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GRAIN STANDARDS AND WAREHOUSE IMPROVEMENT ACT OF 2000

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Public Law 106-472
106th Congress

An Act

To amend the United States Grain Standards Act to extend the authority of the Secretary of Agriculture to collect fees to cover the cost of services performed under that Act, extend the authorization of appropriations for that Act, and improve the administration of that Act, <<NOTE: Nov. 9, 2000 - [H.R. 4788]>> to reenact the United States Warehouse Act to require the licensing and inspection of warehouses used to store agricultural products and provide for the issuance of receipts, including electronic receipts, for agricultural products stored or handled in licensed warehouses, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States <<NOTE: Grain Standards and Warehouse Improvement Act of 2000.>> of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) <<NOTE: 7 USC 71 note.>> Short Title.--This Act may be cited as the ``Grain Standards and Warehouse Improvement Act of 2000''.

(b) Table of Contents.--The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I--GRAIN STANDARDS

- Sec. 101. Sampling for export grain.
- Sec. 102. Geographic boundaries for official agencies.
- Sec. 103. Authorization to collect fees.
- Sec. 104. Testing of equipment.
- Sec. 105. Limitation on administrative and supervisory costs.
- Sec. 106. Licenses and authorizations.
- Sec. 107. Grain additives.
- Sec. 108. Authorization of appropriations.
- Sec. 109. Advisory committee.
- Sec. 110. Conforming amendments.
- Sec. 111. Special effective date for certain expired provisions.

TITLE II--WAREHOUSES

- Sec. 201. Storage of agricultural products in warehouses.
- Sec. 202. Regulations.

TITLE III--MISCELLANEOUS

- Sec. 301. Energy generation, transmission, and distribution facilities efficiency grants and loans in rural communities with extremely high energy costs.
- Sec. 302. Carry forward adjustment.
- Sec. 303. Fees and penalties for mediation and arbitration of disputes involving agricultural products moving in foreign commerce under multinational entities.
- Sec. 304. Community facilities grant program for rural communities with extreme unemployment and severe economic depression.
- Sec. 305. Community facilities grant program for rural communities with high levels of out-migration or loss of population.
- Sec. 306. State agricultural mediation programs.
- Sec. 307. Adjustments to nutrition programs.

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- Sec. 308. Authorization for Secretary of Agriculture to purchase and transfer land.
- Sec. 309. Extension of time period for filing certain complaints alleging preparation of false inspection certificates.
- Sec. 310. International food relief partnership.

TITLE I--GRAIN STANDARDS

SEC. 101. SAMPLING FOR EXPORT GRAIN.

Section 5(a)(1) of the United States Grain Standards Act (7 U.S.C. 77(a)(1)) is amended by striking ``on the basis'' and all that follows through ``from the United States''.

SEC. 102. GEOGRAPHIC BOUNDARIES FOR OFFICIAL AGENCIES.

(a) Inspection Authority.--Section 7(f) of the United States Grain Standards Act (7 U.S.C. 79(f)) is amended by striking paragraph (2) and inserting the following:

``(2) Geographic boundaries for official agencies.--Not more than one official agency designated under paragraph (1) or State delegated authority under subsection (e)(2) to carry out the inspection provisions of this Act shall be operative at the same time in any geographic area defined by the Secretary, except that, if the Secretary determines that the presence of more than one designated official agency in the same geographic area will not undermine the policy stated in section 2, the Secretary may--

``(A) allow more than one designated official agency to carry out inspections within the same geographical area as part of a pilot program; and

``(B) allow a designated official agency to cross boundary lines to carry out inspections in another geographic area if the Secretary also determines that--

``(i) the current designated official agency for that geographic area is unable to provide inspection services in a timely manner;

``(ii) a person requesting inspection services in that geographic area has not been receiving official inspection services from the current designated official agency for that geographic area; or

``(iii) a person requesting inspection services in that geographic area requests a probe inspection on a barge-lot basis.''.

(b) Weighing Authority.--Section 7A(i) of the United States Grain Standards Act (7 U.S.C. 79a(i)) is amended--

(1) by striking ``(i) No'' and inserting the following:

``(i) Unauthorized Weighing Prohibited.--

``(1) In general.--No'';

(2) by striking the second sentence; and

(3) by adding at the end the following:

``(2) Geographic boundaries for official agencies.--Not more than one designated official agency referred to in paragraph (1) or State agency delegated authority pursuant to subsection (c) (2) to carry out the weighing provisions of this Act shall be operative at the same time in any geographic area defined by the Secretary, except that, if the Secretary determines that the presence of more than one designated official agency in the same geographic area will not undermine the policy stated in section 2, the Secretary may--

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``(A) allow more than one designated official agency to carry out the weighing provisions within the same geographical area as part of a pilot program; and

``(B) allow a designated official agency to cross boundary lines to carry out the weighing provisions in another geographic area if the Secretary also determines that--

``(i) the current designated official agency for that geographic area is unable to provide the weighing services in a timely manner; or

``(ii) a person requesting weighing services in that geographic area has not been receiving official weighing services from the current designated official agency for that geographic area.''.

SEC. 103. AUTHORIZATION TO COLLECT FEES.

(a) Inspection and Supervisory Fees.--Section 7(j)(4) of the United States Grain Standards Act (7 U.S.C. 79(j)(4)) is amended in the first sentence by striking ``2000'' and inserting ``2005''.

(b) Weighing and Supervisory Fees.--Section 7A(1)(3) of the United States Grain Standards Act (7 U.S.C. 79a(1)(3)) is amended in the first sentence by striking ``2000'' and inserting ``2005''.

SEC. 104. TESTING OF EQUIPMENT.

Section 7B(a) of the United States Grain Standards Act (7 U.S.C. 79b(a)) is amended in the first sentence by striking ``but at least annually and''.

SEC. 105. LIMITATION ON ADMINISTRATIVE AND SUPERVISORY COSTS.

Section 7D of the United States Grain Standards Act (7 U.S.C. 79d) is amended--

- (1) by striking ``2000'' and inserting ``2005''; and
- (2) by striking ``40 per centum'' and inserting ``30 percent''.

SEC. 106. LICENSES AND AUTHORIZATIONS.

Section 8(a)(3) of the United States Grain Standards Act (7 U.S.C. 84(a)(3)) is amended by inserting ``inspection, weighing,' after ``laboratory testing,'.

SEC. 107. GRAIN ADDITIVES.

Section 13(e)(1) of the United States Grain Standards Act (7 U.S.C. 87b(e)(1)) is amended by inserting ``, or prohibit disguising the quality of grain,' after ``sound and pure grain''.

SEC. 108. AUTHORIZATION OF APPROPRIATIONS.

Section 19 of the United States Grain Standards Act (7 U.S.C. 87h) is amended by striking ``2000'' and inserting ``2005''.

SEC. 109. ADVISORY COMMITTEE.

Section 21(e) of the United States Grain Standards Act (7 U.S.C. 87j(e)) is amended by striking ``2000'' and inserting ``2005''.

SEC. 110. CONFORMING AMENDMENTS.

(a) Section 8 of the United States Grain Standards Act of 1976 (7 U.S.C. 79 note; Public Law 94-582) is amended--

- (1) <<NOTE: 7 USC 79.>> by striking ``(a)''; and
- (2) <<NOTE: 7 USC 79 note.>> by striking subsection (b).

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(b) Sections 23, 24, and 25 of the United States Grain Standards Act of 1976 (7 U.S.C. 87e-1; 7 U.S.C. 76 note; Public Law 94-582) are repealed.

(c) Section 27 of the United States Grain Standards Act of 1976 (7 U.S.C. 74 note; Public Law 94-582) is amended by striking ``; and thereafter'' and all that follows and inserting a period.

SEC. 111. <<NOTE: 7 USC 79 note.>> SPECIAL EFFECTIVE DATE FOR CERTAIN EXPIRED PROVISIONS.

The amendments made by sections 103, 105, 108, and 109 shall take effect as if enacted on September 30, 2000.

TITLE II--WAREHOUSES

SEC. 201. STORAGE OF AGRICULTURAL PRODUCTS IN WAREHOUSES.

The United States Warehouse Act (7 U.S.C. 241 et seq.) is amended to read as follows:

``SECTION 1. <<NOTE: 7 USC 241 note.>> SHORT TITLE.

``This Act may be cited as the `United States Warehouse Act'.

``SEC. 2. <<NOTE: 7 USC 241.>> DEFINITIONS.

``In this Act:

``(1) Agricultural product.--The term `agricultural product' means an agricultural commodity, as determined by the Secretary, including a processed product of an agricultural commodity.

``(2) Approval.--The term `approval' means the consent provided by the Secretary for a person to engage in an activity authorized by this Act.

``(3) Department.--The term `Department' means the Department of Agriculture.

``(4) Electronic document.--The term `electronic document' means a document that is generated, sent, received, or stored by electronic, optical, or similar means, including electronic data interchange, electronic mail, telegram, telex, or telecopy.

``(5) Electronic receipt.--The term `electronic receipt' means a receipt that is authorized by the Secretary to be issued or transmitted under this Act in the form of an electronic document.

``(6) Holder.--The term `holder' means a person that has possession in fact or by operation of law of a receipt or any electronic document.

``(7) Person.--The term `person' means--

``(A) a person (as defined in section 1 of title 1, United States Code);

``(B) a State; and

``(C) a political subdivision of a State.

``(8) Receipt.--The term `receipt' means a warehouse receipt issued in accordance with this Act, including an electronic receipt.

``(9) Secretary.--The term `Secretary' means the Secretary of Agriculture.

``(10) Warehouse.--The term `warehouse' means a structure or other approved storage facility, as determined by the

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Secretary, in which any agricultural product may be stored or handled for the purposes of interstate or foreign commerce.

``(11) Warehouse operator.--The term `warehouse operator' means a person that is lawfully engaged in the business of storing or handling agricultural products.

``SEC. 3. <<NOTE: 7 USC 242.>> POWERS OF SECRETARY.

``(a) In General.--The Secretary shall have exclusive power, jurisdiction, and authority, to the extent that this Act applies, with respect to--

``(1) each warehouse operator licensed under this Act;

``(2) each person that has obtained an approval to engage in an activity under this Act; and

``(3) each person claiming an interest in an agricultural product by means of a document or receipt subject to this Act.

``(b) Covered Agricultural Products.--The Secretary shall specify, after an opportunity for notice and comment, those agricultural products for which a warehouse license may be issued under this Act.

``(c) Investigations.--The Secretary may investigate the storing, warehousing, classifying according to grade and otherwise, weighing, and certifying of agricultural products.

``(d) Inspections.--The Secretary may inspect or cause to be inspected any person or warehouse licensed under this Act and any warehouse for which a license is applied for under this Act.

``(e) Suitability for Storage.--The Secretary may determine whether a licensed warehouse, or a warehouse for which a license is applied for under this Act, is suitable for the proper storage of the agricultural product or products stored or proposed for storage in the warehouse.

``(f) Classification.--The Secretary may classify a licensed warehouse, or a warehouse for which a license is applied for under this Act, in accordance with the ownership, location, surroundings, capacity, conditions, and other qualities of the warehouse and as to the kinds of licenses issued or that may be issued for the warehouse under this Act.

``(g) Warehouse Operator's Duties.--Subject to the other provisions of this Act, the Secretary may prescribe the duties of a warehouse operator operating a warehouse licensed under this Act with respect to the warehouse operator's care of and responsibility for agricultural products stored or handled by the warehouse operator.

``(h) Systems for Electronic Conveyance.--

``(1) Regulations governing electronic systems.--Except as provided in paragraph (2), the Secretary may promulgate regulations governing one or more electronic systems under which electronic receipts may be issued and transferred and other electronic documents relating to the shipment, payment, and financing of the sale of agricultural products may be issued or transferred.

``(2) Limitations.--The Secretary shall not have the authority under this Act to establish--

``(A) one or more central filing systems for the filing of financing statements or the filing of the notice of financing statements; or

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``(B) rules to determine security interests of persons affected by this Act.

``(i) Examination and Audits.--In addition to the authority provided under subsection (1), on request of the person, State agency, or commodity exchange, the Secretary may conduct an examination, audit, or similar activity with respect to--

``(1) any person that is engaged in the business of storing an agricultural product that is subject to this Act;

``(2) any State agency that regulates the storage of an agricultural product by such a person; or

``(3) any commodity exchange with regulatory authority over the storage of agricultural products that are subject to this Act.

``(j) Licenses for Operation of Warehouses.--The Secretary may issue to any warehouse operator a license for the operation of a warehouse in accordance with this Act if--

``(1) the Secretary determines that the warehouse is suitable for the proper storage of the agricultural product or products stored or proposed for storage in the warehouse; and

``(2) the warehouse operator agrees, as a condition of the license, to comply with this Act (including regulations promulgated under this Act).

``(k) Licensing of Other Persons.--

``(1) In general.--On presentation of satisfactory proof of competency to carry out the activities described in this paragraph, the Secretary may issue to any person a Federal license--

``(A) to inspect any agricultural product stored or handled in a warehouse subject to this Act;

``(B) to sample such an agricultural product;

``(C) to classify such an agricultural product according to condition, grade, or other class and certify the condition, grade, or other class of the agricultural product; or

``(D) to weigh such an agricultural product and certify the weight of the agricultural product.

``(2) Condition.--As a condition of a license issued under paragraph (1), the licensee shall agree to comply with this Act (including regulations promulgated under this Act).

``(1) Examination of Books, Records, Papers, and Accounts.--The Secretary may examine and audit, using designated officers, employees, or agents of the Department, all books, records, papers, and accounts relating to activities subject to this Act of--

``(1) a warehouse operator operating a warehouse licensed under this Act;

``(2) a person operating a system for the electronic recording and transfer of receipts and other documents authorized by the Secretary; or

``(3) any other person issuing receipts or electronic documents authorized by the Secretary under this Act.

``(m) Cooperation With States.--The Secretary may--

``(1) cooperate with officers and employees of a State who administer or enforce State laws relating to warehouses, warehouse operators, weighers, graders, inspectors, samplers, or classifiers; and

``(2) enter into cooperative agreements with States to perform activities authorized under this Act.

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``SEC. 4. <<NOTE: 7 USC 243.>> IMPOSITION AND COLLECTION OF FEES.

``(a) In General.--The Secretary shall assess persons covered by this Act fees to cover the costs of administering this Act.

``(b) Rates.--The fees under this section shall be set at a rate determined by the Secretary.

``(c) Treatment of Fees.--All fees collected under this section shall be credited to the account that incurs the costs of administering this Act and shall be available to the Secretary without further appropriation and without fiscal year limitation.

``(d) Interest.--Funds collected under this section may be deposited in an interest-bearing account with a financial institution, and any interest earned on the account shall be credited under subsection (c).

``(e) Efficiencies and Cost Effectiveness.--

``(1) In general.--The Secretary shall seek to minimize the fees established under this section by improving efficiencies and reducing costs, including the efficient use of personnel to the extent practicable and consistent with the effective implementation of this Act.

``(2) Report.--The Secretary shall publish an annual report on the actions taken by the Secretary to comply with paragraph (1).

``SEC. 5. <<NOTE: 7 USC 244.>> QUALITY AND VALUE STANDARDS.

``If standards for the evaluation or determination of the quality or value of an agricultural product are not established under another Federal law, the Secretary may establish standards for the evaluation or determination of the quality or value of the agricultural product under this Act.

``SEC. 6. <<NOTE: 7 USC 245.>> BONDING AND OTHER FINANCIAL ASSURANCE REQUIREMENTS.

``(a) In General.--As a condition of receiving a license or approval under this Act (including regulations promulgated under this Act), the person applying for the license or approval shall execute and file with the Secretary a bond, or provide such other financial assurance as the Secretary determines appropriate, to secure the person's performance of the activities so licensed or approved.

``(b) Service of Process.--To qualify as a suitable bond or other financial assurance under subsection (a), the surety, sureties, or financial institution shall be subject to service of process in suits on the bond or other financial assurance in the State, district, or territory in which the warehouse is located.

``(c) Additional Assurances.--If the Secretary determines that a previously approved bond or other financial assurance is insufficient, the Secretary may suspend or revoke the license or approval covered by the bond or other financial assurance if the person that filed the bond or other financial assurance does not provide such additional bond or other financial assurance as the Secretary determines appropriate.

``(d) Third Party Actions.--Any person injured by the breach of any obligation arising under this Act for which a bond or other financial assurance has been obtained as required by this section may sue with respect to the bond or other financial assurance in a district court of the United States to recover the damages that the person sustained as a result of the breach.

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``SEC. 7. <<NOTE: 7 USC 246.>> MAINTENANCE OF RECORDS.

``To facilitate the administration of this Act, the following persons shall maintain such records and make such reports, as the Secretary may by regulation require:

``(1) A warehouse operator that is licensed under this Act.

``(2) A person operating a system for the electronic recording and transfer of receipts and other documents that are authorized under this Act.

``(3) Any other person engaged in the issuance of electronic receipts or the transfer of documents under this Act.

``SEC. 8. <<NOTE: 7 USC 247.>> FAIR TREATMENT IN STORAGE OF AGRICULTURAL PRODUCTS.

``(a) In General.--Subject to the capacity of a warehouse, a warehouse operator shall deal, in a fair and reasonable manner, with persons storing, or seeking to store, an agricultural product in the warehouse if the agricultural product--

``(1) is of the kind, type, and quality customarily stored or handled in the area in which the warehouse is located;
``(2) is tendered to the warehouse operator in a suitable condition for warehousing; and
``(3) is tendered in a manner that is consistent with the ordinary and usual course of business.

``(b) Allocation.--Nothing in this section prohibits a warehouse operator from entering into an agreement with a depositor of an agricultural product to allocate available storage space.

``SEC. 9. <<NOTE: 7 USC 248.>> COMMINGLING OF AGRICULTURAL PRODUCTS.

``(a) In General.--A warehouse operator may commingle agricultural products in a manner approved by the Secretary.

``(b) Liability.--A warehouse operator shall be severally liable to each depositor or holder for the care and redelivery of the share of the depositor and holder of the commingled agricultural product to the same extent and under the same circumstances as if the agricultural products had been stored separately.

``SEC. 10. <<NOTE: 7 USC 249.>> TRANSFER OF STORED AGRICULTURAL PRODUCTS.

``(a) In General.--In accordance with regulations promulgated under this Act, a warehouse operator may transfer a stored agricultural product from one warehouse to another warehouse for continued storage.

``(b) Continued Duty.--The warehouse operator from which agricultural products have been transferred under subsection (a) shall deliver to the rightful owner of such products, on request at the original warehouse, such products in the quantity and of the kind, quality, and grade called for by the receipt or other evidence of storage of the owner.

``SEC. 11. <<NOTE: 7 USC 250.>> WAREHOUSE RECEIPTS.

``(a) In General.--At the request of the depositor of an agricultural product stored or handled in a warehouse licensed under this Act, the warehouse operator shall issue a receipt to the depositor as prescribed by the Secretary.

``(b) Actual Storage Required.--A receipt may not be issued under this section for an agricultural product unless the agricultural product is actually stored in the warehouse at the time of the issuance of the receipt.

``(c) Contents.--Each receipt issued for an agricultural product stored or handled in a warehouse licensed under this Act shall

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contain such information, for each agricultural product covered by the receipt, as the Secretary may require by regulation.

``(d) Prohibition on Additional Receipts or Other Documents.--

``(1) Receipts.--While a receipt issued under this Act is outstanding and uncanceled by the warehouse operator, an additional receipt may not be issued for the same agricultural product (or any portion of the same agricultural product) represented by the outstanding receipt, except as authorized by the Secretary.

``(2) Other documents.--If a document is transferred under this section, no duplicate document in any form may be

transferred by any person with respect to the same agricultural product represented by the document, except as authorized by the Secretary.

``(e) Electronic Receipts and Electronic Documents.--Except as provided in section 3(h)(2), notwithstanding any other provision of Federal or State law:

``(1) In general.--The Secretary may promulgate regulations that authorize the issuance, recording, and transfer of electronic receipts, and the transfer of other electronic documents, in accordance with this subsection.

``(2) Electronic receipt or electronic document systems.--Electronic receipts may be issued, recorded, and transferred, and electronic documents may be transferred, under this subsection with respect to an agricultural product under, a system or systems maintained in one or more locations and approved by the Secretary in accordance with regulations issued under this Act.

``(3) Treatment of holder.--Any person designated as the holder of an electronic receipt or other electronic document issued or transferred under this Act shall, for the purpose of perfecting the security interest of the person under Federal or State law and for all other purposes, be considered to be in possession of the receipt or other electronic document.

``(4) Nondiscrimination.--An electronic receipt issued, or other electronic document transferred, in accordance with this Act shall not be denied legal effect, validity, or enforceability on the ground that the information is generated, sent, received, or stored by electronic or similar means.

``(5) Security interests.--If more than one security interest exists in the agricultural product that is the subject of an electronic receipt or other electronic document under this Act, the priority of the security interest shall be determined by the applicable Federal or State law.

``(6) No electronic receipt required.--A person shall not be required to issue in electronic form a receipt or document with respect to an agricultural product.

``(7) Option for non-federally licensed warehouse operators.--Notwithstanding any other provision of this Act, a warehouse operator not licensed under this Act may, at the option of the warehouse operator and in accordance with regulations established by the Secretary, issue electronic receipts and transfer other electronic documents in accordance with this Act.

``(8) Application to state-licensed warehouse operators.--This subsection shall not apply to a warehouse operator

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that is licensed under State law to store agricultural commodities in a warehouse in the State if the warehouse operator elects--

``(A) not to issue electronic receipts authorized under this subsection; or

``(B) to issue electronic receipts authorized under State law.

``SEC. 12. <<NOTE: 7 USC 251.>> CONDITIONS FOR DELIVERY OF AGRICULTURAL PRODUCTS.

``(a) Prompt Delivery.--In the absence of a lawful excuse, a warehouse operator shall, without unnecessary delay, deliver the agricultural product stored or handled in the warehouse on a demand made by--

``(1) the holder of the receipt for the agricultural product; or

``(2) the person that deposited the product, if no receipt has been issued.

``(b) Payment To Accompany Demand.--Prior to delivery of the agricultural product, payment of the accrued charges associated with the storage of the agricultural product, including satisfaction of the warehouseman's lien, shall be made if requested by the warehouse operator.

``(c) Surrender of Receipt.--When the holder of a receipt requests delivery of an agricultural product covered by the receipt, the holder shall surrender the receipt to the warehouse operator, in the manner prescribed by the Secretary, to obtain the agricultural product.

``(d) Cancellation of Receipt.--A warehouse operator shall cancel each receipt returned to the warehouse operator upon the delivery of the agricultural product for which the receipt was issued.

``SEC. 13. <<NOTE: 7 USC 252.>> SUSPENSION OR REVOCATION OF LICENSES.

``(a) In General.--After providing notice and an opportunity for a hearing in accordance with this section, the Secretary may suspend or revoke any license issued, or approval for an activity provided, under this Act--

``(1) for a material violation of, or failure to comply, with any provision of this Act (including regulations promulgated under this Act); or

``(2) on the ground that unreasonable or exorbitant charges have been imposed for services rendered.

``(b) Temporary Suspension.--The Secretary may temporarily suspend a license or approval for an activity under this Act prior to an opportunity for a hearing for any violation of, or failure to comply with, any provision of this Act (including regulations promulgated under this Act).

``(c) Authority To Conduct Hearings.--The agency within the Department that is responsible for administering regulations promulgated under this Act shall have exclusive authority to conduct any hearing required under this section.

``(d) Judicial Review.--

``(1) Jurisdiction.--A final administrative determination issued subsequent to a hearing may be reviewable only in a district court of the United States.

``(2) Procedure.--The review shall be conducted in accordance with the standards set forth in section 706(2) of title 5, United States Code.

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``SEC. 14. <<NOTE: 7 USC 253.>> PUBLIC INFORMATION.

``(a) In General.--The Secretary may release to the public the names, addresses, and locations of all persons--

``(1) that have been licensed under this Act or that have been approved to engage in an activity under this Act; and

``(2) with respect to which a license or approval has been

suspended or revoked under section 13, the results of any investigation made or hearing conducted under this Act, including the reasons for the suspension or revocation.

``(b) Confidentiality.--Except as otherwise provided by law, an officer, employee, or agent of the Department shall not divulge confidential business information obtained during a warehouse examination or other function performed as part of the duties of the officer, employee, or agent under this Act.

``SEC. 15. <<NOTE: 7 USC 254.>> PENALTIES FOR NONCOMPLIANCE.

``If a person fails to comply with any requirement of this Act (including regulations promulgated under this Act), the Secretary may assess, on the record after an opportunity for a hearing, a civil penalty--

- ``(1) of not more than \$25,000 per violation, if an agricultural product is not involved in the violation; or
- ``(2) of not more than 100 percent of the value of the agricultural product, if an agricultural product is involved in the violation.

``SEC. 16. <<NOTE: 7 USC 255.>> JURISDICTION AND ARBITRATION.

``(a) Federal Jurisdiction.--A district court of the United States shall have exclusive jurisdiction over any action brought under this Act without regard to the amount in controversy or the citizenship of the parties.

``(b) Arbitration.--Nothing in this Act prevents the enforceability of an agreement to arbitrate that would otherwise be enforceable under chapter 1 of title 9, United States Code.

``SEC. 17. <<NOTE: 7 USC 256.>> AUTHORIZATION OF APPROPRIATIONS.

``There are authorized to be appropriated such sums as are necessary to carry out this Act.''.

SEC. 202. <<NOTE: 7 USC 241 note.>> REGULATIONS.

(a) Proposed Regulations.--Not <<NOTE: Deadline. Federal Register, publication.>> later than 90 days after the date of the enactment of this Act, the Secretary of Agriculture shall publish in the Federal Register proposed regulations for carrying out the amendment made by section 201.

(b) Final Regulations.--Not <<NOTE: Deadline.>> later than 180 days after the date of the enactment of this Act, the Secretary shall promulgate final regulations for carrying out the amendment made by section 201.

(c) Effectiveness of Existing Act.--The United States Warehouse Act (7 U.S.C. 241 et seq.) (as it existed before the amendment made by section 201) shall be effective until the earlier of--

- (1) the date on which final regulations are promulgated under subsection (b); or
- (2) August 1, 2001.

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TITLE III--MISCELLANEOUS

SEC. 301. ENERGY GENERATION, TRANSMISSION, AND DISTRIBUTION FACILITIES
EFFICIENCY GRANTS AND LOANS IN RURAL COMMUNITIES WITH
EXTREMELY HIGH ENERGY COSTS.

Title I of the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is amended by adding at the end the following:

``SEC. 19. <<NOTE: 7 USC 918a.>> ENERGY GENERATION, TRANSMISSION, AND
DISTRIBUTION FACILITIES EFFICIENCY GRANTS AND LOANS IN RURAL
COMMUNITIES WITH EXTREMELY HIGH ENERGY COSTS.

``(a) In General.--The Secretary, acting through the Rural Utilities Service, may--

``(1) in coordination with State rural development initiatives, make grants and loans to persons, States, political subdivisions of States, and other entities organized under the laws of States to acquire, construct, extend, upgrade, and otherwise improve energy generation, transmission, or distribution facilities serving communities in which the average residential expenditure for home energy is at least 275 percent of the national average residential expenditure for home energy (as determined by the Energy Information Agency using the most recent data available);

``(2) make grants and loans to the Denali Commission established by the Denali Commission Act of 1998 (42 U.S.C. 3121 note; Public Law 105-277) to acquire, construct, extend, upgrade, and otherwise improve energy generation, transmission, or distribution facilities serving communities described in paragraph (1); and

``(3) make grants to State entities, in existence as of the date of the enactment of this section, to establish and support a revolving fund to provide a more cost-effective means of purchasing fuel where the fuel cannot be shipped by means of surface transportation.

``(b) Authorization of Appropriations.--

``(1) In general.--There are authorized to be appropriated to carry out this section \$50,000,000 for fiscal year 2001 and such sums as are necessary for each subsequent fiscal year.

``(2) Limitation on planning and administrative expenses.--Not more than 4 percent of the amounts made available under paragraph (1) may be used for planning and administrative expenses.''.

SEC. 302. <<NOTE: 7 USC 1314e note.>> CARRY FORWARD ADJUSTMENT.

The amendments made by section 204(b)(10)(A) of the Agricultural Risk Protection Act of 2000 shall apply beginning with undermarketings of the 2001 crop of burley tobacco and with marketings of the 2002 crop of burley tobacco.

SEC. 303. FEES AND PENALTIES FOR MEDIATION AND ARBITRATION OF DISPUTES
INVOLVING AGRICULTURAL PRODUCTS MOVING IN FOREIGN COMMERCE
UNDER MULTINATIONAL ENTITIES.

Section 203(e) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(e)) is amended--

(1) by striking ``(e) To'' and inserting the following:

``(e) Development of New Markets.--

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``(1) In general.--To''; and

(2) by adding at the end the following:

``(2) Fees and penalties.--

``(A) In general.--In carrying out paragraph (1), the Secretary may assess and collect reasonable fees and late payment penalties to mediate and arbitrate disputes arising between parties in connection with transactions involving agricultural products moving in foreign commerce under the jurisdiction of a multinational entity.

``(B) Deposit.--Fees and penalties collected under subparagraph (A) shall be deposited into the account that incurred the cost of providing the mediation or arbitration service.

``(C) Availability.--Fees and penalties collected under subparagraph (A) shall be available to the Secretary without further Act of appropriation and shall remain available until expended to pay the expenses of the Secretary for providing mediation and arbitration services under this paragraph.

``(D) No requirement for use of services.--No person shall be required by the Secretary to use the mediation and arbitration services provided under this paragraph.''.

SEC. 304. COMMUNITY FACILITIES GRANT PROGRAM FOR RURAL COMMUNITIES WITH EXTREME UNEMPLOYMENT AND SEVERE ECONOMIC DEPRESSION.

(a) In General.--Section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) is amended by adding at the end the following:

``(20) Community facilities grant program for rural communities with extreme unemployment and severe economic depression.--

``(A) Definition of not employed rate.--In this paragraph, the term 'not employed rate', with respect to a community, means the percentage of individuals over the age of 18 who reside within the community and who are ready, willing, and able to be employed but are unable to find employment, as determined by the department of labor of the State in which the community is located.

``(B) Grant authority.--The Secretary may make grants to associations, units of general local government, nonprofit corporations, and Indian tribes (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)) in a State to provide the Federal share of the cost of developing specific essential community facilities in rural communities with respect to which the not employed rate is greater than the lesser of--

``(i) 500 percent of the average national unemployment rate on the date of the enactment of this paragraph, as determined by the Bureau of Labor Statistics; or

``(ii) 200 percent of the average national

unemployment rate during the Great Depression, as determined by the Bureau of Labor Statistics.

``(C) Federal share.--Paragraph (19)(B) shall apply to a grant made under this paragraph.

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``(D) Authorization of appropriations.--There are authorized to be appropriated to carry out this paragraph \$50,000,000 for fiscal year 2001 and such sums as are necessary for each subsequent fiscal year, of which not more than 5 percent of the amount made available for a fiscal year shall be available for community planning and implementation.''.

(b) Conforming Amendment.--Section 381E(d)(1)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009d(d)(1)(B)) is amended by striking ``section 306(a)(19)'' and inserting ``paragraph (19) or (20) of section 306(a)''.

SEC. 305. COMMUNITY FACILITIES GRANT PROGRAM FOR RURAL COMMUNITIES WITH HIGH LEVELS OF OUT-MIGRATION OR LOSS OF POPULATION.

(a) In General.--Section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) (as amended by section 304(a)) is amended by adding at the end the following:

``(21) Community facilities grant program for rural communities with high levels of out-migration or loss of population.--

``(A) Grant authority.--The Secretary may make grants to associations, units of general local government, nonprofit corporations, and Indian tribes (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)) in a State to provide the Federal share of the cost of developing specific essential community facilities in any geographic area--

``(i) that is represented by--

``(I) any political subdivision of a State;

``(II) an Indian tribe on a Federal or State reservation; or

``(III) other federally recognized Indian tribal group;

``(ii) that is located in a rural area (as defined in section 381A);

``(iii) with respect to which, during the most recent 5-year period, the net out-migration of inhabitants, or other population loss, from the area equals or exceeds 5 percent of the population of the area; and

``(iv) that has a median household income that is less than the nonmetropolitan median household income of the United States.

``(B) Federal share.--Paragraph (19)(B) shall apply to a grant made under this paragraph.

``(C) Authorization of appropriations.--There are authorized to be appropriated to carry out this paragraph \$50,000,000 for fiscal year 2001 and such sums as are necessary for each subsequent fiscal year, of

which not more than 5 percent of the amount made available for a fiscal year shall be available for community planning and implementation.''.

(b) Conforming Amendment.--Section 381E(d)(1)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009d(d)(1)(B)) (as amended by section 304(b)) is amended by striking ``paragraph (19) or (20)'' and inserting ``paragraph (19), (20), or (21)''.

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SEC. 306. STATE AGRICULTURAL MEDIATION PROGRAMS.

(a) Eligible Person; Mediation Services.--Section 501 of the Agricultural Credit Act of 1987 (7 U.S.C. 5101) is amended--

(1) in subsection (c), by striking paragraphs (1) and (2) and inserting the following:

``(1) Issues covered.--

``(A) In general.--To be certified as a qualifying State, the mediation program of the State must provide mediation services to persons described in paragraph (2) that are involved in agricultural loans (regardless of whether the loans are made or guaranteed by the Secretary or made by a third party).

``(B) Other issues.--The mediation program of a qualifying State may provide mediation services to persons described in paragraph (2) that are involved in one or more of the following issues under the jurisdiction of the Department of Agriculture:

``(i) Wetlands determinations.

``(ii) Compliance with farm programs, including conservation programs.

``(iii) Agricultural credit.

``(iv) Rural water loan programs.

``(v) Grazing on National Forest System land.

``(vi) Pesticides.

``(vii) Such other issues as the Secretary considers appropriate.

``(2) Persons eligible for mediation.--

``(A) In general.--Subject to subparagraph (B), the persons referred to in paragraph (1) include--

``(i) agricultural producers;

``(ii) creditors of producers (as applicable);

and

``(iii) persons directly affected by actions of the Department of Agriculture.

``(B) Voluntary participation.--

``(i) In general.--Subject to clause (ii) and section 503, a person may not be compelled to participate in mediation services provided under this Act.

``(ii) State laws.--Clause (i) shall not affect a State law requiring mediation before foreclosure on agricultural land or property.''; and

(2) by adding at the end the following:

``(d) Definition of Mediation Services.--In this section, the term 'mediation services', with respect to mediation or a request for mediation, may include all activities related to--

- ``(1) the intake and scheduling of cases;
- ``(2) the provision of background and selected information regarding the mediation process;
- ``(3) financial advisory and counseling services (as appropriate) performed by a person other than a State mediation program mediator; and
- ``(4) the mediation session.''.

(b) Use of Mediation Grants.--Section 502(c) of the Agricultural Credit Act of 1987 (7 U.S.C. 5102(c)) is amended--

- (1) by striking ``Each'' and inserting the following:
``(1) In general.--Each''; and
- (2) by adding at the end the following:

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``(2) Operation and administration expenses.--For purposes of paragraph (1), operation and administration expenses for which a grant may be used include--

- ``(A) salaries;
- ``(B) reasonable fees and costs of mediators;
- ``(C) office rent and expenses, such as utilities and equipment rental;
- ``(D) office supplies;
- ``(E) administrative costs, such as workers' compensation, liability insurance, the employer's share of Social Security, and necessary travel;
- ``(F) education and training;
- ``(G) security systems necessary to ensure the confidentiality of mediation sessions and records of mediation sessions;
- ``(H) costs associated with publicity and promotion of the mediation program;
- ``(I) preparation of the parties for mediation; and
- ``(J) financial advisory and counseling services for parties requesting mediation.''.

(c) Authorization of Appropriations.--Section 506 of the Agricultural Credit Act of 1987 (7 U.S.C. 5106) is amended by striking ``2000'' and inserting ``2005''.

SEC. 307. ADJUSTMENTS TO NUTRITION PROGRAMS.

(a) Payment of Costs Associated With Removal of Commodities That Pose a Health or Safety Risk.--Section 15(e) of the Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note; Public Law 100-237) is amended by striking ``2000'' and inserting ``2003''.

(b) Special Supplemental Nutrition Program for Women, Infants, and Children.--

(1) Cost-of-living allowances for members of uniformed services.--Section 17(d)(2)(B)(ii) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(2)(B)(ii)) is amended by striking ``continental'' and inserting ``contiguous States of the''.

(2) Demonstration project.--Effective October 1, 2000, section 17(r)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(r)(1)) is amended by striking ``at least 20 local agencies'' and inserting ``not more than 20 local agencies''.

(c) Child and Adult Care Food Program.--

(1) Technical amendments.--Section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) is amended--

(A) by striking the section heading and all that follows through ``Sec. 17.'' and inserting the following:

``SEC. 17. CHILD AND ADULT CARE FOOD PROGRAM.'';

and

(B) in subsection (a)(6)(C)(ii), by striking ``and'' at the end.

(2) Exceptions to hearing requirements.--Section 17(d)(5)(D) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(d)(5)(D)) is amended--

(A) by striking ``(D) Hearing.--An institution'' and inserting the following:

``(D) Hearing.--

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``(i) In general.--Except as provided in clause (ii), an institution''; and

(B) by adding at the end the following:

``(ii) Exception for false or fraudulent claims.--

``(I) In general.--If a State agency determines that an institution has knowingly submitted a false or fraudulent claim for reimbursement, the State agency may suspend the participation of the institution in the program in accordance with this clause.

``(II) Requirement for review.--Prior to any determination to suspend participation of an institution under subclause (I), the State agency shall provide for an independent review of the proposed suspension in accordance with subclause (III).

``(III) Review procedure.--The review shall--

``(aa) be conducted by an independent and impartial official other than, and not accountable to, any person involved in the determination to suspend the institution;

``(bb) provide the State agency and the institution the right to submit written documentation relating to the suspension, including State agency documentation of the alleged false or fraudulent claim for reimbursement and the response of the institution to the documentation;

``(cc) require the reviewing official to determine, based on the review, whether the State

agency has established, based on a preponderance of the evidence, that the institution has knowingly submitted a false or fraudulent claim for reimbursement;

``(dd) require the <<NOTE: Deadline.>> suspension to be in effect for not more than 120 calendar days after the institution has received notification of a determination of suspension in accordance with this clause; and

``(ee) require the State agency during the suspension to ensure that payments continue to be made to sponsored centers and family and group day care homes meeting the requirements of the program.

``(IV) Hearing.--A State agency shall provide an institution that has been suspended from participation in the program under this clause an opportunity for a fair hearing on the suspension conducted in accordance with subsection (e) (1).''.

(3) Statewide demonstration projects involving private for-profit organizations providing nonresidential day care services.--Section 17(p)(3)(C) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(p)(3)(C)) is amended--
(A) in clause (iii), by striking ``all families'' and inserting ``all low-income families''; and

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(B) in clause (iv), by striking ``made'' and inserting ``reported for fiscal year 1998''.

SEC. 308. AUTHORIZATION FOR SECRETARY OF AGRICULTURE TO PURCHASE AND TRANSFER LAND.

Subject to the availability of funds appropriated to the Agricultural Research Service, the Secretary of Agriculture may--

(1) purchase a tract of land in the State of South Carolina that is contiguous to land owned on the date of the enactment of this Act by the Department of Agriculture, acting through the Coastal Plains Soil, Water, and Plant Research Center of the Agricultural Research Service; and

(2) transfer land owned by the Department of Agriculture to the Florence Darlington Technical College, South Carolina, in exchange for land owned by the College.

SEC. 309. EXTENSION OF TIME PERIOD FOR FILING CERTAIN COMPLAINTS ALLEGING PREPARATION OF FALSE INSPECTION CERTIFICATES.

Notwithstanding section 6(a)(1) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499f(a)(1)), a person that desires to file a complaint under section 6 of that Act involving the allegation of

a false inspection certificate prepared by a grader of the Department of Agriculture at Hunts Point Terminal Market, Bronx, New York, prior to October 27, 1999, may file the complaint not later than January 1, 2001.

SEC. 310. INTERNATIONAL FOOD RELIEF PARTNERSHIP.

(a) Assistance for Stockpiling and Rapid Transportation, Delivery, and Distribution of Shelf-Stable Prepackaged Foods.--Title II of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1721 et seq.) is amended by adding at the end the following:

``SEC. 208. <<NOTE: 7 USC 1726b.>> ASSISTANCE FOR STOCKPILING AND RAPID TRANSPORTATION, DELIVERY, AND DISTRIBUTION OF SHELF-STABLE PREPACKAGED FOODS.

``(a) In General.--The Administrator may provide grants to--

``(1) United States nonprofit organizations (described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of the Internal Revenue Code of 1986) for the preparation of shelf-stable prepackaged foods requested by eligible organizations and the establishment and maintenance of stockpiles of the foods in the United States; and

``(2) private voluntary organizations and international organizations for the rapid transportation, delivery, and distribution of shelf-stable prepackaged foods described in paragraph (1) to needy individuals in foreign countries.

``(b) Grants for Establishment of Stockpiles.--

``(1) In general.--Not more than 70 percent of the amount made available to carry out this section shall be used to provide grants under subsection (a)(1).

``(2) Priority.--In providing grants under subsection (a)(1), the Administrator shall provide a preference to a United States nonprofit organization that agrees to provide--

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``(A) non-Federal funds in an amount equal to 50 percent of the amount of funds received under a grant under subsection (a)(1);

``(B) an in-kind contribution in an amount equal to that percentage; or

``(C) a combination of such funds and an in-kind contribution,

for the preparation of shelf-stable prepackaged foods and the establishment and maintenance of stockpiles of the foods in the United States in accordance with subsection (a)(1).

``(c) Grants for Rapid Transportation, Delivery, and Distribution.-- Not less than 20 percent of the amount made available to carry out this section shall be used to provide grants under subsection (a)(2).

``(d) Administration.--Not more than 10 percent of the amount made available to carry out this section may be used by the Administrator for the administration of grants under subsection (a).

``(e) Regulations or Guidelines.--Not <<NOTE: Deadline.>> later than 180 days after the date of the enactment of this section, the Administrator, in consultation with the Secretary, shall issue such regulations or guidelines as the Administrator determines to be necessary to carry out this section, including regulations or guidelines

that provide to United States nonprofit organizations eligible to receive grants under subsection (a)(1) guidance with respect to the requirements for qualified shelf-stable prepackaged foods and the quantity of the foods to be stockpiled by the organizations.

“(f) Authorization of Appropriations.--There is authorized to be appropriated to the Administrator to carry out this section, in addition to amounts otherwise available to carry out this section, \$3,000,000 for each of fiscal years 2001 and 2002, to remain available until expended.”.

(b) Prepositioning of Commodities.--Section 407(c) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1736a(c)) is amended by adding at the end the following:

“(4) Prepositioning.--Funds made available for fiscal years 2001 and 2002 to carry out titles II and III may be used by the Administrator to procure, transport, and store agricultural commodities for prepositioning within the United States and in foreign countries, except that for each such fiscal year not more than \$2,000,000 of such funds may be used to store agricultural commodities for prepositioning in foreign countries.”.

SEC. 311. COTTON FUTURES.

Subsection (d)(2) of the United States Cotton Futures Act (7 U.S.C. 15b(d)(2)) is amended by adding at the end the following: “A person complying with the preceding sentence shall not be liable for any loss or damage arising or resulting from such compliance.”.

SEC. 312. IMPROVED INVESTIGATIVE AND ENFORCEMENT ACTIVITIES UNDER THE PACKERS AND STOCKYARDS ACT, 1921.

(a) <<NOTE: 7 USC 181 note. Deadline.>> Implementation of General Accounting Office Recommendations.--Not later than 1 year after the date of the enactment of this Act, the Secretary of Agriculture shall implement the recommendations contained in the report issued by the General Accounting Office entitled “Packers and Stockyards Programs:

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Actions Needed to Improve Investigations of Competitive Practices”, GAO/RCED-00-242, dated September 21, 2000.

(b) <<NOTE: 7 USC 181 note.>> Consultation.--During the implementation period referred to in subsection (a), and for such an additional time period as needed to assure effective implementation of the recommendations contained in the report referred to in such subsection, the Secretary of Agriculture shall consult and work with the Department of Justice and the Federal Trade Commission in order to--

(1) implement the recommendations in the report regarding investigation management, operations, and case methods development processes; and

(2) effectively identify and investigate complaints of unfair and anti-competitive practices in violation of the Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.), and enforce the Act.

(c) Training.--Not <<NOTE: Deadline. 7 USC 181 note.>> later than 1 year after the date of the enactment of this Act, the Secretary of Agriculture shall develop and implement a training program for staff of

the Department of Agriculture engaged in the investigation of complaints of unfair and anti-competitive activity in violation of the Packers and Stockyards Act, 1921. In developing the training program, the Secretary of Agriculture shall draw on existing training materials and programs available at the Department of Justice and the Federal Trade Commission, to the extent practicable.

(d) Implementation Report.--Not <<NOTE: Deadline. 7 USC 181 note.>> later than 1 year after the date of the enactment of this Act, the Secretary of Agriculture shall submit to Congress a report describing the actions taken to comply with this section.

(e) Annual Assessment of Cattle and Hog Industries.--Title IV of the Packers and Stockyards Act, 1921, is amended--

(1) by redesignating section 415 (7 U.S.C. 229) as section 416; and

(2) by inserting after section 414 the following:

``SEC. 415. <<NOTE: 7 USC 228d.>> ANNUAL ASSESSMENT OF CATTLE AND HOG INDUSTRIES.

``Not later than <<NOTE: Deadline.>> March 1 of each year, the Secretary shall submit to Congress and make publicly available a report that--

``(1) assesses the general economic state of the cattle and hog industries;

``(2) describes changing business practices in those industries; and

``(3) identifies market operations or activities in those industries that appear to raise concerns under this Act.''.

SEC. 313. REHABILITATION OF WATER RESOURCE STRUCTURAL MEASURES CONSTRUCTED UNDER CERTAIN DEPARTMENT OF AGRICULTURE PROGRAMS.

The Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.) is amended by adding at the end the following new section:

``SEC. 14. <<NOTE: 16 USC 1012.>> REHABILITATION OF STRUCTURAL MEASURES NEAR, AT, OR PAST THEIR EVALUATED LIFE EXPECTANCY.

``(a) Definitions.--For purposes of this section:

``(1) Rehabilitation.--The term `rehabilitation', with respect to a structural measure constructed as part of a covered water resource project, means the completion of all work necessary to extend the service life of the structural measure

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and meet applicable safety and performance standards. This may include: (A) protecting the integrity of the structural measure or prolonging the useful life of the structural measure beyond the original evaluated life expectancy; (B) correcting damage to the structural measure from a catastrophic event; (C) correcting the deterioration of structural components that are deteriorating at an abnormal rate; (D) upgrading the structural measure to meet changed land use conditions in the watershed served by the structural measure or changed safety criteria applicable to the structural measure; or (E) decommissioning the structure, if requested by the local organization.

``(2) Covered water resource project.--The term `covered water resource project' means a work of improvement carried out under any of the following:

``(A) This Act.

``(B) Section 13 of the Act of December 22, 1944 (Public Law 78-534; 58 Stat. 905).

``(C) The pilot watershed program authorized under the heading `Flood Prevention' of the Department of Agriculture Appropriation Act, 1954 (Public Law 156; 67 Stat. 214).

``(D) Subtitle H of title XV of the Agriculture and Food Act of 1981 (16 U.S.C. 3451 et seq.; commonly known as the Resource Conservation and Development Program).

``(3) Structural measure.--The term `structural measure' means a physical improvement that impounds water, commonly known as a dam, which was constructed as part of a covered water resource project, including the impoundment area and flood pool.

``(b) Cost Share Assistance for Rehabilitation.--

``(1) Assistance authorized.--The Secretary may provide financial assistance to a local organization to cover a portion of the total costs incurred for the rehabilitation of structural measures originally constructed as part of a covered water resource project. The total costs of rehabilitation include the costs associated with all components of the rehabilitation project, including acquisition of land, easements, and rights-of-ways, rehabilitation project administration, the provision of technical assistance, contracting, and construction costs, except that the local organization shall be responsible for securing all land, easements, or rights-of-ways necessary for the project.

``(2) Amount of assistance; limitations.--The amount of Federal funds that may be made available under this subsection to a local organization for construction of a particular rehabilitation project shall be equal to 65 percent of the total rehabilitation costs, but not to exceed 100 percent of actual construction costs incurred in the rehabilitation. However, the local organization shall be responsible for the costs of water, mineral, and other resource rights and all Federal, State, and local permits.

``(3) Relation to land use and development regulations.--As a condition on entering into an agreement to provide financial assistance under this subsection, the Secretary, working in concert with the affected unit or units of general purpose local government, may require that proper zoning or other developmental regulations are in place in the watershed

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in which the structural measures to be rehabilitated under the agreement are located so that--

``(A) the completed rehabilitation project is not quickly rendered inadequate by additional development; and

``(B) society can realize the full benefits of the rehabilitation investment.

``(c) Technical Assistance for Watershed Project Rehabilitation.--The Secretary, acting through the Natural Resources Conservation Service, may provide technical assistance in planning, designing, and

implementing rehabilitation projects should a local organization request such assistance. Such assistance may consist of specialists in such fields as engineering, geology, soils, agronomy, biology, hydraulics, hydrology, economics, water quality, and contract administration.

``(d) Prohibited Use.--

``(1) Performance of operation and maintenance.--

Rehabilitation assistance provided under this section may not be used to perform operation and maintenance activities specified in the agreement for the covered water resource project entered into between the Secretary and the local organization responsible for the works of improvement. Such operation and maintenance activities shall remain the responsibility of the local organization, as provided in the project work plan.

``(2) Renegotiation.--Notwithstanding paragraph (1), as part of the provision of financial assistance under subsection (b), the Secretary may renegotiate the original agreement for the covered water resource project entered into between the Secretary and the local organization regarding responsibility for the operation and maintenance of the project when the rehabilitation is finished.

``(e) Application for Rehabilitation Assistance.--A local organization may apply to the Secretary for technical and financial assistance under this section if the application has also been submitted to and approved by the State agency having supervisory responsibility over the covered water resource project at issue or, if there is no State agency having such responsibility, by the Governor of the State. The Secretary shall request the State dam safety officer (or equivalent State official) to be involved in the application process if State permits or approvals are required. The rehabilitation of structural measures shall meet standards established by the Secretary and address other dam safety issues. At the request of the local organization, personnel of the Natural Resources Conservation Service of the Department of Agriculture may assist in preparing applications for assistance.

``(f) Ranking of Requests for Rehabilitation Assistance.--The Secretary shall establish such system of approving rehabilitation requests, recognizing that such requests will be received throughout the fiscal year and subject to the availability of funds to carry out this section, as is necessary for proper administration by the Department of Agriculture and equitable for all local organizations. The approval process shall be in writing, and made known to all local organizations and appropriate State agencies.

``(g) Prohibition on Certain Rehabilitation Assistance.--The Secretary may not approve a rehabilitation request if the need for rehabilitation of the structure is the result of a lack of adequate maintenance by the party responsible for the maintenance.

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``(h) Authorization of Appropriations.--There is authorized to be appropriated to the Secretary to provide financial and technical assistance under this section--

- ``(1) \$5,000,000 for fiscal year 2001;
- ``(2) \$10,000,000 for fiscal year 2002;
- ``(3) \$15,000,000 for fiscal year 2003;
- ``(4) \$25,000,000 for fiscal year 2004; and
- ``(5) \$35,000,000 for fiscal year 2005.

``(i) Assessment of Rehabilitation Needs.--The Secretary, in concert

with the responsible State agencies, shall conduct an assessment of the rehabilitation needs of covered water resource projects in all States in which such projects are located.

((j) Recordkeeping and Reports.--

((1) Secretary.--The Secretary shall maintain a data base to track the benefits derived from rehabilitation projects supported under this section and the expenditures made under this section. On the basis of such data and the reports submitted under paragraph (2), the Secretary shall prepare and submit to Congress an annual report providing the status of activities conducted under this section.

((2) Grant recipients.--Not <<NOTE: Deadline.>> later than 90 days after the completion of a specific rehabilitation project for which assistance is provided under this section, the local organization that received the assistance shall make a report to the Secretary giving the status of any rehabilitation effort undertaken using financial assistance provided under this section.''.

SEC. 314. RELEASE OF REVERSIONARY INTEREST AND CONVEYANCE OF MINERAL RIGHTS IN FORMER FEDERAL LAND IN SUMTER COUNTY, SOUTH CAROLINA.

(a) Findings.--Congress finds the following:

(1) The hiking trail known as the Palmetto Trail traverses the Manchester State Forest in Sumter County, South Carolina, which is owned by the South Carolina State Commission of Forestry on behalf of the State of South Carolina.

(2) The Commission seeks to widen the Palmetto Trail by acquiring a corridor of land along the northeastern border of the trail from the Anne Marie Carton Boardman Trust in exchange for a tract of former Federal land now owned by the Commission.

(3) At the time of the conveyance of the former Federal land to the Commission in 1955, the United States retained a reversionary interest in the land, which now prevents the land exchange from being completed.

(b) Release of Reversionary Interest.--

(1) Release required.--In the case of the tract of land identified as Tract 3 on the map numbered 161-DI and further described in paragraph (2), the Secretary of Agriculture shall release the reversionary interest of the United States in the land that--

(A) requires that the land be used for public purposes; and

(B) is contained in the deed conveying the land from the United States to the South Carolina State Commission of Forestry, dated June 28, 1955, and recorded in Deed Drawer No. 6 of the Clerk of Court for Sumter County, South Carolina.

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(2) Map of tract 3.--Tract 3 is generally depicted on the map numbered 161-DI, entitled 'Boundary Survey for South Carolina Forestry Commission', dated August 1998, and filed, together with a legal description of the tract, with the South Carolina State Commission of Forestry.

(3) Consideration.--As consideration for the release of the reversionary interest under paragraph (1), the State of South

Carolina shall transfer to the United States a vested future interest, similar to the restriction described in paragraph (1) (A), in the tract of land identified as Parcel G on the map numbered 225-HI, entitled ``South Carolina Forestry Commission Boardman Land Exchange'', dated June 9, 1999, and filed, together with a legal description of the tract, with the South Carolina State Commission of Forestry.

(c) Exchange of Mineral Rights.--

(1) Exchange required.--Subject to any valid existing rights of third parties, the Secretary of the Interior shall convey to the South Carolina State Commission of Forestry on behalf of the State of South Carolina all of the undivided mineral rights of the United States in the Tract 3 identified in subsection (b) (1) in exchange for mineral rights of equal value held by the State of South Carolina in the Parcel G identified in subsection (b) (3) as well as in Parcels E and F owned by the State and also depicted on the map referred to in subsection (b) (3).

(2) Determination of mineral character.--Not later than 90 days after the date of the enactment of this Act, the Secretary of the Interior shall determine--

(A) the mineral character of Tract 3 and Parcels E, F, and G; and

(B) the fair market value of the mineral interests.

SEC. 315. TECHNICAL CORRECTION REGARDING RESTORATION OF ELIGIBILITY FOR CROP LOSS ASSISTANCE.

Section 259 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 114 Stat. 426; 7 U.S.C. 1421 note) is amended by adding at the end the following:

``(c) Commodity Credit Corporation.--The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this section.''.

SEC. 316. PORK CHECKOFF REFERENDUM.

Notwithstanding section 1620(c) (3) (B) (iv) of the Pork Promotion, Research, and Consumer Information Act of 1985 (7 U.S.C. 4809(c) (3) (B) (iv)), the Secretary shall use funds of the Commodity Credit Corporation to pay for all expenses associated with the

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pork checkoff referendum ordered by the Secretary on February 25, 2000.

Approved November 9, 2000.

LEGISLATIVE HISTORY--H.R. 4788 (S. 3001):

SENATE REPORTS: No. 106-391 accompanying S. 3001 (Comm. on Agriculture, Nutrition, and Forestry).

CONGRESSIONAL RECORD, Vol. 146 (2000):

Oct. 10, considered and passed House.

Oct. 12, considered and passed Senate, amended.

Oct. 17, House concurred in Senate amendment with an amendment.

Oct. 24, Senate concurred in House amendment.

<all>