

Public Law 101-577
101st Congress

An Act

Nov. 15, 1990
[H.R. 5871]

To amend the farm poundage quota provisions of section 319 (g), (h) and (i) of the Agricultural Adjustment Act of 1938, and for other purposes.

Farm
Poundage
Quota
Revisions Act
of 1990.
7 USC 1281 note.
Tobacco.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Farm Poundage Quota Revisions Act of 1990".

SEC. 2. QUOTA REVISIONS.

(a) **SALE OF QUOTA.**—Section 319(g) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314(e)) is amended by inserting "(1)" after the subsection designation, and adding at the end the following new paragraphs (2) and (3):

"(2) Effective for the 1991 and subsequent crop years, the Secretary may, during any one year, and subject to such rules as the Secretary deems appropriate, permit the sale of a burley tobacco quota from one farm to another farm in the same county if the buyer, who is an active burley tobacco producer, is not buying an amount larger than 30 percent of the existing quota for the buyer's farm, or 20,000 pounds whichever is greater. For purposes of this subsection, the term 'active burley tobacco producer' means any person who shared in the risk of producing a crop of burley tobacco in not less than one of the three years preceding the year involved, or any person who certified to the Secretary, in such form and manner as the Secretary shall by regulation prescribe, their intent to become an active burley tobacco producer. A person shall be considered to have shared in the risk of producing a crop of burley tobacco if—

"(A) the investment of such person in the production of such crop is not less than 20 percent of the proceeds of the sale of such crop;

"(B) the investment of such person's return on such investment is dependent solely on the sale price of such crop; and

"(C) such person may not receive any of such return before the sale of such crop.

"(3) No sale of burley tobacco quota from a farm shall be permitted, under paragraph (2), if any sale of quota to the same farm has been made within the three immediately preceding crop years. A sale of burley tobacco quota shall not be effective for a crop year unless a record of the sale is filed with the county committee not later than July 1 of the crop year. The marketing quota determined for any farm subsequent to such sale shall not exceed an amount determined by multiplying the farm yield established under subsection (d) of this section by 50 percent of the acreage of cropland in the farm."

(b) **LOSS OF QUOTA FOR NONUSE.**—Section 319(h) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314e(h)) is amended by striking "1976" and substituting "1994", and by striking "of the five" and substituting "two of the three".

(c) **LIMITATION ON DIVISION OF QUOTAS BY SALE OR LEASE.**—

Regulations.

(1) Section 379(a)(5) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1379(a)(5)) is amended by deleting "or" after the semicolon.

(2) Section 379(a)(6) is amended by deleting the period and inserting in lieu thereof "; or".

(3) Section 379(a) is amended by adding a new paragraph to read as follows:

"(7) When a farm is divided through reconstitution, the burley tobacco poundage quota which transfers with the divided land shall not be less than 1,000 pounds (except when the reconstitution of the farm is among immediate family members or pursuant to probate proceedings)."

(d) INCREASE OF LEASE LIMITATION.—Section 319(g) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314e(g)) is amended by striking "fifteen thousand pounds" and inserting "thirty thousand pounds".

(e) CROSS-COUNTY LEASING.—Section 319 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314e) is amended by adding a new subsection to read as follows:

"(1) Notwithstanding any other provision of this section, the Secretary may permit the lease and transfer of a burley tobacco quota from one farm to any other farm in the State of Tennessee if a majority of active burley tobacco producers within the State approve such lease and transfer by a state-wide referendum to be conducted by the Secretary."

Approved November 15, 1990.

LEGISLATIVE HISTORY—H.R. 5871:

CONGRESSIONAL RECORD, Vol. 136 (1990):

Oct. 20, considered and passed House.

Oct. 26, considered and passed Senate.