

(d) Premium rate reduction pilot program**(1) Purpose**

The purpose of the pilot program established under this subsection is to determine whether approved insurance providers will compete to market policies or plans of insurance with reduced rates of premium, in a manner that maintains the financial soundness of approved insurance providers and is consistent with the integrity of the Federal crop insurance program.

(2) Establishment**(A) In general**

Beginning with the 2002 crop year, the Corporation shall establish a pilot program under which approved insurance providers may propose for approval by the Board policies or plans of insurance with reduced rates of premium—

- (i) for one or more agricultural commodities; and
- (ii) within a limited geographic area, as proposed by the approved insurance provider and approved by the Board.

(B) Determination by Board

The Board shall approve a policy or plan of insurance proposed under this subsection that involves a premium reduction if the Board determines that—

- (i) the interests of producers are adequately protected within the pilot area;
- (ii) rates of premium are actuarially appropriate, as determined by the Board;
- (iii) the size of the proposed pilot area is adequate;
- (iv) the proposed policy or plan of insurance would not unfairly discriminate among producers within the proposed pilot area;
- (v) if the proposed policy or plan of insurance were available in a geographic area larger than the proposed pilot area, the proposed policy or plan of insurance would—
 - (I) not have a significant adverse impact on the crop insurance delivery system;
 - (II) not result in a reduction of program integrity;
 - (III) be actuarially appropriate; and
 - (IV) not place an additional financial burden on the Federal Government; and
- (vi) the proposed policy or plan of insurance meets other requirements of this chapter determined appropriate by the Board.

(C) Time limitations and procedures

The time limitations and procedures of the Board established under section 1508(h) of this title shall apply to a proposal submitted under this subsection.

(e) Adjusted gross revenue insurance pilot program**(1) In general**

The Corporation shall carry out, through at least the 2004 reinsurance year, the adjusted gross revenue insurance pilot program in effect for the 2002 reinsurance year.

(2) Additional counties**(A) In general**

In addition to counties otherwise included in the pilot program, the Corporation shall include in the pilot program for the 2003 reinsurance year at least 8 counties in the State of California and at least 8 counties in the State of Pennsylvania.

(B) Selection criteria

In carrying out subparagraph (A), the Corporation shall work with the respective State Departments of Agriculture to establish criteria to determine which counties to include in the pilot program.

(Feb. 16, 1938, ch. 30, title V, § 523, as added Pub. L. 106-224, title I, § 132(a), June 20, 2000, 114 Stat. 383; amended Pub. L. 107-171, title X, § 10004, May 13, 2002, 116 Stat. 487.)

AMENDMENTS

2002—Subsec. (e). Pub. L. 107-171 added subsec. (e).

EFFECTIVE DATE

Section effective Oct. 1, 2000, see section 171(b)(1)(A) of Pub. L. 106-224, set out as an Effective Date of 2000 Amendment note under section 1501 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1507, 1508, 1516 of this title.

§ 1524. Education and risk management assistance**(a) Education assistance****(1) In general**

Subject to the amounts made available under paragraph (4)—

- (A) the Corporation shall carry out the program established under paragraph (2); and
- (B) the Secretary, acting through the Cooperative State Research, Education, and Extension Service, 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 Cooperative State Research, Education, and Extension Service, 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) 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, 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) 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 each of fiscal years 2003 through 2007, the Commodity Credit Corporation shall make available to carry out this subsection \$20,000,000.

(Feb. 16, 1938, ch. 30, title V, § 524, as added Pub. L. 106-224, title I, § 133, June 20, 2000, 114 Stat. 387; amended Pub. L. 107-171, title II, § 2501, May 13, 2002, 116 Stat. 263.)

REFERENCES IN TEXT

Section 1308(5) of this title, referred to in subsec. (b)(3), was redesignated section 1308(e) by Pub. L. 107-171, title I, § 1603(b)(1), May 13, 2002, 116 Stat. 214.

AMENDMENTS

2002—Subsec. (b). Pub. L. 107-171 added subsec. (b) and struck out heading and text of former subsec. (b). Text read as follows:

“(1) **AUTHORITY.**—The Secretary shall provide cost share assistance to producers, in a manner determined by the Secretary, in not less than 10, nor more than 15, States in which participation in the Federal crop insurance program is historically low, as determined by the Secretary.

“(2) **USES.**—A producer may use cost share 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 diversification or resource conservation practices, including—

- “(i) soil erosion control;
- “(ii) integrated pest management; or
- “(iii) transition to organic farming;

“(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 related to the activities described in subparagraphs (A) through (E), as determined by the Secretary.”

“(2) **PAYMENT LIMITATION.**—The total amount of payments made to a person (as defined in section 1308(5) of this title) under this subsection for any year may not exceed \$50,000.

“(3) **COMMODITY CREDIT CORPORATION.**—

“(A) **IN GENERAL.**—The Secretary shall carry out this subsection through the Commodity Credit Corporation.

¹ See References in Text note below.

“(B) FUNDING.—The Commodity Credit Corporation shall make available to carry out this subsection \$10,000,000 for fiscal year 2001 and each subsequent fiscal year.”

EFFECTIVE DATE

Section effective Oct. 1, 2000, see section 171(b)(1)(A) of Pub. L. 106-224, set out as an Effective Date of 2000 Amendment note under section 1501 of this title.

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CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in title 15 sections 1459, 2311.

§ 1551. Short title

This chapter may be cited as the “Federal Seed Act.”

(Aug. 9, 1939, ch. 615, §1, 53 Stat. 1275.)

EFFECTIVE DATE

See section 1610 of this title.

SHORT TITLE OF 1983 AMENDMENT

Pub. L. 97-439, §1, Jan. 8, 1983, 96 Stat. 2287, provided that: “This Act [amending sections 1561, 1571, 1581, 1582, 1585, and 1586 of this title and repealing sections 1583 and 1584 of this title] may be cited as the ‘Federal Seed Act Amendments of 1982.’”

SUBCHAPTER I—DEFINITIONS

§ 1561. Definition of terms

(a) When used in this chapter—

(1) The term “United States” means the several States, District of Columbia, and Puerto Rico.

(2) The term “person” includes a partnership, corporation, company, society, or association.

(3) The term “interstate commerce” means—

(A) commerce between any State, Territory, possession, or the District of Columbia, and any other State, Territory, possession, or the District of Columbia; or

(B) commerce between points within the same State, Territory, or possession, or the District of Columbia, but through any place outside thereof; or

(C) commerce within the District of Columbia.

(4) For the purposes of this chapter with respect to labeling for treatment, variety and origin (but not in anyway limiting the foregoing definition), seeds shall be considered to be in interstate commerce, or delivered for transportation in interstate commerce, if such seeds are part of, or delivered for transportation in, that current of commerce usual in the transportation and/or merchandising of seeds, whereby such seeds are sent from one State with the expectation that they will end their transit in another, including, in addition to cases within the above general description, all cases where seeds are transported or delivered for transportation to another State, or for processing or cleaning for seeding purposes within the State and shipment outside the State of the processed or cleaned seeds. Seeds normally in such current of commerce shall not be considered out of such current through resort being had to any means or device intended to remove transactions in respect thereto from the provisions of this chapter.

(5) The term “foreign commerce” means commerce between the United States, its possessions, or any Territory of the United States, and any foreign country.

(6)(a) The term “district court of the United States” means any court exercising the powers of a district court of the United States,