

1 CLARIFICATION ON COTTONSEED

2 SEC. _____. (a) DESIGNATION OF COTTONSEED AS A
3 COVERED COMMODITY.—Section 1111(6) of the Agricul-
4 tural Act of 2014 (7 U.S.C. 9011(6)) is amended by add-
5 ing at the end the following new sentence: “Effective be-
6 ginning with the 2017 crop year, the term includes cotton-
7 seed.”.

8 (b) REFERENCE PRICE FOR COTTONSEED.—Section
9 1111(18) of the Agricultural Act of 2014 (7 U.S.C.
10 9011(18)) is amended by adding at the end the following
11 new subparagraph:

12 “(O) For cottonseed, \$15.88 per hundred-
13 weight.”.

14 (c) PAYMENT YIELD FOR COTTONSEED.—Section
15 1113(b) of the Agricultural Act of 2014 (7 U.S.C.
16 9013(b)) is amended by adding at the end the following
17 new paragraph:

18 “(4) PAYMENT YIELD FOR COTTONSEED.—

19 “(A) PAYMENT YIELD.—Subject to sub-
20 paragraph (B), the payment yield for cotton-
21 seed for a farm shall be equal to 1.4 times the
22 payment yield for upland cotton for the farm
23 established for purposes of section 1104(e)(3)

1 of the Food, Conservation, and Energy Act of
2 2008 (7 U.S.C. 8714(e)(3)).

3 “(B) UPDATE.—At the sole discretion of
4 the owner of a farm, the owner of a farm shall
5 have a 1-time opportunity to update the pay-
6 ment yield for upland cotton for the farm estab-
7 lished for purposes of section 1104(e)(3) of the
8 Food, Conservation, and Energy Act of 2008 (7
9 U.S.C. 8714(e)(3)) as provided in subsection
10 (d).”.

11 (d) PAYMENT ACRES.—Section 1114(b) of the Agri-
12 cultural Act of 2014 (7 U.S.C. 9014(b)) is amended by
13 adding at the end the following new paragraph:

14 “(4) COTTONSEED RULE.—

15 “(A) 2017 CROP YEAR.—Effective for the
16 2017 crop year, the Secretary shall require the
17 producers on a farm to—

18 “(i) attribute generic base acres to re-
19 flect the covered commodities planted on
20 the farm before the designation of cotton-
21 seed as a covered commodity under section
22 1111(6); or

23 “(ii) attribute generic base acres to
24 covered commodities planted on the farm,
25 reflecting the designation of cottonseed as

1 a covered commodity under section
2 1111(6).

3 “(B) 2018 AND SUBSEQUENT CROP
4 YEARS.—Effective for the 2018 crop year and
5 each subsequent crop year thereafter, the Sec-
6 retary shall require the owner of a farm to allo-
7 cate all generic base acres on farms as follows:

8 “(i) In the case of a farm where no
9 covered commodities (including cottonseed)
10 were planted or were prevented from being
11 planted at any time during the 2009
12 through 2016 crop years, allocate generic
13 base acres to unassigned crop base for
14 which no payments may be made under
15 section 1116 or 1117.

16 “(ii) In the case of a farm not de-
17 scribed in clause (i), allocate generic base
18 acres—

19 “(I) to cottonseed base acres in
20 an amount equal to the greater of—

21 “(aa) subject to clause (iii),
22 80 percent of the generic base
23 acres on the farm; or

24 “(bb) the average cottonseed
25 acres planted or prevented from

1 being planted on the farm during
2 the 2009 through 2012 crop
3 years (not to exceed the total ge-
4 neric base acres on the farm); or
5 “(II) to covered commodities (in-
6 cluding cottonseed), by applying sub-
7 paragraphs (B), (D), (E), and (F) of
8 section 1112(a)(3).

9 “(iii) In the case of a farm where ge-
10 neric base acres are allocated under clause
11 (ii)(I)(aa), the remaining 20 percent of ge-
12 neric base acres shall be allocated to unas-
13 signed crop base for which no payments
14 may be made under section 1116 or
15 1117.”.

16 (e) RECORDKEEPING REGARDING UNASSIGNED CROP
17 BASE.—Section 1114 of the Agricultural Act of 2014 (7
18 U.S.C. 9014) is amended by adding at the end the fol-
19 lowing new subsection:

20 “(f) UNASSIGNED CROP BASE.—The Secretary shall
21 maintain information on generic base acres on a farm allo-
22 cated as unassigned crop base pursuant to clauses (i) and
23 (iii) of subsection (b)(4)(B).”.

24 (f) SPECIAL ELECTION PERIOD FOR PRICE LOSS
25 COVERAGE OR AGRICULTURE RISK COVERAGE.—Section

1 1115 of the Agricultural Act of 2014 (7 U.S.C. 9015(b))
2 is amended—

3 (1) in subsection (a), by striking “For” and in-
4 serting “Except as provided in subsection (g), for”;
5 and

6 (2) by adding at the end the following new sub-
7 section:

8 “(g) SPECIAL ELECTION.—In the case of a farm on
9 which generic base acres are attributed to cottonseed or
10 on which generic base acres are allocated to cottonseed,
11 the producers on a farm shall be given the opportunity
12 to make a new 1-time election under subsection (a) for
13 the 2017 through 2018 crop years to reflect the designa-
14 tion of cottonseed as a covered commodity under section
15 1111(6).”.

16 (g) LOAN RATE.—Section 1202 of the Agricultural
17 Act of 2014 (7 U.S.C. 9032) is amended by adding at
18 the end the following new subsection:

19 “(c) RULE FOR COTTONSEED.—

20 “(1) For purposes of section 1116(b)(2) and
21 paragraphs (1)(B)(ii) and (2)(A)(ii)(II) of section
22 1117(b) only, cottonseed shall be deemed to have a
23 loan rate equal to \$8.00 per hundredweight.

1 “(2) Nothing in this subsection shall be con-
2 strued to authorize nonrecourse marketing assist-
3 ance loans under this part for cottonseed.”.

4 (h) LIMITATION ON STACKED INCOME PROTECTION
5 PLAN FOR PRODUCERS OF UPLAND COTTON.—Section
6 508B of the Agricultural Adjustment Act of 1938 (7
7 U.S.C. 1508b) is amended by adding the following new
8 subsection:

9 “(f) LIMITATION.—Effective beginning with the 2018
10 crop year, in the case of a farm that is enrolled for a crop
11 year in price loss coverage under section 1116 of the Agri-
12 cultural Act of 2014 (7 U.S.C. 9016) or agriculture risk
13 coverage under section 1117 of such Act (7 U.S.C. 9017)
14 and the coverage on the farm includes cottonseed, the
15 farm shall not be eligible for a Stacked Income Protection
16 Plan for upland cotton for the same crop year.”.

17 (i) ADMINISTRATION.—The Secretary of Agriculture
18 shall carry out the amendments made by this section in
19 the manner provided under section 1601 of the Agricul-
20 tural Act of 2014 (7 U.S.C. 9091).

21 (j) APPLICATION.—The amendments made by this
22 section shall apply beginning with the 2017 crop year.

23 (k) CLERICAL AMENDMENT.—Section 1114(b)(2) of
24 the Agricultural Act of 2014 (7 U.S.C. 9014(b)(2)) is

- 1 amended by striking “paragraphs (1)(B) and (2)(B)” and
- 2 inserting “paragraphs (1) and (2)”.