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**Conference Report to Accompany
Steagall Amendment of 1941
(also called Steagall Commodity Credit Act)
H.R. Rep. No. 77-892 (1941)**

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COMMODITY CREDIT CORPORATION

JUNE 30, 1941.—Ordered to be printed

Mr. WILLIAMS, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 4972]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4972) to extend the life and increase the credit resources of the Commodity Credit Corporation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1; and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 2 and agree to the same with an amendment as follows:

In lieu of the matter proposed to be stricken out by the Senate amendment insert the following:

SEC. 4. (a) Whenever during the existing emergency the Secretary of Agriculture finds it necessary to encourage the expansion of production of any non-basic agricultural commodity, he shall make public announcement thereof and he shall so use the funds made available under section 3 of this Act or otherwise made available to him for the disposal of agricultural commodities, through a commodity loan, purchase, or other operation, taking into account the total funds available for such purpose for all commodities, so as to support a price for the producers of any such commodity with respect to which such announcement was made of not less than 85 per centum of the parity or comparable price therefor. The comparable price for any such commodity shall be determined and used by the Secretary for the purposes of this section if the production or consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities. Any such commodity loan, purchase, or other operation which is undertaken shall be continued until the Secretary

has given sufficient public announcement to permit the producers of such commodity to make a readjustment in the production of the commodity. For the purposes of this section, commodities other than cotton, corn, wheat, tobacco, and rice shall be deemed to be non-basic commodities.

(b) It is hereby declared to be the policy of the Congress that the lending and purchase operations of the Department of Agriculture (other than those referred to in subsection (a)) shall be carried out so as to bring the price and income of the producers of non-basic commodities not covered by any such public announcement to a fair parity relationship with other commodities, to the extent that funds for such operations are available after taking into account the operations with respect to the basic commodities and the commodities listed in any such public announcement and the ability of producers to bring supplies into line with demand.

And the Senate agree to the same.

CLYDE WILLIAMS,
BRENT SPENCE,
THOMAS F. FORD,
JESSE P. WOLCOTT,
FRED L. CRAWFORD,

Managers on the part of the House.

PRENTISS M. BROWN,
CLYDE L. HERRING,

Managers on the part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4972) to extend the life and increase the credit resources of the Commodity Credit Corporation, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: The House bill extended the life of the Commodity Credit Corporation for 5 years, from June 30, 1941, to June 30, 1946. The Senate amendment extended the life of the Corporation for 2 years, from June 30, 1941, to June 30, 1943. The House recedes.

Amendment No. 2: Section 4 of the House bill contained a provision which was designed to give farmers assurance that after they had increased their production of commodities upon the encouragement of the Government, the increased supplies would not be allowed to depress the domestic market for such commodities to a level of unreasonably low prices. It was not contemplated that any change should be made with respect to maintaining the 85 percent parity price in the case of cotton, wheat, corn, tobacco, and rice, but in the case of other commodities the production of which was encouraged it was intended to support a price of not less than 85 percent of parity, or a price comparable to not less than the 85 percent of parity price of other commodities where a nonbasic commodity was involved and the production or consumption of such commodity had so changed in extent or character since the base period as to result in a price out of line with parity prices. A policy declaration was also included that other purchase, loan, or other operations of the Department of Agriculture should be carried out so as to bring the price and income of the producers of such commodities to a fair parity relationship with other commodities, taking into account the funds available for such purposes for all commodities and the ability of producers to bring supplies into line with demand. The Senate amendment eliminated section 4 of the House bill. The conference agreement restores the substance of the House provision with a number of clarifying changes. The language agreed upon requires the Secretary to announce the commodities the production of which is to be encouraged and makes it clear that this section does not apply to wheat, cotton, corn, tobacco, or rice. The language agreed upon with respect to the declaration of policy makes it clear that the declaration is applicable only with respect to purchase and lending operations of the Department and applicable only with respect to funds available after taking into account the operations with respect to basic commodities and commodities the production of which is being encouraged.

CLYDE WILLIAMS,
BRENT SPENCE,
THOMAS F. FORD,
JESSE P. WOLCOTT,
FRED L. CRAWFORD,

Managers on the part of the House.