H.R. 8590

To provide assistance to certain small family farmers and ranchers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M_ introduced the following bill; which was referred to the Committee on

A BILL

To provide assistance to certain small family farmers and ranchers, and for other purposes.

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

2 SECTION 1. SHORT TITLE.

3 This Act may be cited as the “Small Family Farmer And Rancher Relief Act”.

4 SEC. 2. DEFINITIONS.

5 In this Act:

6 (1) BEGINNING FARMER OR RANCHER.—The term “beginning farmer or rancher” has the mean-
ing given the term in section 502(b) of the Federal
Crop Insurance Act (7 U.S.C. 1502(b)).

(2) CATTLE.—The term "cattle" includes steers, heifers, fed cattle, feeder cattle, and calves.

(3) LIVESTOCK RISK PROTECTION INSURANCE POLICY.—The term "livestock risk protection insurance policy" means the livestock risk protection insurance policy authorized pursuant to section 508(h) of the Federal Crop Insurance Act (7 U.S.C. 1508(h)) and offered by the Risk Management Agency of the Department of Agriculture.

(4) VETERAN FARMERS OR RANCHERS.—The term "veteran farmer or rancher" has the meaning given the term in section 502(b) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)).

SEC. 3. ADDITIONAL PREMIUM ASSISTANCE FOR SMALL
RANCHERS, BEGINNING FARMERS OR RANCHERS, AND VETERAN FARMERS OR RANCHERS UNDER LIVESTOCK RISK PROTECTION INSURANCE POLICIES.

(a) ADDITIONAL PREMIUM ASSISTANCE FOR ELIGIBLE LIVESTOCK OPERATIONS.—

(1) IN GENERAL.—With respect to livestock risk protection insurance policies, producers eligible under subsection (c) shall receive premium assist-
ance that is 20 percentage points greater than the
premium assistance that would otherwise be avail-
able under such policies.

(2) No duplicative coverage.—Producers
receiving premium assistance under this section shall
be ineligible for livestock risk protection premium
assistance for beginning farmers or ranchers or vet-
eran farmers or ranchers.

(3) Applicability.—With respect to the first
reinsurance year that begins after the date of the
enactment of this Act, and each reinsurance year
thereafter, the additional premium assistance under
this subsection shall apply to producers eligible
under this section, beginning farmers or ranchers,
and veteran farmers or ranchers who obtain cov-
erage under a livestock risk protection insurance pol-
icy.

(b) Additional administrative and operating
costs reimbursement.—Notwithstanding section
508(k)(4) of the Federal Crop Insurance Act (7 U.S.C.
1508(k)(4)), in the case of a livestock risk protection pol-
icy obtained by a livestock producer receiving premium as-
sistance under this section, the rate to reimburse approved
insurance providers and agents for the administrative and
operating costs of the providers and agents with respect
to such policy shall be at least 25 percent of the premium used to define loss ratio.

(c) ELIGIBILITY.—To be eligible to receive premium assistance under this section, a livestock operation within the United States or the territories thereof or on Tribal lands, shall have a cumulative number of cattle sold that is less than or equal to 100 in one year.

(d) OUTREACH AND EDUCATION.—The Secretary of Agriculture shall—

(1) make available additional education opportunities and prioritize outreach to eligible livestock operations, beginning farmers or ranchers, and veteran farmers or ranchers with respect to risk management for livestock and the assistance available under this section; and

(2) conduct outreach to approved insurance providers and agents with respect to the livestock risk protection insurance policies and the additional administrative and operating costs reimbursement under subsection (b).

SEC. 4. BEEF CATTLE SPREAD COVERAGE PROGRAM.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture, acting through the Administrator of the Farm Service Agency (in this section referred to as the “See-
shall establish a program under which the Secretary will provide payments to eligible producers when the choice boxed beef cutout values, dressed fed cattle prices, and retail beef values (in this section referred to as “the spread”) exceeds the coverage threshold level specified in subsection (b).

(b) **Coverage Threshold Level.**—The coverage threshold level specified in this subsection, with respect to the sale of beef, is the level that is reached when the farmer’s share falls below 51.7 percent.

(c) **Beef Cattle Spread Payment.**—

(1) **In General.**—The Secretary shall make payments to eligible producers at a rate equal to the difference between—

(A) the 80th percentile of the 10-year historical average spread; and

(B) the current spread.

(2) **Application of Payment.**—A payment made under this section shall be applied on a per animal basis for the number of cattle sold by eligible producers up to 100 head.

(3) **Secretarial Adjustment.**—Beginning on the date that is 5 years after the date of the enactment of this Act, the Secretary may reassess and ad-
just years contained in the 10-year historical average
spread referred to in paragraph (1).

(4) TIMING.—The Secretary shall issue a pay-
ment on a quarterly basis for months in which the
coverage threshold level specified in subsection (b) is
met.

(5) CERTIFICATION.—Before making a pay-
ment under this section, the Secretary shall require
that an eligible producer certify to the Secretary the
number of beef cattle sold.

(d) PAYMENT OF FEE.—

(1) AMOUNT OF FEE.—An eligible producer
seeking a payment under this section shall pay a fee
to the Secretary on an annual basis in the amount
of $100. The Secretary shall collect such fee in the
first quarter of the respective calendar year.

(2) USE OF FEE.—The Secretary shall use fees
collected under this subsection to administer the
program under this section.

(3) WAIVER OF FEE.—The fee under this sub-
section may be waived for limited resource farmers,
beginning farmers, veteran farmers, or socially-dis-
advantaged farmers.

(e) ELIGIBLE PRODUCER.—
(1) IN GENERAL.—In this section, the term "eligible producer" means a livestock producer—

(A)(i) within the United States (including the territories thereof) or Tribal lands, with a cumulative number of beef cattle sold in one calendar year that is less than or equal to 100 head; or

(ii) that owns multiple operations within the United States (including the territories thereof) or Tribal lands with a cumulative number of beef cattle sold in a calendar year across such multiple operations that is less than or equal to 100 head;

(B) that has paid the fee specified in subsection (d) during the applicable registration period; and

(C) that has owned such cattle for a period of 60 days or longer.

(2) SHARED OWNERSHIP.—In applying the definition under paragraph (1), the Secretary shall consider, in the case of an operation controlled by multiple producers, only one producer in such operation to be an eligible producer.

(3) ADJUSTED GROSS INCOME LIMITATION.—In determining whether a livestock producer meets the
definition under paragraph (1), the Secretary shall apply the adjusted gross income payment limitation described in section 1001D of the Food Security Act of 1985 (7 U.S.C. 1308–3a).

(f) Registration and Operation.—

(1) In General.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall specify the manner and form by which an eligible producer may register to receive a payment under this section.

(2) Treatment of Multi-Producer Beef Cattle Operations.—In the case of an eligible producer that is a beef cattle operation operated by more than 1 beef cattle producer, all of the beef cattle producers of the operation shall be treated as a single beef cattle operation for purposes of receiving a payment under this section.

(g) Outreach and Education.—The Secretary shall make available additional education opportunities and prioritize outreach to eligible ranchers, beginning farmers or ranchers, and veteran farmers or ranchers with respect to risk management for livestock and the assistance available under this section.

(h) Regulations.—
(1) IN GENERAL.—Except as otherwise provided in this subsection, not later than 90 days after the date of the enactment of this Act, the Secretary shall promulgate such regulations as are necessary to implement this section.

(2) PROCEDURE.—The promulgation of the regulations and administration of this section shall be made without regard to—

(A) the notice and comment provisions of section 553 of title 5, United States Code; and

(B) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(3) CONGRESSIONAL REVIEW OF AGENCY RULE-MAKING.—In carrying out this subsection, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SEC. 5. SMALL RANCHER MARKET ACCESS.

(a) IN GENERAL.—The Secretary of Agriculture, acting through the Administrator of the Agricultural Marketing Service (in this section referred to as the "Secretary"), shall establish a program under which the Secretary shall award grants to eligible cattle producers, cooperatives of such cattle producers, or other eligible entities, for the purposes of aggregating, adding value to, and
marketing beef cattle, beef, and beef food products to local markets with a focus on direct-to-consumer and direct-to-institution sales.

(b) COVERED ACTIVITIES.—An eligible cattle producer that is the recipient of a grant under this section may use funds received through the grant to further the marketing of cattle and meat, and the purpose described in subsection (a) including for any of the following items:

(1) The purchase of facilities, including land or processing equipment.

(2) Construction or related infrastructure.

(3) Financial and business planning services.

(4) Butcher and mobile processing.

(5) Aggregation and distribution services.

(6) Department of Agriculture process verification.

(7) Costs associated with meeting Federal and State inspection standards.

(8) Labeling and packaging.

(9) Technical assistance relating to starting and operating a cooperative or food hub.

(10) Establishing a small, local, cattle feeding operation (as defined by the Secretary).

(11) Refrigeration and frozen storage expenses, including refrigerated transportation.
(12) Costs associated with meeting institutional procurement guidelines.

(13) Value-added activities that enable producers to distinguish their cattle in such a way that would capture premiums.

(14) Value-added production practices.

(15) Other costs associated with the development, coordination, and expansion of direct producer-to-consumer and producer-to-institution marketing, including participating in farmers’ markets, roadside stands, community supported agriculture programs, online sales, and other value-added local and regional marketing activity.

(c) Application of Existing Exemptions.—The Secretary shall take such steps as may be necessary to extend any exemptions in effect as of the date of the enactment of this Act with respect to land use by the Department of Agriculture to an eligible cattle producer using funds received through a grant awarded under this section to carry out an activity described in paragraph (1), (2), or (3) of subsection (b).

(d) Grant Terms.—

(1) Duration.—The term of a grant under this section may not exceed 5 years.
(2) Maximum Amount.—The amount of a grant under this section to a single grant recipient shall not exceed $500,000.

(e) Priority.—In awarding grants under this section, the Secretary shall give priority to—

(1) historically underserved farmers or ranchers or limited resource producers; or

(2) eligible cattle producers described in paragraphs (3) through (8) of subsection (f).

(f) Eligible Cattle Producer Defined.—In this section, the term “eligible cattle producer” means—

(1) a cattle producer with 100 head or fewer of cattle;

(2) a cooperative of small cattle producers, of which a majority of its members own 100 head or fewer of cattle;

(3) a non-profit organization;

(4) a land-grant college or university;

(5) a minority serving institution eligible to receive funds under section 371 of the Higher Education Act of 1965 (20 U.S.C. 1067q);

(6) a Tribal government;

(7) a food hub; or
(8) a community supported agriculture entity with experience working with small cattle producers and cooperatives.