

107TH CONGRESS
1ST SESSION

S. 1100

To amend the Trade Act of 1974 to provide trade adjustment assistance to farmers.

IN THE SENATE OF THE UNITED STATES

JUNE 26, 2001

Mr. CONRAD (for himself, Mr. GRASSLEY, Mr. BAUCUS, Mr. DASCHLE, Mr. MURKOWSKI, Mrs. LINCOLN, and Mr. KERRY) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Trade Act of 1974 to provide trade adjustment assistance to farmers.

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 “Trade Adjustment As-
5 sistance for Farmers Act”.

6 **SEC. 2. TRADE ADJUSTMENT ASSISTANCE FOR FARMERS.**

7 (a) IN GENERAL.—Title II of the Trade Act of 1974
8 (19 U.S.C. 2251 et seq.) is amended by adding at the end
9 the following new chapter:

1 **“CHAPTER 6—ADJUSTMENT ASSISTANCE**
2 **FOR FARMERS**

3 **“SEC. 291. DEFINITIONS.**

4 “In this chapter:

5 “(1) AGRICULTURAL COMMODITY.—The term
6 ‘agricultural commodity’ means any agricultural
7 commodity (including livestock, fish, or harvested
8 seafood) in its raw or natural state.

9 “(2) AGRICULTURAL COMMODITY PRODUCER.—
10 The term ‘agricultural commodity producer’ means
11 any person who is engaged in the production and
12 sale of an agricultural commodity in the United
13 States and who owns or shares the ownership and
14 risk of loss of the agricultural commodity.

15 “(3) CONTRIBUTED IMPORTANTLY.—

16 “(A) IN GENERAL.—The term ‘contributed
17 importantly’ means a cause which is important
18 but not necessarily more important than any
19 other cause.

20 “(B) DETERMINATION OF CONTRIBUTED
21 IMPORTANTLY.—The determination of whether
22 imports of articles like or directly competitive
23 with an agricultural commodity with respect to
24 which the petition under this chapter was filed
25 contributed importantly to a decline in the price

1 of the agricultural commodity shall be made by
2 the Secretary of Agriculture.

3 “(4) DULY AUTHORIZED REPRESENTATIVE.—
4 The term ‘duly authorized representative’ means an
5 association of agricultural commodity producers.

6 “(5) NATIONAL AVERAGE PRICE.—The term
7 ‘national average price’ means the national average
8 price paid to an agricultural commodity producer for
9 an agricultural commodity in a marketing year as
10 determined by the Secretary of Agriculture.

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

13 **“SEC. 292. PETITIONS; GROUP ELIGIBILITY.**

14 “(a) IN GENERAL.—A petition for a certification of
15 eligibility to apply for adjustment assistance under this
16 chapter may be filed with the Secretary by a group of agri-
17 cultural commodity producers or by their duly authorized
18 representative. Upon receipt of the petition, the Secretary
19 shall promptly publish notice in the Federal Register that
20 the Secretary has received the petition and initiated an
21 investigation.

22 “(b) HEARINGS.—If the petitioner, or any other per-
23 son found by the Secretary to have a substantial interest
24 in the proceedings, submits not later than 10 days after
25 the date of the Secretary’s publication under subsection

1 (a) a request for a hearing, the Secretary shall provide
2 for a public hearing and afford such interested persons
3 an opportunity to be present, to produce evidence, and to
4 be heard.

5 “(c) GROUP ELIGIBILITY REQUIREMENTS.—The
6 Secretary shall certify a group of agricultural commodity
7 producers as eligible to apply for adjustment assistance
8 under this chapter if the Secretary determines—

9 “(1) that the national average price for the ag-
10 ricultural commodity, or a class of goods within the
11 agricultural commodity, produced by the group for
12 the most recent marketing year for which the na-
13 tional average price is available is less than 80 per-
14 cent of the average of the national average price for
15 such agricultural commodity, or such class of goods,
16 for the 5 marketing years preceding the most recent
17 marketing year; and

18 “(2) that increases in imports of articles like or
19 directly competitive with the agricultural commodity,
20 or class of goods within the agricultural commodity,
21 produced by the group contributed importantly to
22 the decline in price described in paragraph (1).

23 “(d) SPECIAL RULE FOR QUALIFIED SUBSEQUENT
24 YEARS.—A group of agricultural commodity producers
25 certified as eligible under section 293 shall be eligible to

1 apply for assistance under this chapter in any qualified
2 year after the year the group is first certified, if the Sec-
3 retary determines that—

4 “(1) the national average price for the agricul-
5 tural commodity, or class of goods within the agri-
6 cultural commodity, produced by the group for the
7 most recent marketing year for which the national
8 average price is available is equal to or less than the
9 price determined under subsection (c)(1); and

10 “(2) the requirements of subsection (c)(2) are
11 met.

12 “(e) DETERMINATION OF QUALIFIED YEAR AND
13 COMMODITY.—In this chapter:

14 “(1) QUALIFIED YEAR.—The term ‘qualified
15 year’, with respect to a group of agricultural com-
16 modity producers certified as eligible under section
17 293, means each consecutive year after the year in
18 which the group is certified that the Secretary
19 makes the determination under subsection (c) or (d),
20 as the case may be.

21 “(2) CLASSES OF GOODS WITHIN A COM-
22 MODITY.—In any case in which there are separate
23 classes of goods within an agricultural commodity,
24 the Secretary shall treat each class as a separate
25 commodity in determining group eligibility, the na-

1 tional average price, and level of imports under this
2 section and section 296.

3 **“SEC. 293. DETERMINATIONS BY SECRETARY.**

4 “(a) IN GENERAL.—As soon as practicable after the
5 date on which a petition is filed under section 292, but
6 in any event not later than 60 days after that date, the
7 Secretary shall determine whether the petitioning group
8 meets the requirements of section 292 (c) or (d), as the
9 case may be and shall, if the group meets the require-
10 ments, issue a certification of eligibility to apply for assist-
11 ance under this chapter covering agricultural commodity
12 producers in any group that meet the requirements. Each
13 certification shall specify the date on which eligibility
14 under this chapter begins.

15 “(b) NOTICE.—Upon making a determination on a
16 petition, the Secretary shall promptly publish a summary
17 of the determination in the Federal Register, together with
18 the Secretary’s reasons for making the determination.

19 “(c) TERMINATION OF CERTIFICATION.—Whenever
20 the Secretary determines, with respect to any certification
21 of eligibility under this chapter, that the decline in price
22 for the agricultural commodity covered by the certification
23 is no longer attributable to the conditions described in sec-
24 tion 292, the Secretary shall terminate such certification
25 and promptly cause notice of such termination to be pub-

1 lished in the Federal Register, together with the Sec-
2 retary's reasons for making such determination.

3 **“SEC. 294. STUDY BY SECRETARY WHEN INTERNATIONAL**
4 **TRADE COMMISSION BEGINS INVESTIGATION.**

5 “(a) IN GENERAL.—Whenever the International
6 Trade Commission (in this chapter referred to as the
7 ‘Commission’) begins an investigation under section 202
8 with respect to an agricultural commodity, the Commis-
9 sion shall immediately notify the Secretary of the inves-
10 tigation. Upon receipt of the notification, the Secretary
11 shall immediately conduct a study of—

12 “(1) the number of agricultural commodity pro-
13 ducers producing a like or directly competitive agri-
14 cultural commodity who have been or are likely to be
15 certified as eligible for adjustment assistance under
16 this chapter, and

17 “(2) the extent to which the adjustment of such
18 producers to the import competition may be facili-
19 tated through the use of existing programs.

20 “(b) REPORT.—Not later than 15 days after the day
21 on which the Commission makes its report under section
22 202(f), the Secretary shall submit a report to the Presi-
23 dent setting forth the findings of the study under sub-
24 section (a). Upon making his report to the President, the
25 Secretary shall also promptly make it public (with the ex-

1 ception of information which the Secretary determines to
2 be confidential) and shall have a summary of it published
3 in the Federal Register.

4 **“SEC. 295. BENEFIT INFORMATION TO AGRICULTURAL**
5 **COMMODITY PRODUCERS.**

6 “(a) IN GENERAL.—The Secretary shall provide full
7 information to producers about the benefit allowances,
8 training, and other employment services available under
9 this title and about the petition and application proce-
10 dures, and the appropriate filing dates, for such allow-
11 ances, training, and services. The Secretary shall provide
12 whatever assistance is necessary to enable groups to pre-
13 pare petitions or applications for program benefits under
14 this title.

15 “(b) NOTICE OF BENEFITS.—

16 “(1) IN GENERAL.—The Secretary shall mail
17 written notice of the benefits available under this
18 chapter to each agricultural commodity producer
19 that the Secretary has reason to believe is covered
20 by a certification made under this chapter.

21 “(2) OTHER NOTICE.—The Secretary shall pub-
22 lish notice of the benefits available under this chap-
23 ter to agricultural commodity producers that are
24 covered by each certification made under this chap-

1 ter in newspapers of general circulation in the areas
2 in which such producers reside.

3 **“SEC. 296. QUALIFYING REQUIREMENTS FOR AGRICUL-**
4 **TURAL COMMODITY PRODUCERS.**

5 “(a) IN GENERAL.—Payment of a trade adjustment
6 allowance shall be made to an adversely affected agricul-
7 tural commodity producer covered by a certification under
8 this chapter who files an application for such allowance
9 within 90 days after the date on which the Secretary
10 makes a determination and issues a certification of eligi-
11 bility under section 293, if the following conditions are
12 met:

13 “(1) The producer submits to the Secretary suf-
14 ficient information to establish the amount of agri-
15 cultural commodity covered by the application filed
16 under subsection (a) that was produced by the pro-
17 ducer in the most recent year.

18 “(2) The producer certifies that the producer
19 has not received cash benefits under any provision of
20 this title other than this chapter.

21 “(3) The producer’s net farm income (as deter-
22 mined by the Secretary) for the most recent year is
23 less than the producer’s net farm income for the lat-
24 est year in which no adjustment assistance was re-
25 ceived by the producer under this chapter.

1 “(4) The producer certifies that the producer
2 has met with an Extension Service employee or
3 agent to obtain, at no cost to the producer, informa-
4 tion and technical assistance that will assist the pro-
5 ducer in adjusting to import competition with re-
6 spect to the adversely affected agricultural com-
7 modity, including—

8 “(A) information regarding the feasibility
9 and desirability of substituting 1 or more alter-
10 native commodities for the adversely affected
11 agricultural commodity; and

12 “(B) technical assistance that will improve
13 the competitiveness of the production and mar-
14 keting of the adversely affected agricultural
15 commodity by the producer, including yield and
16 marketing improvements.

17 “(b) AMOUNT OF CASH BENEFITS.—

18 “(1) IN GENERAL.—Subject to the provisions of
19 section 298, an adversely affected agricultural com-
20 modity producer described in subsection (a) shall be
21 entitled to adjustment assistance under this chapter
22 in an amount equal to the product of—

23 “(A) one-half of the difference between—

24 “(i) an amount equal to 80 percent of
25 the average of the national average price of

1 the agricultural commodity covered by the
2 application described in subsection (a) for
3 the 5 marketing years preceding the most
4 recent marketing year, and

5 “(ii) the national average price of the
6 agricultural commodity for the most recent
7 marketing year, and

8 “(B) the amount of the agricultural com-
9 modity produced by the agricultural commodity
10 producer in the most recent marketing year.

11 “(2) SPECIAL RULE FOR SUBSEQUENT QUALI-
12 FIED YEARS.—The amount of cash benefits for a
13 qualified year shall be determined in the same man-
14 ner as cash benefits are determined under paragraph
15 (1) except that the average national price of the ag-
16 ricultural commodity shall be determined under
17 paragraph (1)(A)(i) by using the 5-marketing-year
18 period used to determine the amount of cash bene-
19 fits for the first certification.

20 “(c) MAXIMUM AMOUNT OF CASH ASSISTANCE.—
21 The maximum amount of cash benefits an agricultural
22 commodity producer may receive in any 12-month period
23 shall not exceed \$10,000.

1 “(d) LIMITATIONS ON OTHER ASSISTANCE.—An ag-
2 ricultural commodity producer entitled to receive a cash
3 benefit under this chapter—

4 “(1) shall not be eligible for any other cash
5 benefit under this title, and

6 “(2) shall be entitled to employment services
7 and training benefits under sections 235 and 236.

8 **“SEC. 297. FRAUD AND RECOVERY OF OVERPAYMENTS.**

9 “(a) IN GENERAL.—

10 “(1) REPAYMENT.—If the Secretary, or a court
11 of competent jurisdiction, determines that any per-
12 son has received any payment under this chapter to
13 which the person was not entitled, such person shall
14 be liable to repay such amount to the Secretary, ex-
15 cept that the Secretary may waive such repayment
16 if the Secretary determines, in accordance with
17 guidelines prescribed by the Secretary, that—

18 “(A) the payment was made without fault
19 on the part of such person; and

20 “(B) requiring such repayment would be
21 contrary to equity and good conscience.

22 “(2) RECOVERY OF OVERPAYMENT.—Unless an
23 overpayment is otherwise recovered, or waived under
24 paragraph (1), the Secretary shall recover the over-

1 payment by deductions from any sums payable to
2 such person under this chapter.

3 “(b) FALSE STATEMENTS.—If the Secretary, or a
4 court of competent jurisdiction, determines that a
5 person—

6 “(1) knowingly has made, or caused another to
7 make, a false statement or representation of a mate-
8 rial fact, or

9 “(2) knowingly has failed, or caused another to
10 fail, to disclose a material fact,

11 and, as a result of such false statement or representation,
12 or of such nondisclosure, such person has received any
13 payment under this chapter to which the person was not
14 entitled, such person shall, in addition to any other pen-
15 alty provided by law, be ineligible for any further pay-
16 ments under this chapter.

17 “(c) NOTICE AND DETERMINATION.—Except for
18 overpayments determined by a court of competent jurisdic-
19 tion, no repayment may be required, and no deduction
20 may be made, under this section until a determination
21 under subsection (a)(1) by the Secretary has been made,
22 notice of the determination and an opportunity for a fair
23 hearing thereon has been given to the person concerned,
24 and the determination has become final.

1 “(d) PAYMENT TO TREASURY.—Any amount recov-
2 ered under this section shall be returned to the Treasury
3 of the United States.

4 “(e) PENALTIES.—Whoever makes a false statement
5 of a material fact knowing it to be false, or knowingly fails
6 to disclose a material fact, for the purpose of obtaining
7 or increasing for himself or for any other person any pay-
8 ment authorized to be furnished under this chapter shall
9 be fined not more than \$10,000 or imprisoned for not
10 more than 1 year, or both.

11 **“SEC. 298. AUTHORIZATION OF APPROPRIATIONS.**

12 “(a) IN GENERAL.—There are authorized to be ap-
13 propriated and there are appropriated to the Department
14 of Agriculture not to exceed \$100,000,000 for each of the
15 fiscal years 2002 through 2006 to carry out the purposes
16 of this chapter.

17 “(b) PROPORTIONATE REDUCTION.—If in any year,
18 the amount appropriated under this chapter is insufficient
19 to meet the requirements for adjustment assistance pay-
20 able under this chapter, the amount of assistance payable
21 under this chapter shall be reduced proportionately.”.

22 (b) CONFORMING AMENDMENT.—The table of con-
23 tents for title II of the Trade Act of 1974 is amended
24 by inserting after the items relating to chapter 5 the fol-
25 lowing:

“CHAPTER 6—ADJUSTMENT ASSISTANCE FOR FARMERS

- “Sec. 291. Definitions.
- “Sec. 292. Petitions; group eligibility.
- “Sec. 293. Determinations by Secretary.
- “Sec. 294. Study by Secretary when International Trade Commission begins investigation.
- “Sec. 295. Benefit information to agricultural commodity producers.
- “Sec. 296. Qualifying requirements for agricultural commodity producers.
- “Sec. 297. Fraud and recovery of overpayments.
- “Sec. 298. Authorization of appropriations.”.

