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**Omnibus Budget Reconciliation Act of 1982
(selected provisions)
Pub. L. No. 97-253, Title I 96 Stat. 763 (1982)**

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Public Law 97-253
97th Congress

An Act

To provide for reconciliation pursuant to the first concurrent resolution on the budget for fiscal year 1983 (S. Con. Res. 92, Ninety-seventh Congress).

Sept. 8, 1982

[H.R. 6955]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Omnibus Budget
Reconciliation
Act of 1982.

SHORT TITLE

SECTION 1. This Act may be cited as the "Omnibus Budget Reconciliation Act of 1982".

TITLE I—AGRICULTURE, FORESTRY, AND RELATED PROGRAMS

Subtitle A—Dairy Price Support Program

SEC. 101. Section 201 of the Agricultural Act of 1949, as amended by the Agriculture and Food Act of 1981, is amended by—

95 Stat. 369.
7 USC 1446.

(1) effective October 1, 1982, striking out everything in subsection (c) after the first sentence and preceding the sentence which begins "Such price support shall be provided";

(2) adding a new subsection (d) as follows:

"(d) Notwithstanding any other provision of law—

"(1)(A) Effective for the period beginning October 1, 1982, and ending September 30, 1984, the price of milk shall be supported at not less than \$13.10 per hundredweight of milk containing 3.67 per centum milkfat.

"(B) Effective for the fiscal year beginning October 1, 1984, the price of milk shall be supported at not less than such level that represents the percentage of parity that the Secretary determines \$13.10 represented as of October 1, 1983.

"(C) The price of milk shall be supported through the purchase of milk and the products of milk.

"(2) Effective for the period beginning October 1, 1982, and ending September 30, 1985, the Secretary may provide for a deduction of 50 cents per hundredweight from the proceeds of sale of all milk marketed commercially by producers to be remitted to the Commodity Credit Corporation to offset a portion of the cost of the milk price support program. Authority for requiring such deductions shall not apply for any fiscal year for which the Secretary estimates that net price support purchases of milk or the products of milk would be less than 5 billion pounds milk equivalent. If at any time during a fiscal year the Secretary should estimate that such net price support purchases during that fiscal year would be less than 5 billion pounds, the authority for requiring such deduction shall not apply for the balance of the year.

"(3)(A) Effective for the period beginning April 1, 1983, and ending September 30, 1985, the Secretary may provide for a

- deduction of 50 cents per hundredweight, in addition to the deduction referred to in paragraph (2), from the proceeds of sale of all milk marketed commercially by producers to be remitted to the Corporation. The deduction authorized by this subparagraph shall be implemented only if the Secretary establishes a program whereby the funds resulting from such deductions would be refunded in the manner provided in this paragraph to producers who reduce their commercial marketings from such marketings during the base period. For the purpose of this paragraph, the based period shall be the fiscal year beginning October 1, 1981, or at the option of the Secretary, the average of the two fiscal years beginning October 1, 1980. The Secretary may make such adjustments in individual bases under this subparagraph as the Secretary determines necessary to correct for abnormal factors affecting production and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.
- Based period.
- Refunds. “(B) Refunds under this paragraph shall be based on reductions in commercial marketings as specified by the Secretary, but the Secretary may not require as a condition for making a refund of the entire amount collected from a producer that the producer reduce marketings in excess of a reduction equivalent to the ratio that the total amount of surplus milk production, as estimated by the Secretary for the fiscal year, bears to the total milk production estimated for such period. The Secretary may provide for refunds to be made of amounts collected from producers on a pro rata basis taking into consideration the reduction in commercial marketings by the producer from the commercial marketings during the base period.
- Net price support purchases. “(C) The funds remitted to the Corporation as a result of the deductions provided for under this paragraph that are not used in making refunds to producers shall be used to offset the cost of the milk price support program. Authority for making deductions under this paragraph shall not apply for any fiscal year for which the Secretary estimates that net price support purchases of milk or the products of milk would be less than 7.5 billion pounds milk equivalent. If at any time during a fiscal year the Secretary should establish that such net price support purchases during that fiscal year would be less than 7.5 billion pounds, the authority for requiring such deductions shall not apply for the balance of the year.
- Overpayment. “(D) The Secretary may provide for refunds to producers on a periodic basis during the year. If, based on total marketings for the year, the Secretary should determine that an overpayment has been made to the producer for the year, the producer shall repay the amount of the overpayment.
- “(E) Prior to approving any application for a refund, the Secretary shall require evidence that such reduction in marketings has taken place and that such reduction is a net decrease in marketings of milk and has not been offset by expansion of production in other production facilities in which the person has an interest or by transfer of partial interest in the production facility or by the taking of any other action which is a scheme or device to qualify for payment.
- “(4) The funds represented by the deductions referred to in paragraphs (2) and (3) shall be remitted to the Commodity Credit Corporation at such time and such manner as prescribed

by the Secretary by each person making payment to a producer for milk purchased from the producer, except that in the case of any producer who markets milk of the producer's own production directly to consumers, such funds shall be remitted to the Corporation by the producer. The funds represented by such reduction shall be considered as included in the payments to a producer of milk for purposes of the minimum price provisions of the Agricultural Adjustment Act of 1933, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937.

“(5) Each producer who markets milk and each person required to make payment to the Corporation under this subsection shall keep such records and make such reports, in such manner, as the Secretary determines necessary to carry out this subsection. The Secretary may make such investigations as the Secretary deems necessary for the effective administration of this subsection or to determine whether any person subject to the provisions of this subsection has engaged or is engaged or is about to engage in any act or practice that constitutes or will constitute a violation of any provision of this subsection or regulation issued under this subsection. For the purpose of such investigation, the Secretary is empowered to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence and require the production of any books, papers, and documents that are relevant to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States. In case of contumacy by, or refusal to obey a subpoena to, any person, the Secretary may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, and documents; and such court may issue an order requiring such person to appear before the Secretary, there to produce records, if so ordered, or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever such person may be found.

“(6)(A) The district courts of the United States are vested with jurisdiction specifically to enforce, and to prevent and restrain any person from violating any provision of this subsection or any regulation issued under this subsection. Any such civil action authorized to be brought under this subsection shall be referred to the Attorney General for appropriate action. Nothing in this subsection may be construed as requiring the Secretary to refer to the Attorney General minor violations of this subsection whenever the Secretary believes that the administration and enforcement of this subsection would be adequately served by suitable written notice or warning to any person committing such violation.

“(B) Any person who willfully violates any provision of this subsection or any regulation issued under this subsection, or who willfully fails or refuses to remit any amounts due thereunder shall be liable, in addition to payment of the full amount due plus interest, for a civil penalty (to be assessed by the Secretary) of not more than \$1,000 for each such violation which

7 USC 601 note.

7 USC 601 note.

Records and reports.

Investigations.

Civil action.

Violations.

shall accrue to the United States and may be recovered in a civil suit brought by the United States.

“(C) The remedies provided in subparagraphs (A) and (B) shall be in addition to, and not exclusive of, remedies otherwise provided at law or in equity.

“(7) In carrying out this subsection, the Secretary may, on a reimbursable or nonreimbursable basis, as the Secretary deems appropriate, use—

“(A) administrators of Federal milk marketing orders;

16 USC 590h.

“(B) State and county committees established under section 8 of the Soil Conservation and Domestic Allotment Act; or

“(C) administrators of State milk marketing programs.”.

Subtitle B—Donation of Dairy Products

SEC. 110. Section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) is amended by adding at the end thereof the following: “Notwithstanding any other provision of law, such dairy products may be donated for distribution to needy households in the United States and to meet the needs of persons receiving nutrition assistance under the Older Americans Act of 1965. Such dairy products may also be donated through foreign governments and public and non-profit private humanitarian organizations for the assistance of needy persons outside the United States, and the Commodity Credit Corporation may pay, with respect to commodities so donated, reprocessing, packaging, transporting, handling, and other charges, including the cost of overseas delivery. In order to assure that any such donations for use outside the United States are coordinated with and complement other United States foreign assistance, such donations shall be coordinated through the mechanism designated by the President to coordinate assistance under the Agricultural Trade Development and Assistance Act of 1954 and shall be in addition to the level of assistance programmed under that Act.”.

42 USC 3001
note.

7 USC 1691 note.

Subtitle C—Adjustment Program for the 1983 Crops of Wheat, Feed Grains, Upland Cotton and Rice

ADVANCE DEFICIENCY PAYMENTS

SEC. 120. Effective only for the 1982 through 1985 crops of wheat, feed grains, upland cotton, and rice, the Agricultural Act of 1949 is amended by inserting after section 107B (7 U.S.C. 1445b-1) the following new section:

“ADVANCE PAYMENTS

7 USC 1445b-2.

“SEC. 107C. (a)(1) Effective with respect to the 1982 crops of wheat, feed grains, upland cotton, and rice, the Secretary shall make available to producers who participate in an acreage limitation program established for wheat, feed grains, upland cotton, or rice under section 107B(e), 105B(e), 103(g)(9), or 101(i)(5), respectively, advance deficiency payments in accordance with this section (other than subsection (b)) if the Secretary determines that deficiency payments likely will be made under this Act.

7 USC 1445b-1,
1444d, 1444,
1441.

Terms and
conditions.

“(2) Advance deficiency payments under paragraph (1) shall be made to producers under the following terms and conditions:

“(A) Such payments shall be made as soon as practicable after October 1, 1982.

“(B) Such payments shall be made in an amount determined by multiplying (i) the estimated farm program acreage for the crop, by (ii) the farm program payment yield for the crop, by (iii) 70 per centum of the projected payment rate, as determined by the Secretary. Notwithstanding the preceding sentence, in any case in which a producer has received disaster payments for wheat, feed grains, upland cotton, or rice under section 107B(b)(2), 105B(b)(2), 103(g)(4), or 101(i)(3), respectively, the Secretary may make such adjustment in the advance deficiency payments made under this subsection as the Secretary determines appropriate.

7 USC 1445 b-1,
1444d, 1444,
1441.

“(b)(1) Effective with respect to the 1983 through 1985 crops of wheat, feed grains, upland cotton, and rice, if the Secretary establishes an acreage limitation or acreage set-aside program for a crop of wheat, feed grains, upland cotton, or rice under section 107B(e), 105B(e), 103(g)(9), or 101(i)(5), respectively, and determines that deficiency payments will likely be made for such commodity for such crop, the Secretary—

“(A) for the 1983 crop of such commodity, shall make available, as provided in this section (other than subsection (a)), advance deficiency payments to producers who agree to participate in such program; and

“(B) for the 1984 and 1985 crops of such commodities, may make available, as provided in this section (other than subsection (a)), advance deficiency payments to producers who agree to participate in such program.

“(2) Advance deficiency payments under this subsection shall be made to producers under the following terms and conditions:

“(A) Such payments shall be made available to producers as soon as practicable after the producer files a notice of intention to participate in such program, but in no case prior to October 1, 1982.

“(B) Such payments shall be made available to producers in such amounts as the Secretary determines appropriate to encourage adequate participation in such program, except that such amount may not exceed an amount determined by multiplying (i) the estimated farm program acreage for the crop, by (ii) the farm program payment yield for the crop, by (iii) 50 per centum of the projected payment rate, as determined by the Secretary.

“(c) Advance deficiency payments under this section shall be made to producers under the following terms and conditions:

“(1) In any case in which the deficiency payment payable to a producer for a crop, as finally determined by the Secretary under section 107B(b)(1), 105B(b)(1), 103(g)(3), or 101(i)(2), is less than the amount paid to the producer as an advance deficiency payment for the crop under this section, the producer shall refund an amount equal to the difference between the amount advanced and the amount finally determined by the Secretary to be payable to the producer as a deficiency payment for the crop concerned.

“(2) If the Secretary determines under section 107B(b)(1), 105B(b)(1), 103(g)(3), or 101(i)(2) that deficiency payments will not be made available to producers on a crop with respect to which advance deficiency payments already have been made

under this section, the producers who received such advance payments shall refund such payments.

“(3) Any refund required under paragraph (1) or (2) shall be due at the end of the marketing year for the crop with respect to which such payments were made.

“(4) If a producer fails to comply with the requirements under the acreage limitation or set-aside program involved (and, in the case of the 1983 crops of wheat, feed grains, and rice, the requirements of the land diversion program involved) after obtaining an advance deficiency payment under this section, the producer shall repay immediately the amount of the advance, plus interest thereon in such amount as the Secretary shall prescribe by regulations.

“(d) The Secretary may issue such regulations as the Secretary determines necessary to carry out this section.

“(e) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

“(f) The authority provided in this section shall be in addition to, and not in place of, any authority granted to the Secretary or the Commodity Credit Corporation under any other provisions of law.”.

1983 WHEAT LOANS

95 Stat. 1221.

SEC. 121. Section 107B(a) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(a)) is amended by adding at the end thereof the following: “Notwithstanding the foregoing provisions of this subsection, the Secretary shall make available to producers loans and purchases for the 1983 crop of wheat at not less than \$3.65 per bushel.”.

1983 WHEAT ACREAGE REDUCTION AND DIVERSION PROGRAMS

SEC. 122. Section 107B(e) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(e)) is amended by—

(1) striking out in the first sentence of paragraph (1) “Notwithstanding any other provision of this section, the” and inserting in lieu thereof “Notwithstanding any other provision of law—

“(A) Except as provided in subparagraph (B) of this paragraph, the”;

(2) adding at the end of paragraph (1) the following new subparagraph:

“(B) Notwithstanding any previous announcement to the contrary, for the 1983 crop of wheat the Secretary shall provide for a combination of (i) an acreage limitation program as described under paragraph (2) and (ii) a diversion program as described under paragraph (5) under which the acreage planted to wheat for harvest on the farm would be limited to the acreage base for the farm reduced by a total of 20 per centum, consisting of a reduction of 15 per centum under the acreage limitation program and a reduction of 5 per centum under the diversion program. As a condition of eligibility for loans, purchases, and payments on the 1983 crop of wheat, the producers on a farm must comply with the terms and conditions of the combined acreage limitation program and diversion program.”;

(3) in paragraph (2), inserting immediately after the fifth sentence the following: “Notwithstanding any other provision of

this paragraph, the acreage base to be used for the farm under the program for the 1983 crop of wheat shall be the same as the acreage base applicable to the farm under the acreage limitation program for the 1982 crop, adjusted to reflect established crop-rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.”; and

(4) inserting at the end of paragraph (5) the following: “Notwithstanding the foregoing provisions of this paragraph, the Secretary shall implement a land diversion program for the 1983 crop of wheat under which the Secretary shall make crop retirement and conservation payments to any producer of the 1983 crop of wheat whose acreage planted to wheat for harvest on the farm is reduced so that it does not exceed the wheat acreage base for the farm less an amount equivalent to 5 per centum of the wheat acreage base in addition to the reduction required under paragraph (2), and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction required from the wheat acreage base under this paragraph. Such payments shall be made in an amount computed by multiplying (i) the diversion payment rate, by (ii) the farm program payment yield for the crop, by (iii) the additional acreage diverted under this paragraph. The diversion payment rate shall be established by the Secretary at not less than \$3.00 per bushel, except that the rate may be reduced up to 10 per centum if the Secretary determines that the same program objective could be achieved with the lower rate. The Secretary shall make not less than 50 per centum of any payments under this paragraph to producers of the 1983 crop as soon as practicable after a producer enters into a land diversion contract with the Secretary and in advance of any determination of performance, but in no case prior to October 1, 1982. If a producer fails to comply with a land diversion contract after obtaining an advance payment under this paragraph, the producer shall repay the advance immediately and, in accordance with regulations issued by the Secretary, pay interest on the advance.”.

1983 FEED GRAIN LOANS

SEC. 123. Section 105B(a)(1) of the Agricultural Act of 1949 (7 U.S.C. 1444d(a)(1)) is amended by inserting at the end thereof the following: “Notwithstanding the foregoing provisions of this paragraph, the Secretary shall make available to producers loans and purchases for the 1983 crop of corn at not less than \$2.65 per bushel.”.

95 Stat. 1227.

1983 FEED GRAIN ACREAGE REDUCTION AND DIVERSION PROGRAMS

SEC. 124. Section 105B(e) of the Agricultural Act of 1949 (7 U.S.C. 1444d(e)) is amended by—

(1) striking out in the first sentence of paragraph (1) “Notwithstanding any other provision of this section, the” and inserting in lieu thereof “Notwithstanding any other provision of law—

“(A) Except as provided in subparagraph (B) of this paragraph, the”;

(2) adding at the end of paragraph (1) the following new subparagraph:

“(B) For the 1983 crop of feed grains, the Secretary shall provide for a combination of (i) an acreage limitation program as described under paragraph (2) or a set-aside program as described under paragraph (3) and (ii) a diversion program as described under paragraph (5) under which the acreage planted to feed grains for harvest on the farm would be limited to the acreage base for the farm reduced by a total of 15 per centum, consisting of a reduction of 10 per centum under the acreage limitation or set-aside program and a reduction of 5 per centum under the diversion program. As a condition of eligibility for loans, purchases, and payments on the 1983 crop of feed grains, the producers on a farm must comply with the terms and conditions of the combined acreage limitation or set-aside program and diversion program.”;

(3) in paragraph (2), inserting immediately after the sixth sentence the following: “Notwithstanding any other provision of this paragraph, the acreage base to be used for the farm under the program for the 1983 crop of feed grains shall be the same as the acreage base applicable to the farm under the acreage limitation program for the 1982 crop, adjusted to reflect established crop-rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.”; and

(4) inserting at the end of paragraph (5) the following: “Notwithstanding the foregoing provisions of this paragraph, the Secretary shall implement a land diversion program for the 1983 crop of feed grains under which the Secretary shall make crop retirement and conservation payments to any producer of the 1983 crop of feed grains whose acreage planted to feed grains for harvest on the farm is reduced so that it does not exceed the feed grain acreage base for the farm less an amount equivalent to 5 per centum of the feed grain acreage base in addition to the reduction required under paragraph (2) or (3), and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction required from the feed grain acreage base under this paragraph. Such payments shall be made in an amount computed by multiplying (i) the diversion payment rate, by (ii) the farm program payment yield for the crop, by (iii) the additional acreage diverted under this subsection. The diversion payment rate shall be established by the Secretary at not less than \$1.50 per bushel for corn, except that the rate may be reduced up to 10 per centum if the Secretary determines that the same program objective could be achieved with the lower rate. The payment rate for grain sorghums, oats, and, if designated by the Secretary, barley shall be such rate as the Secretary determines is fair and reasonable in relation to the rate at which payments are made available for corn. The Secretary shall make not less than 50 per centum of any payments under this paragraph to producers of the 1983 crop as soon as practicable after a producer enters into a land diversion contract with the Secretary and in advance of any determination of performance, but in no case prior to October 1, 1982. If a producer fails to comply with a land diversion contract after obtaining an advance payment under this paragraph, the producer shall

repay the advance immediately and, in accordance with regulations issued by the Secretary, pay interest on the advance.”.

1983 RICE ACREAGE REDUCTION AND DIVERSION PROGRAMS

SEC. 125. Section 101(i)(5) of the Agricultural Act of 1949 (7 U.S.C. 1441(i)(5)) is amended by—

95 Stat. 1242.

(1) striking out in the first sentence of subparagraph (A) “Notwithstanding any other provision of this subsection, the” and inserting in lieu thereof “Notwithstanding any other provision of law, except as provided in the third and fourth sentences of this paragraph, the”;

(2) inserting immediately after the second sentence of subparagraph (A) the following: “For the 1983 crop of rice, the Secretary shall provide for a combination of (i) an acreage limitation program as described under this subparagraph and (ii) a diversion program as described under subparagraph (B) under which the acreage planted to rice for harvest on the farm would be limited to the acreage base for the farm reduced by a total of 20 per centum, consisting of a reduction of 15 per centum under the acreage limitation program and a reduction of 5 per centum under the diversion program. As a condition of eligibility for loans, purchases, and payments on the 1983 crop of rice, the producers on a farm must comply with the terms and conditions of the combined acreage limitation and diversion program.”;

(3) inserting immediately after the ninth sentence of subparagraph (A) (as amended by paragraph (2) of this section) the following: “Notwithstanding any other provision of this subparagraph, the acreage base to be used for the farm under the program for the 1983 crop of rice shall be the same as the acreage base applicable to the farm under the acreage limitation program for the 1982 crop, adjusted to reflect established crop-rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.”; and

(4) inserting at the end of subparagraph (B) the following: “Notwithstanding the foregoing provisions of this subparagraph, the Secretary shall implement a land diversion program for the 1983 crop of rice under which the Secretary shall make crop retirement and conservation payments to any producer of the 1983 crop of rice whose acreage planted to rice for harvest on the farm is reduced so that it does not exceed the rice acreage base for the farm less an amount equivalent to 5 per centum of the rice acreage base in addition to the reduction required under subparagraph (A), and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction required from the rice acreage base under this subparagraph. Such payments shall be made in an amount computed by multiplying (i) the diversion payment rate, by (ii) the farm program payment yield for the crop, by (iii) the additional acreage diverted under this subparagraph. The diversion payment rate shall be established by the Secretary at not less than \$3.00 per hundredweight, except that the rate may be reduced up to 10 per centum if the Secretary determines that the same program objective could be achieved with the lower rate. The Secretary shall make not less than 50 per centum of any payments under this subparagraph to producers of the 1983

crop as soon as practicable after a producer enters into a land diversion contract with the Secretary and in advance of any determination of performance, but in no case prior to October 1, 1982. If a producer fails to comply with a land diversion contract after obtaining an advance payment under this subparagraph, the producer shall repay the advance immediately and, in accordance with regulations issued by the Secretary, pay interest on the advance.”.

Subtitle D—Agricultural Export Promotion

7 USC 612c note.

SEC. 135. Effective for each of the fiscal years ending September 30, 1983, September 30, 1984, and September 30, 1985, the Secretary of Agriculture shall use not less than \$175,000,000 nor more than \$190,000,000 of funds of the Commodity Credit Corporation for export activities authorized to be carried out by the Secretary or by the Commodity Credit Corporation under the provisions of law in effect on the date of enactment of this section, notwithstanding the fact that the activity may not be included in the budget program of the Corporation. The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation. The authority provided in this section shall be in addition to, and not in place of, any authority granted to the Secretary of Agriculture or the Commodity Credit Corporation under any other provision of law.