

AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 267
OFFERED BY M . _____

Strike all after the enacting clause and insert the following:

1 SECTION 1. DISASTER INDEMNITY PROGRAM.

(a) IN GENERAL.—Except as otherwise provided in this section, with respect to the coverage period, the Secretary shall carry out—

(1) a disaster indemnity program in the same manner as the WHIP+ program is carried out under subpart O of part 760 of title 7, Code of Federal Regulations (as in effect on the date of the enactment of this section);

(2) an on-farm storage loss program in the same manner as the program carried out under subpart P of part 760 of title 7, Code of Federal Regulations (as in effect on the date of the enactment of this section); and

(3) a milk loss program in the same manner as the program carried out under subpart Q of part 760 of title 7, Code of Federal Regulations (as in effect on the date of the enactment of this section).

1 (b) COVERED LOSSES.—In carrying out the pro-
2 grams under this section, the Secretary shall make pay-
3 ments to producers in accordance with subsection (c) for
4 qualified losses of covered crops, including milk, that oc-
5 curred during the coverage period.

6 (c) PAYMENTS.—

7 (1) IN GENERAL.—Payments to producers for
8 qualified losses of covered crops, including milk,
9 under the programs under this section shall be ad-
10 ministered, except as provided in paragraph (2), in
11 the same manner as payments under the relevant
12 programs in subsection (a).

13 (2) EXCEPTIONS.—

14 (A) DIRECT PAYMENTS REQUIRED.—The
15 Secretary shall make payments under the pro-
16 grams under paragraphs (1), (2), and (3) of
17 subsection (a) as direct payments to producers
18 or processors, at the election of the processor.

19 (B) SPECIAL RULE FOR UNHARVESTED
20 ACRES.—The Secretary shall make payments
21 under this section with respect to qualified
22 losses of unharvested acres of a covered crop in
23 the same manner as payments are made with
24 respect to eligible crop losses under the non-
25 insured crop assistance program under section

1 196 of the Federal Agriculture Improvement
2 and Reform Act of 1996 (7 U.S.C. 7333).

3 (C) PAYMENT LIMITATIONS.—

4 (i) IN GENERAL.—Except as provided
5 in clauses (ii), (iii), (iv), and (v), the Sec-
6 retary shall impose payment limitations
7 consistent with section 760.1507 of title 7,
8 Code of Federal Regulations (as in effect
9 on the date of the enactment of this sec-
10 tion).

11 (ii) EXCEPTION FOR SPECIALTY
12 CROPS OR HIGH VALUE CROPS.—In the
13 case of specialty crops or high value crops,
14 as determined by the Secretary, the Sec-
15 retary shall impose payment limitations
16 consistent with section 760.1507(a)(2) of
17 title 7, Code of Federal Regulations (as in
18 effect on January 1, 2019).

19 (iii) TAX YEAR BASIS.—In applying
20 the payment limitations under this sub-
21 paragraph, the Secretary shall determine a
22 person or legal entity's average adjusted
23 gross income and average adjusted gross
24 farm income based on the 2017, 2018, and
25 2019 tax years.

1 (iv) ANNUAL RENEWAL.—With re-
2 spect to the payment limitations described
3 under this subparagraph, the Secretary
4 shall apply separate payment limits for
5 each of the years under the covered period.

6 (v) ENTITY RULES.—With respect to
7 payments to a corporation, limited liability
8 company, limited partnership, trust, or es-
9 tate under this section, the Secretary
10 shall—

11 (I) determine average adjusted
12 gross income and average adjusted
13 gross farm income in accordance with
14 clause (iii); and

15 (II) apply rules in the same man-
16 ner as subsections (d) and (e) of sec-
17 tion 9.7 of title 7, Code of Federal
18 Regulations.

19 (D) NET INDEMNITIES.—In calculating
20 payments under the programs under para-
21 graphs (1), (2), and (3) of subsection (a), the
22 Secretary shall net out crop insurance indem-
23 nities, less any insurance premiums paid by the
24 producer.

1 (E) PAYMENTS TO SUGAR AND DAIRY
2 PROCESSORS.—

3 (i) IN GENERAL.—At the election of a
4 processor eligible for a loan under section
5 156 of the Federal Agriculture Improve-
6 ment and Reform Act of 1996 (7 U.S.C.
7 7272) or a cooperative processor of dairy,
8 in lieu of payments to producers provided
9 under a program described in subsection
10 (a), the Secretary shall make payments to
11 a processor to be paid to producer mem-
12 bers, as determined by such processors
13 under the same terms and conditions as
14 payments made to processors pursuant to
15 section 791(c) of title VII of division B of
16 the Further Consolidated Appropriations
17 Act, 2020 (Public Law 116–94).

18 (ii) NON-ELECTION.—Notwith-
19 standing section 760.1503(j) of title 7 of
20 the Code of Federal Regulations, in the
21 event that a processor described in clause
22 (i) does not elect to receive payments
23 under such clause, the Secretary shall
24 make direct payments to producers under
25 a program described in subsection (a).

1 (F) BLOCK GRANTS.—The Secretary may
2 provide payments in the form of block grants to
3 States and processors described in subpara-
4 graph (E).

5 (d) AUTHORIZATION OF APPROPRIATIONS.—

6 (1) IN GENERAL.—There is authorized to be
7 appropriated to carry out this section
8 \$8,500,000,000.

9 (2) ADMINISTRATION.—The Secretary may use
10 not more than 1 percent of the funds appropriated
11 pursuant to paragraph (1) to carry out the fol-
12 lowing:

13 (A) Streamlining the application process.

14 (B) Utilizing information technology to en-
15 able the electronic transfer of data used in such
16 application process between the Risk Manage-
17 ment Agency and the Farm Service Agency.

18 (C) Activities that with respect to county
19 office employees, reduce the workload of such
20 employees in carrying out this section.

21 (D) To the maximum extent practicable,
22 providing the necessary information to, and as-
23 sisting crop insurance agents with, providing
24 application information on behalf of insured
25 producers.

1 (e) EXEMPTION.—Notwithstanding the Federal
2 Funding Accountability and Transparency Act of 2006
3 (Public Law 109–282; 31 U.S.C. 6101 note), the require-
4 ments of parts 25 and 170 of title 2, Code of Federal
5 Regulations (or successor regulations), shall not apply
6 with respect to assistance received under this section.

7 (f) DEFINITIONS.—In this section:

8 (1) COVERAGE PERIOD.—In this section, the
9 term “coverage period” means, with respect to a
10 covered crop, including milk, and a qualifying dis-
11 aster event described in paragraph (6)(A)(i), cal-
12 endar years 2020 and 2021.

13 (2) COVERED CROP.—The term “covered crop”
14 means a crop, tree, bush, or vine described in section
15 760.1503 of title 7, Code of Federal Regulations (as
16 in effect on the date of the enactment of this sec-
17 tion), including wine grapes, which shall include all
18 insured acreage (regardless of whether such acreage
19 is the initial acreage or not).

20 (3) MILK LOSS PROGRAM.—The term “milk loss
21 program” means the milk loss program under sub-
22 part Q of part 760 of title 7, Code of Federal Regu-
23 lations (as in effect on the date of the enactment of
24 this section).

1 (4) ON-FARM STORAGE LOSS PROGRAM.—The
2 term “on-farm storage loss program” means the on-
3 farm storage loss program under subpart P of part
4 760 of title 7, Code of Federal Regulations (as in ef-
5 fect on the date of the enactment of this section)

6 (5) STATE.—In this section, the term “State”
7 has the meaning given the term in section 1111(20)
8 of the Agricultural Act of 2014.

9 (6) QUALIFIED LOSS.—The term “qualified
10 loss”—

11 (A) with respect to a covered crop not de-
12 scribed in subparagraph (B), the loss of such
13 crop during the coverage period—

14 (i) due to a qualifying disaster event
15 described in the definition of “qualifying
16 disaster event” in section 760.1802 of title
17 7, Code of Federal Regulations (as in ef-
18 fect on the date of the enactment of this
19 section);

20 (ii) due to high winds, derechos, ex-
21 cessive heat, or freeze (including a polar
22 vortex);

23 (iii) due to a drought in—

24 (I) a county the Secretary des-
25 ignated for drought; or

1 (II) a county contiguous to a
2 county described in subclause (I); or

3 (iv) due to other disruptions (includ-
4 ing power outages or curtailments) that
5 are associated with the effects of a quali-
6 fied disaster event under this section; and
7 (B) with respect to smoke tainted wine
8 grapes, the loss (including a quality loss) of
9 such crop during the coverage period due to
10 wildfire, as determined by the Secretary.

11 (7) SECRETARY.—The term “Secretary” means
12 the Secretary of Agriculture.

13 (8) WHIP+ PROGRAM.—The term “WHIP+
14 program” means the WHIP+ program under sub-
15 part O of part 760 of title 7, Code of Federal Regu-
16 lations (as in effect on the date of the enactment of
17 this section).

