

## Title XI – Crop Insurance

### *(1) Information sharing*

The House bill, in section 11001(a), requires the Farm Service Agency (FSA), when authorized by the producer, to provide in a timely manner information to an agent or an approved insurance provider (AIP) that may assist the agent or AIP in insuring the producer, providing for privacy protection and limited sharing. Section 11001(b) requires disclosure (by name) of the amount of crop insurance assistance received by Members of Congress, Cabinet Secretaries, and members of their immediate families. (Section 11001)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment deleting the disclosure requirements under section 11001(b). (Section 11001)

The Managers intend that the information sharing required under this section be effective upon enactment of the Farm Bill. The Managers view the requirement of this section as an important measure to ensure the timely correction and prevention of errors. The Managers intend that the Farm Service Agency provide agents or AIPs with information in a timely fashion to fully effectuate the intent of this section.

### *(2) Publication of information on violations of prohibition on premium adjustments*

The House bill requires the Federal Crop Insurance Corporation (the Corporation) to publish information regarding each violation of the prohibition on rebates or premium adjustments, including any sanctions imposed, in sufficient detail so that the information may serve as effective guidance to AIPs, agents, and producers. (Section 11002)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 11002)

The Managers stress the importance of timely enforcement and publication of violations, especially in the heavy sales period prior to the sales closing date. The Managers also intend for the Risk Management Agency to investigate reports of violations made to the Risk Management Agency by agents or AIPs in the field. The Managers observe that the prohibition on rebating under the Federal Crop Insurance Act (FCIA) has not been construed to limit customary client relations, including but not limited to providing risk management education, maps, or help explaining coverage to lenders; promotional materials such as pens, caps, notepads; or engagement of clients in a social or civic setting. The Managers view these services and activities as ordinary business expenses common to the industry.

### *(3) Supplemental coverage option*

The House bill, in section 11003(a), amends section 508(c)(3) of the Federal Crop Insurance Act to establish the Supplemental Coverage Option (SCO). Section 508(c)(3)(A) and (B) (as amended by section 11003(a) of the House bill) offers producer the option of purchasing additional coverage based on: (1) an individual yield and loss basis; (2) an area yield and loss basis; or (3) an individual yield and loss basis supplemented with coverage based on an area yield and loss basis to cover part of the deductible under the individual yield and loss policy. Section 508(c)(3)(C) (as amended by section 11003(a) of the House bill) establishes coverage on a margin basis alone or in combination with coverage on an individual yield and loss basis or on an area yield and loss basis, or an individual yield and loss basis supplemented with coverage based on an area yield and loss basis. Subsection (b) amends section 508(c)(4) of the Federal

Crop Insurance Act to establish the level of coverage available under SCO. Section 508(c)(4)(C)(i) (as amended by section 11003(b) of the House bill) requires SCO to be available at a county-wide level to the fullest extent practicable or, in counties that lack sufficient data, on the basis of a larger area that the Corporation determines will provide sufficient data. Section 508(c)(4)(C)(ii) (as amended by section 11003(b) of the House bill) stipulates that indemnities will be triggered only if losses in the area exceed 10 percent of normal levels. Section 508(c)(4)(C)(iii) (as amended by section 11003(b) of the House bill) establishes coverage in an amount that does not exceed the difference between 90 percent and the coverage level selected by the producer for the underlying policy or plan of insurance. Section 508(c)(4)(C)(iv) (as amended by section 11003(b) of the House bill) stipulates that crops enrolled in Revenue Loss Coverage or acres enrolled in stacked income protection for producers of upland cotton (STAX) are not eligible for SCO. Section 508(c)(4)(C)(v) (as amended by section 11003(b) of the House bill) establishes the premium for SCO at an amount that is sufficient to cover anticipated losses and a reasonable reserve and include an amount for operating and administrative expenses. Subsection (c) amends section 508(e)(2) of the Federal Crop Insurance Act to establish premium support for SCO at 65 percent of the additional premium associated with the coverage and A&O at 12 percent of the premium used to define loss ratio. Subsection (d) requires the provision of SCO beginning with the 2014 crop year. (Section 11003)

The Senate amendment amends section 508(c)(3) of the Federal Crop Insurance Act to establish SCO in the same manner as the House provision. Section 11001(a) amends section 508(c)(3) of the Federal Crop Insurance Act to establish SCO. Section 11001(b) amends section 508(c)(4) of the Federal Crop Insurance Act to establish the level of coverage available under the SCO. Section 508(c)(4)(C)(i) (as amended by section 11001(b) of the Senate amendment) requires SCO to be available if sufficient data is available (as determined by the Corporation). Section 508(c)(4)(C)(ii) (as amended by section 11001(b) of the Senate amendment) makes coverage under this section subject to a deductible. If a producer selects Agriculture Risk Coverage (ARC), the amount of the deductible is equal to 22 percent of the expected value of the crop. For all other producers, the deductible is established at 10 percent. Section 508(c)(4)(C)(iii) (as amended by section 11001(b) of the Senate amendment) establishes coverage in an amount that does not exceed the difference between 100 percent and the coverage level selected by the producer for the underlying policy or plan of insurance. Section 508(c)(4)(C)(iv) establishes the premium for A&O in the same manner as the House provisions. Subsection (c) establishes premium support and A&O in the same manner as the House provision. Subsection (d) provides for a conforming amendment. Section 11013, which establishes a new section 508B of the Federal Crop Insurance Act, provides that acres enrolled in STAX are ineligible for supplemental coverage. (Sections 11001, 11013)

The Conference substitute adopts the House provision with amendments dropping the establishment of margin coverage provided in the House provision from the SCO section, establishing that SCO coverage will only be triggered if losses in the area exceed 14 percent of normal levels, limiting SCO coverage to not exceed the difference between 86 percent and the coverage level selected by the producer under the underlying policy, disallowing SCO coverage for crops enrolled in ARC (as well as acreage when enrolled in STAX), and requiring SCO to be made available beginning with the 2015 crop year. (Section 11003)

The Managers intend the Supplemental Coverage Option to be made available by the Corporation for sale by agents and AIPs in time for the 2015 crop year. This is essential given crop insurance is assuming a larger role in the risk management of producers in the wake of

reduced support under the Commodity Title. The Managers particularly note that a producer may purchase a STAX policy and SCO coverage on the same cotton crop in the same county provided that they are purchased for separate acreage. The language in this section is clear on this point, precluding SCO coverage and ARC on the same crop but precluding SCO and STAX on the same acres. The Managers intend that producers of hybrid seed, including but not limited to hybrid seed corn, hybrid popcorn seed, hybrid sweet corn seed, hybrid sorghum seed, and hybrid rice seed, may supplement their coverage with either a revenue or yield SCO coverage option, at the producer's election. The Managers intend that cotton producers may supplement their cottonseed coverage with SCO yield coverage.

The Managers strongly urge the Corporation to allow popcorn producers to be covered under area risk protection insurance under written agreement until applicable policy provisions are amended to allow for such coverage.

#### *Margin Coverage Option*

The House bill, in section 11003(a), authorizes margin coverage for producers to elect alone, or in combination with individual yield and loss coverage or area yield and loss coverage, or in combination with both individual yield and loss coverage and area yield and loss coverage. (Section 11003)

The Senate amendment authorizes margin coverage to be made available alone or in combination with either individual yield and loss coverage or area yield and loss coverage. (Section 11002)

The Conference substitute adopts the House provision but authorizes margin coverage under a separate section in the Farm Bill from SCO. (Section 11004)

The Managers intend that margin coverage be approved and made available by the Corporation for sale by agents and AIPs in time for the 2015 crop year. Timely approval and availability is important to wheat, rice, and interested producers of other commodities.

#### *(4) Premium amounts for catastrophic risk protection*

The House bill requires the CAT premium to be reduced by the percentage equal to the difference between the average loss ratio for the crop and 100 percent, plus a reasonable reserve. (Section 11004)

The Senate amendment is the same as the House, except the reasonable reserve is "as determined by the Corporation." (Section 11003)

The Conference substitute adopts the Senate provision. (Section 11005)

#### *(5) Repeal of performance-based discount*

The House bill repeals the performance-based discount. (Section 11005)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

#### *(6) Permanent enterprise unit subsidy*

The House bill makes permanent the Corporation's authority to pay a higher portion of the premiums for policies that insure on an enterprise unit basis. (Section 11006)

The Senate amendment is the same as the House. (Section 11004)

The Conference substitute adopts the House provision. (Section 11006)

*(7) Enterprise units for irrigated and non-irrigated crops*

The House bill requires the Corporation to make available separate enterprise units for acreages of irrigated and non-irrigated crops beginning with the 2014 crop year. (Section 11007)

The Senate amendment is the same as the House except that separate enterprise units are to be made available beginning with the 2013 crop year. (Section 11005)

The Conference substitute adopts the House provision but makes separate enterprise units available beginning with the 2015 crop year. (Section 11007)

The Managers intend for Enterprise Units by practice to be made available by the Corporation in time for the 2015 crop year.

*(8) Data collection*

The House bill provides authority for the use of data collected by the Risk Management Agency (RMA), the National Agricultural Statistics Service (NASS), or both, to determine yields. Where sufficient county data is not available, the Secretary is authorized to use data from other sources. (Section 11008)

The Senate amendment is the same as the House. (Section 11006)

The Conference substitute adopts the House provision. (Section 11008)

The Managers would note that the effectiveness of the improvements made by this Act to the Federal Crop Insurance Act hinges considerably on ensuring that necessary data is available for implementation of improvements in a manner that benefits all producers. The Managers intend that the Corporation will use this authority effectively to fully accomplish the objectives of the crop insurance title of the Farm Bill.

*(9) Adjustment in actual production history to establish insurable yields*

The House bill strikes the 60 percent yield plug in current law and replaces it with a 70 percent yield plug. (Section 11009)

The Senate amendment provides for a yield plug at 65 percent but only with respect to yields for the 2014 and subsequent crop years. (Section 11007)

The Conference substitute adopts the House provision with an amendment that drops the proposed replacement of the yield plug in current law and authorizes producers to exclude certain yield history from their APH database. The provision amends section 508(g) (as amended by section 11009 of the Farm Bill) by subjecting actual production history requirements under section 508(g)(2)(A) to the new yield exclusion authority and, under section 508(g)(4), by requiring an appropriate adjustment in premium when a producer elects to exclude yields pursuant to the authorities provided by this provision. The new section 508(g)(4)(C)(i) authorizes a producer to exclude any recorded or appraised yield for any crop year in which the per planted acre yield of the agricultural commodity in the county of the producer was at least 50 percent below the simple average of the per planted acre yield of the agricultural commodity in the county during the previous 10 consecutive crop years. Section 508(g)(4)(C)(ii) provides that for any crop year in which a producer is able to make an election to exclude a yield under clause (i), a producer in a contiguous county may also elect to exclude a yield under the authority granted by this provision. Section 508(g)(4)(C)(iii) requires this provision to be implemented by irrigation practice. (Section 11009)

The Managers intend that when a producer elects to exclude a yield under this section that the Corporation would also exclude a year for purposes of calculating the producer's average actual production history. For example, if a producer has 10 years of history and elects to

exclude one year pursuant to this section, the conferees intend that the Corporation will add the yields from the 9 remaining years in the database and divide the total by 9, not 10. The amendment to the Act specifically declares that a producer may make an election to exclude one or more yields notwithstanding section 508(g)(2)(A) which requires a data base building up to 10 consecutive crop years. Since the statute does not drill down further as to how the producer's average Actual Production History is to be calculated by the Corporation, the Managers intend that the more general directive in this section along with this clarifying report language is sufficient to ensure proper implementation as intended by the Managers without the need to amend Corporation regulations. The Managers note that this provision is effective upon the date of enactment of the Farm Bill. To the extent that it is not feasible to implement for the 2014 crop year due to the reinsurance year already having begun, the Managers intend that the provision will be implemented in time for the 2015 crop year. The Managers would observe that this provision applies to any yield in a producer's actual production database, including any yield that predates the enactment of this section.

The Managers strongly urge the Corporation to discontinue use of downward trending with respect to databases of perennial crops of 5 years or less due to the hardship this inflicts on specialty crop producers, including peach producers, who, under the current rules, are not allowed to use their own proven APH despite the requirements of section 508(g)(2)(A). The Managers also strongly urge that vertically integrated producers be permitted to use adjusters' appraisals to settle claims and that transition yields for peaches be updated to account for technology and innovation.

#### *(10) Submission and review of policies*

The House bill, in section 11010(a), requires the Corporation to review and submit to the Federal Crop Insurance Corporation Board of Directors (Board) any policy developed under research and development contracting authority or pilot program authority if the Corporation, at its sole discretion, finds the policy will likely result in a viable and marketable policy, would provide crop insurance coverage in a significantly improved form, and adequately protects producer interests. The provision also establishes priorities for consideration and approval under section 508(h) of the Federal Crop Insurance Act, including a revenue policy for peanuts, a margin policy for rice producers, and separate enterprise units by risk rating in time for the 2014 crop year. Section 11010(b) allows for up to 75 percent of research and development cost to be paid in advance. (Section 11010)

The Senate amendment, in section 11008, is substantially similar to the House provision except that the Senate amendment does not include the House priorities. Section 11009 also proposes new policy review and approval criteria, requiring the Board to approve a new policy, plan of insurance, or other material for reinsurance and for sale by approved insurance providers to producers at actuarially appropriate rates and under appropriate terms and conditions if the Board determines, at its sole discretion, that the interests of producers are adequately protected; the rates of premium and price election methodology are actuarially appropriate; the terms and conditions are appropriate and would not unfairly discriminate among producers; the proposed policy or plan of insurance will, at the Board's sole discretion, result in viable and marketable policy, will provide crop insurance in a significantly improved form or in a manner that addresses a recognized flaw or problem, and will provide an improved kind of coverage for crops without insurance or experiencing low participation in crop insurance; the proposed policy or plan of insurance would not, in the sole discretion of the Board, have a significant adverse

impact on the crop insurance delivery system; and the policy or plan meets other requirements determined appropriate by the Board. Section 11009 also provides that the Board, at its sole discretion, may establish annual priorities which would be made available on the Corporation website as well as a process where priority submissions would be considered and approved first. The Board is to consider making the highest priority those submissions designed to serve underserved commodities, including commodities for which there is no insurance, and those designed to address existing policies where there is inadequate coverage or low participation levels. Section 11018 of the Senate provision modifies the approval of costs for research and development, including the allowance of a waiver on the 50 percent limit on advance costs, permitting the Board to approve an additional 25 percent advance payment to a submitter of a policy intended to provide coverage for a region or crop that is underserved by federal crop insurance, including specialty crops. (Sections 11008, 11009, 11018)

The Conference substitute adopts the Senate provisions, combining them into one section with the following amendments. The Board is required to review and approve for reinsurance and for sale by approved insurance providers to producers at actuarially appropriate rates and under appropriate terms and conditions any policy, plan of insurance, or other material where the Board determines that the interests of producers are protected. In addition, the Board must determine that the proposed policy or plan of insurance will provide a new kind of coverage that is likely to be viable and marketable, provide insurance coverage in a manner that addresses a clear and identifiable flaw or problem in an existing policy, or provide a new kind of coverage for a commodity that previously had no crop insurance or has demonstrated a low level of participation or coverage level under existing coverage. The Board must also determine that the policy or plan of insurance will not have a significant adverse impact on the crop insurance delivery system. The Board is required, in a timely manner, to first consider policies or plans of insurance that address underserved commodities, including commodities for which there is no insurance; secondly, to consider modifications to existing policies or plans of insurance for which there is inadequate coverage or there exists low participation levels for a crop; and finally to consider other submissions under section 508(h). The Board is required to make a priority the approval of a revenue policy for peanuts and a margin coverage policy for rice in time for the 2015 crop year; and the Board is authorized to approve another priority in time for the 2015 crop year, a submission that allows separate Enterprise Units by risk rating. With respect to approval of costs for research and development, the requirement that a policy address “a unique need of agricultural producers” is dropped as part of the qualifying criteria for the 50 percent advance, and the submitter not having sufficient financial resources to complete the development of the submission into a viable or marketable policy is dropped as part of the criteria for an additional 25 percent advance. (Section 11010)

The Managers observe the importance of a section 508(h) submission process that is highly conducive to the development, approval, and availability of new risk management products for producers. The Managers intend that, provided that largely objective standards are met by a submission under section 508(h), the Board must approve the policy. The Managers intend that the Board will honor the general priorities as required under the amendments made to section 508(h) under this section but in a manner that also provides for the timely consideration of other policies. The Managers specifically intend for the Board to approve a peanut revenue policy and a margin policy for rice producers in time for the 2015 crop year, as required under this section, and intend for the Board to use the authority granted under this section to consider and approve a submission providing for separate Enterprise Units by risk rating also in time for

the 2015 crop year. The Managers would also strongly urge the Board to place a high priority on the approval of a specialized irrigated grain sorghum policy that establishes improved rates and t-yields based on a certain high level of crop management.

*(11) Equitable relief for specialty crop policies*

The House bill provides that for each of the 2011 through 2015 reinsurance years, the Corporation must provide \$41 million in reimbursement (in addition to the total amount of funding for A&O reimbursement) with respect to eligible insurance contracts for any agricultural commodity that is not eligible for a benefit under subtitles A, B or C of Title I of this Act. (Section 11011)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(12) Consultation*

The Senate amendment requires the submitter of a proposed policy to, as part of the 508(h) review process, consult with groups representing producers of agricultural commodities in all major producing areas for the commodities to be served or potentially impacted, either directly or indirectly. Any submission to the Board must include a summary assessment of the consultation and the Board must use the assessment to determine if the submission will create adverse market distortions. (Section 11010)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision but confines the scope of the new consultation requirements to fruits, vegetables, tree nuts, dried fruits, horticulture, nursery crops, and floriculture. (Section 11011)

*(13) Budget limitations on renegotiation of the Standard Reinsurance Agreement*

The House bill requires that, to the maximum extent practicable, any new SRA negotiated under section 508(k)(8)(A)(ii) shall be budget neutral as compared to the previous SRA, that in no event may a new SRA significantly depart from budget neutrality, and that any incidental savings realized from the renegotiation of the Standard Reinsurance Agreement be used to increase premium subsidies, A&O reimbursements, or fund pilot programs. (Section 11012)

The Senate amendment is similar except that the provision requires any savings realized from the renegotiation of the Standard Reinsurance Agreement “be used for programs administered or managed by the Risk Management Agency.” (Section 11011)

The Conference substitute adopts the House provision with an amendment to clarify that, to the maximum extent practicable, estimated underwriting gains under any new SRA must be budget neutral as compared to estimated underwriting gains under the immediately preceding SRA were the preceding SRA extended over the same period of time (Subparagraph (F)(i)(I)). The substitute also clarifies that any future SRA must comply with provisions of the Federal Crop Insurance Act governing A&O rates but that this requirement is subject to the requirement that, to the maximum extent practicable, the estimated total amount of A&O under any new SRA shall not be less than the estimated total amount of A&O under the immediately preceding SRA were the preceding SRA extended over the same period of time, as estimated on the date of enactment of the Farm Bill (Subparagraph (F)(i)(II)). The substitute requires in the same clause that in no event shall a new SRA significantly depart from the budget neutrality as defined in

each of subclauses (I) and (II) unless otherwise required by the Federal Crop Insurance Act (Subparagraph (F)(i)(III)). The substitute further requires that to the extent there are any budget savings from a future SRA and they do not result in a significant departure from the budget neutrality required under each of subparagraphs (F)(i)(I) and (F)(i)(II), the savings must be used to increase A&O or underwriting gains (Subparagraph (F)(ii)). (Section 11012)

The Managers note that Federal Crop Insurance has been reduced by about \$17 billion over the past six years, including directly in the 2008 Farm Bill, in the context of the 2011 Standard Reinsurance Agreement negotiated in 2010 pursuant to section 508(k)(8)(A)(i), and in the subsequent premium rerating of policies. The Managers intend that, in compliance with this section, any SRA negotiated pursuant to section 508(k)(8)(A)(ii) shall not be used as a means of achieving further cuts to Federal Crop Insurance. To this end, this provision of law requires forbearance from further cuts in any future SRA negotiations to the maximum extent practicable. The Managers observe that this provision imposes a clear duty on the FCIC to fulfill the statutory command to the extent that it is feasible or possible to do so while still fulfilling the purposes of the statute, namely the provision of crop insurance to farmers and ranchers through approved insurance providers and private sector agents. Absent clear directive under a future Act of Congress, the Managers expect that forbearance from budget reductions under any future SRA is, in fact, both feasible and possible. In requiring budget neutrality, it is the intent of the Managers that the authority of the Corporation to carry out its authorities under this subtitle to establish or revise premium rates shall not be affected by this amendment.

The Managers note that this provision of law establishes an effective floor for estimated underwriting gains (UWGs) and A&O amounts under any future SRA that is based on estimates under the current SRA. Subject to the prescribed minimum amount of A&O, the Managers also note that the provision requires the FCIC to comply with applicable provisions of the FCIA when establishing A&O rates. In contrast to UWGs where there is no statutory instruction, there is significant statutory instruction and history with respect to A&O rates. For instance, section 508(k)(4)(A)(ii) established a maximum A&O rate of 24.5 percent of premium used to define loss ratio beginning with the 1999 reinsurance year. Section 508(k)(4)(E) subsequently fixed the rate of A&O at 2.3 percentage points below the rate in effect on the date of enactment of the 2008 Farm Bill with respect to the 2009 and subsequent reinsurance years. And section 508(k)(8)(E) authorized alternative methods to determine A&O rates for covered reinsurance years under the SRA that took effect beginning with the 2011 reinsurance year. The Managers would observe that the applicable statutory A&O rates are made subject to the estimated minimum amount of A&O required under this provision of law as well as to any additional A&O required in the event of incidental savings from a future SRA negotiated under section 508(k)(8)(A)(ii). The Managers note that Subparagraph (F)(i)(III) enforces the overarching purpose of this provision of law which is to avoid future spending reductions by maintaining budget neutrality. The Managers do not intend that this provision be construed to require that funding be increased or decreased with respect to either A&O or UWGs in a manner that would increase or decrease such funding relative to a future SRA negotiated under section 508(k)(8)(A)(ii) unless an increase or decrease is otherwise required by the operation of law.

Subparagraph (F)(i)(III) generally restates the overarching purpose of this provision of law which is to maintain budget neutrality unless the statute requires otherwise. The Managers note that budget neutrality requirements as defined in each of subclauses (I) and (II) and each enforced by subclause (III) may not be construed to require a reduction to another program. Subparagraph (F)(ii) holds that any savings from

an SRA negotiated under section 508(k)(8)(A)(ii) shall be purely incidental and any such savings must be redirected back into A&O and UWGs. Thus, the Managers intend that any savings under a future SRA be, in fact, purely incidental and that these savings be used to increase A&O and UWGs in a manner that is not discriminatory or prejudicial to any approved insurance provider or agent. The Managers further intend that incidental savings from UWGs should be redirected to UWGs and, likewise, incidental savings from A&O should be redirected to A&O.

*(14) Test weight for corn*

The Senate amendment requires the Corporation to establish procedures to allow insured producers not more than 120 days to settle claims, in accordance with procedures established by the Secretary, involving corn that is determined to have low test weight. As soon as practicable after the date of enactment of this provision, the Corporation is required to implement this provision on a regional basis based on market conditions and the interests of producers. The authority under this section terminates 5 years from implementation. (Section 11012)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 11013)

*(15) Crop production on native sod*

The House bill amends Section 508(o) of the Federal Crop Insurance Act. The provision amends the definition of native sod to include land that a producer cannot substantiate has ever been tilled. With respect to native sod, the provision requires a reduction in crop insurance premium support, and is denied NAP payments or Commodity Title payments. The provision requires that during the first 4 years of planting a crop on native sod, the premium support for crop insurance will be reduced by 50 percentage points. The provision also provides that the required reduction in benefits will apply to 65 percent of the transitional yield of the producer and that a producer may not substitute yields on native sod ground. The provision is limited in application to the Prairie Pothole National Priority Area. The provision amends the Non-Insured Crop Disaster Assistance Program (NAP) program in the same fashion. Section 10013(c) requires a cropland report to the House and Senate Agriculture Committees and annual updates. (Section 11013)

The Senate amendment requires the same reduction in benefits as the House provision except that the Senate provision makes the reduction in benefits for planting on native sod nationwide. It further requires a cropland report and annual updates. (Section 11035)

The Conference substitute provides for a reduction in benefits for a producer that has tilled native sod for the production of an annual crop under both the Federal Crop Insurance Act and NAP. Under the Federal Crop Insurance Act, a producer is subject to a reduction in benefits during the first four crop years of planting. The crop insurance insured yield would be determined using a yield of 65 percent of the transitional yield of the producer. The reduced subsidy would be 50 percentage points less than the premium subsidy that would otherwise apply. The reduction in benefits does not apply to catastrophic level coverage.

In the case of benefits under NAP, a producer planting on native sod during the first four years is subject to a reduction in benefits. The reduced approved yield is determined by a yield that is 65 percent of the T yield of the producer. The service fees or premiums would be equal to 200% of the service fee or premium.

The conference substitute provides that the reduction in benefits for both federal crop insurance and NAP apply only on native sod in the states of Minnesota, Iowa, North Dakota, South Dakota, Montana, and Nebraska.

The conference substitute adopts the Senate provision on the requirement for a crop land report and annual updates. (Section 11014)

The Managers do not intend for approved insurance providers (AIP) or agents to be responsible for making any determinations relative to this section, nor for AIPs or agents to undertake any liability for changes in eligibility determinations.

*(16) Coverage levels by practice*

The House bill allows a producer that produces an agricultural commodity on both dry land and irrigated land to elect a different coverage level for each production practice beginning with the 2015 crop year. (Section 11014)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision. (Section 11015)

The Managers intend that this provision will be implemented in time for the 2015 crop year. The Managers would observe that the risks relative to producing crops on dry land acreage versus irrigated acreage are considerably different and that many producers seek different coverage levels that are tailored to those differing risks.

*(17) Beginning farmers and rancher provisions*

The House bill, in section 11015, defines a beginning farmer or rancher as one who has not actively operated and managed a farm or ranch with a bona fide interest in a crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than 5 crop years. Except in the case of CAT coverage, beginning farmers and ranchers receive premium assistance that is 10 percentage points higher than premium assistance otherwise provided. The section requires that a beginning farmer or rancher previously involved in a farming or ranching operation, including in decision making or physical involvement, be assigned a yield that is the higher of the APH of the previous producer of the crop or livestock on the acreage or the yield of the producer as otherwise provided by statute. The section further provides beginning farmers and ranchers with a higher yield plug of 80 percent of the applicable transitional yield. (Section 11015)

The Senate amendment is similar to the House. (Section 11032)

The Conference substitute adopts the House provision. (Section 11016)

The Managers intend this section to be implemented in a manner that does not discriminate against producers who grew up on a farm or ranch, left for post-secondary education or military service, and returned to the farm or ranch. When calculating the 5 crop years in this section, the Managers intend that any year when a producer was under the age of 18, in post-secondary studies, or serving in the U.S. military should not be counted.

*(18) Stacked income protection plan for producers of upland cotton*

The House bill, in section 11016(a), requires the Corporation to make available to upland cotton producers, beginning with the 2014 crop year, a new additional policy which is to provide coverage consistent with the Group Risk Income Protection (GRIP) Plan along with the Harvest Revenue Option Endorsement offered in the 2011 crop year. The section authorizes the Corporation to modify the policy on a program-wide basis provided the plan complies with certain requirements. The section requires coverage for revenue loss of not less than 10 percent

and not more than 30 percent of expected county revenue, offered in increments of 5 percent. The section establishes a deductible under the policy of 10 percent of revenue loss in a county. The section requires that the policy be made available to all upland cotton producers in all counties of production at a county-wide level to the fullest extent practicable, or in counties that lack sufficient data, on the basis of a larger geographical area as determined by the Corporation. The section provides that this coverage may be purchased alone or in addition to any other individual or area coverage on the same acreage except that in the latter case the coverage may not exceed the deductible of the other policy. The section requires that coverage be based on the expected price established under existing GRIP or area wide policy offered by the Corporation for the county or area and crop year and an expected county yield. The section requires that the expected county yield be the higher of the expected county yield for existing area wide plans for the applicable county (or area) and crop year (or in geographic areas where area-wide plans are not offered, an expected yield determined in a consistent manner with an area wide plan) or the average of the applicable yield data for the county (or area) for the most recent 5 years, excluding the high and low, as observed by RMA, NASS, or both, or other data determined appropriate by the Secretary if sufficient county data is not available. The section requires use of a multiplier factor of not less than the higher of the level established on a program wide basis or 120 percent. The section requires an indemnity to be paid based on the amount that expected county revenue exceeds actual county revenue as applied to the individual coverage of the producer, except that indemnities may not include or overlap the producer's selected deductible. The section requires the availability of this coverage by irrigation practice in all counties where data is available. The section establishes the amount of premium and premium support and specifies the amount of A&O required for the policy. The section clarifies that the policy is in addition to all other coverage available to producers of upland cotton. Finally, section 11016(b) provides for a conforming amendment.

The Senate amendment: Section 11013 is similar to the House bill except that the Senate requires the stacked income protection plan to be made available beginning with the 2014 crop year if practicable and requires such protection to be made available by irrigation practice to the maximum extent practicable. (Section 11013)

The Conference substitute adopts the House provision except that stacked income protection for upland cotton producers is required to be made available beginning not later than the 2015 crop year. (Section 11017)

The Managers intend that the Stacked Income Protection Plan for Producers of Upland Cotton be implemented in a manner that if a producer participates in both the Stacked Income Protection Plan and an area-wide policy, the total indemnification under both policies combined does not exceed the total insured value of the crop. The Managers intend that the Stacked Income Protection Plan for Producers of Upland Cotton be implemented in a manner that includes the features of existing area-wide crop insurance products, including allowing for producers to select or decline the Harvest Price Option. The Managers further intend that Stacked Income Protection Plan be fully implemented by the Corporation as expeditiously as possible.

#### *(19) Peanut revenue crop insurance*

The House bill, in Section 11017, requires the Corporation to make available revenue insurance for peanut producers beginning with the 2014 crop year. The section establishes an effective price for revenue and multiple peril insurance at a price equal to the Rotterdam price

index for peanuts, adjusted to reflect the farmer stock price of peanuts in the U.S. The section authorizes RMA to adjust the effective price to correct distortions in an open and transparent manner with a report to the Agriculture Committees on the reasons for the adjustment. (Section 11017)

The Senate amendment is similar to the House provision. (Section 11014)

The Conference substitute adopts the House provision except that peanut revenue coverage is required beginning with the 2015 crop year and the effective price must be either the Rotterdam price or other appropriate price as determined by the Secretary. (Section 11018)

The Managers note that peanut revenue coverage is required to be made available to peanut producers in time for the 2015 crop year and that a separate section within the crop insurance title of this Act requires that the approval of a peanut revenue policy be made a priority.

*(20) Authority to correct errors*

The House bill amends section 515(c) of the Federal Crop Insurance Act to allow an agent or an AIP to correct unintentional errors in information that are provided by a producer. Section 515(c)(3)(A) (as amended by section 11018 of the House bill) specifies that the authority granted by section 10018 shall be in addition to any corrections already permitted and in place on the date of enactment of this Act. Section 515(c)(3)(A)(i) provides agents and AIPs authority to correct unintentional errors in information provided by the producer to obtain insurance within a reasonable period following the sales closing date. Section 515(c)(3)(A)(ii)(I) also provides that, within a reasonable time following the acreage reporting date, agents and AIPs may correct unintentional errors in factual information that are provided by a producer after the sales closing date to reconcile the information with the information reported by the producer to FSA. Section 515(c)(3)(A)(ii)(II) provides that agents and AIPs may make corresponding corrections within a reasonable amount of time following the date of any subsequent correction of data by the FSA made as a result of the verification of information. Section 503(c)(3)(A)(iii) provides that AIPs and agents may at any time correct unintentional errors made by FSA, agents, or AIPs in transmitting the information provided by the producer to the approved insurance provider or the Corporation. Section 515(c)(3)(B) provides that in accordance with Corporation procedures, the corrections permitted under clauses (i) and (ii) may only be made if the corrections do not allow the producer to avoid ineligibility requirements; to obtain, enhance or increase an insurance guarantee or avoid a premium owed if a cause of loss exists or has occurred before any correction has been made; or to avoid an obligation or requirement under federal or state law. Section 515(c)(3)(C) exempts errors corrected pursuant to this section from any late filing sanctions. (Section 11018)

The Senate amendment amends section 515(c) of the Federal Crop Insurance Act to require the Corporation to establish procedures to allow an agent or an AIP to, within a reasonable amount of time after the sales closing date, correct errors in specified information that is provided by a producer to ensure the information is consistent with information reported to FSA. The section limits the ability to correct errors if allowance would allow the producer to obtain a disproportionate benefit under crop insurance or other USDA program, avoid ineligibility requirements for crop insurance, or avoid an obligation under federal or state law. (Section 11015)

The Conference substitute adopts the House provision but requires the Corporation to establish procedures to implement the authority to correct errors that are in addition to authorities

to correct errors in place as of the day before the date of enactment of this Act. The substitute also clarifies that the authority granted under Section 508(c)(3)(A)(i) is also to ensure that the information is consistent with information reported by the producer for other programs administered by the Secretary. The substitute allows an agent or approved insurance provider to make corresponding corrections within a reasonable amount of time following the date of any correction by the FSA made as a result of the verification of information. The substitute also clarifies that at any time an agent or an approved insurance provider may correct their electronic transmission errors, or the electronic transmission errors of FSA or other USDA agencies to the extent that the agent or AIP relied on that information. The substitute also provides authority to allow a producer to make late payment for crop insurance under certain conditions. (Section 11019)

The Managers would note that the authority to correct errors is in addition to any authorities to correct errors in existence on the day before the date of enactment of this Act, and that the additional authority provided under this section does not preclude the agency from administratively providing other additional authorities to correct errors.

#### *(21) Implementation*

Section 11020 requires the Secretary to maintain and upgrade information management systems used in the administration and enforcement of the FCIA. The section requires the Secretary to ensure that new hardware and software are compatible with the same used by other USDA agencies. The section requires the Secretary to develop and implement an acreage report streamlining initiative project. Mandatory funds are authorized by the section for systems upgrades (\$25 million for FY2014 and \$10 million for each fiscal year from FY2015 through FY2018) with additional funding (an additional \$5 million for each fiscal year from FY2015 through FY2018) made available upon completion of the Acreage Crop Reporting Streamlining Initiative (ACRSI). The section requires a report to the Agriculture Committees upon the substantial completion of ACRSI. (Section 11019)

The Senate amendment is similar to the House provision and the funding levels are the same, except the expected completion date for ACRSI and the submission date of the report to the Agriculture Committees of Congress are different. (Section 11016)

The Conference substitute adopts the House provision except with reduced funding levels, with \$14 million in FY2014 and \$9 million in each fiscal year from FY2015 through FY2018 with an additional \$5 million for each fiscal year from FY2015 through FY2018 if the specified conditions are met. (Section 11020)

#### *(22) Crop insurance fraud*

The Senate amendment amends section 516(b)(2) to require that beginning with the 2014 reinsurance year and for each reinsurance year thereafter, the Corporation may use up to \$5 million from the insurance fund to pay costs to reimburse expenses incurred for the review of policies, plans of insurance, and related materials and assist the Corporation in maintaining program integrity and, in addition to other amounts for this purpose, costs incurred by RMA for compliance operations. (Section 11017)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with modifications. The substitute provides that the Corporation may use from the insurance fund not more than \$9 million for each of the 2014 and subsequent reinsurance years to reimburse expenses incurred for the operations

and review of policies, plans of insurance, and related materials, and to assist the Corporation in maintaining program actuarial soundness and financial integrity. The substitute further provides that Secretary may, without further appropriation merge some or all of the funds made available under this subparagraph into the accounts of the Risk Management Agency and obligate those funds. The substitute also provides that the funds made available under this subparagraph are in addition to other funds made available for costs incurred by the Corporation. (Section 11021)

*(23), (24), (26) Research and development priorities, Additional Research and Development Contracting Requirements, Alfalfa Crop Insurance Policy*

The House bill authorizes the Corporation to conduct research and development in addition to current authority to enter into contracts for research and development. The section also makes underserved agricultural commodities, including sweet sorghum, biomass sorghum, rice, peanuts, sugarcane, alfalfa, pennycress, and specialty crops research and development priorities. (Section 11020)

The Senate amendment is similar to the House provision but excludes rice, peanuts, alfalfa, and pennycress while adding dedicated energy crops. The section also requires the Corporation to follow consultation requirements before conducting research and development or entering into a contract. (Section 11028)

The Conference substitute adopts the House provision and, within the same section, incorporates specific research and development requirements from section 10021 of the House bill and sections 11019, 11020, 11021, 11022, 11023, 11026 of the Senate bill, including House section 11021's margin coverage for catfish (which is the same as Senate section 11022); House section 11021's biomass and sweet sorghum energy crop insurance policies, which is similar to Senate section 11025; the House study on swine catastrophic disease program, which is similar to the study in Senate section 11021 except that under the Substitute the Corporation is required to contract with 1 or more qualified entities; the House whole farm diversified risk management insurance plan, which is similar to Senate section 11019, except that the Corporation is given up to two years to reach resolution before having to follow the directive of the section under the Substitute; the House section 11021 study on poultry catastrophic disease program; the House section 11021 poultry business interruption insurance policy which is similar to Senate section 11023 except that under the Substitute any coverage is limited to a portion of losses; the House section 11021 study of food safety insurance which is similar to Senate section 11020; and Senate section 11026 regarding alfalfa crop insurance policy. (Section 11022)

The Managers would note that sweet sorghum and biomass sorghum are listed as underserved commodities and intend that the Corporation give proper priority to the development and ultimate availability of coverage for these crops. The listing of rice and peanuts as underserved commodities also prioritizes development and availability of new policies serving these crops, including margin coverage for rice and revenue coverage for peanuts.

The Managers recognize alfalfa to be an important domestic forage crop valued for nitrogen fixation, soil conservation, crop rotation, and as a natural habitat. The Managers view alfalfa as having great potential for the national cash hay market and as an affordable means of supporting the forage and intensive grazing needs of the horse, cattle, and dairy sectors. However, from 2002 through 2011, alfalfa acreage has declined 15.7 percent, and in 2012 alone acreage declined an additional 10 percent. The Managers stress the importance of an alfalfa crop insurance policy to ensure that producers have the risk management protection that they need to

produce this important crop. The Managers urge the Secretary to include information regarding regional differences in cultivation in the alfalfa crop insurance study.

In developing the whole farm diversified risk management insurance policy, the Managers recognize that the Corporation may include coverage for the value of any packing, packaging, or any other similar on-farm activity the Corporation determines to be the minimum required in order to remove the commodity from the field. Making a crop market-ready may require incidental on-farm processing that could occur either in-field or off-field. This activity includes packing, packaging, washing, labeling, trimming, and other similar activities that occur after harvest in order to ensure a marketable commodity. It is the Managers' view that the production cost of such activities does not add value to the product beyond making it a saleable commodity.

In conducting the study on food safety insurance, the Managers do not intend to delay RMA's on-going efforts on these issues. The Managers are aware of existing RMA pilots on quarantine and encourages additional on-the-ground exploration into how risk management might work for quarantine in a specialty crop setting in both perennial and annual crops. The Managers acknowledge that naturally occurring food safety pathogens (a natural peril) could be insurable as cause of loss, but in light of the historical challenges of insuring these perils urges the agency to make examination of data collection into the extent and severity of these perils a priority for this report. The Managers likewise encourage RMA to continue to refine how crop insurance might protect against the risks associated by naturally occurring food safety pathogens. These risks could be associated with either revenue or yield and RMA's on-the-ground product development should not be slowed by this study. This study is designed to help specialty crop producers and Congress understand how these risks are already being, or could be, addressed by the crop insurance system. Special emphasis should be placed on the types of practical challenges that RMA believes are present that need to be overcome in order to create actuarially sound products as is required by statute, including, for example, data collection challenges that may be different or unique to specialty crops vis-a-vis row crops and the implementation of new insurance products on a pilot basis is encouraged as a part of an insurance-relevant data collection effort.

In establishing appropriate maintenance payments under Section 522(b)(4)(D)(ii) of the Federal Crop Insurance Act, the Managers urge the Corporation to consider whether it is appropriate to establish such payments at an amount totaling not less than the greater of \$10 per policy (as adjusted periodically for inflation); one half of one percent of the total risk premium applicable to the policy; or, if applicable, the fee per policy approved by the Board under this paragraph that was in effect for crop year 2013.

*(25) Study of crop insurance for seafood harvesters*

The Senate amendment requires the Corporation to conduct a feasibility study of insuring seafood harvesters and report to Congress on the results of the study. (Section 11024)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(27) Crop insurance for organic crops*

The Senate amendment requires as soon as possible but not later than for the 2015 reinsurance year, the Corporation shall offer producers of organic crops price elections for all organic crops, produced in compliance with USDA standards, that reflect the retail or wholesale

price, as appropriate. The provision requires the Corporation to then report to Congress on progress made in developing and improving crop insurance for organic crops. (Section 11027)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 11023)

*(28) Program compliance partnerships*

The House bill provides that the purpose of subsection 522(d) of the Federal Crop Insurance Act is to authorize the Corporation to enter into partnerships with private and public entities for the purpose of either increasing availability of loss mitigation, financial, and other risk management tools for producers, with a priority given to risk management tools for producers covered by the Non-Insured Assistance program (NAP), specialty crops, and underserved commodities or improving analysis tools and technology regarding compliance or identifying and using innovative compliance strategies. (Section 11022)

The Senate amendment contains no comparable provision.

The Conference substitute adopts the House provision with an amendment that rewrites the purposes of section 522(d), as proposed in the House provision, and adds to the objectives provided under section 522(d)(3) the improvement of analysis tools and technology regarding compliance or identifying and using innovative compliance strategies. (Section 11024)

In expanding the Partnerships for Risk Management Development and Implementation to include both improving analytical tools and technology and using innovative strategies for compliance with the federal crop insurance program, the Managers urge the Corporation to utilize this new authority to provide the government and industry with additional options with regard to ensuring program compliance.

*(29) Index-based weather insurance pilot programs*

The Senate amendment authorizes \$10 million in each of fiscal years 2014 through 2018 for the Corporation to conduct a pilot program to provide financial assistance for producers of underserved crops and livestock (including specialty crops) to purchase an index-based weather insurance product from a private insurance company. The Corporation may pay a portion of the premium but not in excess of 60 percent. The provision also provides certain eligibility requirements for providers, as well as procedures for administration of the pilot program. (Section 11030)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision with modifications. The substitute defines livestock to include cattle, sheep, swine, goats, poultry, and pasture, rangeland, and forage as a source of a feed for livestock. The substitute authorizes the Corporation to conduct two or more pilot programs to provide producers of underserved specialty crops and livestock with index-based weather insurance. The substitute requires the Board of the FCIC to approve two or more policies or plans of insurance of AIPs if the Board determines the pilot programs meet the requirements above and additional requirements that the AIPs must: have adequate experience underwriting and administering the kinds of policies proposed under the pilot; have sufficient assets or reinsurance and have sufficient credit rating; and have applicable authority and approval from each state in which the policy will be offered. Pilot program applications submitted pursuant to this section are required to be reviewed in a manner consistent with section 508(h) as well as the actuarial soundness requirements applied to other policies or plans of

insurance. The substitute provides priority to pilot program policies that provide a new kind of coverage for specialty crops and livestock that have no available crop insurance or demonstrate low participation under available coverage. The substitute requires the Corporation to pay a percentage of premium, except that the premium support may not exceed 60 percent of total premium. The substitute prescribes the calculation of premium support and requires that the Corporation pay the premium support in the same manner and under the same terms and conditions as premium support for other policies. The Substitute authorizes A&O unless such costs are included in the premium but prohibits federal reinsurance, research and development cost reimbursement, or other reimbursements or maintenance fees. The substitute provides that the AIP that submitted the pilot program may offer the policy exclusively unless, in an exception to the prohibitions on fees, another AIP agrees to pay agreed upon maintenance fees that are reasonable and appropriate and the other AIP meets other eligibility requirements. The substitute requires the requirements of paragraph (4) to be met notwithstanding confidentiality requirements in paragraph (6). The substitute establishes oversight requirements, provides for confidentiality, and prohibits any policy or plan of insurance to be approved if it is substantially similar to privately available hail insurance. The substitute provides \$12.5 million for each fiscal year 2015 through 2018 with such amounts to be made available until expended. The substitute clarifies that these amounts for the pilot program are in addition to amounts made available under other provisions in the Act. (Section 11026)

The Managers note that many producers of specialty crops and livestock are not adequately served by the existing suite of crop insurance products and that alternative approaches, such as this provision, may be appropriate to extend insurance coverage to those producers. Further, the Managers would urge the Corporation to use this pilot authority to develop new expertise and collect as much information as possible about the future development and use the weather-based index insurance as a method for covering producers who are currently underserved by existing crop insurance products. Consistent with the requirements of this section, the Managers intend for RMA to look at states or regions where the level of crop insurance coverage for a particular commodity is significantly below the national average.

*(30) Enhancing producer self-help through farm financial benchmarking*

The Senate amendment adds “farm financial benchmarking” to the list of objectives under the partnerships authorized under section 522(d) and the education and risk management assistance authorized under section 524(a). (Section 11031)

The House bill contains no comparable provision.

The Conference substitute adopts the Senate provision. (Section 11027)

*(31) Limitation on premium subsidy based on average adjusted gross income*

The Senate amendment requires that, beginning with the 2014 reinsurance year, the total amount of premium subsidy for additional coverage for any person or entity that has an average adjusted gross income in excess of \$750,000 be 15 percentage points less than the premium subsidy that would otherwise be available for the applicable policy. This section would only take effect if the Secretary, in consultation with the Government Accountability Office, finds that the limitation would not: (1) significantly increase the amount of premium paid by producers with a lower AGI; (2) result in a decline in coverage available; and (3) increase the total cost of the federal crop insurance program. (Section 11033)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(32) Agricultural management assistance, risk management education, and organic certification cost share assistance*

The House bill eliminates tree plantings and soil erosion control from the list of approved uses, and permanently authorizes the Agricultural Management Assistance Program at \$10 million in mandatory money each fiscal year. It sets aside 30 percent to NRCS for conservation, 10 percent to the Agricultural Marketing Service for organic certification, and 60 percent to the Risk Management Agency for risk management. (Section 2506)

The Senate amendment eliminates the list of states eligible for agricultural management assistance and specified uses for such assistance and authorizes Agricultural Management Assistance, Risk Management Education, and Organic Certification Cost Share Assistance. The provision applies a payment limit of \$50,000. The provision provides \$23 million in mandatory funding for each of fiscal years 2014 through 2018. (Section 11034)

The Conference substitute deletes both the House and Senate provisions.

*(33) Technical amendments*

The House bill strikes the crop insurance coverage requirement to receive certain benefits. The provision also eliminates the exclusion from assistance for losses due to drought conditions under the Livestock Forage Disaster Program. (Section 11024)

The Senate amendment strikes the crop insurance coverage requirement to receive certain benefits. (Section 11036)

The Conference substitute adopts the House provision with amendments to clarify that premium subsidy for area revenue and area yield plans are separately provided for, and that the Corporation must provide notice to Congress if it elects to renegotiate an SRA pursuant to section 508(k)(8)(A)(ii). (Section 11029)

*(34) Advance public notice of crop insurance policy and plan changes*

The House bill requires any changes to the terms and conditions of a policy to be published in the Federal Register at least 60 days before June 30 for fall planted crops and at least 60 days before November 30 for spring planted crops. (Section 11025)

The Senate amendment contains no comparable provision.

The Conference substitute deletes the House provision.

*(35) Greater accessibility for crop insurance*

The Senate amendment requires that when issuing regulations and guidance relating to plans and policies of crop insurance, RMA and the Corporation use plain language, to the greatest extent practicable, as required under Executive Orders 12866 and 12988. The provision requires the Secretary to improve the website on which crop insurance information is disseminated and to report to Congress on efforts to accelerate compliance. (Section 11037)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

*(36) GAO crop insurance fraud report*

The Senate amendment requires the Comptroller General of the United States, as soon as practicable after the date of enactment of this paragraph, to conduct and submit to Congress a

report describing the results of a study regarding fraudulent claims filed and benefits provided under this subtitle. (Section 11038)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.