

110TH CONGRESS  
1ST SESSION

# S. 1904

To amend the Farm Security and Rural Investment Act of 2002 to ensure that only producers receive commodity program payments.

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IN THE SENATE OF THE UNITED STATES

JULY 31, 2007

Mr. SALAZAR (for himself and Mr. NELSON of Nebraska) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

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## A BILL

To amend the Farm Security and Rural Investment Act of 2002 to ensure that only producers receive commodity program payments.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. ESTABLISHMENT OF BASE ACRES AND PAY-**  
4 **MENT ACRES FOR A FARM.**

5 Section 1101 of the Farm Security and Rural Invest-  
6 ment Act of 2002 (7 U.S.C. 7911) is amended by striking  
7 subsection (h) and inserting the following:

8 “(h) PERMANENT REDUCTION IN BASE ACRES.—

9 “(1) REDUCTION AT OPTION OF OWNER.—

1           “(A) IN GENERAL.—The owner of a farm  
2           may reduce, at any time, the base acres for any  
3           covered commodity for the farm.

4           “(B) EFFECT OF REDUCTION.—A reduc-  
5           tion under subparagraph (A) shall be perma-  
6           nent and made in a manner prescribed by the  
7           Secretary.

8           “(2) REQUIRED REDUCTION BY SECRETARY.—  
9           The Secretary shall permanently reduce base acres  
10          for land that—

11           “(A) has been developed for commercial or  
12          industrial use;

13           “(B) has been subdivided and developed  
14          into multiple residential units or other non-  
15          farming uses; or

16           “(C) is otherwise no longer intended to be  
17          used in conjunction with a farming operation.”.

18   **SEC. 2. PRODUCER AGREEMENT REQUIRED AS CONDITION**  
19                   **OF PROVISION OF DIRECT PAYMENTS AND**  
20                   **COUNTER-CYCLICAL PAYMENTS.**

21          Section 1105 of the Farm Security and Rural Invest-  
22          ment Act of 2002 (7 U.S.C. 7915) is amended—

23           (1) in subsection (a)(1)—

1 (A) by inserting “and in the case of sub-  
2 paragraph (D), the Farm Service Agency shall  
3 certify,” after “shall agree,”; and

4 (B) by striking subparagraph (D) and in-  
5 serting the following:

6 “(D)(i) that the producers meet the defini-  
7 tion of a producer under section 1001; and

8 “(ii) to use the land on the farm, in a  
9 quantity equal to the attributable base acres for  
10 the farm and any base acres for peanuts for the  
11 farm under subtitle C for an agricultural or  
12 conserving use, and not for a nonagricultural  
13 commercial, industrial, or residential use (in-  
14 cluding land subdivided and developed into resi-  
15 dential units or other nonfarming uses, or that  
16 is otherwise no longer intended to be used in  
17 conjunction with a farming operation), as deter-  
18 mined by the Secretary; and”;

19 (C) by adding at the end the following:

20 “(f) AUDIT AND REPORT.—Each year, to ensure, to  
21 the maximum extent practicable, that payments are re-  
22 ceived only by producers, the Secretary shall—

23 “(1) conduct an audit of direct payments,  
24 counter-cyclical payments, and base acreage; and

- 1           “(2) submit to Congress a report that describes
- 2           the results of that audit.”.

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