AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: To improve provisions for highly erodible land and wetland conservation for crop insurance, and for other purposes.

## IN THE SENATE OF THE UNITED STATES-113th Cong., 1st Sess.

## **S.10**

To reauthorize agricultural programs through 2018.

Referred to the Committee on \_\_\_\_\_\_ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENTS intended to be proposed by \_\_\_\_\_

Viz:

1 In section 1241(c) of the Food Security Act of 1985

2 (16 U.S.C. 3841(c)) (as amended by section 2602), redes-

3 ignate paragraph (2) as paragraph (3).

In section 1241(c) of the Food Security Act of 1985
(16 U.S.C. 3841(c)) (as amended by section 2602), insert
after paragraph (1) the following:

7 "(2) Priority.—

8 "(A) IN GENERAL.—In the delivery of 9 technical assistance under the Soil Conservation 10 and Domestic Allotment Act (16 U.S.C. 590a et 11 seq.), the Secretary shall give priority to pro-

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ducers who request technical assistance from 2 the Secretary in order to comply for the first 3 time with the requirements of subtitle B and 4 subtitle C of this title as a result of the amend-5 ments made by section 2609 of the Agriculture 6 Reform, Food, and Jobs Act of 2013.

7 "(B) REPORT.—Not later than 270 days 8 after the date of enactment of the Agriculture 9 Reform, Food, and Jobs Act of 2013, the Sec-10 retary shall submit to the Committee on Agri-11 culture of the House of Representatives and the 12 Committee on Agriculture, Nutrition, and For-13 estry of the Senate a report regarding the ex-14 tent to which the conservation compliance re-15 quirements contained in the amendments made 16 by section 2609 of the Agriculture Reform, 17 Food, and Jobs Act of 2013 apply to and im-18 pact specialty crop growers, including national 19 analysis and surveys to determine the extent of 20 specialty crop acreage includes highly erodible 21 land and wetlands.".

22 Strike section 2609 and insert the following:

| 1  | SEC. 2609. HIGHLY ERODIBLE LAND AND WETLAND CON-  |
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| 2  | SERVATION FOR CROP INSURANCE.                     |
| 3  | (a) Highly Erodible Land Program Ineligi-         |
| 4  | BILITY.—  |
| 5  | (1) IN GENERAL.—Section $1211(a)(1)$ of the       |
| 6  | Food Security Act of 1985 (16 U.S.C. 3811(a)(1))  |
| 7  | is amended—                                       |
| 8  | (A) in subparagraph (C), by striking "or"         |
| 9  | at the end;                                       |
| 10 | (B) in subparagraph (D), by adding "or"           |
| 11 | at the end; and                                   |
| 12 | (C) by adding at the end the following:           |
| 13 | "(E) any portion of premium paid by the           |
| 14 | Federal Crop Insurance Corporation for a plan     |
| 15 | or policy of insurance under the Federal Crop     |
| 16 | Insurance Act (7 U.S.C. 1501 et seq.), on the     |
| 17 | condition that if a person is determined to have  |
| 18 | committed a violation under this subsection       |
| 19 | during a crop year, ineligibility under this sub- |
| 20 | paragraph shall—                                  |
| 21 | "(i) only apply to reinsurance years              |
| 22 | subsequent to the date of final determina-        |
| 23 | tion of a violation, including all adminis-       |
| 24 | trative appeals; and                              |

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| 1  | "(ii) not apply to the existing reinsur-         |
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| 2  | ance year or any reinsurance year prior to       |
| 3  | the date of final determination.".               |
| 4  | (2) EXEMPTIONS.—Section $1212(a)(2)$ of the      |
| 5  | Food Security Act of 1985 (16 U.S.C. 3812(a)(2)) |
| 6  | is amended—                                      |
| 7  | (A) in the first sentence, by striking $(2)$     |
| 8  | If," and inserting the following:                |
| 9  | "(2) ELIGIBILITY BASED ON COMPLIANCE WITH        |
| 10 | CONSERVATION PLAN.—                              |
| 11 | "(A) IN GENERAL.—If,";                           |
| 12 | (B) in the second sentence, by striking "In      |
| 13 | carrying" and inserting the following:           |
| 14 | "(B) MINIMIZATION OF DOCUMENTA-                  |
| 15 | TION.—In carrying"; and                          |
| 16 | (C) by adding at the end the following:          |
| 17 | "(C) CROP INSURANCE.—Notwithstanding             |
| 18 | section 1211(a)—                                 |
| 19 | "(i) in the case of a person that is             |
| 20 | subject to section 1211 for the first time       |
| 21 | after May 1, 2013, due to the amendment          |
| 22 | made by section 2609(a) of the Agriculture       |
| 23 | Reform, Food, and Jobs Act of 2013, any          |
| 24 | person who produces an agricultural com-         |
| 25 | modity on the land that is the basis of the      |

| payments described in section                |
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| 1211(a)(1)(E) shall have 5 reinsurance       |
| years after the date on which such pay-      |
| ments become subject to section $1211$ to    |
| develop and comply with an approved con-     |
| servation plan so as to maintain eligibility |
| for such payments; and                       |
| "(ii) in the case of a person that the       |
| Secretary determines would have been in      |
| violation of section 1211(a) if the person   |
| had continued participation in the pro-      |
| grams requiring compliance at any time       |
| after the date of enactment of the Food,     |
| Conservation, and Energy Act of 2008 (7      |
| U.S.C. 8701 et seq.) and is currently in     |
| violation of section 1211(a), the person     |
| shall have 2 reinsurance years after the     |
| date on which the payments described in      |
| section $1211(a)(1)(E)$ become subject to    |
| section 1211 to develop and comply with      |
| an approved conservation plan, as deter-     |
| mined by the Secretary, so as to maintain    |
| eligibility for such payments.".             |
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(b) WETLAND CONSERVATION PROGRAM INELIGI BILITY.—Section 1221 of the Food Security Act of 1985
 (16 U.S.C. 3821) is amended—

4 (1) in subsection (b), by adding at the end the5 following:

6 "(4) CROP INSURANCE.—

7 "(A) IN GENERAL.—Except as provided in 8 this paragraph, a person subject to a final de-9 termination, including all administrative ap-10 peals, of a violation of subsection (c) shall have 11 1 reinsurance year to initiate a conservation 12 plan to remedy the violation, as determined by 13 the Secretary, before becoming ineligible under 14 that subsection in the following reinsurance 15 year to receive any payment of any portion of 16 premium paid by the Federal Crop Insurance 17 Corporation for a plan or policy of insurance 18 under the Federal Crop Insurance Act (7 19 U.S.C. 1501 et seq.).

20 "(B) APPLICABILITY.—In the case of a
21 person that is subject to this subsection or sub22 section (d) for the first time due to the amend23 ment made by section 2609(b) of the Agri24 culture Reform, Food, and Jobs Act of 2013,
25 the person shall have 2 reinsurance years after

the date of final determination, including all ad ministrative appeals, to take such steps as the
 Secretary determines appropriate to remedy or
 mitigate the violation in accordance with sub section (c).

6 "(C) GOOD FAITH.—If the Secretary de-7 termines that a person subject to a final deter-8 mination, including all administrative appeals, 9 of a violation of subsection (c) acted in good 10 faith and without intent to violate this section 11 as described in section 1222(h), the Secretary 12 shall give the person 1 reinsurance year to 13 begin mitigation, restoration, or such other 14 steps as are determined necessary by the Sec-15 retary.

16 "(D) TENANT RELIEF.—

17 "(i) IN GENERAL.—If a tenant is de-18 termined to be ineligible for payments and 19 other benefits under this section, the Sec-20 retary may limit the ineligibility only to the 21 farm that is the basis for the ineligibility 22 determination if the tenant has estab-23 lished, to the satisfaction of the Secretary 24 that—

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| 1  | "(I) the tenant has made a good               |
| 2  | faith effort to meet the requirements         |
| 3  | of this section, including enlisting the      |
| 4  | assistance of the Secretary to obtain a       |
| 5  | reasonable conservation plan for res-         |
| 6  | toration or mitigation for the farm;          |
| 7  | "(II) the landlord on the farm re-            |
| 8  | fuses to comply with the plan on the          |
| 9  | farm; and                                     |
| 10 | "(III) the Secretary determines               |
| 11 | that the lack of compliance is not a          |
| 12 | part of a scheme or device to avoid           |
| 13 | the compliance.                               |
| 14 | "(ii) Report.—The Secretary shall             |
| 15 | provide an annual report to the Committee     |
| 16 | on Agriculture of the House of Representa-    |
| 17 | tives and the Committee on Agriculture,       |
| 18 | Nutrition, and Forestry of the Senate con-    |
| 19 | cerning the ineligibility determinations lim- |
| 20 | ited during the previous 12-month period      |
| 21 | under this subparagraph.                      |
| 22 | "(E) CERTIFICATION.—                          |
| 23 | "(i) IN GENERAL.—Beginning with               |
| 24 | the first full reinsurance year immediately   |
| 25 | following the date of enactment of this       |
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| 1  | paragraph, all persons seeking eligibility    |
| 2  | for the payment of a portion of the pre-      |
| 3  | mium paid by the Federal Crop Insurance       |
| 4  | Corporation for a plan or policy of insur-    |
| 5  | ance under the Federal Crop Insurance         |
| 6  | Act (7 U.S.C. 1501 et seq.) shall provide     |
| 7  | certification of compliance with this section |
| 8  | as determined by the Secretary.               |
| 9  | "(ii) TIMELY EVALUATION.—The Sec-             |
| 10 | retary shall evaluate the certification in a  |
| 11 | timely manner and—                            |
| 12 | "(I) a person who has properly                |
| 13 | complied with certification shall be          |
| 14 | held harmless with regard to eligibility      |
| 15 | during the period of evaluation; and          |
| 16 | "(II) if the Secretary fails to               |
| 17 | evaluate the certification in a timely        |
| 18 | manner and the person is subse-               |
| 19 | quently found to be in violation of           |
| 20 | subsection (c), ineligibility shall not       |
| 21 | apply to the person for that violation.       |
| 22 | "(iii) Equitable contribution.—               |
| 23 | "(I) IN GENERAL.—If a person                  |
| 24 | fails to notify the Secretary as re-          |
| 25 | quired and is subsequently found in           |
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| 1  | violation of subsection (c), the Sec-                   |
| 2  | retary shall determine the amount of                    |
| 3  | an equitable contribution to conserva-                  |
| 4  | tion in accordance with section                         |
| 5  | 1241(f) by the person for the viola-                    |
| 6  | tion.   |
| 7  | "(II) LIMITATION.—The con-                              |
| 8  | tribution shall not exceed the total of                 |
| 9  | the portion of premium paid by the                      |
| 10 | Federal Crop Insurance Corporation                      |
| 11 | for a plan or policy of insurance for                   |
| 12 | all years the person is determined to                   |
| 13 | have been in violation subsequent to                    |
| 14 | the date on which certification was                     |
| 15 | first required under this subpara-                      |
| 16 | graph.";  |
| 17 | (2) by redesignating subsections (c), (d), and          |
| 18 | (e) as subsections (d), (e), and (f), respectively; and |
| 19 | (3) by inserting after subsection (b) the fol-          |
| 20 | lowing:   |
| 21 | "(c) Ineligibility for Crop Insurance Premium           |
| 22 | Assistance.—  |
| 23 | "(1) IN GENERAL.—If a person is determined              |
| 24 | to have committed a violation under subsection (a)      |
| 25 | or (d) during a crop year, the person shall be ineli-   |
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| 1  | gible to receive any payment of any portion of pre-   |
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| 2  | mium paid by the Federal Crop Insurance Corpora-      |
| 3  | tion for a plan or policy of insurance under the Fed- |
| 4  | eral Crop Insurance Act (7 U.S.C. 1501 et seq.).      |
| 5  | "(2) APPLICABILITY.—Ineligibility under this          |
| 6  | subsection shall—                                     |
| 7  | "(A) only apply to reinsurance years subse-           |
| 8  | quent to the date of final determination of a         |
| 9  | violation, including all administrative appeals;      |
| 10 | and   |
| 11 | "(B) not apply to—                                    |
| 12 | "(i) the existing reinsurance year; or                |
| 13 | "(ii) any reinsurance year prior to the               |
| 14 | date of final determination.                          |
| 15 | "(3) DATE OF CONVERSION.—Notwithstanding              |
| 16 | subsection (d), ineligibility for crop insurance pre- |
| 17 | mium assistance shall apply as follows:               |
| 18 | "(A) In the case of wetland that the Sec-             |
| 19 | retary determines was converted after the date        |
| 20 | of enactment of the Food, Conservation and            |
| 21 | Energy Act of 2008 (7 U.S.C. 8701 et seq.) but        |
| 22 | on or before May 1, 2013, and continues to be         |
| 23 | in violation, the person shall have 2 reinsurance     |
| 24 | years after the date on which this subsection         |
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| 1  | applies, to begin the mitigation process, as de- |
| 2  | termined by the Secretary.                       |
| 3  | "(B) In the case of wetland that the Sec-        |
| 4  | retary determines was converted after May 1,     |
| 5  | 2013—  |
| 6  | "(i) subject to clause (ii), the person          |
| 7  | shall be ineligible to receive crop insurance    |
| 8  | premium subsidies in subsequent reinsur-         |
| 9  | ance years unless section $1222(b)(3)$ ap-       |
| 10 | plies; and                                       |
| 11 | "(ii) for any violation that the Sec-            |
| 12 | retary determines impacts less than 5            |
| 13 | acres of the entire farm, the person may         |
| 14 | pay a contribution in accordance with sec-       |
| 15 | tion $1241(f)$ in an amount equal to $150$       |
| 16 | percent of the cost of mitigation, as deter-     |
| 17 | mined by the Secretary, for wetland res-         |
| 18 | toration in lieu of ineligibility to receive     |
| 19 | crop insurance premium assistance.               |
| 20 | "(C) In the case of a wetland that the Sec-      |
| 21 | retary determines was converted prior to the     |
| 22 | date of enactment of the Food, Conservation,     |
| 23 | and Energy Act of 2008 (7 U.S.C. 8701 et         |
| 24 | seq.), ineligibility under this subsection shall |
| 25 | not apply.                                       |
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| 1  | "(D) In the case of an agricultural com-            |
| 2  | modity for which an individual policy or plan of    |
| 3  | insurance is available for the first time to the    |
| 4  | person after the date of enactment of the Agri-     |
| 5  | culture Reform, Food, and Jobs Act of 2013—         |
| 6  | "(i) ineligibility shall apply only to              |
| 7  | conversions that take place after the date          |
| 8  | on which the policy or plan of insurance            |
| 9  | first becomes available to the person; and          |
| 10 | "(ii) the person shall take such steps              |
| 11 | as the Secretary determines appropriate to          |
| 12 | mitigate any prior conversion in a timely           |
| 13 | manner but not to exceed 2 calendar years.          |
| 14 | "(4) CERTIFICATION.—                                |
| 15 | "(A) IN GENERAL.—In enforcing eligibility           |
| 16 | under this subsection, the Secretary shall use      |
| 17 | existing processes and procedures for certifying    |
| 18 | compliance.   |
| 19 | "(B) RESPONSIBILITY.—The Secretary,                 |
| 20 | acting through the agencies of the Department       |
| 21 | of Agriculture, shall be solely responsible for de- |
| 22 | termining whether a producer is eligible to re-     |
| 23 | ceive crop insurance premium subsidies in ac-       |
| 24 | cordance with this subsection.                      |

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"(C) LIMITATION.—The Secretary shall 1 2 ensure that no agent, approved insurance pro-3 vider, or employee or contractor of an agency or 4 approved insurance provider, bears responsi-5 bility or liability for the eligibility of an insured producer under this subsection, other than in 6 7 cases of misrepresentation, fraud, or scheme 8 and devise.".