

96-494 - Agricultural Act of 1980

[As Amended Through P.L. 113–79, Enacted February 07, 2014]

FOOD BANK DEMONSTRATION PROJECTS

SEC. 211. [7 U.S.C. 4004] (a) The Secretary of Agriculture shall carry out special nutrition projects to provide agricultural commodities and other foods that might not otherwise be used, or might be more effectively used by organizations assisted under this section, to community food banks for emergency food box distribution to needy individuals and families. Notwithstanding any other provisions of law, the Secretary shall make available for purposes of such special nutrition projects, agricultural commodities and other foods available to the Secretary under section 416 of the Agricultural Act of 1949, section 709 of the Food and Agriculture Act of 1965, and section 32 of the Act of August 24, 1935 (7 U.S.C. 612c). For purposes of distributing agricultural commodities and other foods to community food banks under this section, the Secretary may in consultation with State agencies, use food distribution systems currently used to distribute agricultural commodities and other foods under the Richard B. Russell National School Lunch Act and Child Nutrition Act of 1966. The Secretary shall select food banks, in consultation with the Director of the Community Services Administration, for participation in the special nutrition projects under this section. Food banks shall be selected for participation so as to ensure adequate geographic distribution of emergency food box programs in at least two but not more than seven Department of Agriculture regions.

(b)(1) No food bank may participate in the special nutrition projects conducted under this section unless an application therefor is submitted to and approved by the Secretary. Such application shall be submitted in such form and manner and shall contain such information as the Secretary shall prescribe.

(2) Each food bank participating in the special nutrition projects under this section shall establish a recordkeeping system and internal procedures to monitor the use of agricultural commodities and other foods provided under this section. The Secretary shall develop standards by which the feasibility and effectiveness of the projects shall be measured, and shall conduct an ongoing review of the effectiveness of the projects.

(c) The Secretary shall determine the quantities and types of agricultural commodities and other foods to be made available under this section. The Secretary may prescribe regulations regarding the designation of eligible participants in the projects and any other regulations necessary to carry out this section.

(d) The Secretary shall submit to Congress a progress report on July 1, 1983, and a final report on January 1, 1984, regarding the special nutrition projects carried out under this section. Such

report shall include an analysis and evaluation of Federal participation in food bank emergency food programs, the effectiveness of such participation, and the feasibility of continuing such participation. The Secretary shall also include in such report any recommendations regarding improvements in Federal assistance to community food banks, including assistance for administrative expenses and transportation.

(e) The sale of food provided under this section shall be prohibited and any person who receives any remuneration in exchange for food provided under this section shall be subject to a fine of not more than \$1,000 or imprisonment for not more than six months, or both.

(f) The Secretary shall minimize paperwork requirements placed on food banks which participate in the special nutrition projects established under this section and shall otherwise encourage food banks to participate in such projects.

(g) There is authorized to be appropriated such sums as may be necessary to carry out this section.

TITLE III—BILL EMERSON HUMANITARIAN TRUST

SEC. 301. [7 U.S.C. 1736f-1 note] SHORT TITLE.

This title may be cited as the “Bill Emerson Humanitarian Trust Act”.

SEC. 302. [7 U.S.C. 1736f-1] ESTABLISHMENT OF COMMODITY TRUST.

(a) **IN GENERAL.**—To provide for a trust solely to meet emergency humanitarian food needs in developing countries, the Secretary of Agriculture (referred to in this title as the “Secretary”) shall establish and maintain a trust of wheat, rice, corn, or sorghum, any combination of the commodities, or funds for use as described in subsection (c).

(b) **COMMODITIES OR FUNDS IN TRUST.**—

(1) **IN GENERAL.**—The trust established under this section shall consist of—

(A) wheat in the reserve established under the Food Security Wheat Reserve Act of 1980 as of the date of enactment of the Federal Agriculture Improvement and Reform Act of 1996;

(B) wheat, rice, corn, and sorghum (referred to in this section as “eligible commodities”) acquired in accordance with paragraph (2) to replenish eligible commodities released from the trust, including wheat to replenish wheat released from the reserve established under the Food Security Wheat Reserve Act of 1980 but not replenished as of the date of enactment of the Federal Agriculture Improvement and Reform Act of 1996;

(C) such rice, corn, and sorghum as the Secretary may, at such time and in such manner as the Secretary determines appropriate, acquire as a result of exchanging an equivalent value of wheat in the trust established under this section; and

(D) funds made available—

- (i) under paragraph (2)(B);
- (ii) as a result of an exchange of any commodity held in the trust for an equivalent amount of funds from the market, if the Secretary determines that such a sale of the commodity on the market will not unduly disrupt domestic markets; or
- (iii) to maximize the value of the trust, in accordance with subsection (d)(3).

(2) REPLENISHMENT OF TRUST.—

(A) IN GENERAL.—Subject to subsection (h), commodities of equivalent value to eligible commodities in the trust established under this section may be acquired—

- (i) through purchases—
 - (I) from producers; or
 - (II) in the market, if the Secretary determines that the purchases will not unduly disrupt the market; or
- (ii) by designation by the Secretary of stocks of eligible commodities of the Commodity Credit Corporation.

(B) FUNDS.—Any funds used to acquire eligible commodities through purchases from producers or in the market to replenish the trust shall be derived—

- (i) with respect to fiscal years 2000 through 2018 from funds made available to carry out the Food for Peace Act (7 U.S.C. 1691 et seq.) that are used to repay or reimburse the Commodity Credit Corporation for the release of eligible commodities under subsections (c)(1) and (f)(2), except that, of such funds, not more than \$20,000,000 may be expended for this purpose in each of the fiscal years 2000 through 2018;
- (ii) from funds authorized for that use by an appropriations Act; or
- (iii) from funds accrued through the management of the trust under subsection (d).

(c) RELEASE OF ELIGIBLE COMMODITIES.—

(1) RELEASES FOR EMERGENCY ASSISTANCE.—

(A) DEFINITION OF EMERGENCY.—

(i) IN GENERAL.—In this paragraph, the term “emergency” means an urgent situation—

(I) in which there is clear evidence that an event or series of events described in clause (ii) has occurred—

- (aa) that causes human suffering; and
- (bb) for which a government concerned has not chosen, or has not the means, to remedy; or

(II) created by a demonstrably abnormal event or series of events that produces dislocation in the lives of residents of a country or region of a country on an exceptional scale.

(ii) EVENT OR SERIES OF EVENTS.—An event or series of events referred to in clause (i) includes 1 or more of—

(I) a sudden calamity, such as an earthquake, flood, locust infestation, or similar unforeseen disaster;

(II) a human-made emergency resulting in—

(aa) a significant influx of refugees;

(bb) the internal displacement of populations; or

(cc) the suffering of otherwise affected populations;

(III) food scarcity conditions caused by slow-onset events, such as drought, crop failure, pest infestation, and disease, that result in an erosion of the ability of communities and vulnerable populations to meet food needs; and

(IV) severe food access or availability conditions resulting from sudden economic shocks, market failure, or economic collapse, that result in an erosion of the ability of communities and vulnerable populations to meet food needs.

(B) RELEASES.—

(i) IN GENERAL.—Any funds or commodities held in the trust may be released to provide food, and cover any associated costs, under title II of the Food for Peace Act (7 U.S.C. 1721 et seq.)—

(I) to assist in averting an emergency, including during the period immediately preceding the emergency;

(II) to respond to an emergency; or

(III) for recovery and rehabilitation after an emergency.

(ii) PROCEDURE.—A release under clause (i) shall be carried out in the same manner, and pursuant to the same authority as provided in title II of that Act.

(C) INSUFFICIENCY OF OTHER FUNDS.—The funds and commodities held in the trust shall be made immediately available on a determination by the Administrator that funds available for emergency needs under title II of that Act (7 U.S.C. 1721 et seq.) for a fiscal year are insufficient to meet emergency needs during the fiscal year.

(D) WAIVER RELATING TO MINIMUM TONNAGE REQUIREMENTS.—Nothing in this paragraph requires a waiver by the Administrator of the Agency for International Development under section 204(a)(3) of the Food for Peace Act (7 U.S.C. 1724(a)(3)) as a condition for a release of funds or commodities under subparagraph (B).

(2) PROCESSING OF ELIGIBLE COMMODITIES.—Eligible commodities that are released from the trust established under this section may be processed in the United States and shipped to a developing country when conditions in the recipient country require processing.

(3) EXCHANGE.—The Secretary may exchange an eligible commodity for another United States commodity of equal value, including powdered milk, pulses, and vegetable oil.

(4) USE OF NORMAL COMMERCIAL PRACTICES.—To the maximum extent practicable consistent with the fulfillment of the purposes of this section and the effective and efficient administration of this section, the Secretary shall use the usual and customary channels, facilities, arrangements, and practices of trade and commerce to carry out this subsection.

(d) MANAGEMENT OF TRUST.—

(1) IN GENERAL.—The Secretary shall provide for the management of eligible commodities and funds held in the trust in a manner that is consistent with maximizing the value of the trust, as determined by the Secretary.

(2) ELIGIBLE COMMODITIES.—The Secretary shall provide—

(A) for the management of eligible commodities in the trust established under this section as to location and quality of eligible commodities needed to meet emergency situations;

(B) for the periodic rotation or replacement of stocks of eligible commodities in the trust to avoid spoilage and deterioration of the commodities;

(C) subject to the need for release of commodities from the trust under subsection (c)(1), for the management of the trust to preserve the value of the trust through acquisitions under subsection (b)(2); and ³⁰²⁻¹

(3) FUNDS.—

(A) EXCHANGES.—If any commodity held in the trust is exchanged for funds under subsection (b)(1)(D)(ii), the funds shall be held in the trust until the date on which the funds are released in the case of an emergency under subsection (c).

(B) INVESTMENT.—The Secretary may invest funds held in the trust in any short-term obligation of the United States or any other low-risk short-term instrument or security insured by the Federal Government in which a regulated insurance company may invest under the laws of the District of Columbia.

(e) TREATMENT OF TRUST UNDER OTHER LAW.—Eligible commodities in the trust established under this section shall not be—

(1) considered a part of the total domestic supply (including carryover) for the purpose of subsection (c) or for the purpose of administering the Food for Peace Act (7 U.S.C. 1691 et seq.); and

(2) subject to any quantitative limitation on exports that may be imposed under section 7 of the Export Administration Act of 1979 (50 U.S.C. App. 2406).

(f) USE OF COMMODITY CREDIT CORPORATION.—

(1) IN GENERAL.—Subject to the limitations provided in this section, the funds, facilities, and authorities of the Commodity Credit Corporation shall be used by the Secretary in carrying out this section, except that any restriction applicable

³⁰²⁻¹ So in original. Probably should strike “; and” and insert a period.

to the acquisition, storage, or disposition of eligible commodities owned or controlled by the Commodity Credit Corporation shall not apply.

(2) REIMBURSEMENT OF THE TRUST.—

(A) IN GENERAL.—The Commodity Credit Corporation shall be reimbursed for the release of eligible commodities from funds made available to carry out the Food for Peace Act (7 U.S.C. 1691 et seq.) and the funds shall be available to replenish the trust under subsection (b).

(B) BASIS FOR REIMBURSEMENT.—The reimbursement shall be made on the basis of the lesser of—

(i) the actual costs incurred by the Commodity Credit Corporation with respect to the eligible commodity; or

(ii) the export market price of the eligible commodity (as determined by the Secretary) as of the time the eligible commodity is released from the trust.

(C) SOURCE OF FUNDS.—The reimbursement may be made from funds appropriated for subsequent fiscal years.

(g) FINALITY OF DETERMINATION.—Any determination by the Secretary under this section shall be final.

(h) TERMINATION OF AUTHORITY.—

(1) IN GENERAL.—The authority to replenish stocks of eligible commodities to maintain the trust established under this section shall terminate on September 30, 2018.

(2) DISPOSAL OF ELIGIBLE COMMODITIES.—Eligible commodities remaining in the trust after September 30, 2018, shall be disposed of by release for use in providing for emergency humanitarian food needs in developing countries as provided in this section.