



**Conference Report to Accompany  
Food, Agriculture, Conservation, and Trade  
Act of 1990**

**H.R. Rep. No. 101-916 (1990)**

**Part 14 of 14**

**Title XXII- Crop Insurance and Disaster  
Assistance (pp. 1183-1188)**

**Title XXIII- Rural Development (pp. 1188-1207)**

**Title XXIV- Global Climate Change (pp. 1207-1214)**

**Title XXV- Other Related Provisions (pp. 1214-1237)**

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## TITLE XXII—CROP INSURANCE AND DISASTER ASSISTANCE

*Subtitle A—Crop Insurance*

The Managers intend that the crop insurance provisions in this Act do not represent an answer to the problems facing Federal crop insurance. A more fundamental restructuring of the existing program is needed to prevent the continued financial losses, low participation rates, and other inefficiencies that have plagued this program and required the enactment of repeated ad hoc disaster bills during the 1980s. Congress must address this problem soon, and the House and Senate Committees on Agriculture intend to revisit this issue in the 102nd Congress.

The amendments contained in this Title are intended as interim management improvements until more fundamental changes are implemented.

*(1) Short Title*

The Senate bill designates this title as the "Federal Crop Insurance Adjustment Act of 1990." (Sec. 2201)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision.

*(2) Findings*

The Senate bill lists several findings of Congress, including that a sound system of crop insurance improves the economic stability of American agriculture; that ad hoc disaster assistance has adversely affected the existing Federal crop insurance system; that the existing system does not provide an actuarially sound or adequate coverage program; and that reform of the system should not lead to increased Federal outlays. (Sec. 2202)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(3) Improvement of Operations*

The Senate bill authorizes the Federal Crop Insurance Corporation (FCIC) to obtain from policyholders and reinsured companies their respective social security number or applicable employer identification number for the purpose of establishing appropriate records systems. Program participants who willfully and intentionally provide false or inaccurate information are made subject to civil fines not to exceed \$10,000 and disqualification from the program for up to 10 years. (Sec. 2203)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment clarifying the conditions of confidential treatment that will apply to social security numbers collected by FCIC under this provision. The Managers intend that the penalties will apply not only to farmers who obtain insurance under this program but also to insurers obtaining reinsurance or other benefits from FCIC, agents, and to other persons.

#### *(4) Actuarial Soundness and Congressional Reports*

The Senate bill requires the FCIC Board to review new types of policies, including dollar-denominated coverage and the use of ASCS yields, and applicable premium rates. The Board must approve these policies if it finds that they adequately protect producers and that rates are actuarially appropriate. Certain approved policies and rates must be published and made available to all companies contracting with or reinsured by the FCIC. Within 120 days of enactment, the FCIC must report to Congress on the rates and coverage necessary, on a State and crop basis, to achieve actuarial soundness. The FCIC shall adjust rates and coverage to improve actuarial soundness of the program, except that increases in rates may not exceed 20 percent of the preceding crop year's comparable rate. (Sec. 2204)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment which requires that new contracts under this section may be developed by FCIC or private companies, must be approved by FCIC and published and made available to all companies contracting with or reinsured by FCIC before being offered for sale, authorizes FCIC to enter into more than one reinsurance agreement simultaneously under different terms and conditions to facilitate the offering of new policies, authorizes such new policies based on area coverage, and eliminates the required report in favor of requiring the FCIC to compile information regarding actuarially sound rates by region and crop and to make such information available to Congress and the public within 180 days. The Managers intend that "region" refers to crop reporting district. The Managers also intend that "actuarial soundness" has the same meaning as in section 508(b)(1) of the Federal Crop Insurance Act, that is, a premium adequate "to cover claims for losses on such insurance and to establish as expeditiously as possible a reasonable reserve against unforeseen losses."

#### *(5) Reinsurance Agreement*

The Senate bill requires reinsured companies to bear an increased share of any potential loss under the reinsurance agreement between the FCIC and such companies. The FCIC shall report to Congress within 120 days on the amount of increased potential losses assumed by the reinsured companies under revisions to such reinsurance agreements. (Sec. 2205)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment eliminating the required report. The Managers intend that the Secretary of Agriculture, within 180 days of the enactment of this section, will submit a letter to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House on the steps taken to implement this section and will continue to keep both Committees so informed on a continuing basis.

*(6) Uniform Claims Adjustment*

The Senate bill amends section 508 of the Federal Crop Insurance Act to require that FCIC adopt rules to ensure to the extent practicable that all claims for losses are adjusted in a uniform and timely manner. (Sec. 2206)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision.

*(7) Availability of Crop Insurance Information*

The Senate bill requires the Secretary to distribute information on all aspects of Federal crop insurance and a listing of agents to producers through the local ASCS offices and to educate ASCS directors concerning such information. (Sec. 2207)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision.

*(8) ASCS Yields, Dollar-Denominated Coverage, and Expanded Availability*

The Senate bill authorizes coverage on the basis of the commodity yields established by the ASCS rather than the recorded or appraised yield, where the ASCS yield is higher. The Board may set additional premiums to reflect the increased risk involved.

The FCIC is required to establish an additional price level for each commodity on which insurance is offered. This price level shall not be less than the projected market price, as determined by the Board. Coverage shall be made available on the basis of any price election which equals or is less than that established by the Board. Coverage will be quoted in terms of dollars per acre.

Where there is a crop insurance policy for a commodity in any county in a State, such insurance shall be made available to producers in all counties of the State, except that the Corporation may limit or refuse insurance to any county, area, or farm on the basis of different insurance risks involved in the production of the commodity. (Sec. 2208)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment clarifying that additional coverages based on ASCS yields will be based on adjusted ASCS yields and that any additional premium charged for such coverage will be paid solely by the insured person with no administrative or premium subsidy from FCIC, and to clarify that all coverages will be dollar-denominated.

The Conference substitute deletes the Senate provision providing for statewide availability of certain crop insurance policies available in a county in such state.

*(9) Contracting with Private Companies*

The Senate bill provides the FCIC with additional authority for contracting with private rating bureaus and other organizations for actuarial, loss adjustment, and other services to avoid duplication by the government. (Sec. 2209)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment stating that the provision shall not relieve the FCIC

board of any of its responsibilities with respect to rate-setting or other matters.

#### *(10) Study*

The Senate bill directs the FCIC to study the feasibility of providing multiple peril crop insurance policies with commodity prices based on trading futures contracts, forward contracts, costs of production, or other market prices, and to report to Congress within 1 year. (Sec. 2210)

The House amendment contains no comparable amendment.

The Conference substitute deletes the Senate provision.

#### *(11) Sense of Congress Concerning Crop Insurance*

The Senate bill states as the sense of Congress that a sound crop insurance system promotes the national welfare and efforts shall be made to obviate the termination of contracts and reinsured crop insurance contracts. The Senate bill also states as the sense of Congress that the Corporation should make multiple peril crop insurance programs available in fiscal years 1991 through 1993. The Corporation should issue or renew policies to qualified producers and honor all valid commitments to crop insurance companies under reinsurance and multiple peril crop insurance programs. The Commodity Credit Corporation should make available such funds as are necessary to the Corporation for this program, provided that the Corporation repay the funds, with interest, to the Commodity Credit Corporation as soon as practicable. (Sec. 2211, 2212)

The House amendment states as the sense of Congress that a sound system of crop insurance will promote the national welfare by improving the economic stability of American agriculture and provide reasonable protection against natural disasters; that cancellation of the current crop insurance program would create unequal treatment among farmers; that improvements aimed at increasing participation and effectiveness of the Crop Insurance Program are being devised, therefore, funding should be continued. (Sec. 1858)

The Conference substitute deletes both the Senate and the House provisions.

### *Subtitle B—Disaster Assistance*

#### *(1) Disaster Assistance; Appropriations*

The House amendment amends the Disaster Assistance Act of 1989 by adding a new section 104(a)(5). For 1989 nonprogram crops that have historically been double cropped, the Secretary must treat each cropping separately for purposes of determining harvest yield and whether the crop was damaged by weather under paragraph 104(a)(1) of the 1989 Act. It applies only for such crops grown in a county declared to be a Presidential disaster area for that crop and does not apply in the case of a replacement crop described in section 110 of the 1989 Act.

Section 1848(b) amends section 104(a)(4) of the 1989 Act to provide a 100 percent exclusion for 1989 nonprogram crops grown in a county declared to be a Presidential disaster area for that crop.

Section 1848(c) amends section 104 of the 1989 Act. It extends disaster payments to crops of valencia oranges affected by a freeze in 1989.

Section 1848(d) amends section 152(a) of the 1989 Act by adding a new paragraph (3). It extends to December 31, 1990 the application period for producers of a nonprogram crop affected by amendments made to section 104(a) by section 1848 of the this Act. For applications submitted before enactment, the Secretary must recompute (not later than 90 days after enactment) the payment to producers under section 104 in light of those amendments.

Section 1848(e) establishes the Hurricane Hugo Forestry Assistance Act. It provides cost-share assistance to encourage tree owners to re-establish stands of trees damaged by Hurricane Hugo subject to several conditions.

Section 1848(f) provides that any benefits or assistance provided under section 1848, or under the amendments made by section 1848 to the Disaster Assistance Act of 1989, may be provided only to the extent provided for in advance by appropriations acts. To carry out section 1848 and the amendments it makes to the 1989 Act, it authorizes to be appropriated for fiscal years 1991 through 1995 such sums as are necessary.

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to change the funding mechanism for producers of valencias and ensure that unmarketable quantities are not included in determining the amount of assistance. In addition, the provisions of S.2664 (a bill to provide disaster assistance to producers) are included with modifications to bring the provisions of S.2664 in accord with the Disaster Assistance Acts of 1988 and 1989 and make the provisions subject to appropriations. The Managers note that the administration provided disaster assistance to producers who suffered a crop loss from Hurricane Hugo who were in tomato-cucumber rotation, but failed to provide assistance to those growing tomatoes after tomatoes. The Managers feel that this language corrects this problem, and that assistance should be provided to producers who plant tomatoes after tomatoes and other similar crops.

## *(2) Assistance for Big Horn River Drainage System*

The Senate bill authorizes the Secretary to make disaster assistance available to producers on a farm who suffered losses due to drought induced by lack of water as a result of Indian Tribal water rights adjudication affecting producers on that portion of the Big Horn River drainage system located on the Wind River Indian Reservation, Wyoming, for the 1990 crop of wheat, barley, oats, grass hay, and alfalfa hay. The disaster assistance shall be similar to assistance provided under the Disaster Assistance Act of 1989 and shall be drawn from a pool of funds not to exceed \$250,000.

The House amendment provides the Secretary with authority in each commodity title to include in the definition of a "condition beyond the control of the producer" such a condition resulting from adjudication of Indian water settlement disputes.

The Conference substitute adopts the Senate provision with an amendment making the provision mandatory.

*(3) Emergency grants to assist low-income migrant and seasonal farm workers*

The House amendment authorizes the Secretary to make grants, not to exceed \$20 million annually, to public agencies or private organizations with tax exempt status under section 501(c)(3) of the Internal Revenue Code of 1986 that have experience in providing emergency services to low-income migrant or seasonal farmworkers, when the Secretary determines that a local, State, or national emergency or disaster has caused low-income migrant or seasonal farmworkers to lose income, or to be unable to work, or to stay home or return home in anticipation of work shortages.

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision.

## TITLE XXIII—RURAL DEVELOPMENT

*(1) Sec. 2301. Short Title*

The Senate bill establishes the short title as the "Rural Partnerships Act of 1990." (Sec. 2001)

The House amendment establishes the short title as the "Rural Economic Development Act of 1990;" and requires that certain regulations be promulgated within 180 days. (Secs. 2600 and 2601)

The Conference substitute adopts the House provision.

### *Subtitle A—Reorganization of the Department of Agriculture*

*(2) Sec. 2302. Rural Development Administration*

The Senate bill instructs the Secretary to review and report to Congress on how the United States Department of Agriculture (USDA) can better coordinate rural development activities of all its agencies. (Sec. 2043)

The House amendment divides up the Farmers Home Administration into two separate agencies—FmHA and the new "Rural Development Administration" (RDA); appoints a new Administrator with authority over rural development grant and loan programs (transferred from FmHA authority); and transfers personnel, liabilities and funding for those programs to the new RDA. FmHA would retain farm lending and housing programs. (Secs. 1901 and 1902)

The Conference substitute adopts the House provision.

*(3) Sec. 2303. Conforming amendments*

The House amendment makes certain conforming amendments to accommodate the Rural Development Administration.

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision.

*Subtitle B—Coordination of Rural Development Efforts*

PART I—GENERAL PROVISIONS

*(4) Sec. 2310. General Provisions*

The Senate bill allows local revolving funds in any State to apply to a Federal board for funding to assist in business financing. (Secs 2005–2007)

The House amendment permits all States to set up State Rural Economic Development Review panels to prioritize rural development activities. (Sec. 2001)

The Conference substitute adopts the House provision with an amendment to permit up to 5 States to participate during any particular period in each of the Senate partnerships program and/or the House State review panel process. This authority expires September 30, 1996.

*(5) Secs. 2311–2315. Rural Investment Partnerships—Local Revolving Loan Funds*

The Senate bill authorizes appropriations to establish a program for the Secretary to provide seed money to create local revolving funds. The revolving loan funds will leverage private and public funds to invest in or guarantee loans to local rural businesses.

All types of entities can apply to USDA to administer a revolving fund, including State and local governments, private and public nonprofit organizations, and Indian tribes.

A temporary federal “Rural Partnerships Investment Board” is created to provide lines of credit (which are very similar to grants except the funds are made available as needed) to approved applicants (“eligible entities”) that will place the money in local revolving funds to be used for investments in new or expanding rural businesses.

The local revolving funds—working with banks and other financial institutions—make the local investment decisions. The Federal funds are required to be leveraged with matching funds at one level—and may be leveraged at two levels.

Each loan from a local revolving fund must be matched on at least a 50–50 basis by one or more financial institutions. To be approved to operate a revolving fund at the local level the Federal contribution to the fund must be matched with either cash or commitments to participate in the investment program.

Each local revolving fund can be approved for a line of credit of up to \$750,000 in the first year (and up to \$2,250,000 in total over five years), except that the State agency can receive up to \$1,250,000 in the first year (and up to \$3,750,000 over five years).

Several revolving loan funds may operate in any given State. Each grant recipient will establish a revolving fund (with the Federal “line of credit” funds, local matching funds if any, interest collected on loans, proceeds from repayments of loans or equity investments) for investment in certain new or expanding local businesses in conjunction with lending by banks and other financial institutions.



Local businesses with 100 or more employees shall not be eligible to receive assistance. Any one business cannot receive more than \$250,000 in one year.

Each local revolving fund could guarantee loans, make capital investments, or loan money to local businesses in partnership with local banks, savings and loan associations or community development credit unions.

To be approved for a grant (the line of credit) each local revolving fund must:

(1) match, under procedures set by the Board, each dollar in the Board line of credit with a dollar in either cash, or cash equivalents, or letters of credit, from banks, financial institutions, local or State governments, or other entities (including itself or foundations); or

(2) demonstrate a commitment by financial institutions to participate in the lending program.

Each local revolving fund is to serve a "service area" which the local revolving fund defines within limits in the bill. Areas served must be rural—i.e., towns or cities with populations in excess of 20,000 are not covered.

The service area is targeted to needier rural areas.

The Federal Board is terminated after five years, but the local revolving funds can continue. The federal "seed" capital is not required to be repaid to the Department. If there are losses on any given investment the lending agreement will set forth to what extent the federal share of each particular loan is lost. (Secs. 2001-2009)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to implement the program as an up to five-state pilot program.

## PART 2—RURAL ECONOMIC DEVELOPMENT REVIEW PANELS

### *(6) Sec. 2316. Delivery of certain rural development programs*

The House amendment proposes changes in the way Farmers Home Administration (FmHA) rural development programs are delivered. Each State will be required, as a prerequisite for eligibility to receive certain Federal rural development funds, to establish a 16-member State Economic Development Review Panel.

Each panel will rank order recommendations to the Secretary as to which applications should be approved and funded.

Each of the panels will assess, review and prioritize State and local needs for rural development. The panels will rank projects based on several factors and recommend which applications should be funded by USDA with funds appropriated to the State annually.

Each State panel will accept or return applications for loans and grants before they are sent to the Secretary; approve or disapprove rural area plans; determine whether "area plans" are acceptable; prioritize and rank applications for loans and grants within the State; and recommend to the Secretary which projects should be funded and in what order.

The Secretary may change the priorities; totally disapprove any requests; partially fund any requests; and reject or approve recommendations of the panel.

If the Secretary rejects or otherwise alters any recommendation of the Panel, the Secretary must notify Congress within 10 days of such decision why it was rejected or otherwise not followed.

Applications for assistance from the Rural Development Administration shall continue under current procedures, however, all applications must be reviewed and approved by the 16-member State review panels created in each State before final funding by the Rural Development Administration can occur.

Program participation is contingent on and will be based on development of "area plans" produced by local or regional areas. Area plans must "identify the geographical boundaries" of the service area. These may be plans already in existence, or they may be developed specifically to meet the requirements of this bill.

The House amendment also provides that each State agency managing the panel activities may receive up to \$100,000 annually for administrative costs. The State review panel is exempt from the Federal Advisory Committee Act, and is immune from any liability for their actions. (Sec. 2001)

The House amendment further requires that each year the sums appropriated for direct loans for water and waste or for community facility programs (section 306(a) programs) be compared to the total funds needed for the rank ordered list of projects (if and as approved by USDA).

If the sums appropriated for loan guarantees are not sufficient to fully fund the list of projects, the Secretary can transfer up to all the funds (allocated to each State) from water and waste to community facility (or the reverse) except that the Secretary cannot transfer more than is needed to fully fund projects on the list, nor more than a total net amount of \$9 million from one such program. (Sec. 2002)

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to implement these provisions for up to five states as pilot projects if the State is an "eligible State" as defined in new section 365 of the Consolidated Farm and Rural Development Act, and if the State is one of the five selected States.

#### *Subtitle C—Water and waste facilities*

##### *(7) Sec. 2321. Increase on limitation of authorization for water and waste grants.*

The Senate bill increases the cap on the authorization for appropriations under section 306(a)(2) of the Consolidated Farm and Rural Development Act for water and waste loans and grants through the Farmers Home Administration (FmHA) by \$50 million in each of the next two fiscal years (up to \$204.9 million). (Sec. 2056)

The House amendment removes the cap on the authorization; the effective authorization level would be \$500 million. (Sec. 2107)

The Conference substitute adopts the House amendment.

*(8) Sec. 2322. Water and Waste Facility Financing*

The Senate bill establishes a new program for the Secretary to make loans (at a rate not exceeding 5%) to REA borrowers to provide water and waste facility services in areas served by borrowers. The Secretary may establish procedures to leverage Federal funds with private funds to provide an additional source of financing for communities in need of water and waste assistance which is not being met by FmHA.

The amount appropriated for this program cannot exceed 10% of total insured loans under REA Act, or \$40 million, whichever is less. The Secretary must ensure that the new program for REA borrowers is coordinated with the FmHA water and waste program, and that consideration is given to whether the loan will enable the communities to comply with Federal and State safe drinking water and water pollution control laws, and other factors.

A priority is given to communities which would not otherwise be served and are in great need. Each year, unused funds appropriated for purposes of this section shall be transferred to the fund used by FmHA to make water and waste loans to FmHA participants (regarding the section 306 water and waste facility loans). There are detailed statutory provisions regarding replenishment of the account created under this section. (Sec. 2022)

The House amendment states that REA borrowers are eligible borrowers on an equal basis under FmHA water and waste program; and that the Administrator of REA shall provide technical assistance to borrowers with water and waste facilities loans and grants. (Sec. 2001(h))

The Conference substitute adopts the Senate provision with an amendment that requires that only 50 percent of the total cost of the proposed project may be loaned to REA borrowers through the program. The balance must be obtained from the borrower's own funds.

*(9) Sec. 2323. Water and waste lending by banks for cooperatives*

The Senate bill expands authority of banks for cooperatives to lend to entities eligible under sec 306(a)(1) of the Consolidated Farm and Rural Development Act (rural communities with populations under 20,000, including nonprofit corporations) for waste disposal or drinking water facilities or systems. (Sec. 2058)

The House amendment is similar to the Senate version, but limits the entities eligible to receive loans to cooperatives formed for this specific purpose. This section also includes a conforming amendment to the Farm Credit Act. (Sec. 2103)

The Conference substitute adopts the House provision with an amendment to allow cooperatives and municipalities to receive loans from the banks for cooperatives.

*(10) Sec. 2324. Rural wastewater treatment circuit rider program*

The Senate bill sets up a program to allow communities to share a technical specialist for rural wastewater systems. Authorizes \$4 million through FmHA for matching grants. (Sec. 2059)

The House amendment is the same as the Senate except for technical drafting differences. (Sec. 2106)

The Conference substitute adopts the House provision.

*(11) Sec. 2325. Technical assistance for certain solid waste management*

The Senate bill expands authority under section 310(b) of the Consolidated Farm and Rural Development Act to allow grants for technical assistance to local governments and related agencies to improve, plan and manage solid waste disposal facilities. (Sec. 2060)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision.

*(12) Sec. 2326 and 2327. Water and waste facility loans and grants to alleviate health risks*

The Senate bill sets up a new program within FmHA to provide grants to very small, distressed rural communities which have experienced a sudden and severe loss of water supply. Public and private nonprofit entities are eligible for competitive grants; authorizes \$25 million in 1991, \$10 million in 1992, available until fully appropriated. (Sec. 2057)

The House amendment sets up a new program to fund development, use and control of water, including drainage and disposal facilities in communities facing significant health risks because they do not have access to adequate or affordable water and waste systems. Loans may also be made to individuals to connect residences to water systems.

A preference is given to applications proposing to provide water and/or services to rural "colonias" and residents of colonias. Authorizes \$30 million for grants and \$30 million for loans. (Sec. 2605)

The Conference substitute adopts both the Senate and the House provisions with technical amendments.

*(13) Sec. 2328. Water and waste disposal loans to benefit rural businesses*

The House amendment adds "rural businesses" to the list of primary end users for water and waste facilities financed by the FmHA water and waste facility loan and grant program. (Sec. 2105)

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision.

*(14) Sec. 2329. Limitations on Conditions for Water and Sewer Grants and Loans*

The House amendment adds a new subparagraph to section 306(a) of the Consolidated Farm and Rural Development Act to prohibit the Secretary from conditioning loans and grants under the FmHA water and waste program on any requirements other than those specified in the Act. (Sec. 2108)

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision.

*Subtitle D—Enhancing human resources**(15) Secs. 2331-2334. Distance learning and medical link programs*

The Senate bill authorizes the Administrator of the Rural Electrification Administration (REA) and the Secretary to provide grants (\$25 million, 1991; \$50 million, 1992-93; \$60 million, 1994-95) to secure or create telecommunications systems for rural "end-users". Entities eligible to apply for grants under the program include rural schools, medical providers or partnerships of rural businesses.

The Department is required to provide expedited loans to rural telephone exchanges working with approved applicants to provide such systems. In this case, the application for the project must be approved before the local telephone exchange can apply for an expedited loan to provide the additional service.

The bill requires that the applicant notify the local exchange carrier of the pending application with the Administrator to give them an opportunity to work with the applicant to provide the transmission service.

Grants provided under this section can be used for telecommunications equipment, interactive video equipment, computer hardware and software and instructional programming which would be used in connection with a telecommunications system. Grant funds cannot be used for telecommunications transmission facilities if the local exchange carrier is participating in the project and has agreed to provide the additional service.

The Administrator and the Secretary are instructed to work with each applicant to ensure that the most appropriate systems are funded. The Administrator may consider many factors in approving grants, including: the needs of the area, the cost-benefit merits of the proposal, and the appropriateness of the proposal with regard to other alternatives. (Secs 2031-2035)

The House amendment contains: a policy statement that telecommunications technology and services improve the quality of life in rural areas, and that the Rural Telephone Bank and REA should make loans to facilitate the development and enhancement of rural telecommunications infrastructure; and new authority for the Administrator of the Rural Development Administration (organized under this Act) to provide low-interest and market rate loans to one or more rural businesses, local governments or public agencies to fund facilities to share telecommunications terminal equipment, computers and computer systems and software.

The projects must be approved through the State review panel (established under sections 2001 and 2002 of the House amendment). \$75 million over five years at \$15 million per year is authorized. (Secs. 2502, 2801, 2811 and 2812)

The Conference substitute adopts the Senate provision with an amendment to delete eligibility for rural businesses and to adopt the House provision for a loan program to rural business partnerships for telecommunications.

Two amendments are made to the Senate provision: (1) Applications for grants must include information indicating that a wide variety of additional telecommunications service providers have been consulted prior to approval of the application for the project;

and (2) the Administrator is required to provide notice of, and make available, applications received for grants for rural telecommunications programs.

*(16) Sec. 2335-2337. Rural communications access to advanced telecommunications*

The House amendment allows business partnerships to apply for loans to the Secretary for the communications terminal equipment. There are authorized to be appropriated \$15 million for each of fiscal years 1991 through 1995.

The Senate bill contains no comparable provisions.

The Conference substitute adopts the House provision with an amendment to not require that the State review panels analyze these applications except for the up to 5 States which have such panels.

The Managers wish to point out that rural development has been an issue of importance to both Committees during the 101st Congress. Dozens of public hearings gave Members the opportunity to hear from hundreds of witnesses. One of the major lessons learned from this process was that a vast number of diverse businesses, groups and organizations are anxious, able and willing to participate in the rural economic development effort. In this regard, the managers instruct the Secretary of Agriculture to make the broadest possible interpretation of eligibility to receive grants under the Department's rural development programs.

The Managers are concerned that the Federal resources provided in this Act not only act as a catalyst in the economic revitalization of rural areas through the activation of the broadest range of participants, but that the funds be used prudently and to their best advantage. End users should be encouraged to avail themselves of the vast array of services of already existing federally sponsored institutions providing technical assistance and research and development of proven approaches and programs. Partnerships between end users and the myriad of Federal and State sponsored technical and research organizations are to be encouraged.

In strengthening the capabilities of the rural labor force, the Secretary should make every effort to coordinate with other Federal and State programs already authorized, such as those operated under the Rural Electrification Administration, the Jobs Training Partnership Act, the Vocational Education Act, land grant and community colleges, regional education laboratories and vocational/technical schools.

The Enhancing Human Resources subtitle is designed to provide access to advanced telecommunications to improve rural opportunities, particularly for rural schools, rural health care providers and rural businesses. This subtitle establishes new grants and low-interest loan programs which will be administered by the REA and the Secretary, for rural areas to accomplish this purpose. The grants and low-interest loans are for up to 100 percent of the cost for an approved project and grants and low-interest loans are awarded to approved end users.

The program is intended to be "technology neutral" so that rural communities may determine the appropriate technology delivery system for their particular area. This is consistent with recommen-

dations by the Office of Technology Assessment. The program also allows grantees to either lease or purchase telecommunications equipment.

The REA will establish and implement this program, as well as publicize and promote it in rural areas. In addition, the REA will assist grant and loan applications by developing qualifying technical standards that these telecommunications systems should meet to be eligible for funding.

*(17) Sec. 2341. Local technical assistance grants*

The Senate bill expands the existing FmHA program to authorize the Secretary to make grants to public bodies, private nonprofit community development corporations or entities, or other agencies the Secretary may select, to implement a program to identify and analyze business opportunities for rural areas; assist rural entrepreneurs and managers; establish business support centers, etc.; and aid in strategic planning and leadership development. Authorizes \$7.5 million annually. (Sec. 2045)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment clarifying that recipients of grants should coordinate activities with the Extension Service.

*(18) Sec. 2342. Rural emergency assistance loans*

The Senate bill authorizes the Secretary to make short-term loans (not exceeding \$50,000) to any town or city with a population under 20,000 to correct emergency conditions or situations needing urgent attention. The loans are issued to give the community time to obtain alternative financing and must be repaid within 2 years, or sooner. This program will be targeted to needy rural communities. Authorizes \$2.5 million in 1991 and \$5 million annually thereafter. (Sec. 2046)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision.

*(19) Sec. 2343. REA technical assistance unit*

The Senate bill instructs REA to set up a technical assistance unit to provide advice and guidance to borrowers concerning community and economic development activities. It requires at least 1% of REA administrative funding to be used for a technical assistance unit. (Sec. 2020(e))

The House amendment requires the Administrator of REA to establish a technical assistance unit to provide advice and guidance to REA borrowers on investing in rural development activities; authorizes rural development pilot projects; and act as a clearinghouse for borrowers who wish to undertake rural development; and to promote partnerships between borrowers and other entities to improve rural development. It requires that at least 3% of REA administrative funds must be applied to the new unit. (Sec. 2101)

The Conference substitute adopts the House provision with an amendment which sets aside at least 2% of REA administrative funds for the technical assistance unit.

*(20) Sec. 2344. Deferment of payment on economic development loans*

The Senate bill allows REA borrowers to defer making any loan payment if funds in an amount equal to the deferment (for 5 or 10 years) are used for rural development financing, if the amount deferred represents not more than half of the cost of the community or economic development project financed, and if the borrower makes a "cushion of credit" payment to REA equal to the amount deferred. (These cushion of credit accounts earn interest at 5% from REA.)

The full amount deferred must be paid to REA in equal installments beginning on the date of deferment, without the accrual of interest. The difference between the zero percent interest at which the borrower repays the deferred loan payment and the 5% rate constitutes the Federal incentive provided to the borrower to make the rural development investments. (Section 2021)

The House amendment is similar to the Senate provision. (Sec. 2102)

The Conference substitute adopts the House provision with technical amendments and clarification that the program is subject to appropriations.

*(21) Sec. 2345. Rural economic development—Incubators*

The Senate bill requires the Administrator to provide advice, and technical, financial and informational assistance to REA borrowers to encourage investment in rural development. The Administrator is also required to establish a business incubator fund to provide grants and loans to REA borrowers, and nonprofit organizations in areas sparsely served by REA borrowers, to promote, create or operate business incubators in rural areas. The bill authorizes \$10 million annually for the fund, up to a capitalization of \$60 million. REA borrowers must contribute some of their own capital to the fund. (Sec. 2023)

The Senate bill includes a statement of Federal policy to encourage and support the development and operation of business incubators and directs the heads of various Federal agencies to review current grant and loan rules and regulations to make sure that business incubators are eligible for funding. The results of the reviews are to be submitted to appropriate House and Senate committees. (Sec. 2025)

The House amendment contains no comparable provisions.

The Conference substitute adopts the Senate provisions.

*(22) Sec. 2346. Extension service*

The Senate bill encourages States to hire additional specialists through Cooperative Extension Service (State or county) to assist individuals in creating new businesses, or to assist existing businesses regarding technologies, management, planning and other related matters. As the incentive to hire new rural development agents, the federal program will pay 60% of the salary of the rural development specialists and 100% for such specialist at 1890 land-grant colleges and Tuskegee University. These activities must be coordinated with the Small Business Administration to ensure no



duplication. It authorizes \$50 million over five years, and permanently authorizes \$20 million annually thereafter. (Sec. 2041)

The House amendment expands current law to set up a national program administered by the Extension Service to provide training, technical and management assistance to rural citizens for entrepreneurship, self-employment opportunities, leadership development, telecommunications training and other assistance. The program also authorizes State extension service programs to compile a catalog of state, federal and other programs available to provide training or other such services. The Secretary is required to establish procedures to train extension personnel to understand the availability of rural development programs in their respective states. No additional funding is authorized. (Sec. 2301)

The Conference substitute adopts the Senate provision with an amendment to combine the House and Senate programs and carry out the intent of both provisions. Changes are made to clarify the intent of the program, and to provide that the National Agricultural Library Clearinghouse shall develop the catalog of programs available to rural communities, rather than the State extension offices.

*(23) Sec. 2347. Rural technology grants*

The House amendment authorizes the Secretary to set up a program and make grants through FmHA to nonprofit institutions to establish and operate all-purpose centers for rural technology or cooperative development.

The centers will research and study principles, facts and technology which may be useful to rural areas, and transfer this technology through training, grants and loans to small businesses, technical assistance and other types of support. The centers should consult with land grants, business, industry, education and governments. Authorizes \$50 million for next three years. (Sec. 2202)

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision with a technical amendment.

*(24) Sec. 2348. Demonstration projects*

The House amendment contains a new program for the Secretary to provide competitive grants to rural areas to serve as demonstration areas for rural economic development. The grants will go to land-grant colleges, agricultural experiment stations to evaluate the impact of Federal and State aid on economic competitiveness. \$3 million is authorized per year. (Secs. 2403 and 2404)

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision with a clarifying amendment.

*(25) Sec. 2349. Rural development research assistance*

The Senate bill adds authority to existing competitive research grants program to award grants to land-grant colleges and universities, State agricultural experiment stations, nonprofit organizations specializing in applied research, etc. for research to improve competitiveness and diversification, strategic planning, human resources, and the data base for rural development decision making.

The Secretary shall establish a program for matching grants to promote technology transfer, innovation, and new product development. Institutions as well as nonprofit organizations that have the capacity to carry out such activities are eligible to apply. A one-to-one financial match is required. \$2 million per year is authorized to be appropriated for this purpose. (Sec. 2076)

The House amendment adds a similar program except that the authorization is for \$3 million annually. (Sec. 2404)

The Conference substitute adopts House provisions with an amendment incorporating some of the Senate provisions.

*(26) Sec. 2350. REA Assistant Administrator*

The Senate bill requires the REA Administrator to appoint an Assistant Administrator for Economic Development to carry out REA programs involving borrowers in community and economic development. Ten to 20 percent of administrative funds may be dedicated to activities of the new Assistant Administrator. (Sec. 2020)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision.

*Subtitle F—Rural Electrification Act Provisions*

*(27) Secs. 2351–2369. Rural telephone program provisions*

The House amendment in subtitle F contains a number of provisions concerning the Rural Electrification Act primarily regarding rural telephone program borrowers. These provisions update definitions, encourage telephone company investments, set forth general duties and prohibitions, separate electric and telephone assets, describe new amortization periods and TIER requirements, clarify the telephone loan guarantee authority, modify the RTB board, provide for full capitalization of RTB Class A stock, require full use of bank loan levels, and provide other technical changes.

The Senate bill contains no comparable provisions.

The Conference substitute adopts the House provisions with amendments to exclude from being published agency management and personnel matters unrelated to policies governing the operations of the telephone loan and loan guarantee programs (section 2357). The Conference substitute also deletes sections on nonduplication (section 2521), full capitalization (section 2542), and full use of telephone loan levels (section 2546), and deletes proposed paragraph 2 of section 18 of the Rural Electrification Act (section 2511).

*Subtitle G—Rural Revitalization Through Forestry*

*(28) Secs. 2371–2379. Assistance to communities dependent on natural resources*

The Senate bill provides additional funds for a reforestation trust fund for economic diversification assistance to rural communities dependent to a significant degree on Forest Service resource management decisions for their local economic activity. Authorizes \$10 million per year for this purpose. (Sec. 2074)

The House amendment provides additional funds for the Reforestation Trust fund by increasing the amount of assistance available to forestry-dependent communities, upon request, to involve

Forest Service management "action teams" in planning economic diversification for the community. Authorizes an amount equal to 5% of sums received (\$40 million) by the Secretary, and such sums as may be necessary, from sales of timber and other products of the forests, and of user fees of forest lands; and such sums as may be necessary. It also provides for financial assistance to implement projects designed to diversify local economies. It further provides for training and education for displaced forestry workers. (Secs. 2701-2708)

The Conference substitute adopts the House provisions with an amendment to combine the two programs and make them subject to appropriations.

### *Subtitle H—Miscellaneous Provisions*

#### *(29) Sec. 2381. National Rural Information Center Clearinghouse*

The Senate bill establishes within the National Agricultural Library (NAL) a clearinghouse to provide and distribute information to industry, organizations, governments, on request, about programs and services available to rural areas, including job training, education, health care, economic development, and emotional and financial counseling. It authorizes \$500,000 annually through 1995. (Sec. 2051)

The House amendment provides for rural development information sharing. (Sec. 2201)

The Conference substitute adopts the Senate provision with an amendment to clarify that the National Agricultural Library should disseminate information to rural areas using telecommunications technology.

#### *(30) Sec. 2382. Monitoring the economic progress of rural America*

The Senate bill requires Bureau of Census to expand data collection efforts for rural counties and communities, including data on employment, poverty and income, and the rural labor force. \$1 million is authorized per year. (Sec. 2071)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment that the data be collected in consultation with the USDA Economic Research Service.

#### *(31) Sec. 2383. Loan rates applicable to certain loans under the Consolidated Farm and Rural Development Act*

The Senate bill requires the Secretary to set loan rates for health care and related facilities based solely on the income of the area to be served. (Sec. 2073)

The House amendment is the same as the Senate except for minor technical changes. (Sec. 2603)

The Conference substitute adopts the House provision.

#### *(32) Sec. 2384. Assistance for certain distressed community facility program borrowers*

The Senate bill states that the Secretary shall establish and implement a program for debt restructuring and loan servicing proce-

dures which shall apply to delinquent community facility loans made by FmHA to hospitals or health care facilities. (Sec. 2075)

The House amendment is the same as the Senate with minor technical differences. (Sec. 2604)

The Conference substitute adopts the House provision.

*(33) Sec. 2385. Analysis by Office of Technology Assessment (OTA)*

The Senate bill states that the Office of Technology Assessment is instructed to analyze the effect of new information technology on rural America, the ability of rural citizens to acquire advanced technology, and recommend ways in which the Library of Congress may connect with rural citizens by computer to share information in the national library. (Sec. 2078)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision.

*(34) Sec. 2386. Grants to broadcasting systems*

The Senate bill demonstrates the effectiveness in providing information on agriculture and other issues of importance to farmers and rural residents. (Sec. 2081)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision.

*(35) Sec. 2387. Merger of certain rural electric cooperatives*

The Senate bill states that a direct or insured loan may be pre-paid by a borrower (from the Rural Electrification Administration) at present balance or present discounted value (whichever is less) if the borrower is an electrical organization which resulted from a merger between a REA borrower and an organization which (before October 1, 1987) prepaid its direct or insured loans under section 306B of the Rural Electrification Act.

Prepayments by a borrower shall be made not later than one year after the effective date of the merger. The provision raises \$9 million in revenue over next 5 years since it encourages the early payment of low-interest loans to REA. The provisions encourage the mergers of electric cooperatives where one has previously pre-paid REA loans. The provision allows the merged coop to pre-pay its REA debt and then not be subject to operating restrictions of two different lenders. (Sec. 2084)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with a technical amendment clarifying that it only affects electric borrowers.

*(36) Sec. 2388. Technical corrections in the Consolidated Farm and Rural Development Act*

The House amendment makes technical corrections in the Consolidated Farm and Rural Development Act. (Sec. 2609)

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision.

*(37) Sec. 2389. Grants for financially stressed farmers.*

The Senate bill extends the current program through 1995 and also allows for assistance to local officials and groups in developing

income and employment alternatives. The program provides that not less than one-third of grants to states may be used to provide clinical outreach counseling and crisis management assistance through appropriate state officials. (Sec. 1493)

The House amendment is similar to the Senate, but requires that not less than half the grants funds be used for clinical outreach counseling and crisis management assistance. States currently participating in the program are eligible to receive grants as long as not less than half the grant funds go to clinical outreach and counseling. (Sec. 1317)

The Conference substitute adopts the House provision with an amendment to clarify that the 50 percent requirement refers to a combined total for these programs and that the crisis management assistance does not necessarily need to be in a clinical setting. The Conference amendment also clarifies that eligible providers do not necessarily have to be State agencies and that a memorandum of understanding is in effect to transfer the funds to other entities. Finally, the amendment makes a technical correction to the provision to clarify that States with existing programs are eligible for funding as long as they meet new requirements of the program and removes the prohibition of any increases in the level of funding for those programs.

*(38) Sec. 2390. Rural health and safety education*

The Senate bill amends section 502 of the Rural Development Act of 1972 to authorize the Secretary to make grants to States to establish programs to provide individual and family health education and information and training to farm workers, timber harvesters and farm families concerning safety in the work place. The programs shall be coordinated with State offices of rural health, and shall work in concurrence with land-grant universities and other universities to determine the type of rural health and safety education program needed in the State. (Sec. 1495)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to include requirements for coordination with other appropriate agencies within the Department of Health and Human Services, and with universities which receive Rural Health Research Center grants.

*(39) Sec. 2391. Rural health infrastructure improvement*

The Senate bill states that the Secretary shall award a grant for a project to demonstrate a model approach to improving rural health infrastructure. The project shall carry out health needs assessments, coordinate health resources, and improve community health infrastructure. Coordination shall be through Cooperative Extension Service. Such sums as are necessary are authorized to be appropriated. (Sec. 1497)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to clarify the goals of the project to improve the existing network and rural health infrastructure by involving the Cooperative Extension Service, community-based citizens organizations and an academic medical center to more effectively identify and de-

velop a plan to coordinate rural health infrastructure resources and needs of underdeveloped rural counties that evidence severe social, economic and health-related problems.

The amendment includes coordination and information sharing with Area Health Education Centers, the Extension Service and other appropriate rural health agencies to facilitate transferring a model approach to other rural areas.

*(40) Sec. 2392. Census of agriculture*

The Senate bill states that the Secretary of Commerce shall include questions relating to agricultural accidents and farm safety in the 1992 Census of Agriculture. (Sec. 1498f)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision.

*(41) Sec. 2393. Limitation on conditions for water and sewer grants and loans*

The House amendment specifies that in making or insuring loans or making grants under this subsection, the Secretary may not condition approval of such loans or grants upon any requirement, condition or certification other than those specified under the Con Act.

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision.

*(42) Sec. 2394. Encouragement of private contracting*

The House amendment requires the Secretary to develop a plan to encourage the use of private enterprises in rural areas to carry out the purposes of title XXIII of the House amendment. (Sec. 2602)

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision.

*(43) Sec. 2395. Preservation of eligibility*

The House amendment provides that nothing in the Act shall adversely affect the eligibility of cooperatives or other entities for any other credit assistance under Federal law. (Sec. 2606)

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision.

*(44) Sec. 2396. Regulations*

The House amendment specifies that except as otherwise provided, no later than 180 days after the date of the enactment, the Secretary shall promulgate such regulations as may be necessary.

The Senate bill contains no comparable provisions.

The Conference substitute adopts the House provision.

*Additional provisions deleted in Conference*

*(45) Findings and Purpose*

The Senate bill contains findings and a purpose that reflect that: (1) the economic well-being of America is vital to overall national growth and prosperity; (2) many rural areas suffer from a lack of industrial and business diversity; (3) rural poverty rates are significantly higher than metropolitan rates, and rural per capita income

is significantly lower than metropolitan per capital income; (4) the lack of advanced telecommunications in rural areas impedes economic growth; and (5) a more robust rural economy will make the United States more competitive in the world market. (Sec. 2002)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(46) Grants for Emergency Public Safety Telephone Answering Systems*

The House amendment requires the Under Secretary of Rural Development to make grants to local governments (not exceeding \$30,000 to each) for the development of emergency public safety telephone answering systems. It authorizes a total of \$15 million over five years (\$3 million per year). (Sec. 2822)

The Senate bill has no comparable provision.

The Conference substitute deletes the House provision.

*(47) Study on the Use of Telecommunications Infrastructure by Businesses in Rural Areas*

The House amendment requires the Secretary to conduct a study on the availability and needs of rural telecommunications infrastructure and make recommendations to promote rural economic development through advanced telecommunications. (Sec. 2823)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(48) Rural Development Assistance Information and Availability*

The Senate bill requires the Secretary (1) to study economically distressed rural counties to evaluate the needs for rural development assistance, the nature and availability of such assistance; and (2) to report annually for 3 years. It establishes a new program, in conjunction with the National Agricultural Library, to provide information to rural and nonmetropolitan areas on rural development matters and availability of federal assistance. (Sec. 2042)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(49) Report on data processing feasibility in rural areas*

The Senate bill requires a report to Congress on the feasibility of moving Department of Agriculture data processing functions to rural areas. (Sec. 2044)

The House amendment instructs the Secretary to report on the telecommunications abilities of rural areas, prepare a list indicating which have telecommunications capability and to direct federal data processing to those areas. It also directs the Secretary to study the availability of telecommunications infrastructure by small and large businesses in rural areas. (Secs. 2821 and 2823)

The Conference substitute deletes both the Senate and House provisions.

*(50) Historic preservation requirements*

The Senate bill requires the Secretary of the Interior to prescribe and implement regulations concerning rural development projects

under this Act as they may affect the preservation of historic properties. (Sec. 2072)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision. The Managers further instruct the Secretary to prescribe and implement such regulations immediately and to report to both the House and Senate Agriculture Committees upon completion of the regulations.

#### *(51) B&I Loans*

##### *a. Business and industry loan program applications.*

The Senate bill requires that applications for business and industry loans not be disapproved solely because of the lack of funds, but that they should be placed on pending status for reconsideration when funds are next available. (Sec. 2077)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

##### *b. Limitation on size of loans.*

The House amendment reduces the maximum size of loans for the Federal business and industry program to target loans to small (fewer than 500 employees) and very small (fewer than 30 employees) rural businesses for startup and expansion costs. Reduces current law maximum loan from \$25 million to \$5 million. State Review Panels will make appropriate ranking recommendations regarding applications from businesses for grants and loans. (Sec. 2104)

The Senate bill contains no comparable provision.

The Conference substitute deletes the House provision.

#### *(52) Sense of Congress concerning toll rate averaging*

The Senate bill states that this section expresses the sense of the Senate that because of the importance of telecommunications to rural economic development and because uniform averaged rates for toll calls prevent price discrimination for telephone service to rural areas, toll rate averaging should be defined as the cornerstone of universal service and should be maintained. (Sec. 2079)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

#### *(53) National Endowment for Rural Development*

The Senate bill expresses the sense of the Senate that a National Endowment for Rural Development should be established and directs the Executive Office of the President to review the idea. (Sec. 2080)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

#### *(54) Economic impact statements*

The Senate bill requires that any regulations for rural development activities under this Act must include an economic impact assessment concerning such regulations on rural communities and businesses. (Sec. 2082)



The House amendment contains no comparable provision.  
The Conference substitute deletes the Senate provision.

*(55) National Rural Development and Finance Corporations*

The Senate bill reauthorizes the National Rural Development and Finance Corporation through fiscal year 1991, and makes technical changes in the program. Loan guarantees limited to 15 years. (Sec. 2083)

The House amendment contains no comparable provision.  
The Conference substitute deletes the Senate provision.

*(56) State Programs not Affected*

The House amendment includes a provision to clarify that nothing in the Act is intended to preclude States from creating and maintaining other rural development programs. (Sec. 2608)

The Senate bill contains no comparable provision.  
The Conference substitute deletes the House provision.

*(57) Research Program on Nontraditional Uses of Agricultural Products*

The House amendment contains a new program for the Secretary to provide competitive research grants for new nonfood, non-feed products or processes (using agricultural commodities) with a priority given to those which may be commercially implemented by small rural businesses. (Sec. 2401)

The Senate bill contains no comparable provision.  
The Conference substitute deletes the House provision.

*(58) Authority for Rural Development Research Competitive Grants*

The House amendment contains a new program for the Secretary to provide competitive grants to research social, economic and other factors influencing the economic vitality of rural areas. There is no authorization for this program. (Sec. 2402)

The Senate bill contains no comparable provision.  
The Conference substitute deletes the House provision.

*(59) State Rural Development Programs*

The House amendment contains a sense of Congress that the provisions in this Act do not preclude States from conducting other rural development programs. (Sec. 2608)

The Senate bill contains no comparable provision.

The Conference substitute deletes the House provision. The Managers would like to encourage State and local government in any and all efforts to promote rural development. The programs authorized under this Act are intended to compliment and enhance the ability of rural areas to conduct rural development activities.

*(60) Farm Safety*

The Senate bill provides that this subtitle be cited as the "Farm Injury Prevention and Treatment Act of 1990" and finds that: farming is one of the most dangerous occupations in the United States; farmers face unique severe injuries; the national interest would be served by an increased public knowledge on farm safety

issues and medical treatment and rehabilitation services for farm injuries.

This section also provides definitions, and establishes a 17 member Farm Safety Task Force in the Department of Agriculture to advise the Secretary of Agriculture and the Secretary of Health and Human Services. Specific membership requirements are listed. Appropriations of \$250,000 are authorized to pay the administrative expenses of the Task Force for fiscal years 1991 through 1995. The Secretaries at Agriculture and Health and Human Services are authorized to appoint and determine the compensation of such staff and temporary experts and consultants as the Task Force determines to be necessary to carry out the duties of the Task Force.

The bill further calls for farm accident prevention and tractor roll-over studies, and also provides for farm machinery research grants concerning machinery safety improvements. The bill provides grants to improve the recognition, care and rehabilitation of farm injuries and grants to study injury mechanisms. In addition, grants were provided for farm safety education efforts (Sec. 1498.)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision except for enhanced data collection regarding farm injuries and accidents. The Managers believe that the bill would be duplicative of existing programs. The current program is being implemented by the Secretary of Health and Human Services in cooperation with the USDA Extension Service. The Managers support that program and has included an additional program for rehabilitation and assistive technology for farmers with disabilities in the conference substitute (in the research title). The Managers also believe that a consistent and reliable source of data through appropriate Census questions will help to guide Federal policy in further support of farm safety in the future.

## TITLE XXIV—GLOBAL CLIMATE CHANGE

### (1) *Short Title*

The Senate bill's short title is "Global Climate Change Prevention Act of 1990" (Sec. 1921).

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision.

### (2) *Findings*

The Senate bill lists several findings of Congress (Sec. 1922).

The House amendment has no comparable provision.

The Conference substitute deletes the Senate provision.

### (3) *Office of Climate Change*

The Senate bill provides for establishment of an Office of Climate Change within USDA to serve as a focal point for coordinating all issues of climate change. The Director of the Office shall be appointed by the Secretary and report to the Assistant Secretary designated by the Secretary to be responsible for all climate change activities.

The Office shall serve as a liaison with other agencies and shall ensure that the impacts of climate change on agriculture and forestry are fully understood and addressed (Sec. 1923).

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to (1) convert the Office into the "Global Climate Change Program" which would be implemented under the direction of a Program Director and established in an office designated by the Secretary, and (2) make minor modifications to the general duties and the specific responsibilities of the Program.

#### *(4) Study on Agriculture and Forestry Implications of Climate Change*

The Senate bill directs the Secretary to conduct a study on the implications of global climate change for agriculture and forestry (Sec. 1924).

The House amendment has no comparable provision.

The Conference substitute deletes the Senate provision.

### **Research on Global Climate Change, Forests, and Agriculture**

#### *(5) Short Title*

The Senate bill's short title of this subchapter is the "Domestic Research on Global Climate Change, Forests, and Agriculture Act of 1990" (Sec. 1925).

The House amendment has no comparable provision.

The Conference substitute deletes the Senate provision.

#### *(6) Findings*

The Senate bill lists several findings of Congress. Congress finds, among other things, that the Earth's atmosphere is changing; temperature increase and other climatological phenomena are likely to result from emissions; studies show that global climate change is likely to cause changes in major crop growing areas and that such changes could lead to problems with the world food supply; understanding the potential risks of global climate change to agriculture and forestry is important to formulating programs to limit emissions; and forests and agricultural systems may offer the potential for limitation of emissions through changes in practices (Sec. 1926).

The House amendment has no comparable provision.

The Conference substitute deletes the Senate provision.

#### *(7) Purposes*

The Senate bill states that the primary purpose of this subchapter is to identify research priorities and direct research for examining the effects of global climate change on forests and agricultural productivity and to determine and demonstrate possible changes in forest management and agricultural practices that could reduce emissions (Sec. 1927).

The House amendment has no comparable provision.

The Conference substitute deletes the Senate provision.

### *(8) Research Studies*

The Senate bill provides that the Secretary shall conduct a study on the effects of global climate change on rice production and if the results of the research warrant, conduct a study that addresses the means of mitigating the impacts of global climate change on rice. There are authorized to be appropriated for each of the fiscal years 1991 through 1994, \$2,000,000 to carry out this study.

The Secretary shall conduct experimental studies on the effects of global climate change on the production of major U.S. crops. If the results of the study warrant, the Secretary shall conduct further studies that address the means of mitigating the impacts of global climate change on major U.S. crops. There are authorized to be appropriated for each of the fiscal years 1991 through 1996, \$4,000,000 to carry out this study.

The Secretary shall conduct a study on methane emissions from U.S. and Asian irrigated rice production. There are authorized to be appropriated for each of the fiscal years 1991 through 1993, \$1,000,000 to carry out this study.

The Secretary shall conduct a study concerning the magnitude and types of emissions from nitrogen intensive crops and the means for reducing emissions. There are authorized to be appropriated for each of the fiscal years 1991 through 1993, \$1,000,000 to carry out this study.

Based on certain findings, including that animals are a major source of human food, the Secretary shall establish a Methane Emissions Program to evaluate the feasibility and costs of options for achieving reductions in methane emissions from animal management activities. The Program shall also evaluate options for the beneficial utilization of methane. Within 18 months of enactment the Secretary shall submit to Congress a report concerning the options evaluated and recommendations for studies and demonstration projects that will improve the public understanding of opportunities for reducing and using methane emissions from agriculture-related activities. Within 6 months of submission of the report, the Secretary shall initiate studies and demonstration projects. There are authorized to be appropriated to carry out these activities, \$5,000,000 for fiscal year 1991, and \$7,000,000 for each of the fiscal years 1992 and 1993.

The Secretary shall conduct a study on the emissions of methane, nitrous oxide, and hydrocarbons from tropical and temperate forests, the manner in which global change may affect emissions, and the manner in which such emissions may be reduced through management practices. There are authorized to be appropriated for each of the fiscal years 1991 through 1993, \$2,000,000 to carry out this study (Sec. 1928).

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provisions contained in Section 1928(a)(3) (A) and (B) (with respect to crops of economic significance) and Section (c)(2) (A) and (B) (with respect to forests) of the Senate bill.

The Managers are concerned that increases in temperature pose large potential risks to crops grown widely in the United States and, accordingly, the Conference substitute mandates studies of

crops of economic significance, such as corn, sorghum, wheat, soybeans, and millet. Preliminary studies show that these grains are adversely affected by high temperatures during phases of early growth, flowering and ripening. Studies also show that the viability and vigor of the next generation of seed are adversely affected by high temperatures during the development phases of millet and soybeans. Similarly, the Conference substitute provides for a forestry study to examine whether alternative forest management strategies can mitigate negative effects of global climate change and to examine forest emissions.

In addition to the studies provided for in the Conference substitute, the Managers urge USDA to broaden its global climate change research agenda to include other important areas. For example, several studies have shown that rice is currently grown in conditions that are warmer than those for optimal productivity and that further increases in temperature will have a dramatic effect on production levels. The impacts on rice of combined increases of temperatures and changed hydrologic regimes are unknown but could potentially be worse than with high temperatures alone. Research is necessary to assess the risks to rice from global climate change and to determine how to mitigate against these risks where necessary and feasible. For example, if rice varieties are found to be harmed by high temperatures (and by high levels of carbon dioxide and different hydrologic regimes) it may be possible to breed new varieties which are tolerant to global climate change in the same manner as tolerance to drought, pests and salinity have been bred into rice plants over the last decades. The need for these programs must be determined soon however, because it takes many years to develop and fully test new plant varieties.

The Managers believe it is important that USDA conduct analysis of potential emissions from agricultural and forestry practices, with a view to, where possible, developing programs to limit emissions. Activities such as rice cultivation, nitrogen intensive crop use, improper soil management, land conversion (deforestation) and biomass burning are significant contributors to emissions of greenhouse gases. The Managers are aware that much work is being done in this area and that if USDA does not become involved this work will continue without the important agricultural knowledge base residing in USDA.

Much more needs to be known about the nature and extent of these emissions as well as the potential for certain agricultural and forestry practices to reduce emissions and to mitigate their effects. Given the increasing need for food associated with population increases, it is important that strategies for reducing emissions be developed that simultaneously contribute to higher productivity and increased farmers' incomes. While a number of opportunities have been identified for reducing emissions from forests and agricultural systems, and some of these opportunities have been identified as economically viable in their own right, much more work is necessary to further develop and demonstrate these options and effect their widespread use.

*(9) Coordination*

The Senate bill directs the Secretary to coordinate the planning and implementation of the activities required to be carried out under this subchapter with the Committee on Earth Sciences and the EPA and to submit to EPA a report concerning the options for reducing methane emissions from livestock and rice on a schedule compatible with the needs of the EPA to assist in the preparation of reduction plans for all methane sources (Sec. 1929).

The House amendment has no comparable provision.

The Conference substitute deletes the Senate provision.

*(10) Technical Advisory Committee*

The Senate bill directs the Secretary to establish a technical advisory committee (Section 1930).

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision with minor modifications.

## CHAPTER 2 FORESTRY AND GLOBAL CLIMATE CHANGE.

*International Forestry Cooperation**(11) Short Title*

The Senate bill's short title of subchapter A is the "International Forestry Cooperation Act of 1990" (Sec. 1931).

The House amendment has no comparable provision.

The Conference substitute deletes the Senate provision.

*(12) Findings and Purpose*

The Senate bill lists certain findings of Congress including that forests in many parts of the world are rapidly declining; deforestation in the tropics is a major contributor to global climate change; and global forestry and natural resource problems require global solutions that can only be achieved through international cooperation.

The purpose of this subchapter is to encourage cooperation with other countries as they seek to achieve sustainable economic development through sound natural resource management (Sec 1932).

The House amendment has no comparable provision.

The Conference deletes the Senate provision.

*(13) Forestry and Related Natural Resource Assistance*

The Senate bill states that remedial actions with respect to forestry policy and resource conservation undertaken by a relatively few key countries could have a substantial impact on emissions of greenhouse gases, and the Secretary is required to focus global climate change international activities on these key countries.

The Secretary may, among other things, provide assistance that promotes development and global environmental stability and provide skills related to public and private natural resource administration, education and training opportunities, and opportunities for scientific exchange and cooperative research with foreign entities.

The Secretary shall undertake these activities in countries that receive assistance from AID only at the request, or with the concurrence, of the Administrator of AID (Sec. 1933).

The House amendment has no comparable provision.

The Conference substitute deletes the Senate provision.

#### *(14) Tropical Deforestation and Assistance*

The Senate bill authorizes the Secretary to support and actively participate in global and regional meetings to refine the Tropical Forestry Action Plan; provide assistance to and cooperate with tropical countries in forestry activities; provide staff, nonsensitive technologies and satellite imagery, and financial assistance to the Food and Agriculture Organization tropical forestry development activities (Sec. 1934).

The House amendment has no comparable provision.

The Conference substitute deletes the Senate provision.

#### *(15) Training for Tropical Forest Management and Conservation*

The Senate bill provides that the Secretary may, among other things, develop partnerships with tropical forestry management institutions; develop cooperation with schools in the U.S. and in tropical countries; manage the Caribbean National Forest Luquillo Experimental Forest to demonstrate sustainable management techniques; and assist tropical country entities to encourage local level sustainable tropical forestry management (Sec. 1935).

The House amendment has no comparable provision.

The Conference substitute deletes the Senate provision.

#### *(16) Institute of Tropical Forestry*

The Senate bill authorizes the Secretary to expand the capabilities of and construct additional facilities at the Caribbean National Forest and Institute of Tropical Forestry in Puerto Rico. Not later than 1 year after enactment, the Secretary shall submit to the appropriate committees of Congress, a tropical forestry plan for the expansion and construction of additional facilities (Sec. 1936).

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to establish an Institute of Tropical Forestry in Puerto Rico and an Institute of Pacific Islands Forestry and specifies that they shall conduct research on forest management and natural resources relating primarily to tropical forests.

#### *(17) Administrative Provisions*

The Senate bill requires the Secretary to coordinate all activities outside of the U.S. as the President may require. The Secretary may provide assistance without reimbursement (Sec. 1937).

The House amendment has no comparable provision.

The Conference substitute deletes the Senate provision.

#### *(18) Authorization of Appropriations*

The Senate bill authorizes such sums as may be necessary to be appropriated to carry out this subtitle (Sec. 1938).

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to provide funding for fiscal years 1991 through 1996.

*(19) Conforming Amendments*

The Senate bill contains several conforming amendments. Amendments are made to the Forest and Rangeland Renewable Resources Research Act to, among other things, include a new finding on the threat of global climate change and to authorize the Secretary to expand research activities to encompass international forestry and natural resource issues. The Cooperative Forestry Assistance Act is amended by adding a new finding on the problems of global climate change on an international scale and by expanding the authority of the Secretary to provide assistance to other countries in global climate change activities (Sec. 1939).

The House amendment has no comparable provision.

The Conference substitute deletes the Senate provision.

*(20) Forestry Planning and Global Climate Change*

The Senate bill amends the Forest and Rangeland Renewable Resources Planning Act of 1974 by requiring a detailed analysis of the potential effects of climate change on renewable resources and a detailed analysis of forestry opportunities to mitigate and reduce the risk of climate change from global climate change. (Sec. 1940)

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision, deleting requirements for addressing climate change concerns in revisions to land and resource management plans.

*(21) Urban Forestry Demonstration Project*

The Senate bill authorizes the Secretary to undertake a study and pilot implementation project to demonstrate the benefits of retaining and integrating forests in urban development. This project should be carried out through the Forest Service's Northeastern Area, State and Private Forestry program. (Sec. 1943A)

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision.

*(22) Biomass Energy Demonstration Projects*

The Senate bill says that the Secretary, in consultation with the Secretary of Energy, may carry out projects that demonstrate the potential of short-rotation silvicultural methods to produce wood for electricity production and industrial energy needs. (Sec. 1944)

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision.

*(23) Forestry Research and Global Climate Change*

The Senate bill amends the Forest and Rangeland Renewable Resources Research Act of 1978 by adding a new section to direct research activities on global climate change topics. (Sec. 1945)

The House amendment has no comparable provision.

The Conference substitute deletes the Senate provision.



*(24) Interagency Cooperation*

The Senate bill authorizes the Secretary to enter into agreement with the Secretary of Defense to conduct a study of reforestation and improved management of military installations and lands; and develop a program to manage such forests and lands. (Sec. 1946)

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision.

*(25) Authorization of Appropriations*

The Senate bill authorizes appropriations for each of the Fiscal Years 1991 through 1993, \$2,000,000 to carry out section 1946.

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to authorize such sums as may be necessary for the implementation of this title for Fiscal Years 1991 to 1996. See 18 above.

*Additional Provisions**(26) Office of International Forestry*

The Conference substitute provides for the establishment of an Office of International Forestry within the Forest Service, under a Deputy Chief.

The Managers intend that the Secretary, acting through the Chief of the Forest Service, should establish a new office in the Forest Service to comply with the requirements of this provision, and assign the duties of this office to a new Deputy Chief, not simply assign these new duties to an existing office or line officer. Activities of the Office of International Forestry in other countries shall be carried out after consultation and coordination with the Secretary of State and the Administrator of the Agency for International Development.

*Line Item*

The Conference substitute provides that the President's proposed budget to Congress shall specifically identify funds to be spent on Forest Service international cooperation and assistance.

**TITLE XXV—OTHER RELATED PROVISIONS***Outreach and assistance for socially disadvantaged farmers**(1) Short title*

The Senate bill provides that this subtitle be cited as "The Minority Farmers Rights Act of 1990." (Sec. 1981)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(2) Findings, policies and purposes*

The Senate bill details the concerns and intentions of Congress in enacting these provisions to assist minorities in landownership and farming (Sec. 1982).

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

The Managers note that the number of socially disadvantaged farmers has declined at an increasing rate as a result of limited educational opportunities and other related factors. Racial and ethnic diversity in the ownership of agricultural land and cultural diversity in the composition of the family farm population, agricultural communities, and rural population are important and beneficial to the United States. Therefore, the Managers believe that diversified ownership of agricultural land and farm operations throughout the United States should be encouraged.

### *(3) Definitions*

The Senate bill defines the terms necessary for implementation of these provisions (Sec. 1983).

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

### *(4) Duties of the Secretary*

The Senate bill provides that the Secretary shall establish programs and policies to carry out the objectives of this subtitle, and that the Undersecretary of Small Community and Rural Development shall be responsible for implementing such policies and programs.

Such activities shall include procedures: to identify, halt and prevent discrimination of minority farmers by any employee of USDA; to increase opportunities for minorities to become agricultural producers and farm ownership; and to reverse contraction of the minority agricultural landbase.

The Secretary is instructed to increase the duties, staff and budget of the Office of Advocacy and Enterprise (Office), as funds are available, to carry out policies and programs under this subtitle. (Sec. 1984)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

The Managers note that the Secretary should establish policies and programs to address the needs of socially disadvantaged farmers. Such policies and programs should include encouraging socially disadvantaged individuals to become agricultural producers and farm and ranch landowners.

### *(5) Outreach, education and assistance for socially disadvantaged farmers*

The Senate bill amends section 623 of the Agricultural Credit Act of 1987 to provide for outreach education and technical assistance to encourage and assist minority farmers in land ownership and farming.

The bill authorizes the Secretary and the Director of the Office to provide grants, contracts and other agreements to community based organizations and post-secondary education institutions for education, advocacy or other services to minority farmers. Half of the funds available under this program shall go to community-based organizations, and half to institutions of post-secondary education (priority shall be given to institutions historically serving minority farmers in the region in which the institutions are located.)

It also authorizes \$50 million over five years to carry out these programs (Sec. 1985).

The House amendment requires the Secretary to provide outreach and technical assistance through the Office of Advocacy and Enterprise (Office) to encourage and assist socially disadvantaged farmers to participate in the programs established or authorized in the Act. Assistance includes information on application and bidding procedures and other essential information needed to participate in the programs.

It also authorizes the Secretary and the Director of the Office to make grants and enter into contracts and other agreements in the furtherance of the program's objectives subject to the following conditions: (1) Of the amounts appropriated to carry out the program, 50 percent of such amounts are to be available only for grants and contracts to community based organizations with demonstrated experience and commitment in providing education, advocacy, or other services to minority farmers. Such community based organizations must provide documentary evidence of—(A) their past experience and commitment of working with minority farmers during the two years preceding their application for assistance under section 1393; or (B) their ability and commitment to establish an organization to provide such services. (2) Of the amounts appropriated to carry out section 1393, 50 percent of such amounts will be available only for grants and contracts to institutions of postsecondary education, with a priority given to—(A) institutions eligible to receive 1890 Land-Grant Colleges including Tuskegee University; (B) Indian Tribal Community Colleges and Alaska Native Cooperative Colleges; (C) Hispanic Serving Institutions of Higher Education; and (D) other educational institutions with demonstrated experience in providing education, advocacy or other services to minority family farmers in their region.

Section 1393(c) requires the Director of the Office to submit an annual report to the Committees on Agriculture detailing on a State by State and county by county basis the rate of minority participation for each program under the Act.

Section 1393(c) further requires that each report required by section 1393(c) compare on a State by State and county by county basis the actual application rates, acceptance rates, and participation rates with the target participation rates established by the Secretary pursuant to section 355(a)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(a)(2)). The first report required by this section 1393(c) must be submitted not later than September 30, 1992.

The term "socially disadvantaged farmers" means those farmers who have been subjected to racial or ethnic prejudice, or cultural bias because of their identity as a member of a group without regard to their individual qualities. (Section 1393(d))

Section 1393(e) authorizes to be appropriated \$10,000,000 for each fiscal year to carry out section 1393.

The Conference substitute adopts the House provision with an amendment. The amendment provides that the Secretary may make grants and enter into contracts to provide outreach and technical assistance for socially disadvantaged farmers to community-based organizations and postsecondary educational institutions.

The Managers expect the Department to utilize the enumerated organizations in conducting the outreach and assistance provided under this program. The Managers intend these funds to be divided between the postsecondary educational institutions and community-based organizations with demonstrated experience in providing agricultural education and other agricultural services to socially disadvantaged farmers and ranchers. Grants should be awarded on the basis of an organization's ability to deliver such agricultural services to socially disadvantaged farmers and ranchers and the need for such services within the community. The funds distributed under this section are to be utilized to provide agricultural services, including agricultural technical assistance, directly to socially disadvantaged farmers. The Managers note that these services should consist of assistance necessary for the successful and profitable operation of a farm. (Sec. 2501)

*(6) Development of national minority farmer and land registry*

The Senate bill requires the Secretary to develop and maintain a voluntary "National Minority Farmer and Land Registry." This registry shall list the names of all minority farmers in the United States, at their discretion, and the legal description of the acreage owned. Registration shall be available at each ASCS county office, and shall be maintained on a State-by-State, county-by-county basis.

The registry shall be used to identify and assist existing minority landowners, and to facilitate outreach to socially disadvantaged producers to encourage minority participation in agriculture. The Secretary shall publish the compiled registry no later than two years after enactment of this subtitle, and annual supplemental updates shall be compiled. This information shall be made available to the public (Sec. 1986).

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(7) Preservation of minority agricultural land base*

The Senate bill requires the Secretary, in consultation with Federal and state programs, private organizations and other interested parties, to take such steps as necessary and feasible to ensure that the minority agricultural landbase is not significantly reduced from such landbase as described in the initial publication of the National Minority Farmer and Land Registry. In pursuit of this, the Secretary shall administer and implement policies and programs to promote minority participation through education, outreach, technical assistance and targeted funding.

This section also requires the Secretary to implement a program to reverse the contraction of the minority agricultural landbase, including education, technical assistance, intra-agency coordination and other measures determined to be necessary by the Secretary.

This section also requires the Secretary to establish policies and procedures to encourage and assist "land banks" controlled by minority individuals. The Director of the Office of Advocacy and Enterprise shall implement these policies, and shall encourage and facilitate the participation of other federal and state agencies and

private organizations in developing and operating such land banks (Sec. 1987).

The House amendment contains no comparable provision.

The Conference substitute rewrites the Senate provision to provide targeted direct operating loans to socially disadvantaged farmers through the Farmers Home Administration. It provides for the establishment of annual target participation rates, on a statewide basis, that shall ensure that socially disadvantaged farmers or ranchers will receive loans made or insured under subtitle B of the Consolidated Farm and Rural Development Act according to the percentage of socially disadvantaged farmers and ranchers in the state. If funding targeted for socially disadvantaged farmers and ranchers remains unused after a reasonable amount of time, such funds will remain for use within that state.

The Managers believe that fair access to governmental programs designed to assist the ownership and operation of family farms by members of socially disadvantaged groups is an important governmental objective. This legislation will serve as a positive move towards that objective at a minimal burden for others. (Sec. 2501)

#### *(8) Minority participation rates in department programs*

The Senate bill requires the Secretary to make funds available under the National Agricultural Research, Extension and Teaching Policy Act of 1977 to "1890's" colleges and other research institutions with minority enrollment of more than 50 percent, or to research projects specifically aimed at increasing minority farmer participation in agriculture. Community-based organizations with at least two years demonstrated experience in reaching minority constituencies may be eligible for research agreements under this program.

This section instructs the Secretary to assign and improve staff of the Agricultural Extension Service to implement the policies and programs under this subsection. The bill requires that specifically qualified individuals be assigned proportionately to counties based on participation goals for socially disadvantaged groups under section 355(a)(1) of the Consolidated Farm and Rural Development Act. The Secretary shall also develop and implement a plan to allocate a significant portion of Extension Services resources to increase and assist minority farmers. The Secretary shall also use qualified community based organizations to assist in carrying out this subsection.

The Secretary is further required to review minority participation in crop programs on a state-by-state, county-by-county basis. The review shall include a survey to identify reasons for participation and non-participation in crop programs; and other information on total crop base and payment yields for minority farmers, including how they compare to non-minority individuals. The review shall go through a public comment period. The findings of the review and the comments, along with recommendations to improve minority participation in crop programs, shall be published in a report to the Senate and House Agriculture Committees no later than September 30, 1991.

Subsection (2) of this section requires that county committees authorized under the Soil Conservation and Domestic Allotment Act

shall provide notice through the local media to all minority farmers: of their eligibility for all farm programs not later than October 1 of each year; and when forfeited quotas and allotments become available under the Agricultural Adjustment Act of 1938 and how to apply for such quotas. The Director of the Office of Advocacy and Enterprise shall notify all participating community-based organizations by October 1 of each year of the terms and conditions of programs under this subsection.

The Secretary shall report to Congress bi-annually, beginning September 30, 1992, on departmental efforts to enhance minority participation, including specific participation goals, results, comparisons of funding for minority to nonminority farmers, and other purposes as described in the subsection. (Sec. 1988)

The House amendment contains no comparable provision.

The Conference substitute rewrites the Senate provision to direct the Secretary to designate from existing federal personnel resources in the county or region a qualified person who shall implement the programs and policies established under this section. The substitute also includes a biannual report to Congress on departmental efforts to enhance minority participation and minority participation rates in farm programs. (Sec. 2501)

#### *(9) Minority youth and minority first-time farmers*

The Senate bill requires the Secretary to set up a comprehensive program to attract, assist and encourage minority first-time farmers in production agriculture, and minority youth in production agriculture, related agricultural industries and rural development. This program shall include demonstration programs. The Secretary may contract with 1890's colleges and Tuskegee University community-based organizations, or others, as appropriate, to carry out these programs.

This section authorizes \$60 million to be appropriated over the next five years for these purposes. (Sec. 1989)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

The Managers note that the Secretary should encourage minority first-time farmers and minority youth to become involved in production agriculture, related agricultural industries and rural development.

#### *(10) Affirmative action, appeals and contracting review*

The Senate bill directs the Secretary to analyze and report on the design and implementation of affirmative action programs and policies, the appeals process for complaints of discrimination, and contracting and purchasing practices employed by the Department. This report shall be concluded one year after enactment of this Act. (Sec. 1990)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision. (Sec. 2501)

#### *(11) Analysis by the General Accounting Office*

The Senate bill requires the GAO to conduct a review of the progress and efforts by the Department in achieving the goals of

this Act and of other farm programs administered by the Department to assist socially disadvantaged farmers. (Sec. 1991)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

#### *(12) Effective date*

The Senate bill sets the effective date for this subtitle and amendments made by this subtitle as October 1, 1990. (Sec. 1992)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

#### *(13) Confidentiality of Information*

The Senate bill provides that the Secretary must ensure that data provided by a particular respondent is not discernable or identifiable. "Respondent" replaces "person" and means any individual, business establishment, group, association, State or local agency or instrumentality, or other entity. The Senate bill also provides that nothing in the section is to affect the availability of such information under State or local law. (Sec. 1971)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.

#### *(14) Budget reconciliation instructions (S1978)*

The Senate bill expresses the sense of the Senate that Congress shall comply with provisions of a budget summit agreement for fiscal years 1991-95 that would reduce budget authority and outlays for agricultural programs. The provisions also state that the budget process unfairly penalizes producers of commodities supported primarily by the Treasury relative to producers supported primarily by consumers. Whatever outlay reductions required by the budget process should be shared equitably between producers of such commodities. (Sec. 1978)

The House amendment expresses the sense of the Congress that future spending reductions affecting commodity programs should be made on a targeted basis to protect support prices for the amount of commodities produced by family-sized farms. (Sec. 1121)

The Conference substitute deletes both the House and Senate provisions.

#### *(15) Pet Protection*

The Senate bill amends the Animal Welfare Act to prohibit dealers from obtaining dogs and cats at auctions in order to: prevent people from stealing animals to sell at auctions; require additional recordkeeping by dealers to ensure that animals are obtained from legal sources; extend the holding period at pounds at least five days including a Saturday to ensure sufficient time and opportunity for adoption or recovery; requires notification of persons that dogs and cats obtained by dealers may be used for research or educational purposes; and establish fines of \$1,000 per dog or cat acquired or sold in violation of the law for first time offenders and \$5,000 per animal for second time offenders; and permanent license revocation for third time offenders. (Sec. 1481)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment that removes the restriction of sources of animals, deletes the requirement that pets be held for at least a Saturday and adds new language regarding injunctive relief. The Managers note that most pet adoption occurs on Saturdays when people have the time to search for pets. The Managers direct the Secretary to urge pounds, shelters, and other entities holding dogs and cats to keep animals for at least one Saturday in order to provide individuals a reasonable opportunity to recover lost pets or to adopt new pets. (Sec. 2503)

*(16) Control and eradication of plant pests (H1831)*

The House amendment amends the Organic Act of 1944 by authorizing the Secretary to cooperate with the governments of all foreign countries in the control and eradication of plant pests. (Sec. 1831)

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision. (Sec. 2504)

*(17) Cooperation in animal disease control*

The House amendment amends section 11 of the Act of May 29, 1884 (21 U.S.C. 114b) to authorize cooperation with the Governments of all foreign countries and foreign or international organizations. (Sec. 1832)

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision. (Sec. 2505)

*(18) Pseudorabies*

The Senate bill requires the Secretary to carry out a program for the eradication of pseudorabies in swine populations. The Secretary is required to provide that not less than 65 percent of the funds appropriated for any animal or plant disease or pest eradication or control program be used for eradication or control activities. Such sums as may be necessary are authorized to be appropriated for this program. (Sec. 1497B)

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision with an amendment limiting the requirement on fund distribution for pseudorabies eradication programs so as to not adversely affect any other plant disease or pest eradication or control program. (Sec. 2506)

*(19) Regulation governing inspection of imported poultry (S1979)*

The Senate bill expresses the Senate determination that the regulation promulgated by the Food Safety and Inspection Service (FSIS) with respect to poultry products offered for importation into the United States (allowing certification of a foreign inspection system that imposes requirements that are merely at least equal to those applicable in the U.S.) does not reflect the intent of the Congress. The Senate urges FSIS to repeal the October 30, 1989 regulation and promulgate a new regulation reflecting the intention of the Congress that imported poultry be subject to the same inspection, sanitary, quality, species verification, and residue standards applied to U.S. products, and that imported poultry is processed in



facilities and under conditions that are the same as those under which similar U.S. products are processed. (Sec. 1979)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment providing that the section is an expression of the determination of the Congress. The Managers understand and appreciate that technical requirements might differ in other countries because of custom, practicality, or compelling local needs, and the Secretary should have the flexibility to accept as being in compliance with United States requirements those technical deviations that can be justified. For example, the color of dye used for identifying condemned products or the materials used for knives and other slaughter and processing implements would be of little consequence to the ultimate food safety objective, and, if different as between the United States and a country seeking export certification, should not interfere with such certification. The fundamental inspection system, intensity, procedures, and food safety standards, however, should be the same as those prevalent in the United States for any such country to be certified for export to the United States. (Sec. 2507)

#### *(20) Additional inspection services*

The Senate bill authorizes the Secretary to enter into agreements with operators or owners of vessels to provide inspection services at ocean ports in addition to the regular or on-call basis currently available in connection with such ships. Such inspections should carry out regulations to prohibit or restrict the entry of materials that may harbor pests or diseases. The operator or owner shall pay the Secretary the amount necessary to defray the costs of the service. (Sec. 1952)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to provide that the Secretary may enter into contracts with operators of aircraft for inspection services and to provide that contracts are to be for services at points of entry in the United States. (Sec. 2508)

#### *(21) Collection of fees for inspection services. (S1951)*

The Senate bill authorizes the Secretary of Agriculture to prescribe and collect fees for additional inspection services.

Section 1951(a) provides for the collection of fees to cover the cost of providing agricultural quarantine and inspection services in connection with the arrival at a U.S. port or the pre-clearance or pre-inspection site outside the United States of commercial vessels, aircraft, trucks or railroad cars. An Agricultural Quarantine Inspection User Fee Account is established for deposit of the fees and to reimburse appropriations for the services. Fees shall be remitted to the Treasury within 31 days, and Treasury will reimburse the Account quarterly. The Secretary shall adjust the amount of fees to reflect the cost of administering the services and maintaining a reasonable balance in the Account.

Section 1951(b) amends section 102(f) of the Act of September 21, 1944 to authorize such sums as may be necessary to carry out plant inspection. Authorizes the Secretary to prescribe and collect fees to

recover the costs of providing for the inspection and certification of plants and plant products offered for export from or transit through the United States. All fees, late payments and accrued interest shall be credited to such accounts that incur the costs and remain available until expended. The Secretary is authorized to have a lien for the fees, late payment penalties or accrued interest on the plant or plant product then exported or against plants thereafter attempted to be exported by such person. The Secretary may sell such plant or plant product at public sale after reasonable public notice if full payment is not made. Excess proceeds from such sale shall be paid to the owner within 6 months.

Section 1951(c) provides that the Secretary may prescribe and collect fees to reimburse the Secretary for the costs of animal quarantine laws related to importing, entry and export of animals, articles, or means of conveyance. This section also amends section 11 of the Act of May 29, 1884 to authorize the Secretary to prescribe and collect fees to recover the costs of carrying out the provisions related to veterinary diagnostics. The Secretary shall assess late payment penalties and collect accrued interest, and credit those amounts to the accounts that incur the costs. The Secretary is authorized to have a lien for the fees, late payment penalties or accrued interest on the animal, article, means of conveyance, or facility for which services have been provided. Such lien may extend to any such products thereafter attempted to be exported by such person. The Secretary may sell such plant or plant product at public sale after reasonable public notice if full payment is not made. Excess proceeds from such sale shall be paid to the owner within 6 months.

The district courts of the United States or other U.S. court where such person is found or resides or transacts business shall have jurisdiction to hear an action to recover the fees, penalties and interest. Definitions include "person", "vessel", "customs territory", "animal quarantine laws", and "United States". Penalties shall be assessed as provided in section 3717 of title 31 of the United States Code. Such penalties and interest shall be accrued to the accounts that incur the costs and remain available until expended. (Sec. 1951)

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision (Sec. 2509).

*(22) Investment of certain fees for reports, publications, and software*  
(S 1963)

The Senate bill amends section 1121 of the Agriculture and Food Act of 1981 to provide that any fees collected, late payment penalties and interest earned may be invested by the Secretary of the Treasury in public debt securities, bearing interest at rates determined by the Secretary of the Treasury. Such investments must be requested by the Secretary of Agriculture, who will also determine the maturities of the investments. Fees and charges, including penalties and interest earned from the investment of such funds shall be credited to the account that incurs such costs (Sec. 1963).

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to provide that investments may be made by the Secretary of Agriculture in insured or fully-collateralized interest bearing accounts or, at the discretion of the Secretary of Agriculture, by the Secretary of the Treasury in U.S. Government debt instruments. (Sec. 2510)

*(23) Investment of certain fees—Tobacco Adjustment Act of 1983 (S 1962)*

The Senate bill amends section 213(d) of the Tobacco Adjustment Act of 1983 to provide that any fees collected, late payment penalties and interest earned may be invested by the Secretary of the Treasury in public debt securities, bearing interest at rates determined by the Secretary of the Treasury. Such investments must be requested by the Secretary of Agriculture, who will also determine the maturities of the investments. Fees and charges, including penalties and interest earned from the investment of such funds shall be credited to the account referred to in the Act (Sec. 1962).

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to provide that investments may be made by the Secretary of Agriculture in insured or fully-collateralized interest bearing accounts or, at the discretion of the Secretary of Agriculture, by the Secretary of the Treasury in U.S. Government debt instruments (Sec. 2511).

*(24) Improving the accuracy of commodity program budget forecasts (H 1847)*

The House amendment provides that the Congress finds that, to improve the accuracy of commodity program benefit forecasts, the Secretary should designate a single organization to manage its commodity program forecasting and establish a quality control program to—(1) systematically identify the source of forecasting errors; (2) maintain records of data used for supply and demand forecasts; (3) document its forecasting methods; and (4) correct weaknesses in its various forecasting components (Sec. 1847).

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to include a provision requiring the Secretary to publish a report each year analyzing the return on assets resulting from the production of specified commodities which are subject to government price support programs. (Sec. 2512)

*(25) Accurate trucking of costs of commodity certificate program (H 1846)*

The House amendment provides that Congress finds that, to ensure proper congressional scrutiny of commodities certificate costs, the USDA should develop a new set of budget terms and totals that include commodity certificates in the budget totals submitted by the Administration to the Congress (Sec. 1846).

The Senate bill contains no comparable provision.

The Conference substitute deletes the House provisions.

The Managers are concerned with the failure of the Department of Agriculture to include the issuance of commodity certificates in

the Department's totals submitted with the Administration's budget documents. The General Accounting Office has recommended that Congress require the Administration to include the issuance of certificates in budget totals reviewed by the Congress. The Managers intend that, to ensure proper Congressional scrutiny of commodities certificate costs, the Department should develop a new set of budget terms and totals that include commodity certificates in the budget totals submitted by the Administration to the Congress.

*(26) Farm value of agricultural products (H1852)*

The House amendment requires the Secretary to provide by rule a system for informing the ultimate consumer of an agricultural commodity or a product thereof, whether produced inside or outside of the United States, of the approximate amount of money (in terms of United States currency) paid the agricultural producer for that commodity, or each commodity contained in that product.

It requires the Secretary to annually report to the Committees on Agriculture, by type of commodity or product, a summary of the information required to be made available to the consumer under subsection (a). The Secretary may by rule require the submission of such data from such persons as is necessary to enable the Secretary to carry out section 1852(b). The Secretary must provide for the timely publication and wide distribution of such reports. (Section 1852)

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision with an amendment limiting the number of items for which the Secretary must develop a system for regarding the farm value of agricultural commodities in products which are for human consumption, and requiring an annual report to Congress on this information.

By limiting the number of agricultural commodities for which commodities contained in products for human consumption, under the Agricultural Act of 1949, and those other commodities which the Secretary determines are of dietary significance, the Secretary will be able to develop this system in a reasonable period of time. Targeting the development of this system which can be used for other agricultural commodities should Congress decide such a system is useful for those commodities. The Secretary of Agriculture may also consult with such persons as deemed appropriate to develop this system.

Currently, the U.S. Department of Agriculture receives information regarding the prices farmers received for certain items contained in a survey conducted by the Bureau of Labor Statistics. This market basket approach does not necessarily cover items which are of direct interest to Congress, and with the adoption of this amendment, the U.S. Department of Agriculture will begin to collect its own statistics which should be available for review by Congress. Should Congress desire particular information on certain agricultural commodity products, the Department will be able to respond quickly to those requests with a system in place to develop statistics on the amount a farmer received for a particular food item. Further, the Conferees envision that this information will be useful in educating consumers regarding the effect of reductions on

agricultural prices in the marketplace. By providing consumers with accurate information regarding farm costs in various products, consumers will gain an understanding of the role of farm costs in pricing decisions they may make at the supermarket. (Sec. 2513)

*(27) Monthly crop reports*

The House amendment repeals 7 U.S.C. 411a. It requires the Secretary to gather from producers a crop report to be printed and distributed on or before the twelfth day of each month during the growing season. The reports must contain statements of the conditions of crops by States, with such explanations, comparisons, and information as may be useful for illustrating such reports. Additionally, the Secretary must survey producers for information for reports regarding supply, acreage, production, disposition, and prices for the following commodities as determined by the Secretary: (A) fresh market vegetables; (B) processing vegetables; (C) fruits and nuts; (D) forage and turf seeds; (E) vegetable seeds; and (F) maple syrup.

The Secretary must conduct and report the results of the such surveys at least annually in such States as determined by the Secretary. The Secretary must survey producers for information for reports regarding fruit and nut tree inventories. Such surveys and reports must be conducted, printed, and distributed on a regular basis every three to five years as determined by the Secretary. All reports must be officially approved by the Secretary before being issued or published. (Sec. 1854)

The Senate bill contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to provide that data collected is to be used to develop crop reports to be distributed by the Secretary during the growing season. Special reports are to be prepared for: 25 fresh market vegetables; 3 processing vegetables; 6 fruits and nuts; 17 forage and turf seeds; 50 vegetable seeds; and maple syrup. The section authorizes appropriations to cover the costs of preparation and distribution (Sec. 2514).

*(28) Scarce federal resources (S1980)*

The Senate bill provides that the Secretary may, after concurrence with the Chairmen and Ranking Members of the Agriculture Committees, prioritize the studies or reports authorized by this Act and determine which of those studies or reports shall be completed. The Secretary must complete at least 12 such studies or reports (Sec. 1980).

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision (Sec. 2515).

*(29) Reporting and Recordkeeping improvement*

The Senate bill contains two related provisions which, in general, require the Secretary to implement a program designed to minimize the amount of paperwork and recordkeeping required of participants in commodity, conservation, and other agricultural programs administered by the Department of Agriculture. Both provi-

sions also direct the Secretary to examine the feasibility of assisting in paperwork and recordkeeping reductions by making available to producers a computer network or system which would allow for the electronic filing and processing of all or a portion of the various program-related applications and reports required of agricultural producers. (Secs. 1972 and 1977)

The House amendment contains similar provisions, and specifically requires the Secretary to take appropriate action to integrate the various data bases within USDA relating to agricultural program data and to devise a system of the sharing of such information among the Department of Agriculture's various agencies. (Sec. 1855)

The Conference substitute adopts the House provision, with amendments providing the Secretary with discretionary authority to retain the services of outside consultants with experience and expertise in computer network design, function, installations and maintenance, and data base management systems.

The Managers are aware that the Department of Agriculture and its various agencies currently have a multi-billion dollar investment in computer equipment and software, with additional acquisitions projected in the long-term budget. Even with this significant investment, however, it is currently impossible for agencies within the Department to share common producer-related data and information among themselves in a manner which could eliminate or greatly reduce producers' paperwork burdens which requires them to manually complete and file repetitive information on numerous applications and reports required for program participation. Modernization, networking, and programming which utilizes the full capacity of the Department's computer technology can reduce its administrative overhead costs, can increase producer productivity, and can vastly improve farm management, farm productivity, and farming practices in the future.

A computerized system which can be accessed by farm producers is contemplated by the Trade and Research titles of the bill. The National Agricultural Weather Information System it establishes will be more effective if individual producers can obtain electronically, more precise and timely climatological data which will be developed under that program. Producers can lower their input costs, improve their profits, and protect the environment by more precise timing of fertilizer and farm chemical applications during periods of optimum weather conditions.

Another provision of the bill envisions the utilization of a computerized network to improve the efficiency of transporting farm goods and commodities to domestic markets and foreign buyers. By using the same network which would allow them to dramatically reduce the volume of paperwork, it is anticipated that farm producers will be able to eliminate costly transportation delays by matching carrier equipment capability and availability to their shipping needs.

The Managers emphasize the importance and urgency of developing and implementing a program within the Department which will allow America's farm producers to more fully benefit from the current state of computer technology. It is strongly suggested that in studying and reporting on the feasibility of a national agricul-

tural computer network, the Secretary take cognizance of the other related topic areas in agricultural weather and transportation coordination, and that these areas be included in any recommendations he may subsequently make to the Congress regarding the structure of the computer network. (Sec. 2516)

*(30) Study of the transportation of fertilizer and agricultural chemicals to farmers*

The House amendment requires the Secretary of Agriculture, acting through the Office of Transportation of the Department of Agriculture, to study the transportation of fertilizer, agricultural crop protection chemicals, and agricultural use hazardous materials such as fuel, to the farm. The Secretary must report with his findings not later than 18 months from the date of enactment. The provision would authorize the appropriation of \$75,000 for the Secretary to conduct the study. (Sec. 1387)

The Senate bill contains no similar provision.

The Conference substitute adopts the House provision with an amendment removing the provision which requires that the study be carried out through the Office of Transportation. (Sec. 2517)

*(31) Severability*

The Senate bill contains no similar provision.

The House amendment contains no similar provision.

The Conference substitute includes a section to declare that if any provision of this Act or the application thereof to any person or circumstance is held invalid, such a holding shall not affect other provisions or applications of this Act. (Sec. 2519)

*(32) Consumer savings pass-through study (H 1851)*

The House amendment requires the Secretary to establish by regulation a system to measure the extent to which any reduction in the prices of agricultural commodities or products thereof are passed through to the ultimate consumer. The Secretary must report annually to the Committees on Agriculture on the results of such measurements and must publish such results in the Federal Register. To the extent that the Secretary finds that any such price reductions are passed through in an article containing the agricultural commodity or product thereof as savings to the ultimate consumer, the Secretary must publish the names of any such article, the amount of savings that were passed through to the ultimate consumer, and the seller or manufacturer of the article. Prior to publishing such information in the Federal Register, the Secretary must require a certification from the seller or manufacturer of such article that savings were intended and actually passed through to the ultimate consumer. (Sec. 1851)

The Senate bill contains no comparable provision.

The Conference substitute deletes the House provision. The Managers agree that the Department of Agriculture must, prior to making claims that cuts in agricultural programs lead to savings for American consumers in their purchases, provide sufficient documentation and specific examples relative to particular commodities establishing that consumers do indeed benefit from reductions in prices paid to farmers. Undocumented claims that consumers

automatically benefit from reduction in farm prices have led to much unwarranted friction between consumer groups and agricultural producers in previous farm legislation considered by Congress. Much of this can be attributed to misleading information which is plainly not established by the reality of the marketplace. Rather than encouraging consumers to believe that they somehow automatically benefit from reduction in agricultural prices, the U.S. Department of Agriculture should provide information to Congress establishing this benefit, and should refrain from statements which cannot be backed by clear, concrete examples with respect to the particular commodity the Department is discussing.

*(33) Study of the concentration of the meat packing industry*

The House amendment requires the Comptroller General, in consultation with the Secretary, to conduct a study regarding vertical and horizontal concentration in the meat packing industry for submission to the Committees on Agriculture. In conducting the study the Comptroller General must consider the impact, both short and long term, of concentration on farm income of livestock producers, on prices paid by consumers for meat and poultry products on economic development in agricultural areas, the extent and nature of packer contracting and the pricing arrangements that are typical of packer contracting, including any evidence of price premiums or discounts and the justification of such premiums or discounts, as well as other pertinent issues.

The Senate bill contains no comparable provision.

The Conference substitute deletes the House provision. The Managers are aware that the Comptroller General is currently undertaking a survey of the economic impact of the increasing concentration in the beef packing industry. The study is to focus on a number of issues. Those include the impact of concentration and of increased vertical integration in the packing and feeding industry and its effect on cattle prices and small producer income. The Managers hope to see the scope of the survey broadened to include pork, lamb, and poultry.

*(34) Buy America provisions (H1856)*

The House amendment expresses the sense of Congress that a recipient of Federal farm assistance should, in expending that assistance, purchase American-made equipment and products. Requires the Secretary to provide procedures to inform such recipients of the sense of Congress. (Sec. 1856)

The Senate bill contains no comparable provision.

The Conference substitute deletes the House provision.

*(35) USDA Office of Transportation*

The Senate bill expresses the sense of Congress that the Department of Agriculture's Office of Transportation should continue as an independent office and take the lead in agricultural transportation issues and assist in ensuring the availability of grain rail cars. (Sec. 1948)

The House amendment contains no comparable provision.

The Conference substitute deletes the Senate provision.



E DE LA GARZA,  
 GEORGE E. BROWN, Jr.,  
 CHARLIE ROSE,  
 GLENN ENGLISH,  
 JERRY HUCKABY,  
 DAN GLICKMAN,  
 CHARLIE STENHOLM,  
 HAROLD L. VOLKMER,  
 CHARLES HATCHER,  
 LEON E. PANETTA,

Mr. Panetta for subtitle G of title XII, title XIV (except sec. 1414 and subtitles C and D), and title XVII of the House amendment, and title XVII (except sec. 1730), subtitle I of title XIX, sec. 1973, subtitle G of title XXI, and title XXIV of the Senate bill,

RICHARD STALLINGS,

Mr. Stallings in lieu of Mr. Panetta for titles II, XXVIII, and XXIX of the House amendment and title IX, title XIII (except sec. 1303), and subtitle B of title XX of the Senate bill,

JIM OLIN,

Mr. Olin in lieu of Mr. Panetta, for title IV, title XIII (except for subtitle H), subtitle D of title XIV, and sec. 1843 of the House amendment and title I, sec. 1283, title XIV (except sec. 1496), and title XVI of the Senate bill,

TIM JOHNSON,

Mr. Johnson of South Dakota in lieu of Mr. Panetta for title V (except sec. 502) and subtitle A of title VI of the House amendment and title II and subtitle C of title X of the Senate bill,

JILL L. LONG,

Ms. Long in lieu of Mr. Panetta for title X, title XI (except sec. 1109), and subtitle A of title VII of the House amendment, and for title IV, title VIII, title X (except subtitle C), sec. 301 (insofar as it adds a new sec. 107A(e)(4)(E) to the Agricultural Act of 1949), sec. 501 (insofar as it adds a new sec. 103A(e)(4)(D) to the Agricultural Act of 1949), and sec. 601 (insofar as it adds a new sec. 101A(e)(4)(D) to the Agricultural Act of 1949),

ROY DYSON,

Mr. Dyson in lieu of Mr. Panetta for sec. 502, subtitle B of title VI, subtitle B of title VII, sec. 1414, subtitle C of title XIV, and sec. 1841 of the House amendment, and title XXI (except subtitle G) and sec. 1730 of the Senate bill,

H. MARTIN LANCASTER,

Mr. Lancaster in lieu of Mr. Panetta for title VIII of the House amendment and title VII of the Senate bill,

JIM JONTZ,

Mr. Jontz in lieu of Mr. Panetta for subtitle A of title XVII, and sec. 1508 of the House amendment, and subtitle B of title XIX and title XVIII of the Senate bill,

GARY CONDIT,

Mr. Condit in lieu of Mr. Panetta for sec. 1109, title XII (except subtitle G), and sec. 1833 of the House amendment

and title XI (except subtitle E), sec. 1551, and title XXIII of the Senate bill,

CLAUDE HARRIS,

Mr. Harris in lieu of Mr. Panetta for title XV (except for sec. 1508) and title XXVII of the House amendment and title XV (except sec. 1551) of the Senate bill,

MIKE ESPY,

Mr. Espy in lieu of Mr. Panetta for title III of the House amendment, and title VI (except new sec. 101A(e)(4)(D) of the Agricultural Act of 1949, as added by sec. 601), and subtitle K of title XIX of the Senate bill,

BILL SARPALIUS,

Mr. Sarpalius in lieu of Mr. Panetta for titles I, IX, and XXX of the House amendment and title III (except new sec. 107A(e)(4)(E) of the Agricultural Act of 1949, as added by sec. 301), title V (except new sec. 103A(e)(4)(D) of the Agricultural Act of 1949, as added by sec. 501), and subtitle E of title XI of the Senate bill,

TIMOTHY J. PENNY,

Mr. Penny in lieu of Mr. Panetta for title XVI, sec. 1844, and subtitle H of title XIII of the House amendment, and title XII (except sec. 1283), sec. 1303, and subtitle A of title XIX of the Senate bill,

ROBIN TALLON,

Mr. Tallon in lieu of Mr. Panetta for titles XIX, XXII, XXIII, XXIV, and XXVI, and sec. 1857 of the House amendment, and title XX (except subtitles A, B, and F), and title XXII of the Senate bill,

HARLEY O. STAGGERS, Jr.,

Mr. Staggers in lieu of Mr. Panetta for title XVIII (except subtitle A, secs. 1833, 1841, 1843, 1844, and 1857), title XX, and title XXI of the House amendment and sec. 1496, subtitle H and J (except sec. 1973) of title XIX, and subtitles A and F of title XX of the Senate bill,

BOB WISE,

Mr. Wise in lieu of Mr. Panetta for title XXV of the House amendment,

EDWARD MADIGAN,

TOM COLEMAN,

RON MARLENEE,

ARLAN STANGELAND,

LARRY J. HOPKINS,

PAT ROBERTS,

BILL EMERSON,

Mr. Emerson in lieu of Mr. Marlenee on sec. 502, title XIV, title XVII and sec. 1841 in lieu of Mr. Hopkins for subtitle B of title VII and subtitle B of title VI of the House amendment and subtitles A and B of title XVII, sec. 1730, subtitle I of title XIX, sec. 1973, subtitle G of title XXI and title XXIV of the Senate bill,

SID MORRISON,

Mr. Morrison in lieu of Mr. Hopkins on titles XV and XXVII of the House amendment and title XV (except sec. 1551) and subtitle B of title XIX of the Senate bill,

STEVE GUNDERSON,

Mr. Gunderson in lieu of Mr. Marlenee on titles IV, V (except sec. 502), title VI (except subtitle B) of the House amendment and titles I and II and subtitle C of title X of the Senate bill,

R.F. SMITH,

Mr. Smith of Oregon in lieu of Mr. Hopkins on title IX and title XI (except sec. 1109) of the House amendment and title III, title X (except subtitle C) and sec. 301 (insofar as it adds a new sec. 107A(e)(4)(E) to the Agricultural Act of 1949), sec. 501 (insofar as it adds a new sec. 103A(e)(4)(D) to the Agricultural Act of 1949), and sec. 601 (insofar as it adds a new sec. 101A(e)(4)(D) to the Agricultural Act of 1949) of the Senate bill,

TOM LEWIS,

Mr. Lewis of Florida in lieu of Mr. Marlenee on title II of the House amendment and title IX of the Senate bill,

LARRY COMBEST,

Mr. Combest in lieu of Mr. Marlenee on title I of the House amendment and title V (except new sec. 103A(e)(4)(D) of the Agricultural Act of 1949, as added by sec. 501) of the Senate bill,

BILL SCHUETTE,

Mr. Schuette in lieu of Mr. Hopkins on subtitle A of title XVIII of the House amendment and title XVIII of the Senate bill,

FRED GRANDY,

Mr. Grandy in lieu of Mr. Hopkins on title X and in lieu of Mr. Marlenee on titles XVI and XXIX and sec. 1857 of the House amendment and title IV, title XII and title XIII of the Senate bill,

WALLY HERGER,

Mr. Herger in lieu of Mr. Marlenee on sec. 1109 and title XII except for subtitle G of the House amendment and title XI (except subtitle E), title XIII and sec. 1551 of the Senate bill,

CLYDE C. HOLLOWAY,

Mr. Holloway in lieu of Mr. Hopkins on title III of the House amendment and title VI except sec. 601 (insofar as it adds a new sec. 101A(e)(4)(D) to the Agricultural Act of 1949) of the Senate bill,

JAMES T. WALSH,

Mr. Walsh in lieu of Mr. Hopkins on title XVIII except subtitle A of the House amendment and subtitle H (except sec. 1962), subtitle J (except sec. 1973), and subtitle K of title XIX of the Senate bill,

BILL GRANT,

Mr. Grant in lieu of Mr. Marlenee on title VIII of bill House amendment and title VII of the Senate bill,

R.F. SMITH,

Mr. Robert F. Smith is appointed in lieu of Mr. Marlenee for title XII of the Senate bill and title XVI of the House amendment,

SID MORRISON,

Mr. Morrison of Washington is appointed in lieu of Mr. Marlenee for title XIII of the Senate bill and title XXIX of the House amendment,

FRED GRANDY,

Mr. Grandy is appointed in lieu of Mr. Hopkins for all provisions except title VII and sec. 1962 of the Senate bill, and title VIII and sec. 1249 of the House amendment, on which Mr. Hopkins will remain a conferee, and Mr. Lewis of Florida is appointed in lieu of Mr. Hopkins for subtitle A of title XVII of the Senate bill and title XIV of the House amendment,

From the Committee on Foreign Affairs, for consideration of titles XI (except secs. 1124, 1125, 1134, 1137, and subtitle E), XXIII (except sec. 2306), secs. 114, 1423, 1551, 1751-60, 1763, and 1765 of the Senate bill, and title XII (except secs. 1241 and 1243-46) and secs. 415, 1312(a), and 1833 of the House amendment, and modifications committed to conference:

DANTE B. FASCELL,  
LEE H. HAMILTON,  
GUS YATRON,  
STEPHEN J. SOLARZ,  
HOWARD WOLPE,  
GEO. W. CROCKETT, Jr.,  
SAM GEJDENSON,  
MERVYN M. DYMALLY,  
PETER H. KOSTMAYER,  
WM. S. BROOMFIELD,  
BEN GILMAN,  
JIM LEACH,  
TOBY ROTH,  
DOUGH BEREUTER,

From the committee on Foreign Affairs, for consideration of subtitle E of title XI, secs. 1931-35 and 1937-39 of the Senate bill, and title XXX of the House amendment, and modifications committed to conference:

DANTE B. FASCELL,  
LEE H. HAMILTON,  
GUS YATRON,  
SAM GEJDENSON,  
WM. S. BROOMFIELD,  
TOBY ROTH,

From the Committee on Merchant Marine and Fisheries, for consideration of subtitle E of title XI of the Senate bill, and title XXX of the House amendment, and modifications committed to conference:

WALTER B. JONES,  
GERRY E. STUDDS,  
CARROLL HUBBARD,  
BILLY TAUZIN,  
DENNIS M. HERTEL,  
WILLIAM O. LIPINSKI,  
BOB DAVIS,  
DON YOUNG,

NORMAN F. LENT,  
JACK FIELDS,

From the Committee on Merchant Marine and Fisheries, for consideration of secs. 1238, 1286, and 1422 of the Senate bill, and secs. 1314 and 1602 of the House amendment, and modifications committed to conference:

WALTER B. JONES,  
GERRY E. STUDDS,  
DENNIS M. HERTEL,  
BOB DAVIS,  
DON YOUNG,

From the Committee on Ways and Means, for consideration of sec. 902, those portions of sec. 1121 adding new secs. 101(5), 103(5), 113(c)(2), 114, 204(c)(2)(B), 404.05, 503(b)(3), 504, and 601 (c) and (f) to the Agricultural Trade Act of 1978, secs. 1122, 1124-25, 1137, 1716(c), that portion of sec. 2123 adding a new sec. 7A(e) to the Cotton Research and Promotion Act, secs. 2140, 2155(g), 2178, 2188, 2203 2306, 2452, and 2454 of the Senate bill, and sec. 614, those portions of sec. 1221 adding new secs. 101(4), 105(a), 106, 402(c) and (f) to the Agricultural Trade Act of 1978, secs. 1223(i), 1241, 1243, 1245-47, 1428, 1445(g), 1468, 1475(3), 1485(d) and 1494 of the House amendment, and modifications committed to conference:

DAN ROSTENKOWSKI,  
SAM GIBBONS,  
ED JENKINS,  
BILL ARCHER,  
PHIL CRANE,

ANDREW JACOBS, Jr. (except, that, for consideration of secs. 2203, 2452, and 2454 of the Senate bill, Mr. Jacobs is appointed in lieu of Mr. Jenkins),

From the Committee on Ways and Means, for consideration of secs. 1134, 1721, and 1730A of the Senate bill, and modifications committed to conference:

DAN ROSTENKOWSKI,  
SAM GIBBONS,  
J.J. PICKLE,  
ED JENKINS,  
TOM DOWNEY,  
DONALD J. PEASE,  
MARTY RUSSO,  
FRANK J. GUARINI,  
ROBERT T. MATSUI,  
BERYL ANTHONY, Jr.,  
BILL ARCHER,  
GUY VANDER JAGT,  
PHILIP M. CRANE,  
BILL FRENZEL,  
RICHARD T. SCHULZE,  
W.M. THOMAS,

From the Committee on Energy and Commerce, for consideration of secs. 1761 and 1762 of the Senate bill, and modifications committed to conference:

JOHN D. DINGELL,  
JIM SCHEUER,  
RON WYDEN,  
TERRY L. BRUCE,  
J. ROY ROWLAND,  
RALPH M. HALL,  
DENNIS E. ECKART,  
NORMAN F. LENT,  
BILL DANNEMEYER,  
BOB WHITTAKER,  
TOM TAUKE,  
TOM BLILEY,  
JACK FIELDS,

From the Committee on Energy and Commerce, for consideration of secs. 1495, 1497, and 1498J-L of the Senate bill, and modifications committed to conference:

JOHN D. DINGELL,  
J. ROY ROWLAND,  
NORMAN F. LENT,  
TOM TAUKE,

From the Committee on Energy and Commerce, for consideration of sec. 1437 of the Senate bill, and sec. 1367(b) of the House amendment, and modifications committed to conference:

JOHN D. DINGELL,  
DENNIS E. ECKART,  
NORMAN F. LENT,  
TOM TAUKE,

From the Committee on Energy and Commerce, for consideration of title XVI (except secs. 1615-16, 1620 (b), (c), (d), and (f)) and sec. 1716 of the Senate bill, and secs. 1495J-95L, 1495M (a), (e) and (g) and 1495N-95V of the House amendment, and modifications committed to conference:

JOHN D. DINGELL,  
TERRY L. BRUCE,  
NORMAN F. LENT,  
TOM TAUKE,

From the Committee on Energy and Commerce, for consideration of subtitle C of title XVII of the Senate bill, and modifications committed to conference:

JOHN D. DINGELL,  
RON WYDEN,  
NORMAN F. LENT,  
TOM BLILEY,

From the Committee on Energy and Commerce, for consideration of sec. 1773 of the Senate bill, and modifications committed to conference:

JOHN D. DINGELL,  
J. ROY ROWLAND,  
NORMAN F. LENT,  
BOB WHITTAKER,

From the Committee on Energy and Commerce for consideration of sec. 1772 of the Senate bill, and sec. 1376A of the House amendment, and modifications committed to conference:

JOHN D. DINGELL,  
THOMAS A. LUKE,  
AL SWIFT,  
NORMAN F. LENT,  
TOM TAUKE,

From the Committee on Energy and Commerce, for consideration of sec. 1948 of the Senate bill, and modifications committed to conference:

JOHN D. DINGELL,  
THOMAS A. LUKE,  
AL SWIFT,  
NORMAN F. LENT,  
BOB WHITTAKER,

From the Committee on Energy and Commerce, for consideration of secs. 2033(3)(F), 2079, and 2081 of the Senate bill, and modifications committed to conference:

JOHN D. DINGELL,  
ED MARKEY,  
AL SWIFT,  
NORMAN F. LENT,  
TOM TAUKE,

From the Committee on Energy and Commerce, for consideration of section 1399 of the House amendment, and modifications committed to conference:

JOHN D. DINGELL,  
EDOLPHUS TOWNS,  
NORMAN F. LENT,  
TOM BLILEY,

From the Committees on Agriculture, for consideration of those portions of sec. 1121 adding new secs. 101(5), 103(5), 113(c)(2), 114, 204(c)(2)(B), 404-05, 503(b)(3), 504, and 601(c) and (f) of the Agricultural Trade Act of 1978, of the Senate bill, and those portions of sec. 1221 adding new secs. 101(4), 105(a), 106, 203, and 402 (c) and (f) to the Agricultural Trade Act of 1978, of the House amendment, and modifications committed to conference:

MIKE ESPY,  
CLAUDE HARRIS,  
BILL SARPALIUS,  
BILL EMERSON,  
R.F. SMITH,

From the Committees on Education and Labor, for consideration of secs. 1496(b), 1498-1498N, 1965, 1966, 2471, 2474, 2476, and 2479 of the Senate bill, and secs. 1382, 1774, 1842(b) of the House amendment, and modifications committed to conference:

AUGUSTUS F. HAWKINS,  
WILLIAM W. FORD,  
JOSEPH M. GAYDOS,  
BILL GOODLING,

THOMAS J. TAUKE,  
 From the Committee on Science, Space, and Technology,  
 for consideration of secs. 1921-30, 1940, and 1944-46 of the  
 Senate bill, and modifications committed to conference:

ROBERT A. ROE,  
 JAMES H. SCHEUER,  
 TOM McMILLEN,  
 BOB WALKER,  
 CLAUDINE SCHNEIDER,

From the Committee on Banking, Finance and Urban Affairs  
 for consideration of sec. 1350 of the Senate bill, and  
 modifications committed to conference:

BEN ERDREICH,  
 PAUL E. KANJORSKI,  
 THOMAS R. CARPER,  
 DOUG BEREUTER,  
 TOBY ROTH,

*Managers on the Part of the House.*

PAT LEAHY,  
 DAVID PRYOR,  
 D.L. BOREN,  
 RICHARD G. LUGAR,  
 BOB DOLE,  
 THAD COCHRAN,

*Managers on the Part of the Senate.*

