
Appendix III

Major Agricultural and Trade Legislation, 1933-96

Kathryn L. Lipton and Susan L. Pollack*

Agricultural Adjustment Act of 1933 (P.L. 73-10) was signed into law May 12, 1933. The law introduced the price-support programs, including production adjustments, and incorporated the Commodity Credit Corporation (CCC) under the laws of the State of Delaware on October 17, 1933. The act also made price-support loans by the CCC mandatory for the designated “basic” (storable) commodities (corn, wheat, and cotton). Support for other commodities was authorized upon recommendation by the Secretary with the President’s approval. Commodity loan programs carried out by the CCC for 1933-37 included programs for cotton, corn, rosin, turpentine, tobacco, peanuts, dates, figs, and prunes. The provisions for production control and processing taxes in the act were later declared unconstitutional.

Agricultural Adjustment Act Amendment of 1935 (P.L. 74-320) was signed into law August 24, 1935. The law gave the President authority to impose quotas when imports interfered with agricultural adjustment programs.

Soil Conservation and Domestic Allotment Act of 1936 (P.L. 74-461) was signed into law February 26, 1936. The law provided for soil-conservation and soil-building payments to participating farmers but did not include strong price- and income-support programs.

Agricultural Adjustment Act of 1938 (P.L. 75-430) was signed into law February 16, 1938. The law was the first to make price support mandatory for corn, cot-

ton, and wheat to help maintain a sufficient supply in low production periods along with marketing quotas to keep supply in line with market demand. It also established permissive supports for butter, dates, figs, hops, turpentine, rosin, pecans, prunes, raisins, barley, rye, grain sorghum, wool, winter cover-crop seeds, mohair, peanuts, and tobacco for the 1938-40 period. The law also established the Federal Crop Insurance Corporation. The 1938 Act is considered part of permanent legislation. Provisions of this law are often superseded by more current legislation. However, if the current legislation expires and new legislation is not enacted, the law reverts back to the 1938 Act (along with the Agricultural Act of 1949).

Federal Food, Drug, and Cosmetic Act of 1938 (P.L. 75-717) was signed into law June 25, 1938. The law is intended to ensure that foods are pure and wholesome, safe to eat, and produced under sanitary conditions; that drugs and devices are safe and effective for their intended uses; that cosmetics are safe and made from appropriate ingredients; and that all labeling and packaging is truthful, informative, and not deceptive. The Food and Drug Administration (FDA) is responsible for enforcing the Federal Food, Drug, and Cosmetic Act.

Steagall Amendment of 1941 (P.L. 77-144) was signed into law July 1, 1941. The law required support for many nonbasic commodities at 85 percent of parity or higher. In 1942, the minimum rate was increased to 90 percent of parity and was required to be continued for 2 years after the end of World War II. The “Steagall commodities” included hogs, eggs, chickens (with certain exceptions), turkeys, milk, butterfat, cer-

*The authors are agricultural economists. Lipton is in the Office of the Administrator and Pollack is in the Commercial Agriculture Division, both in the Economic Research Service, USDA.

tain dry peas, certain dry edible beans, soybeans, flaxseed and peanuts for oil, American-Egyptian (ELS) cotton, potatoes, and sweet potatoes.

Agricultural Act of 1948 (P.L. 80-897) was signed into law July 3, 1948. The law made price support mandatory at 90 percent of parity for 1949 basic commodities. It also provided that beginning in 1950, parity would be reformulated to take into consideration average prices of the previous 10 years, as well as those of the 1910-14 base period.

Agricultural Act of 1949 (P.L. 89-439) was signed into law October 31, 1949. The law, along with the Agricultural Adjustment Act of 1938, makes up the major part of permanent agricultural legislation which is still effective in amended form. The 1949 Act designated mandatory support for the following nonbasic commodities: wool and mohair, tung nuts, honey, Irish potatoes (excluded in the Agricultural Act of 1954), and milk, butterfat, and their products.

Agricultural Trade Development and Assistance Act of 1954 (Food for Peace) (P.L. 83-480) was signed into law July 10, 1954. The law established the primary U.S. overseas food assistance program. The program made U.S. agricultural commodities available through long-term credit at low interest rates and provided food donations.

Agricultural Act of 1954 (P.L. 83-690) was signed into law August 28, 1954. It established a flexible price support for basic commodities (excluding tobacco) at 82.5-90 percent of parity and authorized a Commodity Credit Corporation reserve for foreign and domestic relief.

National Wool Act of 1954 (title VII of Agricultural Act of 1954, above) provided for a new-price support program for wool and mohair to encourage a certain level of domestic production (set at 300 million pounds for 1955).

Agricultural Act of 1956 (P.L. 84-540) was signed into law May 28, 1956. This law began the Soil Bank Act which authorized short- and long-term removal of land from production with annual rental payments to participants. One program included was the Acreage Reserve Program for wheat, corn, rice, cotton, peanuts, and several types of tobacco. Another program provided for a 10-year Conservation Reserve Program.

Consolidated Farm and Rural Development Act (P.L. 87-128) was signed into law August 8, 1961. The law authorized USDA farm-lending activities.

Food and Agricultural Act of 1962 (P.L. 87-703) was signed into law September 27, 1962. The law gave the President the power to impose mandatory production controls. This power was subject to approval by two-thirds of the producers of a commodity before controls could be put into effect.

Agricultural Act of 1964 (P.L. 88-297) was signed into law April 11, 1964. This law authorized a 2-year voluntary marketing certificate program for wheat and a payment-in-kind (PIK) program for cotton.

Food Stamp Act of 1964 (P.L. 88-525) was signed into law August 31, 1964. The law provided the basis for the Food Stamp Program. It was later replaced by the food stamp provisions (title XIII) of the Food and Agricultural Act of 1977.

Food and Agricultural Act of 1965 (P.L. 89-321) was signed into law November 3, 1965. This law was the first multi-year farm legislation, providing for 4-year commodity programs for wheat, feed grains, and upland cotton. It was extended for 1 more year through 1970 (P.L. 90-559). It authorized a Class I milk base plan for the 75 Federal milk marketing orders, and a long-term diversion of cropland under a Cropland Adjustment Program. The law also continued payment and diversion programs for feed grains and cotton and certificate and diversion programs for wheat.

Agricultural Act of 1970 (P.L. 91-524) was signed into law November 30, 1970. The law, in effect through 1973, established the cropland set-aside program and a payment limitation per producer (set at \$55,000 per crop). It also amended and extended the authority of the Class I Base Plan in milk marketing order areas.

Act of April 14, 1971 (P.L. 92-10) provided for poundage quotas for burley tobacco in place of farm acreage allotments.

Agriculture and Consumer Protection Act of 1973 (P.L. 93-86) was signed into law August 10, 1973. The law established target prices and deficiency payments to replace former price-support payments. It also set payment limitations at \$20,000 for all program crops

and authorized disaster payments and disaster reserve inventories to alleviate distress caused by a natural disaster.

Trade Act of 1974 (P.L. 93-618) provided the President with tariff and nontariff trade barrier negotiating authority for the Tokyo Round of multilateral trade negotiations. It also gave the President broad authority to counteract injurious and unfair foreign trade practices.

Section 201 of the act requires the U.S. International Trade Commission to investigate petitions filed by domestic industries or workers claiming injury or threat of injury due to expanding imports. Investigations must be completed within 6 months. If such injury is found, restrictive measures may be implemented. Action under section 201 is allowed under the escape clause, GATT Article XIX.

Section 301 was designed to eliminate unfair foreign trade practices which adversely affect U.S. trade and investment in both goods and services. Under section 301, the President must determine whether the alleged practices are unjustifiable, unreasonable, or discriminatory and burden or restrict U.S. commerce. If the President determines that action is necessary, the law directs that all appropriate and feasible action within the President's power should be taken to secure the elimination of the practice.

Food and Agriculture Act of 1977 (P.L. 95-113) was signed into law September 9, 1977. The law increased price and income supports and established a farmer-owned reserve for grain. It also established a new two-tiered pricing program for peanuts. Under the peanut program, producers were given an acreage allotment on which a poundage quota was set. Growers could produce in excess of their quota, within their acreage allotment, but would receive the higher of the two price-support levels only for the quota amount. Peanuts in excess of the quota are referred to as "additional."

Food Stamp Act of 1977 (title XIII) permanently amended the Food Stamp Act of 1964 by eliminating purchase requirements and simplifying eligibility requirements.

National Agricultural Research, Extension, and Teaching Policy Act (title XIV) made USDA the leading Federal agency for agricultural research, extension, and teaching programs. It also consolidated the funding for these programs.

Trade Agreements Act of 1979 (P.L. 96-39) was signed into law on July 26, 1979. This act provided the implementing legislation for the Tokyo Round of multilateral trade agreements in such areas as customs valuation, standards, and government procurement.

Federal Crop Insurance Act of 1980 (P.L. 96-365) was signed into law September 26, 1980. The law expanded crop insurance into a national program with the authority to cover the majority of crops.

Agriculture and Food Act of 1981 (P.L. 97-98) was signed into law December 22, 1981. The law continued programs and goals in effects since the 1930's. It set specific target prices for 4 years, eliminated rice allotments and marketing quotas, and lowered dairy supports.

Omnibus Budget Reconciliation Act of 1982 (P.L. 97-253) was signed into law September 8, 1982. The law froze dairy price supports and mandated loan rates and acreage reserve programs for the 1983 crops.

Temporary Emergency Food Assistance Act of 1983 (P.L. 98-8) was signed into law March 24, 1983. The law authorized distribution of foodstuffs owned by the Commodity Credit Corporation to indigent persons.

Extra-Long Staple Cotton Act of 1983 (P.L. 98-88) was signed into law August 26, 1983. The law eliminated marketing quotas and allotments for extra-long staple cotton and tied its support to upland cotton through a formula that sets the loan rate at not less than 150 percent of the upland cotton loan level.

Dairy and Tobacco Adjustment Act of 1983 (P.L. 98-180) was signed into law November 29, 1983. The law froze tobacco price supports, launched a voluntary dairy diversion program, and established a dairy promotion order.

Agricultural Programs Adjustment Act of 1984 (P.L. 98-258) was signed into law April 10, 1984. The law froze target price increases provided in the 1981 Act; authorized paid land diversions for feed grains,

upland cotton, and rice; and provided a wheat payment-in-kind program for 1984.

Trade and Tariff Act of 1984 (P.L. 98-573) was signed into law on October 30, 1984. The law clarified the conditions under which unfair trade cases under Section 301 of the Trade Act of 1974 can be pursued. It also provided bilateral trade negotiating authority for the U.S.-Israel Free Trade Area and set out procedures to be followed for congressional approval of future bilateral trade agreements.

Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177) was signed into law December 12, 1985. Also known as the Gramm-Rudman-Hollings Act, the law was designed to eliminate the Federal budget deficit by October 1, 1990. As amended in 1987 (P.L. 100-119), the law mandates annual reductions in the Federal budget deficit to eliminate it by 1993. Under the law, automatic spending cuts could occur for almost all Federal programs if Congress and the President cannot agree on a targeted budget package for any specific fiscal year.

Food Security Act of 1985 (P.L. 99-198) was signed into law December 23, 1985. The law allowed lower price and income supports, lowered dairy supports, established a dairy herd buyout program, and created a Conservation Reserve Program under which the Federal Government entered into long-term land retirement contracts on qualifying land.

Farm Credit Restructuring and Regulatory Reform Act of 1985 (P.L. 99-205) was signed into law December 23, 1985. The law implemented interest rate subsidies for farm loans and restructured the Farm Credit Administration.

Consolidated Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272) was signed into law April 7, 1986. This law canceled the flue-cured and burley tobacco quotas announced for the 1986 programs, giving the Secretary discretion to set the quotas.

Technical Corrections to Food Security Act of 1985 Amendments (P.L. 99-253) was signed into law February 28, 1986. The law gave the Secretary discretion to require cross-compliance for wheat and feed grains instead of mandating them, changed acreage base calculations, and specified election procedures for local Agricultural Stabilization and Conservation committees.

Food Security Improvements Act of 1986 (P.L. 99-260) was signed into law March 20, 1986. The law made further modifications to the 1985 Act, including limiting the nonprogram crops that can be planted under the 50/92 provision, permitting haying and grazing on diverted wheat and feed grain acreage during a set 5-month period if requested by the State Agricultural Stabilization and Conservation Committee, and increasing deductions taken from the price of milk received by producers to fund the whole herd buyout program.

Omnibus Budget Reconciliation Act of 1986 (P.L. 99-509) was signed into law October 21, 1986. The law required advance deficiency payments to be made to producers of 1987 wheat, feed grains, upland cotton, and rice crops at a minimum of 40 percent for wheat and feed grains and 30 percent for rice and upland cotton. It also amended the Farm Credit Act of 1971.

Making Continuing Appropriations for the Fiscal Year 1987, and for Other Purposes (P.L. 99-591) was signed into law October 30, 1986. The law, in addition to providing funding for Federal programs, modified the 1985 farm bill by limiting program payments to \$50,000 per person for deficiency and paid land diversion payments, and included honey, resource adjustment (excluding land diversion), disaster, and Findley payments under a \$250,000 payment limitation.

Futures Trading Act of 1986; Grain Quality Improvement Act of 1986; and Processed Products Inspection Improvement Act of 1986 (P.L. 99-641) was signed into law November 10, 1986. The law reauthorized appropriations to carry out the Commodity Exchange Act and made technical improvements to that act.

Farm Disaster Assistance Act of 1987 (P.L. 100-45) was signed into law May 27, 1987. The law provided assistance to producers who experienced crop losses from natural disasters in 1986.

Stewart B. McKinney Homeless Assistance Act (P.L. 100-77) was signed in law July 22, 1987. The law provided housing, food assistance, and job training for the homeless.

Uniform Cotton Classing Fees Act of 1987 (P.L. 100-108) was signed into law August 20, 1987. The law

provided continuing authority to the Secretary to recover costs associated with cotton classing services.

Omnibus Budget Reconciliation Act of 1987 (P.L. 100-203) was signed into law December 22, 1987. The law set the 1988 fiscal year budget for agriculture and all Federal agencies. It set target prices for 1988 and 1989 program crops, established loan rates for program and nonprogram crops, and required a voluntary paid land diversion for feed grains. The law also further defined who is eligible to receive farm program payments (“defining a person”).

Agricultural Credit Act of 1987 (P.L. 100-233) was signed into law January 6, 1988. The law provided credit assistance to farmers, strengthened the Farm Credit System, and facilitated the establishment of secondary markets for agricultural loans.

Commodity Distribution Reform Act of 1987 (P.L. 100-237) was signed into law on January 8, 1988. The law directed the Secretary to take specified actions to improve the distribution and quality of surplus commodities donated by USDA for nutrition assistance programs. The Secretary was also directed to establish an advisory council on the distribution of donated commodities to recipient agencies.

Disaster Assistance Act of 1988 (P.L. 100-387) was signed into law August 11, 1988. The law provided assistance to farmers hurt by the drought and other natural disasters in 1988. Crop producers with losses greater than 35 percent of production were eligible for financial assistance, and feed assistance was available to livestock producers.

Agricultural Credit Technical Corrections Act (P.L. 100-399) was signed into law August 17, 1988. The law corrected the Agricultural Credit Act of 1987, restoring language that exempted mergers of the Farm Credit System institutions from State transfer taxes.

Omnibus Trade and Competitiveness Act of 1988 (P.L. 100-418) was signed into law August 23, 1988. The law revised statutory procedures for dealing with unfair trade practices and import damage to U.S. industries. It gave the Secretary discretionary authority to trigger marketing loans for wheat, feed grains, and soybeans, if it is determined that unfair trade practices exist.

Hunger Prevention Act of 1988 (P.L. 100-435) was signed into law September 19, 1988. The law amended

the Temporary Emergency Food Assistant Act of 1983 to require the Secretary to make additional types of commodities available for the Temporary Emergency Food Assistance Program, to improve the child nutrition and food stamp programs, and to provide other hunger relief.

United States-Canada Free Trade Agreement Implementation Act of 1988 (P.L. 100-449) was signed into law September 28, 1988. The law implemented the bilateral trade agreement between the United States and Canada, including agricultural trade. The agreement would phase out tariffs between the two countries over 10 years and revise other trade rules.

Disaster Assistance Act of 1989 (P.L. 101-82) was signed into law August 14, 1989. The law provided assistance to farmers hurt by drought or other natural disasters in 1988 or 1989. To qualify for financial assistance, crop producers, must have lost at least 35 percent of production. The requirement was higher for farmers without crop insurance, as well as for producers of nonprogram crops and those who did not participate in farm programs. Other assistance was similar to that which was provided in the Disaster Assistance Act of 1988 (P.L. 100-387).

Omnibus Budget Reconciliation Act 1989 (P.L. 101-239) was signed into law December 19, 1989. The law superseded the 10-25 planting provision of the Disaster Assistance Acts of 1988 and 1989. The act allowed program crop producers to plant up to 25 percent of their permitted acreage to soybeans, sunflowers, and safflowers for the 1990 crop.

Child Nutrition and WIC Reauthorization Act of 1989 (P.L. 101-147) was signed into law November 10, 1987. The law reauthorized the National School Lunch and Child Nutrition programs and the Special Supplemental Food Program for Women, Infants, and Children (WIC). The law also required improvements in program integrity and program simplification and increased WIC funding for administrative services from 20 percent to approximately 25 percent of appropriations.

Omnibus Budget Reconciliation Act 1990 (P.L. 101-508) was signed November 5, 1990. The law includes a mandatory 15-percent planting flexibility and assessments on nonprogram crop producers. The law also required USDA to calculate deficiency payments for 1994 and 1995 wheat, feed grain, and rice crops using

a 12-month average market price instead of the 5-month average required under previous law.

Under the Omnibus Budget law, USDA was also directed to take specified actions to improve the competitiveness of U.S. agricultural exports if the negotiations in the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) failed to result in the signing and implementation of a trade agreement.

Food, Agriculture, Conservation, and Trade Act of 1990 (P.L. 101-624) was signed November 28, 1990. The 5-year farm bill continued to move agriculture in a market-oriented direction. It froze target prices and allowed more planting flexibility. New titles included rural development, forestry, organic certification, and commodity promotion programs. The law established a Rural Development Administration (RDA) in the U.S. Department of Agriculture to administer programs relating to rural and small community development. P.L. 101-624 also extended and improved the Food Stamp Program and other domestic nutrition programs and made major changes in the operation of P.L. 480.

Food, Agriculture, Conservation, and Trade Act Amendments of 1991 (P.L. 102-237) was signed into law on December 12, 1991. The law amended the Food, Agriculture, Conservation, and Trade Act of 1990 (P.L. 101-624) to correct errors and alleviate problems in implementing the law. The law also allowed the Farm Credit Bank for Cooperatives to make loans for agricultural exports and establishes a new regulatory scheme and capital standards for the Federal Agricultural Mortgage Corporation ("Farmer Mac"). The law also established new handling requirements for eggs to help prevent food-borne illness.

WIC Farmers' Market Nutrition Act of 1992 (P.L. 102-314) was signed into law on July 2, 1992. The law established a program that provides participants in the Special Supplemental Food Program for Women, Infants, and Children (WIC) with supplemental food coupons that can be used to purchase fresh, unprocessed foods, such as fruits and vegetables at farmers' markets.

Futures Trading Practices Act of 1992 (P.L. 102-546) was signed into law on October 28, 1992. The law amended the Commodity Exchange Act to improve the regulation of futures and options traded under rules and regulations of the Commodity Futures Trading Commission (CFTC), to establish registration standards for all exchange floor traders, and to restrict

practices which may lead to fraud and abuse. The law also reauthorized the CFTC through fiscal year 1994.

Farm Credit Banks and Associations Safety and Soundness Act of 1992 (P.L. 102-552) was signed into law on October 28, 1992. The law is designed to enhance the financial safety and soundness of the banks and associations of the Farm Credit System by establishing new mechanisms to ensure repayment of Farm Credit System debt resulting from Federal financial assistance provided to the System under the Agricultural Credit Act of 1987 (P.L. 100-233) and making other changes. The law also directed USDA to purchase, process, and distribute additional agricultural commodities for the emergency food assistance program established under the Temporary Emergency Food Assistance Act of 1983 (P.L. 98-8).

Agricultural Credit Improvement Act of 1992 (P.L. 102-554) was signed into law on October 28, 1992. The law established new Farmers Home Administration (FmHA) loan programs to assist beginning farmers and ranchers. The law established FmHA operating and equipment loan and loan guarantee programs for beginning farmers and ranchers and a program to provide 10-year loans for beginning farmers and ranchers to purchase their own farm or ranch in return for a down payment equivalent to 10 percent of the purchase price of the land. The law revised farm credit program requirements to improve women farmers' access to FmHA assistance. The law also limited the total number of years any borrower may participate in the agency's farm ownership and operating loan programs.

Bankruptcy, Title II U.S.C. Extension (P.L. 103-65) was signed into law on August 6, 1993. The law extended the Chapter 12 provision of the Bankruptcy Code through October 1, 1998. Chapter 12, which would have expired in October 1993, established special provisions governing bankruptcy proceedings for family farmers.

Omnibus Budget Reconciliation Act of 1993 (OBRA93) (P.L. 103-66) was signed into law on August 10, 1993. The law made changes in the Federal farm programs and related programs to reduce Federal spending by \$3 billion over 5 years, including eliminating the U.S. Department of Agriculture's authority to waive minimum acreage set-aside requirements for wheat and corn, reducing deficiency payments to farmers participating in the 0/92 and 50/92 programs from 92 percent to 85 percent of the normal payment level,

reducing the acreage to be enrolled in the Conservation Reserve Program and Wetlands Reserve Program, and requiring improvement in the actuarial soundness of the Federal crop insurance program. The measure also provided for a temporary moratorium on sales of synthetic bovine growth hormone and reduced the loan rate for soybeans.

The OBRA93 reduced Market Promotion Program (MPP) funding from \$200 million annually to \$110 million annually for fiscal 1994 through fiscal 1997; required that MPP assistance be provided only to counter or offset the adverse effects of a subsidy, import quota, or other unfair trade practice except for small-size entities operating through State-regional trade groups; that MPP funds supplement, not supplant private sector contributions; and that priority be given to small businesses for branded promotions. In addition, the OBRA93 specified a 5-year limit on branded promotion activities for a specific product in a single market; that producer and regional trade organizations participating in the program must contribute at least 10 percent of CCC resources for generic promotion; and that private firms put up at least half the cost of the MPP branded promotional activity.

The law also provided for the designation of 3 empowerment zones and 30 enterprise communities for rural areas and 6 empowerment zones and 65 enterprise communities for urban areas. These designated areas will receive special consideration for various Federal programs and other assistance and qualify for specific tax credits. The law also provided \$1 billion in spending under the Federal block grant program, with each rural empowerment grant totaling \$20 million.

Emergency Supplemental Appropriations for Relief from the Major Widespread Flooding in the Midwest Act of 1993 (P.L. 103-75) was signed into law on August 16, 1993. This supplemental appropriations bill provided \$1.35 billion for Commodity Credit Corporation (CCC) disaster payments to farmers who lost their crops due to natural disasters in 1993. Disaster payments are provided under the formula in the Food, Agriculture, Conservation, and Trade Act of 1990 (P.L. 101-624). The Emergency Supplemental Appropriations law authorized the use of other CCC funds if the bill's appropriations are insufficient to make full disaster payments to farmers.

Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1994 (P.L. 103-111) was signed

into law on October 21, 1993. The law prohibited the use of funds made available under this legislation to provide price supports for honey in the 1994 crop year.

National Wool Act of 1954, Amendment (P.L. 103-130) was signed into law on November 1, 1993. The law provided for reductions in the Federal incentive payments to wool and mohair producers for the 1994 and 1995 marketing years. The wool and mohair price support program is terminated beginning in 1996.

North American Free Trade Agreement Implementation Act (P.L. 103-182) was signed into law on December 8, 1993. The law approved and implemented the North American Free Trade Agreement (NAFTA). NAFTA pertains to cross-border trade between the United States, Mexico, and Canada. NAFTA eliminates all nontariff barriers to agricultural trade between the United States and Mexico, generally through their conversion to tariff rate quotas or ordinary tariffs, and maintains the provisions of the United States-Canada Free Trade Agreement on agricultural trade.

The law eliminated tariffs on a broad range of agricultural products and provided for a phase-out of up to 15 years for tariffs on other products. A special safeguard provision will apply to certain products, with a designated quantity of imports allowed at a NAFTA preferential tariff rate. NAFTA increases incentives for buying within the NAFTA region.

The 1996 Act has no greater force than any other provision of U.S. law and cannot supersede U.S. law.

Food Stamp Program Improvements Act of 1994 (P.L. 103-225) was signed into law on March 25, 1994. The law amended the Food Stamp Act of 1977 by modifying reporting requirements and ensuring adequate access to retail food stores by food stamp households. Title I of the law permitted a State to require periodic reporting by migrant or seasonal farmworker households, and sets forth conditions under which a State may require such reporting for reservation households. The law also provided for staggered food stamp issuances on reservations and required a General Accounting Office study and report on tribal organization administration of the Food Stamp Program.

Title II amended the Food Stamp Act of 1977 to redefine "retail food store" and "staple foods." The law also expanded the use and disclosure of information

provided by retail and wholesale food concerns to include Federal and State law enforcement and investigative agencies and required demonstration projects to test innovative activities directed at coupon trafficking. Program eligibility is continued for establishment or house-to-house trade routes currently authorized to accept food stamps. The law required a report on the impact of the 1996 Act on retail store program participation.

Pesticide Safety Training and Labeling Requirements, Extension of Certain Compliance Dates (P.L. 103-231) was signed into law on April 6, 1994. The law extended certain compliance dates for pesticide safety training and labeling requirements. Compliance with regulations pertaining to worker protection and pesticide safety was postponed from April 15, 1994, to January 1, 1995. The law does not apply to specific worker protection requirements appearing directly on the label of the pesticide product. The Administrator of the Environmental Protection Agency is directed to develop and distribute pesticide safety training materials detailing the specified Federal regulations and to assist the appropriate Federal, State, and tribal agencies in implementing required pesticide safety training programs.

Farmers Home Administration Improvement Act of 1994 (P.L. 103-248) was signed into law on May 11, 1994. The law amended the Consolidated Farm and Rural Development Act to improve the claims administration process of the Farmers Home Administration. The law authorized the Secretary to use the Attorney General, the General Counsel of the Department of Agriculture, or a private attorney to collect delinquent Farmers Home Administration loans.

Nutrition Labeling and Education Act of 1990, Extension of Time Period for Compliance for Certain Food Products (P.L. 103-261) was signed into law on May 17, 1994. The law extended the effective date of certain nutrition labeling requirements of the Federal Food, Drug, and Cosmetic Act and the Nutrition Labeling and Education Act from May 8, 1994 to August 8, 1994. The extension applied to food products contained in a package for which the label was printed before May 8, 1994. In the case of juice or milk products, the extension applied to products with labels printed before August 4, 1994, if the person responsible for labeling exercised due diligence in obtaining labels which comply before such date.

Perishable Agricultural Commodities Act, 1930, Imposition of Temporary Fees (P.L. 103-276) was signed into law on July 5, 1994. The law provides for the imposition of temporary fees in connection with the handling of complaints of violations of the Perishable Agricultural Commodities Act, 1930.

Vegetable Ink Printing Act of 1994 (P.L. 103-348) was signed into law on October 6, 1994. The law requires that all Federal lithographic printing be performed using ink made of at least a minimum specified percentage of vegetable oil. The requirement is waived in certain circumstances for considerations of suitability or cost.

Plant Variety Protection Act Amendments of 1994 (P.L. 103-349) was signed into law on October 6, 1994. The law amended the Plant Variety Protection Act to make it consistent with the International Convention for the Protection of New Varieties of Plants of March 19, 1991, to which the United States is a signatory. The law offers patent protection for scientists who develop new sexually reproducing plant varieties, while ensuring that advances continue to be made available to the public. The law also ensured that new varieties are protected as intellectual property, as defined under the International Convention for the Protection of New Varieties of Plants. USDA rather than the Patent and Trademark Office, will administer the law.

Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (P.L. 103-354) was signed into law on October 4, 1994. The act, in effect beginning with the 1995 crops, supplements the Federal crop insurance program with a new catastrophic coverage level (CAT) available to farmers for a processing fee of \$50 per crop with a cap of \$200 per farmer per county and \$600 per farmer total. Farmers may purchase additional insurance coverage providing higher yield or price protection levels. The law stipulates that producers must purchase crop insurance coverage at the CAT level or above to participate in Federal commodity support programs, Farmers Home Administration loans, and the Conservation Reserve Program.

The act also created the Noninsured Assistance Program (NAP), a permanent aid program for crops not covered by crop insurance. The law also authorized a major restructuring of the U.S. Department of Agriculture.

Farm Credit System Agricultural Export and Risk Management Act (P.L. 103-376) was signed into law on October 19, 1994. The law amended the Farm Credit Act of 1971 to enhance the ability of the banks for cooperatives to finance agricultural exports. The law permitted banks for cooperatives to participate in agricultural export financing arrangements with domestic or foreign businesses as long as the ventures contribute to increased agricultural exports and conform to specified conditions. The law prohibited the financing of a U.S. facility's foreign relocation. The Farm Credit Bank or direct lender associations are allowed to diversify their portfolios by region and industry by participating in loans to similar, but non-Farm Credit System entities.

Sheep Promotion, Research, and Information Act of 1994 (P.L. 103-407) was signed into law on October 22, 1994. The law enables sheep producers and feeders and importers of sheep and sheep products to develop, finance, and carry out a nationally coordinated program for sheep and sheep product promotion, research, and information. The Secretary is authorized to issue a sheep and wool promotion, research, education, and information order subject to approval referenda among producers, feeders, and importers.

Healthy Meals for Healthy Americans Act of 1994 (P.L. 103-448) was signed into law on November 2, 1994. The law reauthorized the National School Lunch and Child Nutrition programs and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). The law requires that schools serve meals that meet the Dietary Guidelines for Americans.

Uruguay Round Agreements (URA) Act (P.L. 103-465) was signed into law on December 8, 1994. The law approved and implemented the trade agreements concluded in the Uruguay Round of multilateral trade negotiations conducted under the auspices of the General Agreement on Tariffs and Trade. The law allows for the reduction of tariffs and government subsidies on agricultural products among both developed and developing countries and provided measures against dumping products heavily subsidized by governments.

Under title IV, the Agriculture-Related Provisions, the law established sanitary standards for produce and products and requires all countries to improve market access for clothing and textiles. Each country is allowed to establish and maintain standards and tech-

nic regulations at an appropriate level to prevent deceptive practices and protect human, animal, and plant life, health, and the environment, while not creating unnecessary obstacles to trade.

Title V establishes improved standards for protection of intellectual property rights and enforcement of those standards within a country and at the border, including copyrights, patents, trademarks, industrial designs, and trade secrets.

The law also extends the authorization of funding for the Export Enhancement Program (EEP) and Dairy Export Incentive Program (DEIP) through 2001 and eliminated the requirement that the EEP be targeted to respond to unfair trade practices. The law eliminated the requirement that the Market Promotion Program be used to counter the adverse effects of unfair trade practices. The law also included a Sense-of-Congress resolution that the President should consult with other nations to discuss appropriate levels of food aid commitments to developing countries.

Perishable Agricultural Commodities Act Amendments of 1995 (P.L. 104-48) was signed into law on November 15, 1995. The law amended the Perishable Agricultural Commodities Act of 1930, to modernize, streamline, and strengthen the operation of the act. Annual license fees for retailers and grocery wholesaler-dealers are eliminated over 3 years. After this phase-in period, new retailers and grocery wholesalers are required to pay a one-time fee. Fees for other merchants, dealers, and brokers are increased. The law also increased penalties for operating without a license and the late renewal fee.

Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriation Act, 1996 (P.L. 104-37) was signed into law on October 21, 1995. The law appropriated \$63.2 billion in fiscal year 1996 for agriculture, rural development, and nutrition programs. The law contains a provision that prevents USDA from implementing a new poultry labeling regulation until legislation is enacted that would direct the Department to do so. The new USDA rule would have limited which chickens and turkeys could be labeled as "fresh."

The 1996 appropriations bill also prohibits direct matching grants under the Market Promotion Program's Export Incentive Program for large firms that are not agricultural cooperatives. Commodity

Credit Corporation funds could continue to be used to partially reimburse participating organizations for the costs of carrying out foreign market development activities in designated countries. Participating organizations include nonprofit agricultural trade organizations, State regional trade groups, and private companies.

Local, State, or private support to match Federal funds are also required for projects conducted by agricultural facilities for research. The matching funds must equal at least 50 percent of Federal funding.

The law also specified certain uses and limits on or prohibitions against the use of funds appropriated by the act, including honey payments or loan forfeitures; salary payments in connection with a market program on behalf of the U.S. Mink Export Development Council or any mink industry trade associations; restrictions on water use or increased cost to private owners of supply facilities on National Forest lands; and operation of the Board of Tea Experts.

Farm Credit System Reform Act of 1996 (P.L. 104-105) was signed into law on February 10, 1996. The law amended the Farm Credit Act of 1971 and affected operation of the Farm Credit System and the Federal Agricultural Mortgage Corporation (FAMC). The law modified the definition of "certified facility" included in the Farm Credit Act of 1971 by permitting the FAMC to serve as an agricultural mortgage marketing facility, thereby allowing it to purchase loans for pooling and securitization directly from sellers. The 10-percent cash reserve or subordinated participation interest requirement for FAMC loan pools and the loan pool geographical and commodity diversification standards were eliminated. Federal reserve banks must act as depositories, fiscal agents, or custodians of FAMC, whereas these actions were discretionary before. Minimum capital requirements for FAMC were increased, timetables for recapitalization of the Corporation were set, and regulatory oversight was strengthened.

The law includes a number of provisions that provide regulatory relief for the FCS. Regulations repealed include those requiring collection of borrower financial statements, notifying borrowers in advance of loan interest rate changes, and the issuance of FCS quarterly financial statements to borrowers. Some FCS loans can now exceed 85 percent of the appraised value when private mortgage insurance covers the excess,

associations will be allowed to form joint administrative service entities to share overhead costs, and FCS institutions will be allowed to originate loans for sale to a secondary market without requiring a stock purchase or providing borrower rights. The maximum time between mandatory examinations of FCS institutions by the Farm Credit Administration (FCA) was raised and the FCS Insurance Corporation (FCSIC) may reduce premiums or return excess insurance funds to member institutions after the Farm Credit Insurance Fund has reached a secure level. Also, a requirement that FCA and FCSIC be governed by separate boards of directors is repealed and the FCSIC's role as a receiver or conservator for failed FCS institutions is clarified.

Federal Agriculture Improvement and Reform Act of 1996 (1996 Act) (P.L. 104-127) was signed into law on April 4, 1996. The law removed the link between income support payments and farm prices by providing for predetermined production flexibility contract payments whereby participating producers receive government payments independent of current farm prices and production. The law specifies the total amount of money to be made available through contract payments under production flexibility contracts for each fiscal year from 1996 through 2002. Payment levels are allocated among contract commodities according to 1996 Act-specified percentages, generally derived from each commodity's share of projected deficiency payments for fiscal 1996-2002. The law increased planting flexibility by allowing participants to plant 100 percent of their total contract acreage to any crop, except with limitations on fruits and vegetables.

The authority for acreage reduction programs is eliminated, while basic nonrecourse commodity loans with marketing loan provisions are continued in a modified form. Minimum loan rates are calculated each year as 85 percent of the 5-year moving average of immediately past market prices, dropping the years with the highest and the lowest market price. Authority for the Farmer-Owned Reserve Program is suspended through the 2002 crop year. Authority for the Honey Program is also eliminated. Dairy price supports are phased down for milk over 4 years and then eliminated. A new recourse loan program is initiated for dairy products starting in the year 2000.

The peanut program is revised to reduce the likelihood of the Federal Government incurring loan program

costs due to loan forfeitures. The minimum national poundage quota is eliminated. The annual quota is to be set equal to projected domestic food use demand. Carryover of under marketings is eliminated.

Trade and food aid programs are reoriented towards greater market development, with increased emphasis on high-value and value-added products. Other provisions establish a Commission to conduct a comprehensive review of changes to production agriculture under the 1996 Act, require the Secretary to conduct research on futures and options contracts through pilot programs, cap expenditures for the Export Enhancement

Program, and change the Market Promotion Program to the Market Access Program.

The 1996 Act also reauthorized the Food Stamp Program for 2 years and established a Fund for Rural America to augment existing resources for agricultural research and rural development. Other research authorities were revised and extended.

The 1996 Act authorized new enrollments in the Conservation Reserve Program to maintain total acreage at up to 36.4 million acres. Other conservation programs were also revised and extended.

