

106TH CONGRESS  
2D SESSION

# H. R. 5205

To amend the Agricultural Market Transition Act to establish a flexible fallow program under which a producer may idle a portion of the total planted acreage of the loan commodities of the producer in exchange for higher loan rates for marketing assistance loans on the remaining acreage of the producer.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 19, 2000

Mr. BEREUTER (for himself and Mr. MINGE) introduced the following bill;  
which was referred to the Committee on Agriculture

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## A BILL

To amend the Agricultural Market Transition Act to establish a flexible fallow program under which a producer may idle a portion of the total planted acreage of the loan commodities of the producer in exchange for higher loan rates for marketing assistance loans on the remaining acreage of the producer.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Food Security and  
5       Land Stewardship Act of 2000”.

1 **SEC. 2. FLEXIBLE FALLOW PROGRAM.**

2 (a) IN GENERAL.—The Agricultural Market Transi-  
3 tion Act is amended by inserting after section 137 (7  
4 U.S.C. 7237) the following new section:

5 **“SEC. 138. ALTERNATIVE LOAN RATES UNDER FLEXIBLE**  
6 **FALLOW PROGRAM.**

7 “(a) DEFINITION OF TOTAL PLANTED ACREAGE.—  
8 In this section, the term ‘total planted acreage’ means the  
9 cropland acreage of a producer that for the 1999 crop year  
10 was—

11 “(1) planted to a loan commodity;

12 “(2) prevented from being planted to a loan  
13 commodity; or

14 “(3) fallow as part of a fallow rotation practice  
15 with respect to a loan commodity, as determined by  
16 the Secretary.

17 “(b) ELECTION TO PARTICIPATE.—In lieu of receiv-  
18 ing a loan rate under section 132 with respect to produc-  
19 tion eligible for a loan under section 131, a producer may  
20 elect to participate in a flexible fallow program for any  
21 of the 2001 or 2002 crops under which annually—

22 “(1) the producer determines which acres of the  
23 total planted acreage are assigned to a specific loan  
24 commodity;

25 “(2) the producer determines—

1           “(A) the projected percentage reduction  
2           rate of production of the specific loan com-  
3           modity based on the acreage assigned to the  
4           loan commodity under paragraph (1); and

5           “(B) the acreage of the total planted acre-  
6           age of the producer to be set aside under sub-  
7           paragraph (A), regardless of whether the acre-  
8           age is on the same farm as the acreage planted  
9           to the specific loan commodity;

10          “(3) based on the projected percentage reduc-  
11          tion rate of production as a result of the acreage set  
12          aside under paragraph (2), the producer receives the  
13          loan rate for each loan commodity produced by the  
14          producer, as determined under subsection (c); and

15          “(4) the acreage planted to loan commodities  
16          for harvest and set aside under this section is lim-  
17          ited to the total planted acreage of the producer.

18          “(c) LOAN RATES UNDER PROGRAM.—

19                 “(1) IN GENERAL.—Subject to paragraphs (2)  
20                 and (3), in the case of a producer of a loan com-  
21                 modity that elects to participate in the flexible fallow  
22                 program under this section, the loan rate for a mar-  
23                 keting assistance loan under section 131 for a crop  
24                 of the loan commodity shall be based on the pro-  
25                 jected percentage reduction rate of production deter-

1 mined by the producer under subsection (b)(2), in  
 2 accordance with the following table:

<b>“Pro- jected Per- centage Reduc- tion Rate</b>	<b>Corn Loan Rate (\$/bush- el)</b>	<b>Wheat Loan Rate (\$/bushel)</b>	<b>Soybean Loan Rate (\$/bushel)</b>	<b>Upland Cotton Loan Rate (\$/pound)</b>	<b>Rice Loan Rate (\$/hund- red- weight)</b>
0%	1.89	2.75	4.72	0.5192	6.50
1%	1.91	2.78	4.77	0.5268	6.60
2%	1.93	2.81	4.81	0.5344	6.70
3%	1.95	2.83	4.86	0.5420	6.80
4%	1.97	2.86	4.91	0.5496	6.90
5%	1.99	2.89	4.96	0.5572	7.00
6%	2.01	2.92	5.01	0.5648	7.10
7%	2.03	2.95	5.06	0.5724	7.20
8%	2.05	2.98	5.11	0.5800	7.30
9%	2.07	3.01	5.16	0.5876	7.40
10%	2.09	3.04	5.21	0.5952	7.50
11%	2.12	3.08	5.29	0.6028	7.60
12%	2.15	3.13	5.36	0.6104	7.70
13%	2.18	3.17	5.43	0.6180	7.80
14%	2.21	3.22	5.51	0.6256	7.90
15%	2.24	3.27	5.58	0.6332	8.00
16%	2.28	3.31	5.65	0.6408	8.10
17%	2.31	3.36	5.73	0.6484	8.20
18%	2.34	3.41	5.81	0.6560	8.30
19%	2.37	3.46	5.88	0.6636	8.40
20%	2.41	3.51	5.96	0.6712	8.50
21%	2.44	3.55	6.04	0.6788	8.60
22%	2.47	3.60	6.12	0.6864	8.70
23%	2.51	3.65	6.19	0.6940	8.80
24%	2.54	3.70	6.27	0.7016	8.90
25%	2.57	3.75	6.35	0.7092	9.00
26%	2.61	3.80	6.43	0.7168	9.10
27%	2.64	3.85	6.51	0.7244	9.20
28%	2.68	3.90	6.60	0.7320	9.30
29%	2.71	3.95	6.68	0.7396	9.40
30%	2.75	4.01	6.76	0.7472	9.50.

3 “(2) COUNTY AVERAGE YIELDS.—

4 “(A) IN GENERAL.—The loan rate for a  
 5 marketing assistance loan made to a producer  
 6 for a crop of a loan commodity under para-  
 7 graph (1) shall apply with respect to the pro-

1           duction of the crop of the loan commodity by  
2           the producer in a quantity that does not exceed  
3           the historical county average yield for the loan  
4           commodity established by the National Agricultural  
5           Statistics Service, adjusted for long-term  
6           yield trends.

7           “(B) EXCESS PRODUCTION.—The loan  
8           rate for a marketing assistance loan made to a  
9           producer for a crop of a loan commodity under  
10          paragraph (1) with respect to the production of  
11          the crop of the loan commodity in excess of the  
12          historical county average yield for the loan com-  
13          modity described in subparagraph (A) shall be  
14          equal to the loan rate established for a 0% pro-  
15          jected percentage reduction rate for the loan  
16          commodity under paragraph (1).

17          “(C) DISASTERS.—

18                 “(i) IN GENERAL.—If the production  
19                 of a crop of a loan commodity by a pro-  
20                 ducer is less than the historical county av-  
21                 erage yield for the loan commodity de-  
22                 scribed in subparagraph (A) as a result of  
23                 damaging weather, an insurable peril, or  
24                 related condition, the producer may receive

1 a payment on the lost production that shall  
2 equal the difference between—

3 “(I) the maximum quantity of  
4 loan commodity that could have been  
5 designated for the loan rate author-  
6 ized under this section for the pro-  
7 ducer; and

8 “(II) the quantity of loan com-  
9 modity the producer was able to  
10 produce and commercially market.

11 “(ii) CALCULATION OF PAYMENT.—

12 The payment described in clause (i) shall  
13 be equal to the loan deficiency payment the  
14 producer could have received on the lost  
15 production on any date, selected by the  
16 producer, on which a loan deficiency pay-  
17 ment was available for that crop of the  
18 loan commodity.

19 “(3) OTHER LOAN COMMODITIES.—In the case  
20 of a producer of a loan commodity not covered by  
21 paragraphs (1) and (2) that elects to participate in  
22 the flexible fallow program under this section, the  
23 loan rate for a marketing assistance loan under sec-  
24 tion 131 for the crop of the loan commodity shall be  
25 based on—

1           “(A) in the case of grain sorghum, barley,  
2           and oats, such level as the Secretary determines  
3           is fair and reasonable in relation to the rate  
4           that loans are made available for corn, taking  
5           into consideration the feeding value of the com-  
6           modity in relation to corn;

7           “(B) in the case of extra long staple cot-  
8           ton, such level as the Secretary determines is  
9           fair and reasonable; and

10           “(C) in the case of oilseeds other than soy-  
11           beans, such level as the Secretary determines is  
12           fair and reasonable in relation to the loan rate  
13           available for soybeans, except that the rate for  
14           the oilseeds (other than cottonseed) shall not be  
15           less than the rate established for soybeans on a  
16           per-pound basis for the same crop.

17           “(d) CONSERVATION USE OF SET-ASIDE ACRE-  
18           AGE.—To be eligible for a loan rate under this section,  
19           a producer shall devote all of the acreage set aside under  
20           this section to a conservation use approved by the Sec-  
21           retary and manage the set-aside acreage using manage-  
22           ment practices designed to enhance soil conservation and  
23           wildlife habitat. The Secretary shall prescribe the ap-  
24           proved management practices for a county in consultation  
25           with the relevant State technical committee.

1           “(1) LIMITED GRAZING.—The Secretary may  
2 permit limited grazing on the set-aside acreage when  
3 the grazing is incidental to the gleaning of crop resi-  
4 dues on adjacent fields.

5           “(e) CERTIFICATION.—To be eligible to participate in  
6 the flexible fallow program for the 2001 or 2002 crops,  
7 a producer shall certify to the Secretary (by farm serial  
8 number) the total planted acreage assigned, planted, and  
9 set aside with respect to each loan commodity.”.

10          (b) CONFORMING AMENDMENTS.—

11           (1) LOAN RATE ADJUSTMENTS.—Section 132 of  
12 the Agricultural Market Transition Act (7 U.S.C.  
13 7232) is amended—

14           (A) in subsection (a)(1)(B), by striking  
15 “\$2.58” and inserting “\$2.75”; and

16           (B) in subsection (f)(1), by striking sub-  
17 paragraph (B) and inserting the following new  
18 subparagraph:

19           “(B) not more than \$4.72 per bushel.”.

20           (2) EFFECTIVE DATE.—The amendments made  
21 by this subsection shall apply beginning with the  
22 2001 crop of a loan commodity (as defined in sec-  
23 tion 102 of the Agricultural Market Transition Act  
24 (7 U.S.C. 7202)).

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