

CONGRESSIONAL RECORD — HOUSE

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The Senate amendment is comparable with respect to "converted wetlands" except that it does not apply to highly erodible cropland (Sec. 1601(a)(4)(A)), and though the exemptions are similar they are stated differently.

The Conference substitute adopts the House provision.

(d) Field

The House bill defines "field" the same as that term is defined in 7 CFR 718.2. Under section 718.2, a "field" is defined as a part of a farm that is separated from the balance of the farm by permanent boundaries such as fences, permanent waterways, woodlands, croplines (in cases where farming practices make it probable that such cropline is not subject to change), or other similar features. The House bill provides, however, that any highly erodible land and any converted wetland on which an agricultural commodity is produced after the date of enactment and that is not exempt under section 1263 (listing exemptions) shall be considered as part of the field in which such land was included on date of enactment, and the Secretary of Agriculture shall provide for modification of boundaries of fields to effectuate the purposes and facilitate the administration of the subtitle. (Sec. 1201(5).)

The Senate amendment uses the same CFR definition (as of January 1, 1985), except that any highly erodible land on which an agricultural commodity is produced after the date of enactment and that is not exempt under section 1612 (listing exemptions) shall be considered as part of the field in which such land was included on the date of enactment unless the Secretary permits modification of the boundaries of the field to carry out the subtitle. (Sec. 1601(a)(7).)

The Conference substitute adopts the House amendment.

(e) Highly erodible land

The House bill defines "highly erodible land" as land that is classified by the Soil Conservation Service of the Department of Agriculture as class IVe, VI, VII, or VIII land under the land capability classification system in effect on the date of the enactment of the bill; or that, if used to produce an agricultural commodity, would have an excessive average annual rate of erosion in relation to the soil loss tolerance level, as established by the Secretary, and as determined by the Secretary through application of factors from the universal soil loss equation and the wind erosion equation, including factors for climate, soil erodibility, and field slope. For purposes of this paragraph, the land capability class or rate of erosion for a field shall be that determined by the Secretary to be the predominant class or rate. (Sec. 1201(6).)

The Senate amendment defines "highly erodible land" in reference only to land classes and includes all land classes listed in the House bill as well as land classed as IIIe by the Soil Conservation Service. The Senate amendment also specifically includes publicly owned land. (Sec. 1601(a)(8).)

The Conference substitute adopts the House provision.

(f) Highly erodible cropland

The House bill defines "highly erodible cropland" as highly erodible land that is in cropland uses, as determined by the Secretary. (Sec. 1201(7).)

The Senate amendment contains no comparable provision. (However, the term "eligible erosion-prone land" is the equivalent term for land eligible for the conservation reserve. (See paragraph (h) below.)

The Conference substitute adopts the House provision.

(g) Conservation payment

The Senate amendment defines "conservation payment" as a payment made by the Secretary to an owner or operator of a farm or ranch containing eligible erosion-prone land to reimburse such owner or operator for the cost of establishing vegetative cover on such land in accordance with conservation acreage reserve provisions of the bill. (Sec. 1601(a)(3).)

The House bill contains no comparable definition.

The Conference substitute amends the Senate amendment and inserts in lieu thereof a new definition for the term "cost sharing payment" as referenced in Section 1233(d).

(h) Eligible erosion-prone land

The Senate amendment defines "eligible erosion-prone land" to mean erosion-prone land that has been devoted, or has been considered to be devoted, to the production of an agricultural commodity during at least two of the last three consecutive crop years ending prior to January 1, 1985. (Sec. 1601(a)(5).)

The House bill contains no comparable provision. However, the term "highly erodible cropland" is the equivalent term for land eligible for the conservation reserve. (See paragraph (f) above.)

The Conference substitute deletes the Senate amendment.

(i) Erosion-prone land

The Senate amendment defines "erosion-prone land" similarly to the definition of "highly erodible land" in section 1201(6) of the House bill (see paragraph (e) above), except that the Senate amendment refers to an excessive rate of erosion and the House bill refers to an excessive average annual rate of erosion. (Sec. 1601(a)(6).)

The House bill contains no comparable definition.

The Conference substitute deletes the Senate amendment.

(j) Hydric soil

The Senate amendment defines "hydric soil" as soil that, in its undrained condition, is saturated, flooded, as ponded long enough during a growing season to develop an anaerobic condition that supports the growth and regeneration of hydrophytic vegetation. (Sec. 1601(a)(9).)

The House bill contains no comparable definition.

The Conference substitute adopts the Senate amendment.

(k) Hydrophytic vegetation

The Senate amendment defines "hydrophytic vegetation" as a plant growing in water or in a substrate that is at least periodically deficient in oxygen during a growing season as a result of excessive water content. (Sec. 1601(a)(10).)

The House bill contains no comparable definition.

The Conference substitute adopts the Senate amendment.

(l) In-kind commodities

The Senate amendment defines the term "in-kind commodities" as commodities that are normally produced on land that is the subject of an agreement entered into under the conservation acreage reserve program. (Sec. 1601(a)(11).)

The House bill contains no comparable definition.

The Conference substitute adopts the Senate amendment.

(m) Rental payment

The Senate amendment defines "rental payment" to mean a payment made by the Secretary to an owner or operator of a farm

or ranch containing eligible erosion-prone land to compensate the owner or operator for retiring such land from crop production and placing such land in the conservation acreage reserve. (Sec. 1601(a)(14).)

The House bill contains no comparable definition.

The Conference substitute adopts the Senate amendment with a modification substituting the term "highly erodible cropland" for the term "erosion-prone land."

(n) Shelterbelt

The Senate amendment defines the term "shelterbelt" as a vegetative barrier with a linear configuration composed of trees, shrubs, and other approved perennial vegetation. (Sec. 1601(a)(18).)

The House bill contains no comparable definition.

The Conference substitute adopts the Senate amendment.

(o) State

The Senate amendment defines "State" to mean each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, American Samoa, the Commonwealth of Northern Mariana Islands, or the Trust Territory of the Pacific Islands. (Sec. 1601(a)(17).)

The House bill contains no comparable definition.

The Conference substitute adopts the Senate amendment.

(p) Vegetative cover

The Senate amendment defines "vegetative cover" as perennial grasses or legumes with an expected life span of 5 or more years or trees. (Sec. 1601(a)(18).)

The House bill contains no comparable definition.

The Conference substitute adopts the Senate amendment with an amendment adding "forbs" and "shrubs."

(2) Criteria for identification of (and lists of) hydric soils and hydrophytic vegetation (Sec. 1201)

The Senate amendment requires the Secretary of Agriculture to develop criteria for the identification of hydric soils and hydrophytic vegetation and lists of such soils and vegetation. (Sec. 1601(c).)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment.

(3) Program ineligibility for production of commodities on highly erodible land or converted wetland (Sec. 1211)

(a) The House bill provides that any person who, after enactment, produces during any crop year an agricultural commodity on highly erodible land or on converted wetland shall be ineligible for certain agricultural program benefits on any commodity the person produced during that crop year.

The House bill also itemizes the program benefits to which the sanction described in the paragraph above would apply as follows: any type of price support or payments, farm storage facility loans, Federal crop insurance, disaster payments, and any Farmer Home Administration (FmHA) insured or guaranteed loan if the FmHA loan would be used for a purpose that would contribute to excessive erosion of highly erodible land, or conversion of wetlands (other than as provided in this item and item (4)) to produce agricultural commodities. (Sec. 1202(a).)

The Senate amendment contains comparable provisions except that it treats "highly erodible land" and "converted wet-

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and" separately as respects program ineligibility. (Secs. 1611 and 1621.)

The Conference substitute adopts the House provision.

(b) The Senate amendment provides that person who produces an agricultural commodity on highly erodible land or converted wetland shall be ineligible, as to any commodity produced during that crop year by such person, for a payment made under section 4 or 5 (general and specific authorities) of the Commodity Credit Corporation Charter Act during such crop year for the storage of an agricultural commodity acquired by the Commodity Credit Corporation. (Sec. 121(b).)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment.

(7) *Landlord eligibility (Sec. 1243)*

The House bill provides that the program eligibility of a tenant or sharecropper for benefits shall not cause a landlord to be ineligible for benefits for which the landlord would otherwise be eligible with respect to commodities produced on lands other than those operated by the tenant or sharecropper. (Sec. 1202(b).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision.

(8) *Exemptions with respect to highly erodible land (Sec. 1212)*

The House bill exempts highly erodible land that was set aside, diverted, or otherwise not cultivated under provisions of a Department of Agriculture program for any of the 1981 through 1985 crops to reduce production of an agricultural commodity, except as otherwise provided under the conservation reserve provisions, from the program ineligibility provisions of section 1202. (Sec. 1203(2)(1).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision.

(9) *Ineligibility of exempted highly erodible land (Sec. 1212)*

The House bill provides that the exemption from the program ineligibility provisions of section 1202 (relating to highly erodible land) for lands cultivated, set aside, diverted for any of the 1981 through 1985 crops of agricultural commodities ends on a date later of January 1, 1990, or the date which is two years after the date such land which such crop is produced was mapped by the Soil Conservation Service for the purposes of classifying such land under the capability classification system. However, there is an exception providing that such program benefits shall not be denied to any person if as of January 1, 1990, or two years after the Soil Conservation Service has completed a soil survey for the farm, whichever is later, such person is actively applying a conservation plan based on the local Soil Conservation Service technical guide and approved by the local soil conservation district or the Secretary of Agriculture, in which event, such person shall have until January 1, 1995, to comply with the plan. (Sec. 1203(a)(1).)

The Senate amendment provides that the Secretary must require, as a condition of eligibility for any loan, purchase, or payment authorized for any agricultural commodity under any program carried out by the Secretary or the Commodity Credit Corporation, that any person who produces an agricultural commodity on highly erodible land must use a conservation system determined appropriate for such land by a conservation

district, or the Secretary if no conservation district exists, beginning with the later of the 1988 crop year or the date that is 2 years after the date the Soil Conservation Service has mapped such land for the purpose of classifying such land under the land capability classification system. (Sec. 1613.)

The conference substitute adopts the House provision with an amendment requiring the local soil conservation district to consult with the county Agricultural Stabilization and Conservation Committee in approving the conservation plan to be applied by the person.

The Conferees note that historically, the SCS technical guides in some states have included the provision that for land to be considered adequately treated, soil losses had to be reduced to an arbitrary standard called the soil loss tolerance or "T" value. This value ranges from two (2) to five (5) tons per acre per year. In many cases soil losses on highly erodible lands can be reduced from levels ranging from as much as 20-30 tons per acre per year or more to less than 10 tons per acre with very cost effective measures such as conservation tillage, contour farming, or strip cropping. These measures can usually be installed with a minimum of capital investment and can reduce erosion as much as 80-90 percent. If a rigid standard of "T" value is mandated for an acceptable conservation plan, even if erosion had been reduced from say 30 tons per acre to 7-8 tons per acre through the application of cost effective conservation measures, the producer could be required to either install a very expensive additional practice such as terraces or convert the land to grass or trees from cropland in order to continue to be eligible for program benefits.

It is not the intent of the Conferees to cause undue hardship on producers to comply with these provisions. Therefore, the Secretary should apply standards of reasonable judgment of local professional soil conservationist and consider economic consequences in establishing requirements for measures to be included in conservation plans prepared under this provision.

(7) *Exemption for wetland (Sec. 1222)*

(a) The House bill exempts converted wetland from the program ineligibility provision of section 1202 if the land became converted wetland before the date of enactment of the bill. (Sec. 1203(a)(6).)

The Senate amendment exempts converted wetland if the conversion of the wetland was commenced before the date of enactment of the bill. (Sec. 1622(a)(1).)

The Conference substitute adopts the Senate amendment. The Conferees intend that conversion of wetland is considered to be "commenced" when a person has obligated funds or begun actual modification of the wetland.

(b) The House bill exempts from the program ineligibility provisions of section 1202 production of an agricultural commodity on converted wetland (A) within a conservation district, in accordance with a wetland conservation plan that has been approved by the conservation district under regulations prescribed by the Secretary of Agriculture in consultation with the Secretary of the Interior acting through the United States Fish and Wildlife Service; or (B) not within a conservation district, in accordance with a wetland conservation plan that has been approved by the Secretary under regulations prescribed by the Secretary in consultation with the Secretary of the Interior acting through the United States Fish and Wildlife Service. (Sec. 1203(a)(7).)

The Senate amendment contains no comparable provisions.

The Conference substitute deletes the House provision.

(c) The Senate amendment provides that the Secretary may exempt a person from the program ineligibility provision relating to wetland for any action associated with the production of an agricultural commodity on converted wetland if the effect of such action, individually and in connection with all other similar actions authorized by the Secretary in the area, on the hydrological and biological aspect of wetland, is minimal. (Sec. 1622(b).)

The House bill contains a similar provision in the "converted wetland" definition but refers to actions of the producer whose cumulative and individual effect on the hydrological and biological values of the wetlands is minimal. (Sec. 1201(4)(B)(iv).)

The Conference substitute adopts the Senate amendment.

(d) The House bill defines converted wetland to exclude artificial lakes and ponds, wetland created by irrigation and for fish production and other similar purposes. (Sec. 1201(4).)

The Senate amendment exempts from the ineligibility provisions of section 1621 relating to wetland any person who produces an agricultural commodity on land converted to artificial wetland as described in the House bill except that the reference in the Senate amendment to irrigation specifically includes subsurface irrigation. (Sec. 1622(a)(2).)

The Conference substitute adopts the Senate amendment.

(8) *Appeal procedure (Sec. 1243)*

The House bill requires the Secretary of Agriculture to establish by regulation an appeal procedure for adverse determinations made under the subtitle (including those under the conservation reserve). (Sec. 1206(c).)

The Senate amendment contains a comparable provision except that it does not apply to the conservation acreage reserve. However, it also requires the Secretary to establish, by regulations, an appeal procedure under which a person may seek review of a determination relating to classification of land or that the land is converted wetland. (Secs. 1616 and 1615(b)(1).)

The Conference substitute adopts the House provision.

The Conferees intend that the appeal procedure established by the Secretary be applicable to any adverse determinations made under all conservation programs established under this title.

(9) *Consultation with Interior (Sec. 1223)*

The House bill requires the Secretary of Agriculture to issue regulations, in consultation with the Secretary of the Interior, relating to determinations of minimal effect of producer actions on wetland and production of agricultural commodities on converted wetland in accordance with an approved wetland conservation plan. (Secs. 1201(4) and 1203(a)(7).)

The Senate amendment requires the Secretary to consult with the Secretary of the Interior on determinations and actions to carry out the wetland provisions, including the identification of wetland, determination of exemptions, and issuance of regulations. (Sec. 1623.)

The Conference substitute adopts the Senate amendment.

CONSERVATION RESERVE

(10) *Eligible land (Sec. 1231)*

(a) The House bill requires the Secretary of Agriculture to carry out a Conservation Reserve (CR) program with owners of "highly erodible land" that is in cropland uses. (Secs. 1205(a), 1201(a)(7).)

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The Senate amendment provides that the Secretary may exempt a person from the program ineligibility provision relating to wetland for any action associated with the production of an agricultural commodity on converted wetland if the effect of such action, individually and in connection with all other similar actions authorized by the Secretary in the area, on the hydrological and biological aspect of wetland, is minimal. (Sec. 1622(b).)

The House bill contains a similar provision in the "converted wetland" definition but refers to actions of the producer whose cumulative and individual effect on the hydrological and biological values of the wetlands is minimal. (Sec. 1201(4)(B)(iv).)

The Conference substitute adopts the Senate amendment.

(d) The House bill defines converted wetland to exclude artificial lakes and ponds, wetland created by irrigation and for fish production and other similar purposes. (Sec. 1201(4).)

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The Conference substitute adopts the Senate amendment.

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The Conference substitute adopts the Senate amendment.

(a) The House bill requires the Secretary of Agriculture to carry out a Conservation Reserve (CR) program with owners of "highly erodible land" that is in cropland uses. (Secs. 1205(a), 1201(a)(7).)

The Senate amendment contains a comparable provision except that it does not apply to the conservation acreage reserve. However, it also requires the Secretary to establish, by regulations, an appeal procedure under which a person may seek review of a determination relating to classification of land or that the land is converted wetland. (Secs. 1616 and 1615(b)(1).)

The Conferees intend that the appeal procedure established by the Secretary be applicable to any adverse determinations made under all conservation programs established under this title.

The House bill requires the Secretary of Agriculture to issue regulations, in consultation with the Secretary of the Interior, relating to determinations of minimal effect of producer actions on wetland and production of agricultural commodities on converted wetland in accordance with an approved wetland conservation plan. (Secs. 1201(4) and 1203(a)(7).)

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The Conference substitute adopts the Senate amendment.

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The Senate amendment contains a comparable provision except that it does not apply to the conservation acreage reserve. However, it also requires the Secretary to establish, by regulations, an appeal procedure under which a person may seek review of a determination relating to classification of land or that the land is converted wetland. (Secs. 1616 and 1615(b)(1).)

The Conferees intend that the appeal procedure established by the Secretary be applicable to any adverse determinations made under all conservation programs established under this title.

The House bill requires the Secretary of Agriculture to issue regulations, in consultation with the Secretary of the Interior, relating to determinations of minimal effect of producer actions on wetland and production of agricultural commodities on converted wetland in accordance with an approved wetland conservation plan. (Secs. 1201(4) and 1203(a)(7).)

The Senate amendment requires the Secretary to consult with the Secretary of the Interior on determinations and actions to carry out the wetland provisions, including the identification of wetland, determination of exemptions, and issuance of regulations. (Sec. 1623.)

The Conference substitute adopts the Senate amendment.

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The Conference substitute adopts the Senate amendment.

(a) The House bill requires the Secretary of Agriculture to carry out a Conservation Reserve (CR) program with owners of "highly erodible land" that is in cropland uses. (Secs. 1205(a), 1201(a)(7).)

The Senate amendment contains a comparable provision except that it does not apply to the conservation acreage reserve. However, it also requires the Secretary to establish, by regulations, an appeal procedure under which a person may seek review of a determination relating to classification of land or that the land is converted wetland. (Secs. 1616 and 1615(b)(1).)

The Conferees intend that the appeal procedure established by the Secretary be applicable to any adverse determinations made under all conservation programs established under this title.

The House bill requires the Secretary of Agriculture to issue regulations, in consultation with the Secretary of the Interior, relating to determinations of minimal effect of producer actions on wetland and production of agricultural commodities on converted wetland in accordance with an approved wetland conservation plan. (Secs. 1201(4) and 1203(a)(7).)

The Senate amendment requires the Secretary to consult with the Secretary of the Interior on determinations and actions to carry out the wetland provisions, including the identification of wetland, determination of exemptions, and issuance of regulations. (Sec. 1623.)

The Conference substitute adopts the Senate amendment.

(a) The House bill requires the Secretary of Agriculture to carry out a Conservation Reserve (CR) program with owners of "highly erodible land" that is in cropland uses. (Secs. 1205(a), 1201(a)(7).)

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The Senate amendment uses the term "eligible erosion-prone land" for land eligible for inclusion in the CR program (CR). (Sec. 1631(a).)

The definitions of these two terms are similar, but the Senate amendment specifies the land must have been devoted, or considered devoted, to the production of an agricultural commodity during at least 2 of the last 3 consecutive crop years preceding January 1, 1986. (Secs. 1601(a)(5) and 1631(a).)

The Conference substitute adopts the House provision.

(b) The House bill provides that the Secretary shall consider for inclusion in the CR those lands not highly erodible that pose an off-farm environmental threat or, if permitted to remain in production, pose a threat of continued degradation of productivity due to soil salinity. (Sec. 1205(o).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to delete the word "shall" and insert in lieu the word "may."

(11) Contracting; Size of reserve (Sec. 1231)

(a) The House bill requires the Secretary of Agriculture to enter into CR contracts beginning October 1, 1985, and ending September 30, 1990, covering not in excess of 20 million acres. (Sec. 1205(b)(1).)

The Senate amendment requires the Secretary to carry out the CR program during the 1986 through 1990 crop years and to place acreage in the CR as follows:

(1) during the 1986 crop year, not less than 5, nor more than 45, million acres;

(2) during the 1986 and 1987 crop years, a total of not less than 15, nor more than 45, million acres;

(3) during the 1988 through 1989 crop years, a total of not less than 25, nor more than 45, million acres;

(4) during the 1986 through 1989 crop years, a total of not less than 35, nor more than 45, million acres; and

(5) during the 1986 through 1990 crop years, a total of not less than 40, nor more than 45, million acres. (Sec. 1631(c).)

The Conference substitute adopts the Senate amendment with an amendment authorizing the Secretary to reduce the minimum conservation reserve acreage each year by no more than 25 percent if the Secretary determines that rental payments in the following year are likely to be significantly less. The amendment requires the Secretary to enter into the conservation reserve at least 40 million acres, but not more than 45 million acres, through fiscal year 1990.

(b) The House bill provides for an additional 5 million acres of cropland to be placed in the CR program with payment to be made in surplus agricultural commodities owned by the Commodity Credit Corporation except that payment under these contracts may be made in cash if sufficient commodities are not available or payment in commodities will have a depressing market effect. (Sec. 1205(b)(2).)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

(c) The House bill limits the amount of acreage that may be placed in the CR to not more than 25 percent of the cropland in any country. (Sec. 1205(a).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment to allow the Secretary to exceed the 25 percent per county limitation if he determines that higher levels would not adversely affect the local economy in that particular county.

(12) Duration of CR contracts (Sec. 1231)

The House bill provides that the CR contracts for 20 million acres shall not be less than 10 years in duration and contracts for 5 million additional acres shall be for periods up to 10 years. (Sec. 1205(b)(1) and (2).)

The Senate amendment provides that CR contracts shall be for not less than 7 nor more than 15 years in duration. (Sec. 1631(d).)

The Conference substitute adopts the Senate amendment with an amendment striking "7" and inserting "10."

(13) Duties of owners and operators under a CR contract (Sec. 1232)

The House bill requires the owner or operator to effectuate a plan approved by the appropriate State forestry agency if the owner or operator is to convert the acreage to trees. (Sec. 1205(b)(1)(A).)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

(14) Violation of contract by owners or operators (Sec. 1232)

The House bill requires the Secretary of Agriculture to consider the recommendation of the Soil Conservation Service and the soil conservation district before determining that a violation of a contract is serious enough to warrant termination. (Sec. 1205(b)(1)(B).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision.

(15) Result of a transfer of land subject to a CR contract (Sec. 1232)

The House bill authorizes the Secretary of Agriculture to make adjustments in payments and refunds under the CR contract upon transfer of the land subject to the contract unless the transferee assumes all obligations under the contract. (Sec. 1205(b)(1)(C).)

The Senate amendment contains no authority to make adjustments in payments upon transfer of the land subject to the contract but does require interest to be paid on the amounts to be refunded unless the transferee assumes all obligations under the contract, or the new owner or operator enters into a new contract with the Secretary in accordance with section 1635(a). (Sec. 1632(a)(6).)

The Conference substitute adopts the House provision.

(16) Haying and grazing (Sec. 1232)

The House bill requires the owner or operator to agree not to conduct, during the term of the contract, any harvesting or grazing nor otherwise make commercial use of the forage on land that is subject to the contract, except that the Secretary of Agriculture may permit harvesting or grazing or other commercial use of the forage on land that is subject to the contract in response to a drought or other similar emergency. (Sec. 1205(b)(1)(D).)

The Senate amendment prohibits haying and grazing and harvesting or other commercial use of forage or trees on land subject to a CR contract unless expressly permitted in the contract or under section 1632(d). Section 1632(d) provides that the Secretary may designate a State, or part of a State, as an area in which an owner or operator holding a CR contract may be permitted, on an individual basis, to conduct haying and grazing, subject to such terms and conditions as the Secretary may prescribe, on land subject to such contract, except that such haying or grazing may be permitted only during the 6 principal non-

growing months of a year, and except that the Secretary may not designate a State, or part of a State, under this exception for more than 1 year at a time. (Sec. 1632.)

The Conference substitute adopts the House provision.

(17) Forestry practices (Sec. 1232)

(a) The House bill provides that no contract may prohibit customary forestry practices such as pruning, thinning (including thinning that results in commercial pulpwood and fence post harvesting), or stand improvement on land subject to a CR contract. (Sec. 1205(b)(1)(E).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment striking "(including thinning that results in a commercial pulpwood and fence post harvesting)."

(b) The House bill provides that no contract may permit tree planting on CR land unless the contract specifies that the harvesting and commercial sale of such trees for Christmas trees is prohibited. (Sec. 1205(b)(1)(E).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision.

(c) The Senate amendment provides that no less than 5 million acres of land placed in the CR during the period 1986-1990 will be devoted to trees. (Sec. 1632(c).)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with an amendment deleting "5 million acres of land" and instead requiring that "not less than one-eighth of the number of acres of land placed in the conservation reserve each year under this subtitle during the 1986 through 1990 crop years, to the extent practicable, shall be devoted to trees."

(18) Acceptability of contract offers (Sec. 1234)

(a) The House bill provides that the Secretary of Agriculture, when considering contract offers, may accept those offers that provide for the establishment of shelterbelts and windbreaks, or permanently vegetated stream borders, filter strips of permanent grass, forbs, shrubs, and trees that will reduce sedimentation substantially. (Sec. 1205(f)(2).)

The Senate amendment directs the Secretary, when considering the acceptability of contract offers, to give priority to those offers that will result in the lowest cost to the Federal Government when calculated on the basis of all relevant factors, including the number of acres of eligible erosion-prone land removed from production each year, the amount of funds made available to carry out the program, the extent to which eligible erosion-prone land may contribute to off-site damages, and the potential benefits to wildlife. (Sec. 1634(c)(1).)

The Conference substitute adopts the House provision. The conferees intend that the Conservation Reserve be administered, to the extent practicable, so as not to reward those who in recent years have converted highly erodible land to cropland uses.

(b) The Senate amendment provides that in determining the acceptability of contract offers the Secretary may (A) establish different criteria in various States and regions of the United States to determine the extent to which erosion be abated, and (B) give priority to offers made by owners and operators who are subject to the highest degree of economic stress. (Sec. 1634(c)(2) and (3).)

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The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment.

(19) Payment limitation (Sec. 1234)

(a) The House bill limits a person to payments of annual rental fees applicable to a farm or ranch to \$50,000. The House bill also requires the Secretary of Agriculture to issue regulations defining the term "person" and provides that the regulations issued by the Secretary on December 18, 1970, under the Agricultural Act of 1970 shall be used to determine whether corporations and their stockholders will be considered separate persons. (Sec. 1205(d)(3).)

The Senate amendment provides that the total amount of rental payments, including rental payments made in the form of in-kind commodities, made to an owner or operator under a CR contract for any fiscal year may not exceed \$50,000. (Sec. 1634(h)(1).)

The Conference substitute adopts the Senate amendment with an amendment incorporating that section of the House provision providing that the regulations issued by the Secretary on December 18, 1970, under the Agricultural Act of 1970 shall be used to determine whether corporations and their stockholders will be considered separate persons.

(b) The Senate amendment also provides that the rental payments under a CR contract shall be outside of other payment limits established under the bill or the Agricultural Act of 1949. (Sec. 1634(h)(2).)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment.

(20) Payment of cost of installing and maintaining conservation measures (Sec. 1234)

The House bill directs the Secretary of Agriculture to pay 50 percent of the cost of installing and maintaining the specified conservation measures set forth in the CR contract. (Sec. 1205(e).)

The Senate amendment directs the Secretary to cost share no more than 50 percent of the cost of the conservation measures set forth in the contract. (Sec. 1633(1).)

The Conference substitute adopts the House provision with an amendment striking the words "installing and maintaining" and inserting instead the word "establishing."

(21) Change in ownership (Sec. 1235)

(a) The House bill places restrictions on the ability of the Secretary of Agriculture to enter into CR contracts covering land with respect to which the ownership has changed in the 3-year period preceding the first year of the contract period unless the new ownership was acquired by will or succession, the new ownership was acquired before January 1, 1985, or the Secretary determines the land was not acquired to place it in the program. (Sec. 1205(i)(1).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision.

(b) The House bill permits the continuation of a CR contract by a new owner after a contract has been entered into, and does not require a person to own the land if such person has operated the land for at least three years preceding the date of the contract or since January 1, 1985, whichever is later, and controls the land for the contract period. (Sec. 1205(i)(2).)

The Senate amendment provides that if, during the term of the CR contract, land subject to the contract is transferred, the

new owner may continue the contract, enter into a new contract, or elect not to participate in the CR program. (Sec. 1635(a).)

The Conference substitute adopts the House provision.

(22) Modification of contract by Secretary (Sec. 1235)

The Senate amendment allows the Secretary of Agriculture to modify or waive a term or condition of a CR contract in order to permit all or part of the land subject to such contract to be devoted to the production of an agricultural commodity during a crop year. (Sec. 1635(b)(2).)

The House bill provides authority for the Secretary to waive or modify requirements of a plan approved by the Secretary or the conservation district under the CR program. (Sec. 1205(b)(1)(A).)

The Conference substitute adopts the Senate amendment.

(23) Payment in cash or in-kind (Sec. 1234)

(a) The House bill provides that payment under CR contracts can be made in cash or commodities, except that in-kind payments described in item (11)(b) shall be made in cash if payment in-kind would have a depressing market effect, or stocks are unavailable. (Sec. 1205(g).)

The Senate amendment requires the Secretary of Agriculture to make the annual rental payment under a CR contract for the first year in cash and for subsequent years in the form of in-kind commodities in such amounts as are agreed upon in the contract. The Secretary may make in-kind payments only if the Secretary makes a finding that the use of such commodity will not displace to a significant degree the usual marketings of such commodity. (Sec. 1634(e)(1) and (2).)

The Conference substitute adopts the House provision.

(b) The Senate amendment provides that if payment is to be made with in-kind commodities, such payment shall be made by CCC (A) by delivery of the commodity involved to the owner at a warehouse in the county where the land under contract is located or at another agreed-on location, (B) by transfer of negotiable warehouse receipts; or (C) by such other method including the sale of the commodity in commercial markets as the Secretary deems appropriate. (Sec. 1634(e)(3).)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment.

(c) The Senate amendment also provides that if CCC stocks are not readily available to make full payment in kind under a CR contract, the Secretary may substitute full or partial payment in cash. (Sec. 1634(e)(4).)

The House bill contains no comparable provision except as described in paragraph (a) above.

The Conference substitute adopts the Senate amendment.

(24) Program ineligibility of CR acreage

The House bill provides that upon the termination or expiration of a CR contract, the highly erodible cropland that was the subject of such contract shall be considered highly erodible land for the purposes of section 1202, the program ineligibility section. (Sec. 1205(m).)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

The Conferees agreed that the Secretary should inform all persons entering contracts to place highly erodible cropland in the Conservation Reserve that upon expiration or termination of such contracts any highly erodible cropland will likely be subject to

the program ineligibility section of this Act and therefore must be operated in accordance with an approved conservation plan which would specify any land which could not be put into cultivation and any land which could be put in cultivation subject to installation of approved conservation practices. Such persons should be fully informed in advance, of the general scope of the requirements and obligations of the conservation plan.

(25) Termination of a CR contract (Sec. 1235)

The Senate amendment requires the Secretary of Agriculture to give written notice to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate at least 90 days before terminating all CR contracts. (Sec. 1635(c)(2).)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment.

(26) Carry out program through the Commodity Credit Corporation (Sec. 1241)

(a) The House bill authorizes the use of Commodity Credit Corporation funds to carry out the CR program and authorizes appropriations to reimburse the CCC for any amounts expended by it under the CR program and not previously reimbursed. (Sec. 1205(n).)

The Senate amendment requires the use of CCC funds in carrying out the CR program in fiscal years 1986 and 1987 and authorizes such use of CCC funds in subsequent fiscal years only if CCC has received prior appropriated funds to cover such CCC expenditures under the CR program. (Sec. 1636(a).)

The Conference substitute adopts the Senate amendment.

(b) The House bill provides that the authority to enter into contracts under CR program, not within the authority of the CCC or the Secretary of Agriculture as of the date of enactment of the bill, shall be effective for any fiscal year to such extent or in such amount as provided in appropriation Act (Sec. 1206(e).)

The Senate amendment provides that the authority to conduct the CR is in addition to other authorities available to the Secretary and the CCC. (Sec. 1636(f).)

The Conference substitute adopts the Senate amendment.

(27) Utilize other agencies (Sec. 1242)

(a) The House bill requires the Secretary of Agriculture in carrying out the highly erodible land, wetland, and conservation reserve provisions to use ASC Committees and the technical services of the Soil Conservation Service, the Forest Service, State Foresters, and conservation districts. (Sec. 1206(b).)

The Senate amendment requires the Secretary to use ASC Committees in carrying out the highly erodible land provisions and conservation reserve provisions to use the same entities as provided for in the House bill with the addition of the Fish and Wildlife Service, State Fish and game authorities, the land grant colleges, and other appropriate agencies. (Secs. 1615(a) and 1636(b).)

The Conference substitute adopts the Senate amendment.

(b) The Senate amendment requires the Secretary, to the extent practicable, in carrying out the CR program at the State and county levels, to consult with the Fish and Wildlife Service, State forestry and fish and game agencies, land grant colleges,

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The Conference substitute adopts the Senate amendment.

(b) The House bill provides that the authority to enter into contracts under the CR program, not within the authority of the CCC or the Secretary of Agriculture as of the date of enactment of the bill, shall be effective for any fiscal year to such extent or in such amount as provided in appropriation Act (Sec. 1206(e).)

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The Senate amendment requires the Secretary to use ASC Committees in carrying out the highly erodible land provisions and conservation reserve provisions to use the same entities as provided for in the House bill with the addition of the Fish and Wildlife Service, State Fish and game authorities, the land grant colleges, and other appropriate agencies. (Secs. 1615(a) and 1636(b).)

The Conference substitute adopts the Senate amendment.

(b) The Senate amendment requires the Secretary, to the extent practicable, in carrying out the CR program at the State and county levels, to consult with the Wildlife Service, State forestry and game agencies, land grant colleges,

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The Secretary may make loans to such borrowers to assist in their placing their land in timber production. Such a loan may not exceed \$100,000 per borrower and shall be secured by the land on which the trees are planted. (Sec. 1646.)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with an amendment providing discretion for the Secretary to establish such a program pursuant to the recommendations contained in the study mandated by Section 608 of Public Law 98-258. The amendment limits the program to "distressed" rather than "delinquent" FmHA loans and to "marginal land as determined by the Secretary." It also limits the amount borrowers may obtain to assist them in placing such land in softwood timber production to "the actual costs of tree planting for land placed in the program." The amendment requires that if the program is implemented, the Secretary must issue rules prescribing the terms and conditions for "management and harvesting practices of the timber crop." The Conference substitute also limits the size of the program to not more than 50,000 acres.

(35) Farmland protection (Sec. 1255.)

The Senate amendment amends the Farmland Protection Policy Act to state that it is the policy of the United States that the expenditure of Federal program funds is not to contribute to the irreversible conversion of farmland to nonagricultural uses, unless it can be demonstrated that there is no feasible alternative to achieve the program objective. Provisions of current law requiring the Secretary of Agriculture to develop criteria for identifying effects of Federal programs on the conversion of farmland to nonagricultural uses would be deleted. (Sec. 1956(a).)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

TITLE XIII—CREDIT

(1) Joint operations

The House bill amends sections 302 and 311(a) of the Consolidated Farm and Rural Development Act (the Act) to add joint operations to those entities eligible to receive farm ownership, soil and water conservation, recreation, and farm operating loans. It also amends section 343 of the Act to define the term "joint operation" to mean an operation in which two or more farmers work together sharing equally or unequally land, labor, equipment expenses, and income. (Sec. 1301.)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision.

(2) Eligibility for real estate and operating loans

The Senate amendment amends sections 302 and 311 of the Act to prohibit the Secretary of Agriculture from restricting eligibility for farm ownership, soil and water, recreation, and farm operating loans solely to borrowers who have loans outstanding as of the date of enactment of the bill. (Sec. 1701.)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision.

(3) Water and waste disposal facilities

(a) The House bill in section 306(a) of the Act will require the Secretary of Agriculture to establish a grant rate for each water or waste disposal contract for which a grant is

made, and to set that rate in accordance with regulations providing for a graduated scale of grant rates with a higher rate for communities with lower level community populations and income levels. However, the grant rate will be the maximum permitted rate (75 percent) for any project in a community that has a population of 1,500 or fewer persons and a median household income not exceeding the higher of (1) the poverty line, or (2) 80 percent of the statewide nonmetropolitan median household income. (Sec. 1302(1).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment deleting the requirement that the grant rate be the maximum permitted for communities that meet specific population and income criteria. The amendment requires a graduated scale of grant rates with targeting toward communities with low income and population.

(b) The House bill will require the Secretary to use a project selection system in deciding which water or waste disposal facility projects will be receiving grant assistance. The project selection system will provide for the objective and uniform comparison of requests for assistance (in the form of pre-applications) on the basis of relative need as reflected by factors determined by the Secretary, including (1) low community median income, (2) low population, and (3) severity of health hazards stemming from inadequate potable water or sewage disposal. The three factors described in the preceding sentence would be weighted equally and account for not less than 75 percent of the total rating points in the project selection system. (Sec. 1302(2).)

The Senate amendment contains no comparable provisions.

The Conference substitute deletes the House provision.

(c) The House bill will add a new provision to section 306(a) to authorize the Secretary to make grants to private nonprofit organizations to finance technical assistance and training to (1) identify and evaluate solutions to water and sewage disposal problems in rural areas, (2) prepare applications for water and waste disposal grants made under the Act, or (3) improve operations and maintenance at water and waste disposal facilities. Not less than 2 percent of any appropriation for grants under section 306(a)(2) must be reserved for such grants unless the applications qualifying for such grants for the fiscal year total less than 2 percent of such appropriations. (Sec. 1302(2).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provisions with an amendment providing that not less than 1 percent or more than 2 percent of any appropriation for grants under section 306(a)(2) must be reserved for grants to provide technical assistance and training.

The conferees intend that the grant funds set aside to finance technical assistance and training not be used to recruit new applicants for the water and waste disposal program, but rather to be used to assist those communities that have already decided to make application for the FmHA water and waste disposal loan and grant program.

(d) The House bill will add a new provision to section 306(a) to require the Secretary to use median income and population figures of all the communities involved in cases in which water or waste disposal facility projects serve more than one community. The median figures would be used in (1) determining the grant rate described in paragraph (a) above, (2) applying the project se-

lection system described in subsection (b), and (3) determining the interest rate under section 307 of the Act. (Sec. 1302(2).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment deleting reference to the use of median income and population figures for a project selection system referred to in item 3(b).

(e) The House bill will authorize the Secretary to make grants, aggregating not more than \$10 million in any fiscal year, to associations, nonprofit corporations, Indian tribes, and public and quasi-public agencies to test cost-effective methods of meeting basic needs or rural residents who do not have and cannot afford safe drinking water systems. Financing under such grants could be used to cover (1) individual or small, multi-user drinking water facilities, (2) costs involved in connecting rural residences into community water systems (3) improvements to small community water systems and (4) alternative rural drinking water systems. (Sec. 1302(2).)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

(f) The House bill will add a new provision to section 306 that provides that water and waste disposal facility grants can be used to pay the local share requirements of other Federal grant-in-aid programs. (Sec. 1302(2).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment which specifies that water and waste disposal facility grants may be used to pay the local share requirements of other Federal grant-in-aid programs if this use is authorized in the statute under which the Federal grant-in-aid program is carried out.

(g) The Senate amendment provides that the Secretary, in approving any water and waste disposal facility loan, must consider fully any recommendation made by the applicant or borrower concerning the technical design and choice of materials to be used for such facility. The Secretary must give the applicant or borrower a comprehensive justification if the Secretary determines that a different design or materials should be used. (Sec. 1702(a).)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision.

(4) Interest rates—water and waste disposal facility and community facility loans

The House bill provides that the interest rate for water and waste disposal facility loans and community facility loans must be the lower of the rate in effect (1) at the time of loan approval or (2) at the time of loan closing. (Sec. 1303(3).)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

(5) Effective date

The House bill provides that the water and waste disposal facility loan and grant provisions in section 1302 and the interest rate provisions on water and waste disposal and community facility loans in section 1303 will be effective October 1, 1985, and will apply to any loan or grant applicant, regardless of whether the loan or grant application was made before October 1, 1985. (Sec. 1304.)

The Senate amendment contains no comparable provision.

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The Secretary may make loans to such borrowers to assist in their placing their land in timber production. Such a loan may not exceed \$100,000 per borrower and shall be secured by the land on which the trees are planted. (Sec. 1646.)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment with an amendment providing discretion for the Secretary to establish such a program pursuant to the recommendations contained in the study mandated by Section 608 of Public Law 98-258. The amendment limits the program to "distressed" rather than "delinquent" FmHA loans and to "marginal land as determined by the Secretary." It also limits the amount borrowers may obtain to assist them in placing such land in softwood timber production to "the actual costs of tree planting for land placed in the program." The amendment requires that if the program is implemented, the Secretary must issue rules prescribing the terms and conditions for "management and harvesting practices of the timber crop." The Conference substitute also limits the size of the program to not more than 50,000 acres.

(35) Farmland protection (Sec. 1255.)

The Senate amendment amends the Farmland Protection Policy Act to state that it is the policy of the United States that the expenditure of Federal program funds is not to contribute to the irreversible conversion of farmland to nonagricultural uses, unless it can be demonstrated that there is no feasible alternative to achieve the program objective. Provisions of current law requiring the Secretary of Agriculture to develop criteria for identifying effects of Federal programs on the conversion of farmland to nonagricultural uses would be deleted. (Sec. 1956(a).)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

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The House bill amends sections 302 and 311(a) of the Consolidated Farm and Rural Development Act (the Act) to add joint operations to those entities eligible to receive farm ownership, soil and water conservation, recreation, and farm operating loans. It also amends section 343 of the Act to define the term "joint operation" to mean an operation in which two or more farmers work together sharing equally or unequally land, labor, equipment expenses, and income. (Sec. 1301.)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision.

(2) Eligibility for real estate and operating loans

The Senate amendment amends sections 302 and 311 of the Act to prohibit the Secretary of Agriculture from restricting eligibility for farm ownership, soil and water, recreation, and farm operating loans solely to borrowers who have loans outstanding as of the date of enactment of the bill. (Sec. 1701.)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision.

(3) Water and waste disposal facilities

(a) The House bill in section 306(a) of the Act will require the Secretary of Agriculture to establish a grant rate for each water or waste disposal contract for which a grant is

made, and to set that rate in accordance with regulations providing for a graduated scale of grant rates with a higher rate for communities with lower level community populations and income levels. However, the grant rate will be the maximum permitted rate (75 percent) for any project in a community that has a population of 1,500 or fewer persons and a median household income not exceeding the higher of (1) the poverty line, or (2) 80 percent of the statewide nonmetropolitan median household income. (Sec. 1302(1).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment deleting the requirement that the grant rate be the maximum permitted for communities that meet specific population and income criteria. The amendment requires a graduated scale of grant rates with targeting toward communities with low income and population.

(b) The House bill will require the Secretary to use a project selection system in deciding which water or waste disposal facility projects will be receiving grant assistance. The project selection system will provide for the objective and uniform comparison of requests for assistance (in the form of pre-applications) on the basis of relative need as reflected by factors determined by the Secretary, including (1) low community median income, (2) low population, and (3) severity of health hazards stemming from inadequate potable water or sewage disposal. The three factors described in the preceding sentence would be weighted equally and account for not less than 75 percent of the total rating points in the project selection system. (Sec. 1302(2).)

The Senate amendment contains no comparable provisions.

The Conference substitute deletes the House provision.

(c) The House bill will add a new provision to section 306(a) to authorize the Secretary to make grants to private nonprofit organizations to finance technical assistance and training to (1) identify and evaluate solutions to water and sewage disposal problems in rural areas, (2) prepare applications for water and waste disposal grants made under the Act, or (3) improve operations and maintenance at water and waste disposal facilities. Not less than 2 percent of any appropriation for grants under section 306(a)(2) must be reserved for such grants unless the applications qualifying for such grants for the fiscal year total less than 2 percent of such appropriations. (Sec. 1302(2).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provisions with an amendment providing that not less than 1 percent or more than 2 percent of any appropriation for grants under section 306(a)(2) must be reserved for grants to provide technical assistance and training.

The conferees intend that the grant funds set aside to finance technical assistance and training not be used to recruit new applicants for the water and waste disposal program, but rather to be used to assist those communities that have already decided to make application for the FmHA water and waste disposal loan and grant program.

(d) The House bill will add a new provision to section 306(a) to require the Secretary to use median income and population figures of all the communities involved in cases in which water or waste disposal facility projects serve more than one community. The median figures would be used in (1) determining the grant rate described in paragraph (a) above, (2) applying the project se-

lection system described in subsection (b), and (3) determining the interest rate under section 307 of the Act. (Sec. 1302(2).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment deleting reference to the use of median income and population figures for a project selection system referred to in item 3(b).

(e) The House bill will authorize the Secretary to make grants, aggregating not more than \$10 million in any fiscal year, to associations, nonprofit corporations, Indian tribes, and public and quasi-public agencies to test cost-effective methods of meeting basic needs or rural residents who do not have and cannot afford safe drinking water systems. Financing under such grants could be used to cover (1) individual or small, multiuser drinking water facilities, (2) costs involved in connecting rural residences into community water systems (3) improvements to small community water systems and (4) alternative rural drinking water systems. (Sec. 1302(2).)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

(f) The House bill will add a new provision to section 306 that provides that water and waste disposal facility grants can be used to pay the local share requirements of other Federal grant-in-aid programs. (Sec. 1302(2).)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment which specifies that water and waste disposal facility grants may be used to pay the local share requirements of other Federal grant-in-aid programs if this use is authorized in the statute under which the Federal grant-in-aid program is carried out.

(g) The Senate amendment provides that the Secretary, in approving any water and waste disposal facility loan, must consider fully any recommendation made by the applicant or borrower concerning the technical design and choice of materials to be used for such facility. The Secretary must give the applicant or borrower a comprehensive justification if the Secretary determines that a different design or materials should be used. (Sec. 1702(a).)

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(4) Interest rates—water and waste disposal facility and community facility loans

The House bill provides that the interest rate for water and waste disposal facility loans and community facility loans must be the lower of the rate in effect (1) at the time of loan approval or (2) at the time of loan closing. (Sec. 1303(3).)

The Senate amendment contains no comparable provision.

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(5) Effective date

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