the Food and Agriculture Act of 1962 (7
17 U.S.C. 1339b) is repealed.

18 (8) FARM MARKETING QUOTAS.—The Joint
19 Resolution entitled “Joint Resolution relating to
20 corn and wheat marketing quotas under the Agricul-
21 tural Adjustment Act of 1938, as amended”, ap-
22 proved May 26, 1941 (7 U.S.C. 1330 and 1340), is
23 repealed.

24 (9) PRELIMINARY ALLOTMENTS.—Section 505
25 of the Food, Agriculture, Conservation, and Trade

1 Act of 1990 (7 U.S.C. 1342 note; Public Law 101–
2 624) is repealed.

3 (10) COTTON ACREAGE ALLOTMENTS.—The
4 Act of March 29, 1949 (63 Stat. 17, chapter 38; 7
5 U.S.C. 1344a), is repealed.

6 (11) RECONCENTRATION OF COTTON.—The Act
7 of June 16, 1938 (52 Stat. 762, chapter 480; 7
8 U.S.C. 1383a), is repealed.

9 (12) REQUIREMENTS FOR CORN.—Section 308
10 of the Agricultural Act of 1956 (7 U.S.C. 1442) is
11 repealed.

12 (13) VOLUNTARY RELINQUISHMENT OF ALLOT-
13 MENTS.—Section 803 of the Agricultural Act of
14 1970 (16 U.S.C. 590q–2) is repealed.

15 (14) FIELD MEASUREMENT.—Section 1112 of
16 the Omnibus Budget Reconciliation Act of 1987
17 (101 Stat. 1330–8) is amended by striking sub-
18 section (c).

19 **SEC. 104. COMMODITY CREDIT CORPORATION CHARTER**
20 **ACT.**

21 (a) IN GENERAL.—Section 5 of the Commodity Cred-
22 it Corporation Charter Act (15 U.S.C. 714c) is amend-
23 ed—

24 (1) by striking subsection (a); and

1 (2) by redesignating subsections (b) through (g)
2 as subsections (a) through (f), respectively.

3 (b) CONFORMING AMENDMENT.—Section 619 of the
4 Agricultural Trade Development and Assistance Act of
5 1954 (7 U.S.C. 1738r) is amended by striking “section
6 5(f) of the Commodity Credit Corporation Charter Act”
7 and inserting “section 5(e) of the Commodity Credit Cor-
8 poration Charter Act (15 U.S.C. 714c(e))”.

9 **SEC. 105. AGRICULTURAL ACT OF 1949.**

10 (a) IN GENERAL.—The Agricultural Act of 1949 (7
11 U.S.C. 1421 et seq.) (other than the first section and sec-
12 tion 416) is repealed.

13 (b) CONFORMING AMENDMENTS.—

14 (1) AMOUNT OF ASSESSMENTS.—Section 4609
15 of the Omnibus Trade and Competitiveness Act of
16 1988 (7 U.S.C. 624 note; Public Law 100–418) is
17 repealed.

18 (2) AMERICAN AGRICULTURE PROTECTION PRO-
19 GRAM.—Section 1002 of the Food and Agriculture
20 Act of 1977 (7 U.S.C. 1310) is repealed.

21 (3) ADVANCE RECOURSE LOANS.—Section 13 of
22 the Food Security Improvements Act of 1986 (7
23 U.S.C. 1433c–1) is repealed.

1 (4) CONVERSION INTO FUELS.—Section 2001
2 of the Food and Agriculture Act of 1977 (7 U.S.C.
3 1435) is amended—

4 (A) by striking subsection (a); and

5 (B) in subsection (b)—

6 (i) by striking the subsection designa-
7 tion;

8 (ii) by redesignating paragraphs (1)
9 through (4) as subsections (a) through (d),
10 respectively;

11 (iii) in subsection (a) (as so redesign-
12 nated), by striking “During” and all that
13 follows through “1949, the” and inserting
14 “The”; and

15 (iv) by striking “subsection” each
16 place it appears and inserting “section”.

17 (5) REIMBURSEMENT OF CCC.—Section 412 of
18 the Agricultural Trade Development and Assistance
19 Act of 1954 (7 U.S.C. 1736f) is amended by strik-
20 ing subsection (d).

21 (6) HONEY ASSESSMENTS.—

22 (A) Section 9 of the Honey Research, Pro-
23 motion, and Consumer Information Act (7
24 U.S.C. 4608) is amended—

25 (i) by striking subsection (d);

1 (ii) by redesignating subsections (e)
2 through (i) as subsections (d) through (h),
3 respectively;

4 (iii) in subsection (a), by striking
5 “(d), (e), and (i)” and inserting “(d) and
6 (h)”;

7 (iv) in subsection (f) (as so redesign-
8 dated), by striking “(f)” and inserting
9 “(e)”;

10 (v) in subsection (g)(1) (as so redesign-
11 dated)—

12 (I) in subparagraph (A), by strik-
13 ing “(A)”;

14 (II) by striking subparagraph
15 (B).

16 (B) Section 13(b)(2) of the Honey Re-
17 search, Promotion, and Consumer Information
18 Act (7 U.S.C. 4612(b)(2)) is amended—

19 (i) in subparagraph (A)(ii), by strik-
20 ing “4608(h)(1)” and inserting
21 “4608(g)(1)”;

22 (ii) in subparagraph (B)(ii), by strik-
23 ing “4608(h)(1)” and inserting
24 “4608(g)(1)”.

1 (7) AGRICULTURAL EMBARGO PROTECTION.—
2 Section 411 of the Agricultural Trade Act of 1978
3 (7 U.S.C. 5671) is repealed.

4 (8) INTEGRATED FARM MANAGEMENT PRO-
5 GRAM.—Section 1451 of the Food, Agriculture, Con-
6 servation, and Trade Act of 1990 (7 U.S.C. 5822)
7 is amended by striking subsection (h).

8 (9) ESSENTIAL AGRICULTURAL USE.—Section
9 273 of the Biomass Energy and Alcohol Fuels Act
10 of 1980 (15 U.S.C. 3391a) is amended—

11 (A) by adding “and” at the end of para-
12 graph (1);

13 (B) by striking paragraph (2); and

14 (C) by redesignating paragraph (3) as
15 paragraph (2).

16 (10) CONSERVATION RESERVE.—

17 (A) HARVESTING OR GRAZING.—Section
18 1232(a)(7) of the Food Security Act of 1985
19 (16 U.S.C. 3832(a)(7)) is amended by striking
20 “and occurs” and all that follows through “inci-
21 dental grazing”.

22 (B) RENTAL PAYMENTS.—Section
23 1234(f)(3) of the Food Security Act of 1985
24 (16 U.S.C. 3834(f)(3)) is amended—

1 (i) by striking “this Act,” and insert-
2 ing “this Act or”; and

3 (ii) by striking “, or the Agricultural
4 Act of 1949 (7 U.S.C. 1421 et seq.)”.

5 (C) WETLANDS RESERVE PAYMENTS.—
6 Section 1237D(c)(3) of the Food Security Act
7 of 1985 (16 U.S.C. 3837d(c)(3)) is amended—

8 (i) by striking “this Act,” and insert-
9 ing “this Act or”; and

10 (ii) by striking “, or the Agricultural
11 Act of 1949 (7 U.S.C. 1421 et seq.)”.

12 (D) ENVIRONMENTAL EASEMENT PAY-
13 MENTS.—Section 1239C(f)(3) of the Food Se-
14 curity Act of 1985 (16 U.S.C. 3839c(f)(3)) is
15 amended—

16 (i) by striking “this Act,” and insert-
17 ing “this Act or”; and

18 (ii) by striking “, or the Agricultural
19 Act of 1949 (7 U.S.C. 1421 et seq.)”.

20 (11) TAXABLE YEAR FOR DISASTER PAY-
21 MENTS.—The second sentence of section 451(d) of
22 the Internal Revenue Code of 1986 is amended by
23 striking “the Agricultural Act of 1949, as amended,
24 or”.

1 (12) INTEREST PENALTIES.—Section 3902(h)
2 of title 31, United States Code, is amended—

3 (A) by striking paragraph (2); and

4 (B) by redesignating paragraphs (3) and
5 (4) as paragraphs (2) and (3), respectively.

6 (13) COLORADO RIVER STORAGE PROJECT.—
7 Section 4 of the Act of April 11, 1956 (70 Stat.
8 107, chapter 203; 43 U.S.C. 620c), is amended by
9 striking “, as defined in the Agricultural Act of
10 1949, or any amendment thereof,”.

11 (14) SURPLUS CROPS.—Section 212 of the Rec-
12 lamation Projects Authorization and Adjustment Act
13 of 1992 (Public Law 102–575; 106 Stat. 4625) is
14 repealed.

15 **SEC. 106. AGRICULTURAL ADJUSTMENT ACT.**

16 (a) IN GENERAL.—The Agricultural Adjustment Act
17 (7 U.S.C. 602 and 608 through 608e–1), reenacted with
18 amendments by the Agricultural Marketing Agreement
19 Act of 1937, is repealed.

20 (b) CONFORMING AMENDMENTS.—

21 (1) MARKETWIDE SERVICE PAYMENTS.—Sec-
22 tion 9 of the Food Security Improvements Act of
23 1986 (7 U.S.C. 608c note; Public Law 99–260) is
24 repealed.

1 (2) ARBITRATION OF DISPUTES CONCERNING
2 MILK.—Section 3 of the Act of June 3, 1937 (50
3 Stat. 248, chapter 296; 7 U.S.C. 671), is repealed.

4 (3) ASSESSMENTS.—Section 1999J(b) of the
5 Food, Agriculture, Conservation, and Trade Act of
6 1990 (7 U.S.C. 6409(b)) is amended—

7 (A) by striking paragraph (1); and

8 (B) by redesignating paragraphs (2) and
9 (3) as paragraphs (1) and (2), respectively.

10 **SEC. 107. GENERAL COMMODITY PROVISIONS.**

11 (a) TOBACCO PESTICIDE RESIDUES.—Section 213(e)
12 of the Tobacco Adjustment Act of 1983 (7 U.S.C.
13 511r(e)) is amended by striking paragraph (5).

14 (b) SECTION 32 ACTIVITIES.—Section 32 of the Act
15 of August 24, 1935 (7 U.S.C. 612c), is amended in the
16 second sentence of the first paragraph—

17 (1) in paragraph (1), by inserting “and” after
18 the semicolon at the end; and

19 (2) by striking “; and (3)” and all that follows
20 through “consumption”.

21 (c) EMERGENCY FOOD ASSISTANCE.—Section 202(a)
22 of the Emergency Food Assistance Act of 1983 (7 U.S.C.
23 612c note; Public Law 98–8) is amended—

24 (1) in paragraph (2), by adding “and” at the
25 end;

1 (2) in paragraph (3), by striking “, and” at the
2 end and inserting a period; and

3 (3) by striking paragraph (4).

4 (d) PAYMENT LIMITATIONS.—Sections 1001 through
5 1001E of the Food Security Act of 1985 (7 U.S.C. 1308
6 through 1308–5) are repealed.

7 (e) COST REDUCTION OPTIONS.—Section 1009 of the
8 Food Security Act of 1985 (7 U.S.C. 1308a) is repealed.

9 (f) NORMALLY PLANTED ACREAGE.—Section 1001
10 of the Food and Agriculture Act of 1977 (7 U.S.C. 1309)
11 is repealed.

12 (g) NORMAL SUPPLY.—Section 1019 of the Food Se-
13 curity Act of 1985 (7 U.S.C. 1310a) is repealed.

14 (h) GOOD FAITH RELIANCE.—Section 326 of the
15 Food and Agriculture Act of 1962 (7 U.S.C. 1339a) is
16 repealed.

17 (i) DETERMINATIONS OF THE SECRETARY.—Section
18 1017 of the Food Security Act of 1985 (7 U.S.C. 1385
19 note; Public Law 99–198) is repealed.

20 (j) FINANCIAL IMPACT STUDY.—Section 1147 of the
21 Food, Agriculture, Conservation, and Trade Act of 1990
22 (7 U.S.C. 1421a) is repealed.

23 (k) PLANTING ON SET-ASIDE ACREAGE.—Section
24 814 of the Agricultural Act of 1970 (7 U.S.C. 1434) is
25 repealed.

1 (l) COST OF PRODUCTION STUDY.—Section 808 of
2 the Agricultural Act of 1970 (7 U.S.C. 1441a) is repealed.

3 (m) STORAGE PAYMENTS.—Section 1124 of the
4 Food, Agriculture, Conservation, and Trade Act of 1990
5 (7 U.S.C. 1445e note; Public Law 101–624) is repealed.

6 (n) FOOD SECURITY COMMODITY RESERVE.—Sec-
7 tion 302 of the Food Security Commodity Reserve Act of
8 1996 (7 U.S.C. 1736f–1) is repealed.

9 (o) COMPUTATION OF CARRYOVER.—Section 105 of
10 the Agricultural Act of 1954 (7 U.S.C. 1745) is repealed.

11 (p) OUTREACH AND ASSISTANCE FOR SOCIALLY DIS-
12 ADVANTAGED FARMERS AND RANCHERS.—Section
13 2501(e)(3) of the Food, Agriculture, Conservation, and
14 Trade Act of 1990 (7 U.S.C. 2279) is amended—

15 (1) by striking subparagraphs (A) and (C); and

16 (2) by redesignating subparagraphs (B), (D),
17 (E), (F), and (G) as subparagraphs (A), (B), (C),
18 (D), and (E), respectively.

19 (q) NATIONAL AGRICULTURAL COST OF PRODUC-
20 TION STANDARDS REVIEW BOARD.—Subtitle B of title X
21 of the Agriculture and Food Act of 1981 (7 U.S.C. 4101
22 et seq.) is repealed.

23 (r) ADJUSTMENT OF LOANS.—Section 2(b) of the
24 Act of December 20, 1944 (58 Stat. 836, chapter 623;
25 12 U.S.C. 1150a(b)), is amended—

1 (1) by striking “Agricultural Adjustment Act
2 (of 1933);”; and

3 (2) by striking “sections 303” and all that fol-
4 lows through “adjustment payments;”.

5 (s) HIGHLY ERODIBLE LAND CONSERVATION.—Sec-
6 tion 1211(1) of the Food Security Act of 1985 (16 U.S.C.
7 3811(1)) is amended—

8 (1) by striking subparagraph (A); and

9 (2) by redesignating subparagraphs (B)
10 through (D) as subparagraphs (A) through (C), re-
11 spectively.

12 (t) WETLAND CONSERVATION.—Section 1221(b) of
13 the Food Security Act of 1985 (16 U.S.C. 3821(b)) is
14 amended—

15 (1) by striking paragraph (1); and

16 (2) by redesignating paragraphs (2) and (3) as
17 paragraphs (1) and (2), respectively.

18 (u) CONTROLLED SUBSTANCES.—Section 519(b)(1)
19 of the Controlled Substances Act (21 U.S.C. 889(b)(1))
20 is amended—

21 (1) by striking subparagraphs (A) and (D); and

22 (2) by redesignating subparagraphs (B), (C),
23 and (E) as subparagraphs (A), (B), and (C), respec-
24 tively.

1 (v) TARGETED OPTION PAYMENTS.—Section 121 of
2 the Food, Agriculture, Conservation, and Trade Act
3 Amendments of 1991 (105 Stat. 1843) is repealed.

4 **SEC. 108. SPECIFIC COMMODITY PROVISIONS.**

5 (a) MILK.—

6 (1) IN GENERAL.—Sections 102 through 106,
7 115, and 116 of the Food, Agriculture, Conserva-
8 tion, and Trade Act of 1990 (Public Law 101–624;
9 104 Stat. 3378) are repealed.

10 (2) ADMINISTRATION.—Section 101 of the Ag-
11 riculture and Food Act of 1981 (7 U.S.C. 608c note;
12 Public Law 97–98) is amended by striking sub-
13 section (b).

14 (3) EXPORT SALES OF DAIRY PRODUCTS.—Sec-
15 tion 1163 of the Food Security Act of 1985 (7
16 U.S.C. 1731 note; Public Law 99–198) is repealed.

17 (4) DAIRY INDEMNITY PROGRAM.—Section 3 of
18 the Act entitled “An Act to provide indemnity pay-
19 ments to dairy farmers”, approved August 13, 1968
20 (7 U.S.C. 450*l*), is repealed.

21 (5) DAIRY EXPORT INCENTIVE PROGRAM.—Sec-
22 tion 153 of the Food Security Act of 1985 (15
23 U.S.C. 713a–14) is repealed.

24 (b) FEED GRAINS.—

1 (1) RECOURSE LOAN PROGRAM FOR SILAGE.—
2 Section 403 of the Food Security Act of 1985 (7
3 U.S.C. 1444e-1) is repealed.

4 (2) CALCULATION OF REFUNDS.—Section 405
5 of the Food, Agriculture, Conservation, and Trade
6 Act of 1990 (7 U.S.C. 1445j note; Public Law 101-
7 624) is repealed.

8 (3) ACREAGE DIVERSION PROGRAMS.—Section
9 328 of the Food and Agriculture Act of 1962 (7
10 U.S.C. 1339c) is repealed.

11 (c) SUGAR.—Section 902 of the Food Security Act
12 of 1985 (7 U.S.C. 1446g note; Public Law 99-198) is re-
13 pealed.

14 **SEC. 109. LIABILITY.**

15 A provision of this subtitle or an amendment made
16 by this subtitle shall not affect the liability of any person
17 under any provision of law as in effect before the applica-
18 tion of the provision of this subtitle or the amendment
19 in accordance with section 110.

20 **SEC. 110. APPLICATION.**

21 This subtitle and the amendments made by this sub-
22 title take effect on October 1, 2003.

1 **Subtitle B—Phaseout of Peanut**
 2 **Program**
 3 **CHAPTER 1—MARKETING QUOTAS FOR**
 4 **PEANUTS**

5 **SEC. 121. MARKETING QUOTAS FOR 1999 THROUGH 2001**
 6 **CROPS OF PEANUTS.**

7 Effective beginning with the 1999 crop of peanuts,
 8 part VI of subtitle B of title III of the Agricultural Adjust-
 9 ment Act of 1938 (7 U.S.C. 1357 et seq.) is amended to
 10 read as follows:

11 **“PART VI—MARKETING QUOTAS—PEANUTS**

12 **“SEC. 357. DEFINITIONS.**

13 “In this part:

14 “(1) **ADDITIONAL PEANUTS.**—The term ‘addi-
 15 tional peanuts’ means, for any marketing year—

16 “(A) any peanuts—

17 “(i) that are marketed by a person
 18 who possesses a poundage quota that has
 19 been established; and

20 “(ii) that are in excess of the market-
 21 ings of quota peanuts for the person for
 22 the year; or

23 “(B) all peanuts marketed for which no
 24 poundage quota has been established in accord-
 25 ance with section 358(b).

1 “(2) CRUSHING.—The term ‘crushing’ means
2 the processing of peanuts to extract oil for food uses
3 and meal for feed uses, or the processing of peanuts
4 by crushing or otherwise when authorized by the
5 Secretary.

6 “(3) DOMESTIC EDIBLE USE.—The term ‘do-
7 mestic edible use’ means use for milling to produce
8 domestic food peanuts (other than a use described in
9 paragraph (2)) and for seed and use on a farm, ex-
10 cept that the Secretary may exempt from this para-
11 graph seeds of peanuts that—

12 “(A) are unique strains; and

13 “(B) are not commercially available.

14 “(4) MARKETING YEAR.—The term ‘marketing
15 year’ means, in the case of peanuts, the 12-month
16 period beginning August 1 and ending July 31.

17 “(5) PERSON.—The term ‘person’ means a pro-
18 ducer, owner, or operator who possesses a quota es-
19 tablished under section 358(b) or who is involved in
20 the production of additional peanuts.

21 “(6) QUOTA PEANUTS.—The term ‘quota pea-
22 nuts’ means, for any marketing year, any peanuts
23 produced by a person who possesses a poundage
24 quota, as determined under section 358(b), that—

1 “(A) are eligible for domestic edible use as
2 determined by the Secretary;

3 “(B) are marketed or considered marketed
4 from a farm, excluding undermarketings; and

5 “(C) do not exceed the poundage quota for
6 the year.

7 **“SEC. 358. NATIONAL POUNDAGE QUOTAS FOR 1999**
8 **THROUGH 2001 CROPS OF PEANUTS.**

9 “(a) NATIONAL POUNDAGE QUOTAS.—

10 “(1) ESTABLISHMENT.—The Secretary shall es-
11 tablish the national poundage quota for peanuts for
12 each of the 1999 through 2001 marketing years.

13 “(2) ADVISORY COMMITTEE.—The Secretary
14 shall establish the national poundage quota after
15 considering recommendations from an all-industry
16 advisory committee appointed by the Secretary.

17 “(3) LEVEL.—The Secretary shall establish the
18 national poundage quota at a level that is equal to
19 the quantity of peanuts (in tons) that the Secretary
20 estimates will be devoted in each marketing year re-
21 ferred to in paragraph (1) to domestic edible and re-
22 lated uses, plus a reasonable quantity of peanuts, as
23 determined by the Secretary, for carryover to ensure
24 continuity of supply between marketing years. In es-

1 tablishing the quota, the Secretary shall take into
2 account—

3 “(A) any stocks of peanuts on hand in the
4 inventory of the Commodity Credit Corporation;

5 “(B) peanuts or products of peanuts im-
6 ported into the United States;

7 “(C) projected purchases of additional pea-
8 nuts by the Department of Defense and other
9 Federal and State agencies; and

10 “(D) additional peanuts used for domestic
11 edible use in a quantity equal to the projected
12 imports of peanuts, products of peanuts, and
13 peanut-containing products.

14 “(4) ANNOUNCEMENT.—The national poundage
15 quota for a marketing year shall be announced by
16 the Secretary not later than the December 15 pre-
17 ceding the marketing year.

18 “(b) POUNDAGE QUOTAS.—

19 “(1) IN GENERAL.—

20 “(A) ESTABLISHMENT.—A poundage
21 quota for each of the 1999 through 2001 mar-
22 keting years shall be established—

23 “(i) for a person if—

24 “(I)(aa) the person held a quota
25 in the previous marketing year; or

1 “(bb) in the case of the 1995
2 marketing year, quota was assigned to
3 the farm of the person;
4 unless the quota was sold; and

5 “(II) the person has produced or
6 marketed, or is considered to have
7 produced or marketed, peanuts in at
8 least 2 of the 3 immediately preceding
9 marketing years, as determined by the
10 Secretary; or

11 “(ii) as approved and determined by
12 the Secretary for each person who pro-
13 duces peanuts in connection with experi-
14 mental and research programs.

15 “(B) QUANTITY.—

16 “(i) IN GENERAL.—The poundage
17 quota for each of the 1999 through 2001
18 marketing years shall not be increased—

19 “(I) for undermarketings from
20 any previous years; or

21 “(II) as the result of the alloca-
22 tion of quotas voluntarily released for
23 1 year under paragraph (6).

24 “(ii) INCREASED QUOTA.—The pound-
25 age quota, if any, for each of the 1999

1 through 2001 marketing years, shall be
2 equal to the quantity of peanuts allocated
3 under paragraph (2).

4 “(C) TRANSFERS.—For purposes of this
5 subsection, if the poundage quota, or any part
6 of the quota, is permanently transferred in ac-
7 cordance with this Act, the receiving person
8 shall be considered as possessing the poundage
9 quota (or part of the quota) of the transferring
10 person as of the date of the transfer and for all
11 subsequent marketing years.

12 “(2) ADJUSTMENTS.—

13 “(A) ALLOCATION OF INCREASED QUOTA
14 GENERALLY.—If the national poundage quota
15 for any of the 1999 through 2001 marketing
16 years is increased over the national poundage
17 quota for the immediately preceding marketing
18 year, the increase shall be allocated, proportion-
19 ately, among persons who possess quota if the
20 persons produced peanuts in at least 2 of the
21 3 immediately preceding marketing years, as
22 determined by the Secretary.

23 “(B) DECREASE.—If the national pound-
24 age quota for any of the 1999 through 2001
25 marketing years is decreased from the national

1 poundage quota for the immediately preceding
2 marketing year, the decrease shall be allocated,
3 proportionately, among persons who possess a
4 quota if the persons produced peanuts in at
5 least 2 of the 3 immediately preceding market-
6 ing years, as determined by the Secretary.

7 “(3) QUOTA NOT PRODUCED.—

8 “(A) IN GENERAL.—Insofar as practicable
9 and on such fair and equitable basis as the Sec-
10 retary may by regulation prescribe, the pound-
11 age quota established for a person for any of
12 the 1999 through 2001 marketing years shall
13 be reduced to the extent that the Secretary de-
14 termines that the poundage quota established
15 for the person for any 2 of the 3 marketing
16 years preceding the marketing year for which
17 the determination is being made was not pro-
18 duced, or considered produced.

19 “(B) EXCLUSIONS.—For the purposes of
20 this paragraph, the poundage quota for any
21 such preceding marketing year shall not in-
22 clude—

23 “(i) any increases for undermarketing
24 of quota peanuts from previous years; or

1 “(ii) any increase resulting from the
2 allocation of quotas voluntarily released for
3 1 year under paragraph (6).

4 “(4) QUOTA CONSIDERED PRODUCED.—For
5 purposes of this subsection, the poundage quota
6 shall be considered produced by a person if—

7 “(A) the poundage quota was not produced
8 because of drought, flood, or any other natural
9 disaster, or any other condition beyond the con-
10 trol of the person, as determined by the Sec-
11 retary; or

12 “(B) the poundage quota for the person
13 was released voluntarily under paragraph (6)
14 for only 1 of the 3 marketing years immediately
15 preceding the marketing year for which the de-
16 termination is being made.

17 “(5) QUOTA PERMANENTLY RELEASED.—

18 “(A) IN GENERAL.—The poundage quota
19 established for a person, or any part of the
20 quota, may be permanently released.

21 “(B) ADJUSTMENT OF QUOTA.—The
22 poundage quota for the person for which the
23 quota is released shall be adjusted downward to
24 reflect the quota that is released.

1 “(C) UNUSED QUOTA.—Any quota not
2 produced, considered produced, or not leased or
3 sold shall be considered permanently released.

4 “(6) QUOTA TEMPORARILY RELEASED.—

5 “(A) IN GENERAL.—The poundage quota,
6 or any portion of the quota, established for a
7 person for a marketing year may be voluntarily
8 released to the Secretary to the extent that the
9 quota, or any part of the quota, will not be pro-
10 duced by the person for the marketing year.
11 Any poundage quota so released shall be allo-
12 cated to other persons on such basis as the Sec-
13 retary may by regulation prescribe.

14 “(B) EFFECTIVE PERIOD.—Except as oth-
15 erwise provided in this section, any adjustment
16 in the poundage quota for a person under sub-
17 paragraph (A) shall be effective only for the
18 marketing year for which the adjustment is
19 made and shall not be taken into consideration
20 in establishing a poundage quota for the person
21 from which the quota was released for any sub-
22 sequent marketing year.

23 “(7) RELEASED QUOTA.—Any poundage quota
24 permanently released may not be reallocated in the
25 subsequent marketing year.

1 “(c) REFERENDUM RESPECTING POUNDAGE
2 QUOTAS.—

3 “(1) IN GENERAL.—Not later than December
4 15, 1999, the Secretary shall conduct a referendum
5 of all producers engaged in the production of pea-
6 nuts to determine whether the producers are in favor
7 of or opposed to poundage quotas with respect to the
8 crops of peanuts produced in the remaining market-
9 ing years authorized by this part, except that, if as
10 many as $\frac{2}{3}$ of the producers voting in any referen-
11 dum vote in favor of poundage quotas, no referen-
12 dum shall be held with respect to quotas for the re-
13 maining marketing years authorized by this part.
14 Each producer voting in the referendum may cast 1
15 vote.

16 “(2) PROCLAMATION.—The Secretary shall pro-
17 claim the result of the referendum within 30 days
18 after the date on which the referendum is held.

19 “(3) VOTE AGAINST QUOTAS.—If more than $\frac{1}{3}$
20 of the producers voting in the referendum vote
21 against quotas, the Secretary shall proclaim that
22 poundage quotas will not be in effect for the remain-
23 ing marketing years authorized by this part.

1 **“SEC. 358A. SALE, LEASE, OR TRANSFER OF POUNDAGE**
2 **QUOTA FOR 1999 THROUGH 2001 CROPS OF**
3 **PEANUTS.**

4 “(a) IN GENERAL.—Subject to such terms and condi-
5 tions as the Secretary may prescribe, a person for which
6 a poundage quota has been established under this Act may
7 sell, lease, or transfer all or any part of the poundage
8 quota to any other owner, operator, or producer of peanuts
9 without geographic limitation. Sales, leases, or transfers
10 shall be allowed so as to rationalize production for owners,
11 operators, or producers in areas or regions that may be
12 the most efficient and productive.

13 “(b) TREATMENT OF LESSORS.—For purposes of
14 this part, a lessor who is a person who leases all or any
15 part of a poundage quota for a marketing year shall be
16 considered to have produced or marketed the quota for
17 that marketing year.

18 “(c) LIMITS.—A sale, lease, or transfer of poundage
19 quotas under this section shall be subject to the following
20 conditions:

21 “(1) LIENHOLDERS.—No transfer of the
22 poundage quota from a farm subject to a mortgage
23 or other lien is effective unless the transfer is agreed
24 to by the lienholders.

25 “(2) RECORD.—No transfer of the poundage
26 quota shall be effective until the Secretary and all

1 lienholders are given notice of the transfer, as deter-
2 mined by the Secretary.

3 “(3) LIMITATION.—The Secretary may not es-
4 tablish a limitation on the quantity or geographical
5 location of poundage quota that may be transferred.

6 “(4) OTHER TERMS.—The Secretary may es-
7 tablish by regulation other terms and conditions.

8 **“SEC. 358B. MARKETING PENALTIES AND DISPOSITION OF**
9 **ADDITIONAL PEANUTS FOR 1999 THROUGH**
10 **2001 CROPS OF PEANUTS.**

11 “(a) MARKETING PENALTIES.—

12 “(1) IN GENERAL.—

13 “(A) MARKETING PEANUTS IN EXCESS OF
14 QUOTA.—The marketing of any peanuts for do-
15 mestic edible use in excess of the poundage
16 quota for a person shall be subject to a penalty
17 at a rate equal to 140 percent of the support
18 price for quota peanuts for the marketing year
19 in which the marketing occurs. The penalty
20 shall not apply to the marketing of breeder or
21 Foundation seed peanuts grown and marketed
22 by a publicly owned agricultural experiment sta-
23 tion (including a State operated seed organiza-
24 tion), nor to additional peanuts marketed under

1 contracts between handlers and producers
2 under subsection (e).

3 “(B) MARKETING ADDITIONAL PEA-
4 NUTS.—The marketing of any additional pea-
5 nuts shall be subject to the same penalty as the
6 penalty prescribed in subparagraph (A) unless
7 the peanuts, in accordance with regulations es-
8 tablished by the Secretary, are—

9 “(i) placed under loan at the addi-
10 tional loan rate in effect for the peanuts
11 under section 155 of the Agricultural Mar-
12 ket Transition Act (7 U.S.C. 7271) and
13 not redeemed by the producers;

14 “(ii) marketed or used for seed in ac-
15 cordance with regulations issued by the
16 Secretary, and under the supervision of
17 agents designated by the Secretary; or

18 “(iii) marketed under contracts be-
19 tween handlers and producers pursuant to
20 subsection (e).

21 “(2) PAYER.—The penalty shall be paid by the
22 person who buys or otherwise acquires the peanuts
23 from the producer or, if the peanuts are marketed
24 by the producer through an agent, the penalty shall
25 be paid by the agent. The person or agent may de-

1 duct an amount equivalent to the penalty from the
2 price paid to the producer.

3 “(3) FAILURE TO COLLECT.—If the person re-
4 quired to collect the penalty fails to collect the pen-
5 alty, the person and all persons entitled to share in
6 the peanuts marketed from the farm or the proceeds
7 of the marketing shall be jointly and severally liable
8 with the person who failed to collect the penalty for
9 the amount of the penalty.

10 “(4) APPLICATION OF QUOTA.—Peanuts pro-
11 duced in a calendar year in which poundage quotas
12 are in effect for the marketing year beginning in the
13 calendar year shall be subject to the quotas even
14 though the peanuts are marketed prior to the date
15 on which the marketing year begins.

16 “(5) FALSE INFORMATION.—If any producer
17 falsely identifies, fails to accurately certify planted
18 acres, or fails to account for the disposition of any
19 peanuts produced on the planted acres, a quantity of
20 peanuts equal to the greater of the average or actual
21 yield of the farm, as determined by the Secretary,
22 multiplied by the number of planted acres, shall be
23 deemed to have been marketed in violation of per-
24 missible uses of quota and additional peanuts. Any

1 penalty payable under this paragraph shall be paid
2 and remitted by the producer.

3 “(6) UNINTENTIONAL VIOLATIONS.—The Sec-
4 retary shall authorize, under such regulations as the
5 Secretary shall issue, the county committees estab-
6 lished under section 8(b) of the Soil Conservation
7 and Domestic Allotment Act (16 U.S.C. 590h(b)) to
8 waive or reduce marketing penalties provided for
9 under this subsection in cases which the committees
10 determine that the violations that were the basis of
11 the penalties were unintentional or without knowl-
12 edge on the part of the parties concerned.

13 “(7) DE MINIMIS VIOLATIONS.—An error in
14 weight that does not exceed $\frac{1}{10}$ of 1 percent in the
15 case of any 1 marketing document shall not be con-
16 sidered to be a marketing violation except in a case
17 of fraud or conspiracy.

18 “(b) USE OF QUOTA AND ADDITIONAL PEANUTS.—

19 “(1) QUOTA PEANUTS.—Quota peanuts may be
20 retained for use on a farm. If the peanuts are used
21 on the farm, the peanuts shall be considered mar-
22 keted.

23 “(2) ADDITIONAL PEANUTS.—Additional pea-
24 nuts may be sold for seed or used on a farm and
25 may not be marketed for domestic edible use, except

1 as provided in subsection (e) and section 155(a)(5)
2 of the Agricultural Market Transition Act (7 U.S.C.
3 7271(a)(5)). If the peanuts are used on the farm,
4 the peanuts shall be considered marketed.

5 “(c) MARKETING PEANUTS WITH EXCESS QUAN-
6 TITY, GRADE, OR QUALITY.—On a finding by the Sec-
7 retary that the peanuts marketed from any crop for do-
8 mestic edible use by a handler are larger in quantity or
9 higher in grade or quality than the peanuts that could rea-
10 sonably be produced from the quantity of peanuts having
11 the grade, kernel content, and quality of the quota peanuts
12 acquired by the handler from the crop for the marketing,
13 the handler shall be subject to a penalty equal to 140 per-
14 cent of the loan level for quota peanuts on the quantity
15 of peanuts that the Secretary determines are in excess of
16 the quantity, grade, or quality of the peanuts that could
17 reasonably have been produced from the peanuts so ac-
18 quired.

19 “(d) HANDLING AND DISPOSAL OF ADDITIONAL
20 PEANUTS.—

21 “(1) IN GENERAL.—A handler who provides
22 adequate assurances to the Secretary under para-
23 graph (3) shall be eligible to handle, process, and ex-
24 port additional peanuts.

25 “(2) SUPERVISION BY HANDLERS.—

1 “(A) IN GENERAL.—Supervision of the
2 handling and disposal of additional peanuts by
3 a handler shall not be required if the handler
4 agrees in writing, prior to any handling or dis-
5 posal of the peanuts, to comply with regulations
6 that the Secretary shall issue.

7 “(B) REGULATIONS.—The regulations
8 issued by the Secretary shall include the follow-
9 ing:

10 “(i) TYPES OF EXPORTED OR
11 CRUSHED PEANUTS.—Handlers of shelled
12 or milled peanuts may export or crush—

13 “(I) sound split kernel additional
14 peanuts purchased by the handler
15 that are discounted due to the per-
16 centage of sound splits per pound;

17 “(II) sound mature kernel addi-
18 tional peanuts in an amount equal to
19 the poundage of the additional pea-
20 nuts purchased by the handler, less
21 the total poundage of sound split ker-
22 nel peanuts; and

23 “(III) the remaining quantity of
24 additional peanuts purchased by the
25 handler.

1 “(ii) DOCUMENTATION.—A handler
2 shall ensure that any additional peanuts
3 exported or crushed are evidenced by on-
4 board bills of lading or other appropriate
5 documentation as may be required by the
6 Secretary.

7 “(iii) LOSS OF PEANUTS.—If a han-
8 dler suffers a loss of peanuts as a result of
9 fire, flood, or any other condition beyond
10 the control of the handler, the portion of
11 the loss allocated to contracted additional
12 peanuts shall not be greater than the por-
13 tion of the total peanut purchases of the
14 handler for the year for export or crushing.

15 “(iv) SHRINKAGE ALLOWANCE.—

16 “(I) IN GENERAL.—The obliga-
17 tion of a handler to export or crush
18 peanuts in quantities described in this
19 subparagraph shall be reduced by a
20 shrinkage allowance, to be determined
21 by the Secretary, to reflect actual dol-
22 lar value shrinkage experienced by
23 handlers in commercial operations, ex-
24 cept that the allowance shall not be
25 less than 4 percent.

1 “(II) COMMON INDUSTRY PRAC-
2 TICES.—The Secretary may provide a
3 lower shrinkage allowance for a han-
4 dler who fails to comply with shrink-
5 age criteria specified by the Secretary,
6 taking into account common industry
7 practice.

8 “(3) ADEQUATE FINANCES AND FACILITIES.—A
9 handler shall submit to the Secretary adequate as-
10 surances that the handler is fiscally sound. The Sec-
11 retary shall not require proof of capacity to process
12 peanuts.

13 “(4) COMMINGLING OF LIKE PEANUTS.—Quota
14 and additional peanuts of like type and segregation
15 or quality may, under regulations issued by the Sec-
16 retary, be commingled and exchanged on a dollar
17 value basis to facilitate warehousing, handling, and
18 marketing.

19 “(5) PENALTY.—

20 “(A) IN GENERAL.—Except as provided in
21 subparagraph (B), the failure by a handler to
22 comply with regulations issued by the Secretary
23 governing the disposition and handling of addi-
24 tional peanuts shall subject the handler to a
25 penalty at a rate equal to 140 percent of the

1 loan level for quota peanuts on the quantity of
2 peanuts involved in the violation.

3 “(B) NONDELIVERY.—A handler shall not
4 be subject to a penalty for failure to export ad-
5 ditional peanuts if the peanuts were not deliv-
6 ered to the handler.

7 “(6) REENTRY OF EXPORTED PEANUTS.—

8 “(A) PENALTY.—If any additional peanuts
9 exported by a handler are reentered into the
10 United States in commercial quantities as de-
11 termined by the Secretary, the importer of the
12 peanuts shall be subject to a penalty at a rate
13 equal to 140 percent of the loan level for quota
14 peanuts on the quantity of peanuts reentered.

15 “(B) RECORDS.—Each person, firm, or
16 handler who imports peanuts into the United
17 States shall maintain such records and docu-
18 ments as are required by the Secretary to en-
19 sure compliance with this subsection.

20 “(e) CONTRACTS FOR PURCHASE OF ADDITIONAL
21 PEANUTS.—

22 “(1) IN GENERAL.—Handlers may, under such
23 regulations as the Secretary may issue, contract with
24 producers for the purchase of additional peanuts
25 for—

1 “(A) crushing;

2 “(B) export;

3 “(C) use as seed;

4 “(D) sale to the Department of Defense or
5 another agency of the Federal, State, or local
6 government;

7 “(E) domestic edible use in a quantity
8 equal to the projected imports of peanuts, prod-
9 ucts of peanuts, and peanut-containing prod-
10 ucts; or

11 “(F) any combination of the uses referred
12 to in subparagraphs (A) through (E).

13 “(2) INFORMATION FOR HANDLING AND PROC-
14 ESSING ADDITIONAL PEANUTS.—Any person wishing
15 to handle or process additional peanuts as a handler
16 shall submit to the Secretary such information as
17 the Secretary may require.

18 “(3) SUSPENSION OF RESTRICTIONS ON IM-
19 PORTED PEANUTS.—Notwithstanding any other pro-
20 vision of this Act, if the President issues a proclama-
21 tion under section 404(b) of the Uruguay Round
22 Agreements Act (19 U.S.C. 3601(b)) expanding the
23 quantity of peanuts subject to the in-quota rate of
24 duty under a tariff-rate quota, or under section 22
25 of the Agricultural Adjustment Act (7 U.S.C. 624),

1 reenacted with amendments by the Agricultural
2 Marketing Agreement Act of 1937, temporarily sus-
3 pending restrictions on the importation of peanuts,
4 the Secretary shall, subject to such terms and condi-
5 tions as the Secretary may prescribe, permit a han-
6 dler, with the written consent of the producer, to
7 purchase additional peanuts from any producer who
8 contracted with the handler and to offer the peanuts
9 for sale for domestic edible use.

10 “(f) ADMINISTRATION.—

11 “(1) INTEREST.—The person liable for payment
12 or collection of any penalty provided for in this sec-
13 tion shall be liable also for interest on the penalty
14 at a rate per annum equal to the rate per annum
15 of interest that was charged the Commodity Credit
16 Corporation by the Treasury of the United States on
17 the date the penalty became due.

18 “(2) DE MINIMIS QUANTITY.—This section shall
19 not apply to peanuts produced on any farm on which
20 the acreage harvested for peanuts is 1 acre or less
21 if the producers who share in the peanuts produced
22 on the farm do not share in the peanuts produced
23 on any other farm.

24 “(3) LIENS.—Until the amount of the penalty
25 provided by this section is paid, a lien on the crop

1 of peanuts with respect to which the penalty is in-
2 curred, and on any subsequent crop of peanuts sub-
3 ject to poundage quotas in which the person liable
4 for payment of the penalty has an interest, shall be
5 in effect in favor of the United States.

6 “(4) INFORMATION.—A person possessing a
7 poundage quota, and a producer of additional pea-
8 nuts, shall provide any information required by the
9 Secretary to carry out this section.

10 “(5) PENALTIES.—

11 “(A) PROCEDURES.—The liability for and
12 the amount of any penalty assessed under this
13 section shall be determined in accordance with
14 such procedures as the Secretary may prescribe
15 by regulation. The facts constituting the basis
16 for determining the liability for or amount of
17 any penalty assessed under this section, when
18 officially determined in conformity with the ap-
19 plicable regulations prescribed by the Secretary,
20 shall be final and conclusive and shall not be re-
21 viewable by any other officer or agency of the
22 Federal Government.

23 “(B) JUDICIAL REVIEW.—Nothing in this
24 section prohibits any court of competent juris-
25 diction from reviewing any determination made

1 by the Secretary with respect to whether the de-
2 termination was made in conformity with the
3 applicable law.

4 “(6) REDUCTION OF PENALTIES.—The Sec-
5 retary may reduce the amount of any penalty as-
6 sessed against a handler under this section by any
7 appropriate amount, including, in an appropriate
8 case, eliminating the penalty entirely, if the Sec-
9 retary finds that the violation on which the penalty
10 is based was minor or inadvertent, and that the re-
11 duction of the penalty will not impair the operation
12 of the peanut program.

13 **“SEC. 358C. EXPERIMENTAL AND RESEARCH PROGRAMS**
14 **FOR PEANUTS.**

15 “(a) IN GENERAL.—The Secretary may permit a por-
16 tion of the national poundage quota for peanuts estab-
17 lished under section 358(a) to be provided to land-grant
18 institutions identified in the Act of May 8, 1914 (38 Stat.
19 372, chapter 79; 7 U.S.C. 341 et seq.), and colleges eligi-
20 ble to receive funds under the Act of August 30, 1890
21 (26 Stat. 419, chapter 841; 7 U.S.C. 321 et seq.), includ-
22 ing Tuskegee Institute and, as appropriate, the Agricul-
23 tural Research Service of the Department of Agriculture,
24 to be used for experimental and research purposes.

1 (2) ADJUSTMENT OF QUOTAS.—Section 371 of
2 the Agricultural Adjustment Act of 1938 (7 U.S.C.
3 1371) is amended—

4 (A) in the first sentence of subsection (a),
5 by striking “peanuts,”; and

6 (B) in the first sentence of subsection (b),
7 by striking “peanuts”.

8 (3) REPORTS AND RECORDS.—Section 373 of
9 the Agricultural Adjustment Act of 1938 (7 U.S.C.
10 1373) is amended—

11 (A) in the first sentence of subsection
12 (a)—

13 (i) by striking “peanuts,” each place
14 it appears;

15 (ii) by inserting “and” after “from
16 producers,”; and

17 (iii) by striking “for producers, all”
18 and all that follows through the period at
19 the end of the sentence and inserting “for
20 producers.”; and

21 (B) in subsection (b), by striking “pea-
22 nuts,”.

23 (4) EMINENT DOMAIN.—Section 378(c) of the
24 Agricultural Adjustment Act of 1938 (7 U.S.C.
25 1378(c)) is amended in the first sentence—

1 (A) by striking “cotton,” and inserting
2 “cotton and”; and

3 (B) by striking “and peanuts,”.

4 (c) CROPS.—This section and the amendments made
5 by this section shall become effective beginning with the
6 2002 crop of peanuts.

7 **CHAPTER 2—MARKET TRANSITION**

8 **PROGRAMS FOR PEANUTS**

9 **SEC. 125. MARKET TRANSITION PROGRAM FOR 1999**

10 **THROUGH 2001 CROPS OF QUOTA AND ADDI-**

11 **TIONAL PEANUTS.**

12 Effective beginning with the 1999 crop of peanuts,
13 section 155 of the Agricultural Market Transition Act (7
14 U.S.C. 7271) is amended to read as follows:

15 **“SEC. 155. PEANUT PROGRAM.**

16 **“(a) QUOTA PEANUTS.—**

17 **“(1) IN GENERAL.—**The Secretary shall make
18 nonrecourse loans available to producers of each of
19 the 1999 through 2001 crops of quota peanuts.

20 **“(2) DISBURSEMENT.—**The Secretary shall ini-
21 tially disburse only 80 percent of the loans for each
22 of the 1999, 2000, and 2001 crops and provide for
23 the disbursement to producers at maturity of any
24 balances due the producers on the loans that may
25 remain to be settled at maturity. The remainder of

1 the loans shall be paid only if payment would result
2 in no net cost to the Commodity Credit Corporation
3 for the immediately preceding and current crops of
4 quota peanuts.

5 “(3) SUPPORT RATES.—The national average
6 quota support rate for quota peanuts shall not be
7 more than \$515 per ton for the 1999 crop, \$480 per
8 ton for the 2000 crop, and \$445 per ton for the
9 2001 crop.

10 “(4) INSPECTION, HANDLING, OR STORAGE.—
11 The levels of support determined under paragraph
12 (3) shall not be reduced by any deduction for inspec-
13 tion, handling, or storage.

14 “(5) MARKETING OF PEANUTS OWNED OR CON-
15 TROLLED BY THE COMMODITY CREDIT CORPORA-
16 TION.—Any peanuts owned or controlled by the
17 Commodity Credit Corporation may be made avail-
18 able for domestic edible use, in accordance with reg-
19 ulations issued by the Secretary and sales price re-
20 strictions applicable to the Corporation.

21 “(6) LOCATION AND OTHER FACTORS.—The
22 Secretary may make adjustments for location of pea-
23 nuts and such other factors as are authorized by
24 section 403.

1 “(b) ADDITIONAL PEANUTS.—The Secretary shall
2 make nonrecourse loans available to producers of each of
3 the 1999 through 2001 crops of additional peanuts at
4 such levels as the Secretary considers appropriate, taking
5 into consideration the demand for peanut oil and peanut
6 meal, the expected prices of other vegetable oils and pro-
7 tein meals, and the demand for peanuts in foreign mar-
8 kets, except that the Secretary shall set the support rate
9 on additional peanuts at a level estimated by the Secretary
10 to ensure that there are no losses to the Commodity Credit
11 Corporation on the sale or disposal of the peanuts.

12 “(c) POOLS FOR QUOTA AND ADDITIONAL PEA-
13 NUTS.—

14 “(1) IN GENERAL.—The Secretary shall require
15 a participating marketing association to establish
16 pools and maintain complete and accurate records
17 by area and segregation for quota peanuts handled
18 under loan and for additional peanuts placed under
19 loan, except that separate pools shall be established
20 for Valencia peanuts produced in New Mexico.
21 Bright hull and dark hull Valencia peanuts shall be
22 considered as separate types for the purpose of es-
23 tablishing the pools.

24 “(2) NET GAINS.—Net gains on peanuts in
25 each pool, unless otherwise approved by the Sec-

1 retary, shall be distributed only to producers who
2 placed peanuts in the pool and shall be distributed
3 in proportion to the value of the peanuts placed in
4 the pool by each producer. Net gains for peanuts in
5 each pool shall consist of the net gains over and
6 above the loan indebtedness and other costs or losses
7 incurred on peanuts placed in the pool.

8 “(3) LOSSES.—A loss in an area quota pool
9 shall be offset by any gain or profit from other area
10 quota pools (other than the quota pool for Valencia
11 peanuts for New Mexico). A quota pool shall be ad-
12 ministered at no cost to the Commodity Credit Cor-
13 poration.

14 “(d) DISAPPROVAL OF QUOTAS.—No loan may be
15 made available by the Secretary for any crop of peanuts
16 with respect to which poundage quotas have been dis-
17 approved by producers, as provided for in section 358(c)
18 of the Agricultural Adjustment Act of 1938 (7 U.S.C.
19 1358(c)).

20 “(e) MARKETING ASSESSMENT.—

21 “(1) DEFINITION OF FIRST PURCHASER.—In
22 this subsection, the term ‘first purchaser’ means a
23 person acquiring peanuts from a producer, except
24 that in the case of peanuts forfeited by a producer
25 to the Commodity Credit Corporation, the term

1 means the person acquiring the peanuts from the
2 Commodity Credit Corporation.

3 “(2) ASSESSMENT.—The Secretary shall pro-
4 vide, by regulation, for a nonrefundable marketing
5 assessment applicable to each of the 1999 through
6 2001 crops of peanuts. The assessment shall be
7 made in accordance with this subsection and shall be
8 on a per pound basis in an amount equal to 1.2 per-
9 cent of the national average quota or additional pea-
10 nut support rate per pound, as applicable, for the
11 applicable crop. No peanuts shall be assessed more
12 than 1.2 percent of the applicable support rate
13 under this subsection.

14 “(3) FIRST PURCHASERS.—Except as provided
15 under paragraphs (4) and (5), the first purchaser of
16 peanuts shall—

17 “(A) collect from the producer a marketing
18 assessment equal to the quantity of peanuts ac-
19 quired multiplied by .65 percent of the applica-
20 ble national average support rate;

21 “(B) pay, in addition to the amount col-
22 lected under subparagraph (A), a marketing as-
23 sessment in an amount equal to the quantity of
24 peanuts acquired multiplied by .55 percent of

1 the applicable national average support rate;
2 and

3 “(C) remit the amounts required under
4 subparagraphs (A) and (B) to the Commodity
5 Credit Corporation in a manner specified by the
6 Secretary.

7 “(4) OTHER PRIVATE MARKETINGS.—In the
8 case of a private marketing by a producer directly
9 to a consumer through a retail or wholesale outlet
10 or in the case of a marketing by the producer out-
11 side of the continental United States, the producer
12 shall be responsible for the full amount of the as-
13 sessment and shall remit the assessment by such
14 time as is specified by the Secretary.

15 “(5) LOAN PEANUTS.—In the case of peanuts
16 that are pledged as collateral for a loan made under
17 this section, $\frac{1}{2}$ of the assessment shall be deducted
18 from the proceeds of the loan. The remainder of the
19 assessment shall be paid by the first purchaser of
20 the peanuts. For the purposes of computing net
21 gains on peanuts under this section, the reduction in
22 loan proceeds shall be treated as having been paid
23 to the producer.

24 “(6) PENALTIES.—If any person fails to collect
25 or remit the reduction required by this subsection or

1 fails to comply with such requirements for record-
 2 keeping or otherwise as are required by the Sec-
 3 retary to carry out this subsection, the person shall
 4 be liable to the Secretary for a civil penalty up to
 5 an amount determined by multiplying—

6 “(A) the quantity of peanuts involved in
 7 the violation; by

8 “(B) the national average quota support
 9 rate for the applicable crop year.

10 “(7) ENFORCEMENT.—The Secretary may en-
 11 force this subsection in the courts of the United
 12 States.

13 “(f) COMMODITY CREDIT CORPORATION.—The Sec-
 14 retary shall carry out the program authorized by this sec-
 15 tion through the Commodity Credit Corporation.

16 “(g) CROPS.—This section shall be effective for the
 17 1999 through 2001 crops of peanuts.”.

18 **SEC. 126. NONRECOURSE LOANS FOR 2002 AND SUBSE-**
 19 **QUENT CROPS OF PEANUTS.**

20 Effective beginning with the 2002 crop of peanuts,
 21 section 155 of the Agricultural Market Transition Act (7
 22 U.S.C. 7271) is amended to read as follows:

23 **“SEC. 155. PEANUT PROGRAM.**

24 “(a) IN GENERAL.—

1 “(1) LOANS.—The Secretary shall make non-
2 recourse loans available to producers of peanuts for
3 each of the 2002 and subsequent crops of peanuts.

4 “(2) RATE.—In carrying out paragraph (1), the
5 Secretary shall offer to all peanut producers non-
6 recourse loans at a level not less than 85 percent of
7 the simple average price received by producers for
8 peanuts, as determined by the Secretary, during the
9 marketing year for each of the immediately preced-
10 ing 5 crops of peanuts, excluding the year in which
11 the average price was the highest and the year in
12 which the average price was the lowest during the
13 period, but not more than \$350 per ton. The loans
14 shall be administered at no net cost to the Commod-
15 ity Credit Corporation.

16 “(3) INSPECTION, HANDLING, OR STORAGE.—
17 The levels of support determined under paragraph
18 (2) shall not be reduced by any deduction for inspec-
19 tion, handling, or storage.

20 “(4) MARKETING OF PEANUTS OWNED OR CON-
21 TROLLED BY THE COMMODITY CREDIT CORPORA-
22 TION.—Any peanuts owned or controlled by the
23 Commodity Credit Corporation may be made avail-
24 able for domestic edible use, in accordance with reg-
25 ulations issued by the Secretary, so long as doing so

1 results in no net cost to the Commodity Credit Cor-
2 poration.

3 “(5) LOCATION AND OTHER FACTORS.—The
4 Secretary may make adjustments for the location of
5 peanuts and such other factors as are authorized by
6 section 403.

7 “(6) ANNOUNCEMENT.—The Secretary shall
8 announce the level of support for each crop of pea-
9 nuts not later than the February 15 preceding the
10 marketing year for which the level of support is
11 being determined.

12 “(b) COMMODITY CREDIT CORPORATION.—The Sec-
13 retary shall carry out the program authorized by this sec-
14 tion through the Commodity Credit Corporation.

15 “(c) CROPS.—This section shall be effective for each
16 of the 2002 and subsequent crops of peanuts.”.

17 **CHAPTER 3—IMPLEMENTATION**

18 **SEC. 128. REGULATIONS.**

19 The Secretary of Agriculture shall issue such regula-
20 tions as are necessary to carry out this subtitle and the
21 amendments made by this subtitle.

22 **SEC. 129. APPLICATION.**

23 (a) CROPS.—Except as otherwise specifically pro-
24 vided in this subtitle, this subtitle and the amendments

1 made by this subtitle shall apply beginning with the 1999
2 crop of peanuts.

3 (b) PRIOR CROPS.—Except as otherwise specifically
4 provided and notwithstanding any other provision of law,
5 this subtitle and the amendments made by this subtitle
6 shall not affect the authority of the Secretary of Agri-
7 culture to carry out a market transition or production ad-
8 justment program for any of the 1991 through 1998 crops
9 of peanuts established under a provision of law in effect
10 immediately before the enactment of this Act.

11 **Subtitle C—Other Agricultural** 12 **Commodities**

13 **SEC. 131. EXTENSION OF TOBACCO DEFICIT REDUCTION** 14 **ASSESSMENT.**

15 Section 106(g)(1) of the Agricultural Act of 1949 (7
16 U.S.C. 1445(g)(1)) is amended by striking “1998” and
17 inserting “2003”.

18 **SEC. 132. RECOURSE LOANS FOR PROCESSORS OF SUGAR-** 19 **CANE AND SUGAR BEETS AND REDUCTION IN** 20 **LOAN RATES.**

21 (a) GRADUAL REDUCTION IN LOAN RATES.—

22 (1) SUGARCANE PROCESSOR LOANS.—Section
23 156(a) of the Agricultural Market Transition Act (7
24 U.S.C. 7272(a)) is amended by striking “equal to 18
25 cents per pound for raw cane sugar.” and inserting

1 the following: “, per pound for raw cane sugar, equal
2 to the following:

3 “(1) In the case of raw cane sugar processed
4 from the 1996, 1997, or 1998 crop, \$0.18.

5 “(2) In the case of raw cane sugar processed
6 from the 1999 crop, \$0.17.

7 “(3) In the case of raw cane sugar processed
8 from the 2000 crop, \$0.16.

9 “(4) In the case of raw cane sugar processed
10 from the 2001 crop, \$0.15.

11 “(5) In the case of raw cane sugar processed
12 from the 2002 crop, \$0.14.”.

13 (2) SUGAR BEET PROCESSOR LOANS.—Section
14 156(b) of the Agricultural Market Transition Act (7
15 U.S.C. 7272(b)) is amended by striking “equal to
16 22.9 cents per pound for refined beet sugar.” and
17 inserting the following: “, per pound of refined beet
18 sugar, that reflects—

19 “(1) an amount that bears the same relation to
20 the loan rate in effect under subsection (a) for a
21 crop as the weighted average of producer returns for
22 sugar beets bears to the weighted average of pro-
23 ducer returns for sugarcane, expressed on a cents
24 per pound basis for refined beet sugar and raw cane

1 sugar, for the most recent 5-year period for which
2 data are available; and

3 “(2) an amount that covers sugar beet proc-
4 essor fixed marketing expenses.”.

5 (b) CONVERSION TO RECOURSE LOANS.—Section
6 156(e) of the Agricultural Market Transition Act (7
7 U.S.C. 7272(e)) is amended—

8 (1) in paragraph (1), by inserting “only” after
9 “this section”;

10 (2) in the first sentence of paragraph (2)—

11 (A) by striking “During any fiscal year in
12 which” and inserting “If, during fiscal year
13 1997,”; and

14 (B) by striking “carry out this section”
15 and inserting “carry out this section for the
16 1996 crop of sugarcane and sugar beets”; and

17 (3) by adding at the end the following:

18 “(4) NATIONAL LOAN RATES.—Recourse loans
19 under this section shall be made available at all loca-
20 tions nationally at the rates specified in this section,
21 without adjustment to provide regional differen-
22 tials.”.

23 (c) CONVERSION TO PRIVATE SECTOR FINANCING.—
24 Section 156 of the Agricultural Market Transition Act (7
25 U.S.C. 7272) is amended—

1 (1) by redesignating subsection (i) as subsection
2 (j);

3 (2) by inserting after subsection (h) the follow-
4 ing:

5 “(i) CONVERSION TO PRIVATE SECTOR FINANC-
6 ING.—Notwithstanding any other provision of law—

7 “(1) no processor of any of the 2003 or subse-
8 quent crops of sugarcane or sugar beets shall be eli-
9 gible for a loan under this section with respect to
10 the crops; and

11 “(2) the Secretary may not make price support
12 available, whether in the form of loans, payments,
13 purchases, or other operations, for any of the 2003
14 and subsequent crops of sugar beets and sugarcane
15 by using the funds of the Commodity Credit Cor-
16 poration or other funds available to the Secretary.”;
17 and

18 (3) in subsection (j) (as redesignated by para-
19 graph (1)), by striking “subsection (f)” and insert-
20 ing “subsections (f) and (i)”.

21 (d) TERMINATION OF MARKETING QUOTAS AND AL-
22 LOTMENTS.—

23 (1) TERMINATION.—Part VII of subtitle B of
24 title III of the Agricultural Adjustment Act of 1938
25 (7 U.S.C. 1359aa et seq.) is repealed.

1 (2) CONFORMING AMENDMENT.—Section
2 344(f)(2) of the Agricultural Adjustment Act of
3 1938 (7 U.S.C. 1344(f)(2)) is amended by striking
4 “sugar cane for sugar, sugar beets for sugar,”.

5 (e) OTHER CONFORMING AMENDMENTS.—

6 (1) POWERS OF COMMODITY CREDIT CORPORA-
7 TION.—Section 5(a) of the Commodity Credit Cor-
8 poration Charter Act (15 U.S.C. 714c(a)) is amend-
9 ed by inserting “(except for sugarcane and sugar
10 beets of the 2003 and subsequent crops)” after “ag-
11 ricultural commodities”.

12 (2) SECTION 32 ACTIVITIES.—Section 32 of the
13 Act of August 24, 1935 (7 U.S.C. 612c), is amended
14 in the second sentence of the first paragraph by in-
15 serting “(other than sugarcane and sugar beets)”
16 after “commodity” the last place it appears.

17 (f) ASSURANCE OF ADEQUATE SUPPLIES OF
18 SUGAR.—Section 902 of the Food Security Act of 1985
19 (7 U.S.C. 1446g note; Public Law 99–198) is amended
20 by striking subsection (a) and inserting the following:

21 “(a) IN GENERAL.—Beginning with the quota year
22 for sugar imports that begins after the 1995/1996 quota
23 year, the President shall use all authorities available to
24 the President as may be necessary to enable the Secretary
25 of Agriculture to ensure that adequate supplies of raw

1 cane sugar are made available to the United States market
 2 at prices that are not greater than the higher of—

3 “(1) the world sugar price (adjusted to a deliv-
 4 ered basis); or

5 “(2) the raw cane sugar loan rate in effect
 6 under section 156 of the Agricultural Market Tran-
 7 sition Act (7 U.S.C. 7272), plus interest.”.

8 **Subtitle D—Forestry**

9 **SEC. 141. ELIMINATION OF NATIONAL FOREST SALVAGE** 10 **FUND.**

11 (a) IN GENERAL.—Section 14(h) of the National
 12 Forest Management Act of 1976 (16 U.S.C. 472a(h)) is
 13 amended by striking the third and fourth sentences.

14 (b) UNOBLIGATED FUNDS.—Any unobligated funds
 15 in the National Forest Salvage Fund established by sec-
 16 tion 14(h) of the National Forest Management Act of
 17 1976 (16 U.S.C. 472a(h)) (as in effect before the amend-
 18 ment made by subsection (a)) shall be transferred to mis-
 19 cellaneous receipts in the Treasury of the United States.

20 **SEC. 142. ELIMINATION OF BELOW-COST SALES OF TIMBER** 21 **FROM NATIONAL FOREST SYSTEM LANDS.**

22 (a) IN GENERAL.—The National Forest Management
 23 Act of 1976 is amended by inserting after section 14 (16
 24 U.S.C. 472a) the following:

1 **“SEC. 14A. ELIMINATION OF BELOW-COST TIMBER SALES**
2 **FROM NATIONAL FOREST SYSTEM LANDS.**

3 “(a) DEFINITION OF BELOW-COST TIMBER SALE.—
4 In this section, the term ‘below-cost timber sale’ means
5 a sale of timber in which the costs to be incurred by the
6 Federal Government exceed the cash returns to the United
7 States Treasury.

8 “(b) REQUIREMENT THAT SALE REVENUES EXCEED
9 COSTS.—Effective beginning October 1, 2002, in apprais-
10 ing timber and setting a minimum bid for trees, portions
11 of trees, or forest products located on National Forest
12 System land that are proposed for sale under section 14
13 or any other provision of law, the Secretary of Agriculture
14 shall ensure that the estimated cash returns to the United
15 States Treasury from each sale equal or exceed the esti-
16 mated costs to be incurred by the Federal Government in
17 the preparation of the sale or as a result of the sale.

18 “(c) COSTS TO BE CONSIDERED.—For purposes of
19 estimating under this section the costs to be incurred by
20 the Federal Government from each timber sale, the Sec-
21 retary shall assign to the sale the following costs:

22 “(1) The actual appropriated expenses for sale
23 preparation and harvest administration incurred or
24 to be incurred by the Federal Government from the
25 sale and the payments to counties to be made as a
26 result of the sale.

1 “(2) A portion of the annual timber resource
2 planning costs, silvicultural examination costs, other
3 resource support costs, road design and construction
4 costs, road maintenance costs, transportation plan-
5 ning costs, appropriated reforestation costs, timber
6 stand improvement costs, forest genetics research
7 costs, general administrative costs (including admin-
8 istrative costs of the national and regional offices of
9 the Forest Service), and facilities construction costs
10 of the Federal Government directly or indirectly re-
11 lated to the timber harvest program conducted on
12 National Forest System land.

13 “(d) METHOD OF ALLOCATING COSTS.—The Sec-
14 retary shall allocate the costs referred to in subsection
15 (c)(2) to each unit of the National Forest System, and
16 each proposed timber sale in the unit, on the basis of har-
17 vest volume.

18 “(e) TRANSITIONAL REQUIREMENTS.—To ensure the
19 elimination of all below-cost timber sales by the date speci-
20 fied in subsection (b), the Secretary shall progressively re-
21 duce the number and size of below-cost timber sales on
22 National Forest System land as follows:

23 “(1) In fiscal year 1999, the quantity of timber
24 sold in below-cost timber sales on National Forest
25 System land shall not exceed 75 percent of the

1 quantity of timber sold in such sales in the preced-
2 ing fiscal year.

3 “(2) In fiscal year 2000, the quantity of timber
4 sold in below-cost timber sales on National Forest
5 System land shall not exceed 65 percent of the
6 quantity of timber sold in such sales in fiscal year
7 1999.

8 “(3) In fiscal year 2001, the quantity of timber
9 sold in below-cost timber sales on National Forest
10 System land shall not exceed 50 percent of the
11 quantity of timber sold in such sales in fiscal year
12 2000.”.

13 **SEC. 143. ELIMINATION OF PURCHASER ROAD CREDITS AS**
14 **FINANCING METHOD FOR NATIONAL FOREST**
15 **ROAD CONSTRUCTION AND RECOVERY OF**
16 **FEDERAL COSTS OF FOREST ROAD CON-**
17 **STRUCTION.**

18 (a) ELIMINATION OF PURCHASER ROAD CREDITS.—
19 Section 4 of Public Law 88–657 (commonly known as the
20 “National Forest Roads and Trails Act”) (16 U.S.C. 535)
21 is amended—

22 (1) by striking “SEC. 4.” and inserting the fol-
23 lowing:

1 **“SEC. 4. CONSTRUCTION OF FOREST DEVELOPMENT**
2 **ROADS.**

3 “(a) AUTHORIZED METHODS TO FUND CONSTRUC-
4 TION.—”;

5 (2) in paragraph (2) of the second sentence, by
6 striking “including provisions for amortization of
7 road costs in contracts” and inserting “except that
8 the Secretary may not provide effective purchaser
9 credit for road construction”;

10 (3) by striking the last sentence; and

11 (4) by adding at the end the following:

12 “(b) EFFECT ON EXISTING PURCHASER ROAD CRED-
13 ITS.—Effective purchaser credit for any contract awarded
14 before the date of enactment of this subsection may con-
15 tinue to be used in accordance with subsection (a), and
16 rules issued under this section, as in effect on the day
17 before the date of enactment of this subsection.”.

18 (b) LEVEL OF CONSTRUCTION OF FOREST ROADS.—
19 Section 4 of Public Law 88–657 (commonly known as the
20 “National Forest Roads and Trails Act”) (16 U.S.C. 535)
21 (as amended by subsection (a)) is amended—

22 (1) in the second sentence of subsection (a), by
23 striking “: *Provided*,” and all that follows through
24 “as may be appropriate”; and

25 (2) by adding at the end the following:

1 “(c) LEVEL OF CONSTRUCTION OF FOREST
2 ROADS.—In the case of a forest road constructed or paid
3 for by a purchaser of national forest timber, the Secretary
4 may not require the purchaser to design, construct, or
5 maintain the road to a higher standard than the standard
6 needed in the harvesting and removal of the timber and
7 other products covered by the sale, consistent with existing
8 environmental laws (including regulations).”.

9 (c) SENSE OF CONGRESS REGARDING RECOVERY OF
10 ROAD COSTS.—It is the sense of Congress that the Sec-
11 retary of Agriculture should recover, when practicable, the
12 full cost to the Federal Government of forest road design,
13 construction, and maintenance through appropriate fees
14 levied on the users of the roads, whether for logging, recre-
15 ation, or other uses.

16 (d) CONFORMING AMENDMENTS REGARDING PUR-
17 CHASER ROAD CREDITS.—

18 (1) TRANSPORTATION SYSTEM.—Section 10(a)
19 of the Forest and Rangeland Renewable Resources
20 Planning Act of 1974 (16 U.S.C. 1608(a)) is
21 amended by striking “benefits” and all that follows
22 through the period at the end of the subsection and
23 inserting “benefits.”.

24 (2) TIMBER SALES WITH PURCHASER CREDIT
25 PROVISIONS.—Section 14 of the National Forest

1 Management Act of 1976 (16 U.S.C. 472a) is
2 amended by striking subsection (i).

3 (3) EFFECT ON EXISTING CONTRACTS.—Sub-
4 section (i) of section 14 of the National Forest Man-
5 agement Act of 1976 (16 U.S.C. 472a) (as in effect
6 on the day before the date of enactment of this Act)
7 shall continue to apply with respect to any timber
8 contract described in that subsection awarded before
9 the date of enactment of this Act.

10 **Subtitle E—Other Agricultural** 11 **Programs**

12 **SEC. 151. ELIMINATION OF INTEREST RATE SUBSIDY FOR** 13 **INSURED ELECTRIC LOANS.**

14 (a) IN GENERAL.—Section 305 of the Rural Elec-
15 trification Act of 1936 (7 U.S.C. 935) is amended by
16 striking subsection (c) and inserting the following:

17 “(c) INSURED ELECTRIC LOANS.—The Secretary
18 shall make insured electric loans, to the extent of qualify-
19 ing applications for the loans, at an interest rate equal
20 to the then current cost of money to the Government of
21 the United States for loans of similar maturity.”.

22 (b) APPLICATION.—The amendment made by sub-
23 section (a) shall apply to an insured electric loan made
24 under title III of the Rural Electrification Act of 1936

1 (7 U.S.C. 931 et seq.) after the date of enactment of this
2 Act.

3 **SEC. 152. ELIMINATION OF MARKET ACCESS PROGRAM.**

4 (a) IN GENERAL.—Section 203 of the Agricultural
5 Trade Act of 1978 (7 U.S.C. 5623) is repealed.

6 (b) CONFORMING AMENDMENTS.—

7 (1) Section 211 of the Agricultural Trade Act
8 of 1978 (7 U.S.C. 5641) is amended by striking
9 subsection (c).

10 (2) Section 402(a)(1) of the Agricultural Trade
11 Act of 1978 (7 U.S.C. 5662(a)(1)) is amended by
12 striking “203,”.

13 (3) Section 1302 of the Omnibus Budget Rec-
14 onciliation Act of 1993 (7 U.S.C. 5623 note; Public
15 Law 103–66) is repealed.

16 (c) EFFECTIVE DATE.—The amendments made by
17 this section take effect on October 1, 1998.

18 **SEC. 153. ELIMINATION OF WILDLIFE SERVICES PROGRAM.**

19 Effective October 1, 1998, the Secretary of Agri-
20 culture shall terminate the Wildlife Services program of
21 the Animal and Plant Health Inspection Service.

1 **TITLE II—ENERGY AND**
2 **NATURAL RESOURCES**
3 **Subtitle A—Hardrock Mining**
4 **Royalty**

5 **SEC. 201. DEFINITIONS.**

6 In this subtitle:

7 (1) **AFFILIATE.**—The term “affiliate” means,
8 with respect to any person, each of the following:

9 (A) Any partner of the person.

10 (B) Any person owning at least 10 percent
11 of the voting shares of the person.

12 (C) Any person that controls, is controlled
13 by, or is under common control with the person.

14 (2) **FUND.**—The term “Fund” means the
15 Abandoned Minerals Mine Reclamation Fund estab-
16 lished by section 203.

17 (2) **GENERAL MINING LAWS.**—The term “gen-
18 eral mining laws” means the Acts that generally
19 comprise chapters 2, 12A, and 16, and sections 161
20 and 162, of title 30, United States Code.

21 (3) **LOCATABLE MINERAL.**—The term
22 “locatable mineral” means a mineral that is not sub-
23 ject to disposition under any of the following:

24 (A) The Mineral Leasing Act (30 U.S.C.
25 181 et seq.).

1 (B) The Geothermal Steam Act of 1970
2 (30 U.S.C. 1001 et seq.).

3 (C) The Act of July 31, 1947 (commonly
4 known as the “Materials Act of 1947”) (30
5 U.S.C. 601 et seq.).

6 (D) The Mineral Leasing for Acquired
7 Lands Act (30 U.S.C. 351 et seq.).

8 (4) NET SMELTER RETURN.—The term “net
9 smelter return” means the gross income from min-
10 ing (within the meaning of section 613(c)(1) of the
11 Internal Revenue Code of 1986).

12 (5) SECRETARY.—The term “Secretary” means
13 the Secretary of the Interior.

14 **SEC. 202. ROYALTY.**

15 (a) RESERVATION OF ROYALTY.—Each person that
16 produces a locatable mineral (including any associated
17 mineral) from any mining claim located under the general
18 mining laws, or a mineral concentrate derived from a
19 locatable mineral produced from any mining claim located
20 under the general mining laws, shall pay a royalty of 5
21 percent of the net smelter return from the production of
22 the locatable mineral or concentrate.

23 (b) ROYALTY PAYMENTS.—Each person responsible
24 for making a royalty payment under this section shall
25 make the payment to the Secretary not later than 30 days

1 after the end of the calendar month in which the mineral
2 or mineral concentrate is mined and first placed in mar-
3 ketable condition, consistent with prevailing practices in
4 the mining industry.

5 (c) REPORTING REQUIREMENTS.—

6 (1) IN GENERAL.—Each person holding a min-
7 ing claim located under the general mining laws
8 shall provide to the Secretary such information as
9 the Secretary determines to be necessary to ensure
10 compliance with this section.

11 (2) INFORMATION INCLUDED.—Information de-
12 scribed in paragraph (1) includes quarterly reports,
13 records, documents, pertinent technical and financial
14 data relating to the quantity and quality of all min-
15 erals extracted from the mining claim, and other
16 data.

17 (d) AUDITS.—The Secretary may conduct such au-
18 dits of persons holding mining claims located under the
19 general mining laws as the Secretary considers necessary
20 for the purpose of ensuring compliance with this section.

21 (e) DISPOSITION OF RECEIPTS.—All receipts from
22 royalties collected under this section shall be deposited in
23 the Fund.

24 (f) COMPLIANCE.—A person holding a mining claim
25 located under the general mining laws that knowingly or

1 willfully prepares, maintains, or submits false, inaccurate,
2 or misleading information required by this section, or fails
3 to submit the information, shall be subject to a penalty
4 imposed by the Secretary.

5 **SEC. 203. ABANDONED MINERALS MINE RECLAMATION**
6 **FUND.**

7 (a) ESTABLISHMENT.—

8 (1) IN GENERAL.—There is established in the
9 Treasury of the United States a trust fund to be
10 known as the “Abandoned Minerals Mine Reclama-
11 tion Fund”.

12 (2) ADMINISTRATION.—The Fund shall be ad-
13 ministered by the Secretary.

14 (3) INVESTMENTS.—

15 (A) NOTIFICATION.—The Secretary shall
16 notify the Secretary of the Treasury concerning
17 what portion of the Fund is not, in the judg-
18 ment of the Secretary of the Interior, required
19 to meet current withdrawals.

20 (B) PERMISSIBLE INVESTMENTS.—The
21 Secretary of the Treasury shall invest such por-
22 tion of the Fund in public debt securities with
23 maturities suitable for the needs of the Fund
24 and bearing interest at rates determined by the
25 Secretary of the Treasury, taking into consider-

1 ation current market yields on outstanding
2 marketplace obligations of the United States of
3 comparable maturities.

4 (C) CREDITING OF INCOME.—The income
5 on the investments shall be credited to, and
6 form a part of, the Fund.

7 (b) CREDITING OF AMOUNTS TO THE FUND.—The
8 following amounts shall be credited to the Fund for the
9 purposes of this subtitle:

10 (1) All amounts received as royalty under sec-
11 tion 202 or as a mining claim maintenance fee
12 under section 205.

13 (2) All donations by persons, corporations, as-
14 sociations, and foundations for the purposes of this
15 subtitle.

16 (c) USE AND OBJECTIVES OF THE FUND.—Subject
17 to the availability of appropriations, the Secretary may use
18 amounts in the Fund for the reclamation and restoration
19 of land and water resources adversely affected by the min-
20 ing of a mineral (other than coal and fluid minerals), and
21 mineral material mining, before the date of enactment of
22 this Act, including any of the following:

23 (1) Reclamation and restoration of abandoned
24 surface mined areas.

1 (2) Reclamation and restoration of abandoned
2 milling and processing areas.

3 (3) Sealing, filling, and grading abandoned deep
4 mine entries.

5 (4) Planting of land adversely affected by min-
6 ing (that occurred before the date of enactment of
7 this Act) to prevent erosion and sedimentation.

8 (5) Prevention, abatement, treatment and con-
9 trol of water pollution created by abandoned mine
10 drainage.

11 (6) Control of surface subsidence due to aban-
12 doned deep mines.

13 (7) Such expenses as may be necessary to ac-
14 complish the purposes of this section.

15 (d) ELIGIBLE AREAS.—

16 (1) IN GENERAL.—Land and waters eligible for
17 reclamation expenditures under this section shall be
18 land and waters within the boundaries of a State
19 that has land subject to the general mining laws
20 that, before the date of enactment of this Act—

21 (A) was—

22 (i) mined or processed for minerals or
23 mineral materials; or

24 (ii) affected by the mining or process-
25 ing; and

1 (B) was abandoned or left in an inad-
2 equate reclamation status; and

3 (C) for which the Secretary determines
4 that—

5 (i) there is no continuing reclamation
6 responsibility under Federal or State law;
7 and

8 (ii) the land does not contain a min-
9 eral that could economically be extracted
10 through the reprocessing or remining of
11 the land.

12 (2) SITES DESIGNATED FOR REMEDIAL AC-
13 TION.—Notwithstanding paragraph (1), a site or
14 area designated for remedial action the Uranium
15 Mill Tailings Radiation Control Act of 1978 (42
16 U.S.C. 7901 et seq.) or the Comprehensive Environ-
17 mental Response, Compensation, and Liability Act
18 of 1980 (42 U.S.C. 9601 et seq.) shall not be eligi-
19 ble for expenditures from the Fund.

20 (e) FUND EXPENDITURES.—Amounts in the Fund
21 may be expended by the Director of the Bureau of Land
22 Management directly, or making funds available to the
23 Chief of the Forest Service and the Director of the Na-
24 tional Park Service.

1 (f) AUTHORIZATION OF APPROPRIATIONS.—Amounts
2 credited to the Fund are authorized to be appropriated
3 for the purpose of this subtitle without fiscal year limita-
4 tion.

5 **SEC. 204. LIMITATION ON PATENT ISSUANCE.**

6 No patent shall be issued to an applicant by the
7 United States for any mining or mill site claim located
8 under the general mining laws unless the Secretary deter-
9 mines that—

10 (1) a patent application for the claim was filed
11 with the Secretary on or before September 30, 1994;
12 and

13 (2) all requirements established under—

14 (A) sections 2325 and 2326 of the Revised
15 Statutes (30 U.S.C. 29, 30) (in the case of a
16 vein or lode claim);

17 (B) sections 2329, 2330, 2331, and 2333
18 of the Revised Statutes (30 U.S.C. 35, 36, 37)
19 (in the case of a placer claim); or

20 (C) section 2337 of the Revised Statutes
21 (30 U.S.C. 42) (in the case of a mill site claim;
22 were fully complied with by the applicant by Septem-
23 ber 30, 1994.

24 **SEC. 205. MINING CLAIM MAINTENANCE REQUIREMENTS.**

25 (a) IN GENERAL.—

1 (1) CLAIMS LOCATED BEFORE DATE OF ENACT-
2 MENT.—The holder of a mining claim located under
3 the general mining laws before the date of enact-
4 ment of this Act shall pay the Secretary an annual
5 claim maintenance fee of \$100 per claim per cal-
6 endar year.

7 (2) CLAIMS LOCATED ON OR AFTER DATE OF
8 ENACTMENT.—The holder of a mining claim located
9 under the general mining laws on or after the date
10 of enactment of this Act shall pay the Secretary an
11 annual claim maintenance fee of \$125 per claim per
12 calendar year.

13 (b) PURCHASING POWER ADJUSTMENT.—The Sec-
14 retary shall adjust the amount of the claim maintenance
15 fee payable under subsection (a) to reflect changes in the
16 purchasing power of the dollar after the calendar year
17 1993, employing the Consumer Price Index for all urban
18 consumers published by the Department of Labor as the
19 basis for adjustment, and rounding according to the ad-
20 justment process of conditions of the Federal Civil Pen-
21 alties Inflation Adjustment Act of 1990 (28 U.S.C. 2461
22 note; Public Law 101–410).

23 (c) TIME OF PAYMENT.—Each claim holder shall pay
24 the claim maintenance fee payable under subsection (a)
25 for any year on or before August 31 of each year, except

1 that for the initial calendar year in which the location is
2 made, the initial claim maintenance fee shall be paid at
3 the time at which the location notice is recorded with the
4 Bureau of Land Management.

5 (d) OIL SHALE CLAIMS SUBJECT TO CLAIM MAINTENANCE FEES UNDER ENERGY POLICY ACT OF 1992.—
6 This section shall not apply to any oil shale claim for
7 which a fee is required to be paid under section 2511(e)(2)
8 of the Energy Policy Act of 1992 (30 U.S.C. 242(e)(2)).

9 (e) CLAIM MAINTENANCE FEES PAYABLE UNDER
10 1993 ACT.—The claim maintenance fees payable under
11 this section for any period with respect to any mining
12 claim shall be reduced by the amount of the claim maintenance fees paid under section 10101 of the Omnibus
13 Budget Reconciliation Act of 1993 (30 U.S.C. 28f) with
14 respect to that claim and with respect to the same period.

15 (f) WAIVER.—

16 (1) IN GENERAL.—The claim maintenance fee
17 required under this section may be waived for a
18 claim holder that certifies in writing to the Secretary,
19 on or before the date on which payment is due, that on the date on the payment is due, the
20 claim holder and all related parties held not more
21 than 10 mining claims on land open to location.

1 (2) DEFINITION OF RELATED PARTY.—For
2 purposes of this subsection, with respect to any
3 claim holder, the term ‘related party’ means each of
4 the following:

5 (A) The spouse and dependents (as defined
6 in section 152 of the Internal Revenue Code of
7 1986) of the claim holder.

8 (B) Any affiliate of the claim holder.

9 (g) COOWNERSHIP.—

10 (1) NOTICE OF FAILURE TO PAY PORTION OF
11 FEE.—On the failure of any 1 or more of several co-
12 owners to contribute the coowners’ portion of the fee
13 under this section, any coowner that has paid the fee
14 may, after the payment due date, give the delinquent
15 coowner notice of the failure in writing by first class
16 mail (or by publication in the newspaper nearest the
17 claim at least once a week for at least 90 days).

18 (2) CONTINUED FAILURE TO PAY.—If, at the
19 expiration of 90 days after the giving of notice to a
20 coowner under paragraph (1), a coowner has contin-
21 ued to fail to contribute the coowner’s portion, the
22 coowner’s interest in the claim shall become the
23 property of the coowners that have paid the required
24 fee.

1 **Subtitle B—Other Energy and**
2 **Natural Resources Programs**

3 **SEC. 211. FEDERAL IRRIGATION SUBSIDIES.**

4 (a) DEFINITIONS.—Section 202 of the Reclamation
5 Reform Act of 1982 (43 U.S.C. 390bb) is amended—

6 (1) in paragraph (6), by striking “owned or op-
7 erated under a lease which” and inserting “that is
8 owned, leased, or operated by an individual or legal
9 entity and that”;

10 (2) by redesignating paragraphs (7), (8), (9),
11 (10), and (11) as paragraphs (8), (10), (11), (12),
12 and (13), respectively;

13 (3) by inserting after paragraph (6) the follow-
14 ing:

15 “(7) LEGAL ENTITY.—The term ‘legal entity’
16 includes a corporation, association, partnership,
17 trust, joint tenancy, or tenancy in common, or any
18 other entity that owns, leases, or operates a farm
19 operation for the benefit of more than 1 individual
20 under any form of agreement or arrangement.”;

21 (4) by inserting after paragraph (8) (as redesign-
22 ated by paragraph (2)) the following:

23 “(9) OPERATOR.—

24 “(A) IN GENERAL.—The term ‘operator’
25 means an individual or legal entity that oper-

1 ates a single farm operation on a parcel (or
2 parcels) of land that is owned or leased by an-
3 other person (or persons) under any form of
4 agreement or arrangement (or agreements or
5 arrangements).

6 “(B) INCLUSIONS.—The term ‘operator’
7 includes, if the individual or legal entity—

8 “(i) is an employee of another individ-
9 ual or legal entity, each such other individ-
10 ual or legal entity; or

11 “(ii) is a legal entity that controls, is
12 controlled by, or is under common control
13 with another legal entity, each such other
14 legal entity.

15 “(C) OPERATION OF A FARM OPER-
16 ATION.—For the purposes of this paragraph, an
17 individual or legal entity shall be considered to
18 operate a farm operation if the individual or
19 legal entity is the person that performs the
20 greatest proportion of the decisionmaking for,
21 and supervision of, the farm operation on land
22 served with irrigation water.”; and

23 (5) by adding at the end the following:

24 “(14) SINGLE FARM OPERATION.—

1 “(A) IN GENERAL.—The term ‘single farm
2 operation’ means the total acreage of land
3 served with irrigation water for which an indi-
4 vidual or legal entity is the operator.

5 “(B) RULES FOR DETERMINING WHETHER
6 SEPARATE PARCELS ARE OPERATED AS A SIN-
7 GLE FARM OPERATION.—

8 “(i) EQUIPMENT- AND LABOR-SHAR-
9 ING ACTIVITIES.—The conduct of
10 equipment- and labor-sharing activities on
11 separate parcels of land by separate indi-
12 viduals or legal entities shall not by itself
13 serve as a basis for concluding that the
14 farm operations of the individuals or legal
15 entities constitute a single farm operation.

16 “(ii) PERFORMANCE OF CERTAIN
17 SERVICES.—The performance by an indi-
18 vidual or legal entity of an agricultural
19 chemical application, pruning, or harvest-
20 ing for a farm operation on a parcel of
21 land shall not by itself serve as a basis for
22 concluding that the farm operation on that
23 parcel of land is part of a single farm op-
24 eration operated by the individual or entity
25 on other parcels of land.”.

1 (b) IDENTIFICATION OF OWNERS, LESSEES, AND OP-
2 ERATORS OF SINGLE FARM OPERATIONS.—The Reclama-
3 tion Reform Act of 1982 is amended by inserting after
4 section 202 (43 U.S.C. 390bb) the following:

5 **“SEC. 202A. IDENTIFICATION OF OWNERS, LESSEES, AND**
6 **OPERATORS OF SINGLE FARM OPERATIONS.**

7 “(a) IN GENERAL.—Subject to subsection (b), for
8 each parcel of land to which irrigation water is delivered
9 or proposed to be delivered, the Secretary shall identify
10 a single individual or legal entity as the owner, lessee, or
11 operator.

12 “(b) SHARED DECISIONMAKING AND SUPER-
13 VISION.—If the Secretary determines that no single indi-
14 vidual or legal entity is the owner, lessee, or other individ-
15 ual that performs the greatest proportion of decision-
16 making for, and supervision of, the farm operation on a
17 parcel of land—

18 “(1) all individuals and legal entities that own,
19 lease, or perform a proportion of decisionmaking and
20 supervision that is equal as among themselves but
21 greater than the proportion performed by any other
22 individual or legal entity shall be considered jointly
23 to be the owner, lessee, or operator; and

24 “(2) all parcels of land of which any such indi-
25 vidual or legal entity is the owner, lessee, or opera-

1 tor shall be considered to be part of the single farm
2 operation of the owner, lessee, or operator identified
3 under paragraph (1).”.

4 (c) PRICING.—Section 205 of the Reclamation Re-
5 form Act of 1982 (43 U.S.C. 390ee) is amended by adding
6 at the end the following:

7 “(d) SINGLE FARM OPERATIONS GENERATING MORE
8 THAN \$500,000 IN GROSS FARM INCOME.—

9 “(1) IN GENERAL.—Notwithstanding sub-
10 sections (a), (b), and (c), in the case of—

11 “(A) a qualified recipient that reports
12 gross farm income from a single farm operation
13 in excess of \$500,000 for a taxable year; or

14 “(B) a limited recipient that received irri-
15 gation water on or before October 1, 1981, and
16 that reports gross farm income from a single
17 farm operation in excess of \$500,000 for a tax-
18 able year;

19 irrigation water may be delivered to the single farm
20 operation of the qualified recipient or limited recipi-
21 ent at less than full cost to a number of acres that
22 does not exceed the number of acres determined
23 under paragraph (2).

24 “(2) MAXIMUM NUMBER OF ACRES TO WHICH
25 IRRIGATION WATER MAY BE DELIVERED AT LESS

1 THAN FULL COST.—The number of acres determined
2 under this paragraph is the number equal to the
3 number of acres of the single farm operation multi-
4 plied by a fraction, the numerator of which is
5 \$500,000 and the denominator of which is the
6 amount of gross farm income reported by the quali-
7 fied recipient or limited recipient in the most recent
8 taxable year.

9 “(3) INFLATION ADJUSTMENT.—

10 “(A) DEFINITION OF INFLATION ADJUST-
11 MENT FACTOR.—

12 “(i) IN GENERAL.—In this paragraph,
13 the term ‘inflation adjustment factor’
14 means, with respect to any calendar year,
15 a fraction the numerator of which is the
16 GDP implicit price deflator for the preced-
17 ing calendar year and the denominator of
18 which is the GDP implicit price deflator
19 for 1996. Not later than April 1 of any
20 calendar year, the Secretary shall publish
21 the inflation adjustment factor for the pre-
22 ceding calendar year.

23 “(ii) DEFINITION OF GDP IMPLICIT
24 PRICE DEFLATOR.—In clause (i), the term
25 ‘GDP implicit price deflator’ means the

1 first revision of the implicit price deflator
2 for the gross domestic product as com-
3 puted and published by the Secretary of
4 Commerce.

5 “(B) ADJUSTMENT.—For any taxable year
6 beginning in a calendar year after 1997, the
7 \$500,000 amount under paragraphs (1) and (2)
8 shall be equal to the product of—

9 “(i) \$500,000; and

10 “(ii) the inflation adjustment factor
11 for the taxable year.

12 “(C) ROUNDING.—If any adjustment of
13 the \$500,000 amount determined under sub-
14 paragraph (B) is not a multiple of \$100, the
15 adjustment shall be rounded to the next lowest
16 multiple of \$100.”.

17 (d) CERTIFICATION OF COMPLIANCE.—Section 206
18 of the Reclamation Reform Act of 1982 (43 U.S.C. 390ff)
19 is amended to read as follows:

20 **“SEC. 206. CERTIFICATION OF COMPLIANCE.**

21 “(a) IN GENERAL.—As a condition to the receipt of
22 irrigation water for land in a district that has a contract
23 described in section 203, each owner, lessee, or operator
24 in the district shall furnish the district, in a form pre-
25 scribed by the Secretary, a certificate that the owner, les-

1 see, or operator is in compliance with this title, includ-
2 ing—

3 “(1) a statement of the number of acres owned,
4 leased, or operated;

5 “(2) a statement of the terms of any lease or
6 agreement pertaining to the operation of a farm op-
7 eration; and

8 “(3) in the case of a lessee or operator, a cer-
9 tification that the rent or other fees paid reflect the
10 reasonable value of the irrigation water to the pro-
11 ductivity of the land.

12 “(b) DOCUMENTATION.—The Secretary may require
13 a lessee or operator to submit for the Secretary’s examina-
14 tion—

15 “(1) a complete copy of any lease or other
16 agreement executed by each of the parties to the
17 lease or other agreement; and

18 “(2) a copy of the return of income tax imposed
19 by chapter 1 of the Internal Revenue Code of 1986
20 for any taxable year in which the single farm oper-
21 ation of the lessee or operator received irrigation
22 water at less than full cost.”.

23 (e) TRUSTS.—Section 214 of the Reclamation Re-
24 form Act of 1982 (43 U.S.C. 390nn) is repealed.

25 (f) ADMINISTRATIVE PROVISIONS.—

1 (1) PENALTIES.—Section 224(c) of the Rec-
2 lamation Reform Act of 1982 (43 U.S.C. 390ww(e))
3 is amended—

4 (A) by striking “(c) The Secretary” and
5 inserting the following:

6 “(c) REGULATIONS; DATA COLLECTION; PEN-
7 ALTIES.—

8 “(1) REGULATIONS; DATA COLLECTION.—The
9 Secretary”; and

10 (B) by adding at the end the following:

11 “(2) PENALTIES.—Notwithstanding any other
12 provision of law, the Secretary shall establish appro-
13 priate and effective penalties for failure to comply
14 with any provision of this Act or any regulation pro-
15 mulgated under this Act.”.

16 (2) INTEREST.—Section 224(i) of the Reclama-
17 tion Reform Act of 1982 (43 U.S.C. 390ww(i)) is
18 amended by striking the last sentence and inserting
19 the following: “The interest rate applicable to under-
20 payments shall be equal to the rate applicable to ex-
21 penditures under section 202(3)(C).”.

22 (g) REPORTING.—Section 228 of the Reclamation
23 Reform Act of 1982 (43 U.S.C. 390zz) is amended by in-
24 serting “operator or” before “contracting entity” each
25 place it appears.

1 (h) MEMORANDUM OF UNDERSTANDING.—The Rec-
2 lamation Reform Act of 1982 (43 U.S.C. 390aa et seq.)
3 is amended—

4 (1) by redesignating sections 229 and 230 as
5 sections 230 and 231, respectively; and

6 (2) by inserting after section 228 the following:

7 **“SEC. 229. MEMORANDUM OF UNDERSTANDING.**

8 “The Secretary, the Secretary of the Treasury, and
9 the Secretary of Agriculture shall enter into a memoran-
10 dum of understanding or other appropriate instrument to
11 permit the Secretary, notwithstanding section 6103 of the
12 Internal Revenue Code of 1986, to have access to and use
13 of available information collected or maintained by the De-
14 partment of the Treasury and the Department of Agri-
15 culture that would aid enforcement of the ownership and
16 pricing limitations of Federal reclamation law.”.

17 **SEC. 212. ANNUAL DOMESTIC LIVESTOCK GRAZING FEE.**

18 The Federal Land Policy and Management Act of
19 1976 is amended by inserting after section 401 (43 U.S.C.
20 1751) the following:

21 **“SEC. 401A. ESTABLISHMENT OF FAIR MARKET VALUE**
22 **GRAZING FEES.**

23 “(a) ESTABLISHMENT OF ANNUAL DOMESTIC LIVE-
24 STOCK GRAZING FEE.—

1 “(1) NATIONAL FOREST SYSTEM LAND.—Not-
2 withstanding any other provision of law, the Sec-
3 retary of Agriculture, with respect to National For-
4 est System land in the 16 contiguous Western States
5 (except National Grassland) administered by the
6 Forest Service where domestic livestock grazing is
7 permitted under applicable law, shall establish an
8 annual domestic livestock grazing fee equal to fair
9 market value.

10 “(2) PUBLIC DOMAIN LAND.—Notwithstanding
11 any other provision of law, the Secretary of the Inte-
12 rior, with respect to public domain land adminis-
13 tered by the Bureau of Land Management where do-
14 mestic livestock grazing is permitted under applica-
15 ble law, shall establish an annual domestic livestock
16 grazing fee equal to fair market value.

17 “(b) CALCULATION OF FAIR MARKET VALUE.—

18 “(1) DEFINITIONS.—In this subsection:

19 “(A) APPRAISED BASE VALUE.—The term
20 ‘Appraised Base Value’ means the 1983 Ap-
21 praisal Value conclusions for mature cattle and
22 horses (expressed in dollars per head or per
23 month), as determined in the 1986 report pre-
24 pared jointly by the Secretary of Agriculture
25 and the Secretary of the Interior entitled ‘Graz-

1 ing Fee Review and Evaluation’, dated Feb-
 2 ruary 1986, on a west-wide basis using the low-
 3 est appraised value of the pricing areas ad-
 4 justed for advanced payment and indexed to
 5 1997.

6 “(B) FORAGE VALUE INDEX.—The term
 7 ‘Forage Value Index’ means the Forage Value
 8 Index computed annually by the Economic Re-
 9 search Service of the Department of Agri-
 10 culture, and set with the 1997 Forage Value
 11 Index equal to 100

12 “(2) CALCULATION.—For purposes of deter-
 13 mining the annual domestic livestock grazing fee
 14 under this section, the Secretary concerned shall cal-
 15 culate fair market value using the following formula:

$$\text{Fair Market Value} = \frac{\text{Appraised Base Value} \times \text{Forage Value Index}}{100}$$

16 “(c) LIMITATION ON FLUCTUATIONS OF FEES.—
 17 Notwithstanding the amount calculated under subsection
 18 (b) for a year, the domestic livestock grazing fee charged
 19 for any year shall not increase or decrease by more than
 20 33.3 percent from the domestic livestock grazing fee for
 21 the previous year.

22 “(d) EFFECT ON EXECUTIVE ORDER.—Executive
 23 Order No. 12548, dated February 14, 1986 (51 Fed. Reg.

1 5985), shall not apply to grazing fees established under
2 this section.

3 “(e) EFFECT ON GRAZING ADVISORY BOARDS.—

4 “(1) ABOLITION.—The grazing advisory boards
5 established pursuant to action by the Secretary of
6 the Interior, notice of which was published in the
7 Federal Register on May 14, 1986 (51 Fed. Reg.
8 17874), are abolished.

9 “(2) FUNCTIONS.—The advisory functions exer-
10 cised by the boards shall be exercised only by the ap-
11 propriate councils established under section 309.

12 “(f) USE OF FEES AND RANGE IMPROVEMENT
13 FUNDS.—

14 “(1) IN GENERAL.—Funds appropriated under
15 section 5 of the Public Rangelands Improvement Act
16 of 1978 (43 U.S.C. 1904) or any other provision of
17 law relating to the disposition of the Federal share
18 of receipts from fees for grazing on public domain
19 land or National Forest land in the 16 contiguous
20 western States shall be used for—

21 “(A) restoration and enhancement of fish
22 and wildlife habitat;

23 “(B) restoration and improved manage-
24 ment of riparian areas; and

1 (2) PRICE.—In selling facilities under para-
2 graph (1), the Secretary shall obtain the highest
3 practicable price for the facilities (including the
4 value of future tax revenues that would have been
5 derived from the facilities).

6 (3) COMPLIANCE WITH ENVIRONMENTAL
7 LAWS.—As a condition of the purchase of a facility
8 under paragraph (1), the purchaser of the facility
9 shall comply with all Federal, State, and local envi-
10 ronmental laws (including regulations) that a feder-
11 ally-owned facility under the jurisdiction of a Fed-
12 eral power marketing administration was required to
13 comply with immediately before the purchase of the
14 facility, as determined by the Secretary.

15 (4) COORDINATION WITH OTHER FEDERAL
16 AGENCIES.—The heads of other affected Federal
17 agencies shall assist the Secretary in implementing
18 the sale of facilities under paragraph (1).

19 (b) TERMINATION OF POWER MARKETING ADMINIS-
20 TRATIONS.—After the sale under subsection (a) of the
21 electric power generation facilities and transmission facili-
22 ties owned and operated by Federal agencies under the
23 supervision of, or in coordination with, a Federal power
24 marketing administration, the Secretary shall terminate

1 the operations of the Federal power marketing administra-
2 tion.

3 **SEC. 214. PLUTONIUM PYROPROCESSING PROGRAM.**

4 (a) IN GENERAL.—The Secretary of Energy shall ter-
5 minate each program or activity of the Department of En-
6 ergy that involves pyroprocessing of plutonium.

7 (b) DEAUTHORIZATION OF LIQUID METAL REAC-
8 TORS.—

9 (1) DEFINITION OF ADVANCED NUCLEAR REAC-
10 TOR TECHNOLOGIES.—Section 2121(b)(1)(B) of the
11 Energy Policy Act of 1992 (42 U.S.C.
12 13491(b)(1)(B)) is amended by striking “and liquid
13 metal reactors”.

14 (2) PROGRAM GOALS.—Section 2122(b)(1)(B)
15 of the Energy Policy Act of 1992 (42 U.S.C.
16 13492(b)(1)(B)) is amended by striking “and the
17 liquid metal reactor technology”.

18 **SEC. 215. PETROLEUM RESEARCH AND DEVELOPMENT.**

19 (a) IN GENERAL.—Except as provided in subsection
20 (b), the Secretary of Energy shall not conduct any petro-
21 leum research and development activities.

22 (b) AUTHORITY TO CARRY OUT TERMINATION AC-
23 TIVITIES.—The Secretary may carry out—

1 (1) such petroleum research and development
2 activities as are required by contracts entered into
3 before the date of enactment of this Act; and

4 (2) such other activities as are necessary to ter-
5 minate ongoing petroleum research and development
6 activities.

7 (c) REPORT ON TERMINATION ACTIVITIES.—Not
8 later than 180 days after the date of enactment of this
9 Act, the Secretary shall submit to Congress a report
10 that—

11 (1) sets forth a plan for terminating all petro-
12 leum research and development activities of the De-
13 partment of Energy, including contract activities
14 and all necessary cleanup procedures, by September
15 30, 1999; and

16 (2) identifies the assets of the Department that
17 are used for petroleum research and development ac-
18 tivities and provides for the appropriate disposition
19 or reassignment of those assets.

20 (d) AUTHORIZATION OF APPROPRIATIONS.—There
21 are authorized to be appropriated such sums as are nec-
22 essary to carry out this section.

23 **TITLE III—DEFENSE**

24 **SEC. 301. TACTICAL AIRCRAFT REALIGNMENT.**

25 (a) REPORT.—

1 (1) RECOMMENDATION AND ANALYSIS RE-
2 QUIRED.—Not later than 60 days after the date of
3 the enactment of this Act, the Secretary of Defense
4 shall submit to Congress a report containing the
5 Secretary’s recommendation on which one of the
6 three new tactical fighter aircraft programs should
7 be terminated if only two of such programs were to
8 be funded. The report shall also contain an analysis
9 of how the two remaining new tactical fighter air-
10 craft programs (not including the tactical fighter
11 aircraft program recommended for termination), to-
12 gether with the current tactical aircraft assets of the
13 Armed Forces, will provide the Armed Forces with
14 an effective, affordable tactical fighter force struc-
15 ture that is capable of meeting projected threats well
16 into the twenty-first century.

17 (2) COVERED AIRCRAFT PROGRAMS.—The three
18 new tactical fighter aircraft programs referred to in
19 subsection (a) are as follows:

20 (A) The F/A–18 E/F aircraft program.

21 (B) The F–22 aircraft program.

22 (C) The Joint Strike Fighter aircraft pro-
23 gram.

24 (b) IMPLEMENTATION OF RECOMMENDATION.—

1 (1) TERMINATION OF PROGRAM.—The Sec-
2 retary of Defense shall terminate the program rec-
3 ommended in the report under subsection (a) as the
4 program that should be terminated.

5 (2) FUNDING LIMITATION.—Effective on the
6 date on which the report is submitted under sub-
7 section (a), funds available for the program referred
8 to in paragraph (1) may be expended for that pro-
9 gram only for costs necessary for terminating the
10 program.

11 (c) INCREASED PROCUREMENT OF AIRCRAFT UNDER
12 EXISTING FULL-SCALE PRODUCTION PROGRAMS.—

13 (1) CONDITIONAL AUTHORITY.—The Secretary
14 of Defense may increase the number of tactical air-
15 craft to be acquired under existing tactical aircraft
16 production programs to the extent that the Sec-
17 retary of Defense considers necessary to offset the
18 number of tactical aircraft planned to be acquired
19 under the program terminated under subsection (b)
20 that are not acquired by reason of the termination
21 of the program.

22 (2) EXISTING TACTICAL AIRCRAFT PRODUCTION
23 PROGRAMS.—The tactical aircraft production pro-
24 grams referred to in paragraph (1) are the tactical
25 aircraft acquisition programs of the Department of

1 Defense that are in full-scale production as of the
2 date of the enactment of this Act.

3 **SEC. 302. UNIFORMED SERVICES UNIVERSITY OF THE**
4 **HEALTH SCIENCES.**

5 (a) CLOSURE REQUIRED.—

6 (1) REQUIREMENT.—The Secretary of Defense
7 shall close the Uniformed Services University of the
8 Health Sciences upon the completion of the edu-
9 cation and training of the personnel enrolled in the
10 education and training programs of the University
11 as of December 31, 1998, who continue to be en-
12 rolled in the programs without a break in enrollment
13 after that date.

14 (2) REPEAL OF PROHIBITION ON CLOSURE.—
15 Section 2112a of title 10, United States Code, is re-
16 pealed.

17 (b) ADMISSIONS AFTER 1998 PROHIBITED.—Chap-
18 ter 104 of title 10, United States Code, is amended by
19 adding at the end the following new section:

20 **“§ 2117. Admissions after 1998 prohibited**

21 “No student may be admitted for enrollment in a pro-
22 gram of the University after December 31, 1998.”.

23 (c) FUNDING LIMITATION.—Funds available for edu-
24 cation and training programs of the Uniformed Services

1 University of the Health Sciences may be expended only
2 for—

- 3 (1) completing the education and training of
4 the personnel described in subsection (a)(1); and
5 (2) closing the University.

6 (d) TABLE OF SECTIONS.—The table of sections at
7 the beginning of chapter 104 of title 10, United States
8 Code, is amended—

9 (1) by striking out the item relating to section
10 2112a; and

11 (2) by adding at the end the following new
12 item:

“2117. Admissions after 1998 prohibited.”.

13 **SEC. 303. MAINTENANCE OF PURCHASING POWER.**

14 (a) FUNDS MADE EXCESS DUE TO REVISED ECO-
15 NOMIC PROJECTIONS.—The Secretary of Defense may not
16 obligate or expend any amount of the funds available for
17 the Department of Defense for fiscal year 1999, 2000,
18 2001, 2002, or 2003 for a program of the Department
19 of Defense that exceeds the amount equal to the excess
20 (if any) of—

- 21 (1) the portion of the total amount available for
22 that fiscal year for the program that constitutes an
23 allowance to meet increased costs of the program re-
24 sulting from inflation, fluctuations in exchange rates

1 of foreign currencies, or fluctuations in the costs of
 2 fuel, over

3 (2) the total amount necessary to meet such in-
 4 creased costs, as provided for in program budget de-
 5 cisions that are issued for the program by the Under
 6 Secretary of Defense (Comptroller) during fiscal
 7 year 1999 on the basis of—

8 (A) projections on economic conditions
 9 that were issued by the Director of the Office
 10 of Management and Budget in December 1997
 11 or May 1998; or

12 (B) laws making appropriations for fiscal
 13 year 1999 for military activities of the Depart-
 14 ment of Defense and military construction.

15 (b) RETURN OF EXCESS AMOUNTS TO GENERAL
 16 FUND.—The Secretary of Defense shall transfer to the
 17 General Fund of the Treasury the amounts determined
 18 excessive under subsection (a).

19 **SEC. 304. THEATER HIGH ALTITUDE AREA DEFENSE SYS-**
 20 **TEM MIDCOURSE CORRECTION.**

21 (a) MAXIMUM ANNUAL AMOUNT OBLIGATED FOR
 22 PROGRAM.—The total amount obligated in any fiscal year
 23 after fiscal year 1998 for the Theater High Altitude Area
 24 Defense program of the Army may not exceed
 25 \$400,000,000.

1 (b) LIMITATION.—No funds may be obligated after
2 the date of the enactment of this Act for the Theater High
3 Altitude Area Defense program until the panel established
4 under subsection (c) submits to the Secretary of Defense
5 and to Congress a certification that the program is pro-
6 grammatically sound.

7 (c) INDEPENDENT PANEL ON PROGRAM SOUND-
8 NESS.—

9 (1) ESTABLISHMENT AND DUTIES.—The Sec-
10 retary of Defense shall establish a panel of 8 mem-
11 bers to review the Theater High Altitude Area De-
12 fense program and to determine the programmatic
13 soundness of the program. Upon making a deter-
14 mination that the program is programmatically
15 sound, the panel shall submit a certification of that
16 determination to the Secretary of Defense and Con-
17 gress.

18 (2) MEMBERSHIP.—The Secretary shall appoint
19 members of the panel from among experts on major
20 defense acquisition programs who are independent of
21 the Department of Defense. For the purposes of the
22 preceding sentence, a member or former member of
23 the Armed Forces entitled to retired or retainer pay
24 may be considered independent of the Department of

1 Defense. The Secretary shall designate one of the
2 members to chair the panel.

3 (3) SUPPORT.—The Secretary shall provide the
4 panel with such support as the panel determines
5 necessary to achieve the purpose of the panel.

6 **SEC. 305. ROTATION OF CREWS TO SHIPS DEPLOYED**
7 **ABROAD.**

8 (a) POLICY.—The Secretary of the Navy shall require
9 that transportation by air be the means for transporting
10 personnel in rotation to or from duty as members of the
11 crew of a naval vessel deployed abroad unless the Sec-
12 retary determines that—

13 (1) another means for transporting the person-
14 nel would be more cost-effective than transportation
15 by air; or

16 (2) the benefits of transporting the personnel
17 by air are outweighed by safety concerns or by con-
18 cerns regarding adverse effects on the capabilities of
19 the Armed Forces.

20 (b) RECOMMENDATIONS ON REALIGNMENT OF
21 FORCE STRUCTURE FACILITATED BY POLICY.—

22 (1) REPORT ON IMPROVED PROJECTION CAPA-
23 BILITIES.—The Secretary of the Navy shall submit
24 to the Secretary of Defense, on such schedule as the
25 Secretary of Defense shall direct, a report on the im-

1 improvements in the power projection capabilities and
2 the power projection support capabilities of the Navy
3 that result from the implementation of the policy re-
4 quired under subsection (a).

5 (2) SUBMISSION TO CONGRESS.—The Secretary
6 of Defense shall submit to Congress recommended
7 reductions in naval force structure to a force struc-
8 ture that is sufficient for the Navy to meet its power
9 projection requirements (as set forth in the most re-
10 cent National Military Strategy issued by the Sec-
11 retary before the date of the enactment of this Act).

12 **SEC. 306. POST-COLD WAR READJUSTMENT OF STRATEGIC**
13 **FORCE STRUCTURE.**

14 (a) POLICY.—The Secretary of Defense shall ensure
15 that the Department of Defense maintains the most cost-
16 effective, safe, and reliable combination of delivery vehicles
17 that—

18 (1) is necessary to carry not more than the
19 number of warheads agreed to in the START II
20 Treaty; and

21 (2) comprises a force structure that is in com-
22 pliance with that treaty.

23 (b) START II TREATY DEFINED.—In this section,
24 the term “START II Treaty” means the Treaty Between
25 the United States of America and the Russian Federation

1 on Further Reduction and Limitation of Strategic Offen-
2 sive Arms, signed at Moscow on January 3, 1993, includ-
3 ing the following protocols and memorandum of under-
4 standing, all such documents being integral parts of and
5 collectively referred to as the “START II Treaty” (con-
6 tained in Treaty Document 103–1):

7 (1) The Protocol on Procedures Governing
8 Elimination of Heavy ICBMs and on Procedures
9 Governing Conversion of Silo Launchers of Heavy
10 ICBMs Relating to the Treaty Between the United
11 States of America and the Russian Federation on
12 Further Reduction and Limitation of Strategic Of-
13 fensive Arms (also known as the “Elimination and
14 Conversion Protocol”).

15 (2) The Protocol on Exhibitions and Inspec-
16 tions of Heavy Bombers Relating to the Treaty Be-
17 tween the United States and the Russian Federation
18 on Further Reduction and Limitation of Strategic
19 Offensive Arms (also known as the “Exhibitions and
20 Inspections Protocol”).

21 (3) The Memorandum of Understanding on
22 Warhead Attribution and Heavy Bomber Data Re-
23 lating to the Treaty Between the United States of
24 America and the Russian Federation on Further Re-

1 duction and Limitation of Strategic Offensive Arms
2 (also known as the “Memorandum on Attribution”).

3 **SEC. 307. D5 (TRIDENT II) MISSILE PROGRAM.**

4 (a) **TERMINATION OF PROGRAM.**—The Secretary of
5 Defense shall terminate the D5 missile program.

6 (b) **FUNDING LIMITATION.**—Effective on the date of
7 the enactment of this Act, funds appropriated or otherwise
8 made available for the Department of Defense for the D5
9 missile program may not be obligated for that program
10 except for payment of the costs necessary for terminating
11 the program.

12 **SEC. 308. EXPEDITED INVENTORY DRAWDOWN.**

13 The Secretary of Defense shall—

14 (1) expeditiously review the inventory require-
15 ments of the Department of Defense for stocks of
16 equipment and supplies to identify requirements that
17 result in excessive inventory; and

18 (2) take such actions as are necessary to in-
19 crease, by September 30, 2003, the total amount re-
20 alized each fiscal year from sales and other disposals
21 of excessive inventory of equipment and supplies by
22 50 percent over the total amount realized from sales
23 and other disposals of excessive inventory during fis-
24 cal year 1998.

1 **SEC. 309. EXTREMELY LOW FREQUENCY COMMUNICATION**
2 **SYSTEM OF THE NAVY.**

3 (a) **TERMINATION OF PROGRAM.**—The Secretary of
4 Defense shall terminate the Extremely Low Frequency
5 Communication System program of the Navy.

6 (b) **FUNDING LIMITATION.**—Effective on the date of
7 the enactment of this Act, funds appropriated or otherwise
8 made available for the Department of Defense for the Ex-
9 tremely Low Frequency Communication System program
10 may not be obligated for that program except for payment
11 of the costs necessary for terminating the program.

12 **SEC. 310. CONSOLIDATION OF TACTICAL AIRCRAFT PILOT**
13 **TRAINING.**

14 (a) **POLICY.**—The Secretary of Defense shall require
15 the Armed Forces to use a single program for training
16 members of the Armed Forces as pilots of tactical aircraft.

17 (b) **IMPLEMENTATION OF POLICY.**—To carry out
18 subsection (a), the Secretary of Defense shall—

19 (1) not later than September 30, 1999, select
20 one of the Armed Forces to train members of the
21 Armed Forces as pilots of tactical aircraft; and

22 (2) terminate all such programs that are car-
23 ried out by the other Armed Forces.

24 (c) **WAIVER AUTHORITY.**—The Secretary of Defense
25 may waive the requirements of this section if the Secretary
26 determines that it is in the national security interests of

1 the United States to use more than one of the Armed
2 Forces to train members of the Armed Forces as pilots
3 of tactical aircraft.

4 **TITLE IV—COMMERCE, SCIENCE, AND**
5 **TRANSPORTATION**

6 **SEC. 401. TERMINATION OF UNITED STATES PARTICIPA-**
7 **TION IN THE INTERNATIONAL SPACE STA-**
8 **TION PROGRAM.**

9 (a) **TERMINATION.**—The Administrator of the Na-
10 tional Aeronautics and Space Administration (referred to
11 in this section as the “Administrator”) shall terminate the
12 participation of the United States in the International
13 Space Station program.

14 (b) **TERMINATION COSTS.**—

15 (1) **IN GENERAL.**—Subject to the limitation
16 under paragraph (2), on and after the date of enact-
17 ment of this Act, the Administrator may obligate
18 funds made available to the Administrator for the
19 participation of the United States in the Inter-
20 national Space Station program only for the costs of
21 terminating the participation of the United States in
22 that program.

1 (2) LIMITATION.—The Administrator may not
2 obligate under this subsection an aggregate amount
3 greater than \$700,000,000.

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