# FEDERAL CROP INSURANCE ACT

# 7 U.S. CODE § 1524 - EDUCATION AND RISK MANAGEMENT ASSISTANCE

#### STATUS MESSAGE

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Current through Pub. L. <u>113-75</u>. (See <u>Public Laws for the current Congress</u>.)

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# (a) Education assistance

#### (1) In general

Subject to the amounts made available under paragraph (5)—

- (A) the Corporation shall carry out the program established under paragraph (2); and
- **(B)** the Secretary, acting through the National Institute of Food and Agriculture, shall carry out the program established under paragraph (3).

# (2) Education and information

The Corporation shall establish a program under which crop insurance education and information is provided to producers in States in which (as determined by the Secretary)—

- **(A)** there is traditionally, and continues to be, a low level of Federal crop insurance participation and availability; and
- **(B)** producers are underserved by the Federal crop insurance program.
- (3) Partnerships for risk management education

#### (A) Authority

The Secretary, acting through the National Institute of Food and Agriculture, shall establish a program under which competitive grants are made to qualified public and private entities (including land grant colleges, cooperative extension services, and colleges or universities), as determined by the Secretary, for the purpose of educating agricultural producers about the full range of risk management activities, including futures, options, agricultural trade options, crop insurance, cash forward contracting, debt reduction, production diversification, farm resources risk reduction, and other risk management strategies.

#### (B) Basis for grants

A grant under this paragraph shall be awarded on the basis of merit and shall be subject to peer or merit review.

#### (C) Obligation period

Funds for a grant under this paragraph shall be available to the Secretary for obligation for a 2-year period.

#### (D) Administrative costs

The Secretary may use not more than 4 percent of the funds made available for grants under this paragraph for administrative costs incurred by the Secretary in carrying out this paragraph.

#### (4) Requirements

In carrying out the programs established under paragraphs (2) and (3), the Secretary shall place special emphasis on risk management strategies, education, and outreach specifically targeted at—

(A) beginning farmers or ranchers;

- **(B)** legal immigrant farmers or ranchers that are attempting to become established producers in the United States:
- **(C)** socially disadvantaged farmers or ranchers;
- (D) farmers or ranchers that—
- (i) are preparing to retire; and
- (ii) are using transition strategies to help new farmers or ranchers get started; and
- **(E)** new or established farmers or ranchers that are converting production and marketing systems to pursue new markets.

#### (5) Funding

From the insurance fund established under section 1516 (c) of this title, there is transferred—

- **(A)** for the education and information program established under paragraph (2), \$5,000,000 for fiscal year 2001 and each subsequent fiscal year; and
- **(B)** for the partnerships for risk management education program established under paragraph (3), \$5,000,000 for fiscal year 2001 and each subsequent fiscal year.

# (b) Agricultural management assistance

#### (1) Authority

The Secretary shall provide financial assistance to producers in the States of Connecticut, Delaware, Hawaii, Maryland, Massachusetts, Maine, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia, and Wyoming.

#### (2) Uses

A producer may use financial assistance provided under this subsection to—

- **(A)** construct or improve—
- (i) watershed management structures; or
- (ii) irrigation structures;
- **(B)** plant trees to form windbreaks or to improve water quality;
- **(C)** mitigate financial risk through production or marketing diversification or resource conservation practices, including—
- (i) soil erosion control;
- (ii) integrated pest management;
- (iii) organic farming; or
- (iv) to develop and implement a plan to create marketing opportunities for the producer, including through value-added processing;
- **(D)** enter into futures, hedging, or options contracts in a manner designed to help reduce production, price, or revenue risk;
- (E) enter into agricultural trade options as a hedging transaction to reduce production, price, or revenue risk; or
- **(F)** conduct any other activity relating to an activity described in subparagraphs (A) through (E), as determined by the Secretary.

#### (3) Payment limitation

The total amount of payments made to a person (as defined in section 1308 (5) [1] of this title) (before the amendment made by section 1703(a) [1] of the Food, Conservation, and Energy Act of 2008) under this subsection for any year may not exceed \$50,000.

### (4) Commodity Credit Corporation

#### (A) In general

The Secretary shall carry out this subsection through the Commodity Credit Corporation.

### (B) Funding

- (i) In general Except as provided in clause (ii), the Commodity Credit Corporation shall make available to carry out this subsection not less than \$10,000,000 for each fiscal year.
- (ii) Exception for certain fiscal years For each of fiscal years 2008 through 2014, the Commodity Credit Corporation shall make available to carry out this subsection \$15,000,000.

#### (C) Certain uses

Of the amounts made available to carry out this subsection for a fiscal year, the Commodity Credit Corporation shall use not less than—

- (i) 50 percent to carry out subparagraphs (A), (B), and (C) of paragraph (2) through the Natural Resources Conservation Service;
- (ii) 10 percent to provide organic certification cost share assistance through the Agricultural Marketing Service; and
- (iii) 40 percent to conduct activities to carry out subparagraph (F) of paragraph (2) through the Risk Management Agency.