To expand crop insurance available to beginning farmers and ranchers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. SEAN PATRICK MALONEY of New York introduced the following bill; which was referred to the Committee on ______________________

A BILL

To expand crop insurance available to beginning farmers and ranchers, and for other purposes.

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

SECTION 1. NONINSURED CROP ASSISTANCE PROGRAM.

Section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) is amended—

(1) in subsection (a)(2)—

(A) by adding at the end the following new subparagraph:
“(D) INCLUSION OF BEGINNING FARMERS.—The term ‘eligible crop’ shall include each commercial crop or other agricultural commodity (except livestock) produced by a beginning farmer that is ineligible for a whole farm diversified risk management insurance plan under section 522(c)(19) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(19)) due to lack of production or revenue history.”; and

(B) in subparagraph (A), by striking “In” and inserting “Except as provided in subparagraph (D), in”;

(2) by adding at the end the following new subsection:

“(m) ADDITIONAL BEGINNING FARMER PROVISIONS.—

“(1) ELIGIBILITY.—Notwithstanding any other provisions of this section, the following additional coverage shall be made available to any beginning farmer for up to the greater of the following:

“(A) 4 years.

“(B) The number of years of revenue history required for the farmer to qualify for the whole farm diversified risk management insurance plan under section 522(c)(19) of the Fed-
eral Crop Insurance Act (7 U.S.C. 1522(c)(19)).

“(2) COVERAGE.—Additional coverage shall be available to beginning farmers under this subsection up to 75 percent, as elected by the farmer and specified in 5-percent increments.”.

SEC. 2. WHOLE FARM DIVERSIFIED MANAGEMENT INSURANCE PLAN.

Section 522(c)(19) of the Federal Crop Insurance Act is amended by adding at the end the following new subparagraph:

“(E) ADMINISTRATIVE AND OPERATING EXPENSES.—Notwithstanding any other provision of this Act, the Corporation may allow approved insurance providers to use an alternate compensation structure for the administration of plans under this paragraph—

“(i) that compensates agents based solely on the amount of time necessary to write and administer such plans;

“(ii) that proportionally compensates agents for the time necessary to write and administer such a plan; or

“(iii) for crop adjustment claims.
“(F) PAPERWORK REDUCTION.—The Corporation shall seek to ensure that the paperwork requirements of agents and producers associated with the plan under this paragraph are—

“(i) minimized to the maximum extent possible; and

“(ii) actuarially sound.

“(G) EXPANDING OPERATIONS.—To the maximum extent possible, the Corporation shall ensure that all producers, including producers with an expected revenue from an operation that is greater than 35 percent of the revenue for the previous year, are able to obtain coverage under the plan under this paragraph.

“(H) COMMUNITY SUPPORTED AGRICULTURE REPORT.—Not later than 180 days after the date of the enactment of this subparagraph, the Risk Management Agency shall submit to Congress a report on the extent to which it would be practicable to offer plans under this paragraph to producers using community-supported agriculture for sales.

“(I) PAPERWORK REDUCTION.—The Corporation shall conduct activities or enter into
contracts to carry out research and development

to develop a paperwork reduction policy that—

“(i) is only available to operations

with less than $1,000,000 in revenue; and

“(ii) streamlines the purchase and ap-

proval process to the maximum extent pos-

sible while maintaining actuarial sound-

ness.

“(J) REPORT.—Not later than 1 year after

the date of the enactment of this subparagraph,

the Risk Management Agency shall submit a re-

port to Congress on the feasibility of allowing

producers, with respect to claims for such

year—

“(i) to exclude crop year revenue for

such year; and

“(ii) use—

“(I) an average of previous crop

years revenues; or

“(II) 60 percent of the county

average revenue.”.