

tration and enforcement and this subchapter. In upgrading the systems, the Secretary shall ensure that new hardware and software are compatible with the hardware and software used by other agencies of the Department to maximize data sharing and promote the purpose of this section.”

Subsec. (k)(1). Pub. L. 113-79, § 11020(2), added par. (1) and struck out former par. (1). Text read as follows: “To carry out subsection (j)(1), the Corporation may use, from amounts made available from the insurance fund established under section 1516(c) of this title, not more than \$15,000,000 for each of fiscal years 2008 through 2010, and not more than \$9,000,000 for fiscal year 2011.”

2008—Subsecs. (c) to (h). Pub. L. 110-246, § 12033(c)(2)(B), substituted “this subchapter” for “this chapter” wherever appearing.

Subsec. (h)(3)(B)(i). Pub. L. 110-246, § 12033(c)(2)(A), substituted “This subchapter” for “This chapter”.

Subsec. (j)(1), (2). Pub. L. 110-246, § 12033(c)(2)(B), substituted “this subchapter” for “this chapter”.

Subsec. (j)(3). Pub. L. 110-246, § 12021(a), inserted before period at end “, which shall be subject to competition on a periodic basis, as determined by the Secretary”.

Subsec. (k). Pub. L. 110-246, § 12021(b), added subsec. (k) and struck out former subsec. (k) which related to funding to carry out this section and sections 1502(c), 1506(h), 1508(a)(3)(B), and 1508(f)(3)(A) of this title in fiscal years 2001 through 2005.

Subsec. (k)(1). Pub. L. 110-398 substituted “2010, and not more than \$9,000,000 for fiscal year 2011” for “2011”.

2000—Pub. L. 106-224 amended section generally, substituting present provisions for provisions which had authorized establishment of Advisory Committee for Federal Crop Insurance, described primary responsibility, membership of Committee, and administrative provisions, required annual report regarding progress toward implementation and improved crop insurance coverage, soundness of program, and rate of participation, and set forth termination of authority on Sept. 30, 1998.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE

Section effective Oct. 13, 1994, and applicable to provision of crop insurance under Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) beginning with 1995 crop year, with such Act, as in effect on the day before Oct. 13, 1994, to continue to apply with respect to 1994 crop year, see section 120 of Pub. L. 103-354, set out as an Effective Date of 1994 Amendment note under section 1502 of this title.

§ 1516. Funding

(a) Authorization of appropriations

(1) Discretionary expenses

There are authorized to be appropriated for fiscal year 1999 and each subsequent fiscal year such sums as are necessary to cover the salaries and expenses of the Corporation.

(2) Mandatory expenses

There are authorized to be appropriated such sums as are necessary to cover for each of the 1999 and subsequent reinsurance years the following:

(A) The administrative and operating expenses of the Corporation for the sales commissions of agents.

(B) Premium subsidies, including the administrative and operating expenses of an

approved insurance provider for the delivery of policies with additional coverage.

(C) Costs associated with the conduct of livestock and wild salmon pilot programs carried out under section 1523 of this title, subject to the limitations in subsections (a)(3)(E)(ii) and (b)(10) of section 1523 of this title.

(D) Costs associated with the reimbursement, contracting, and partnerships for research and development under section 1522 of this title.

(b) Payment of Corporation expenses from insurance fund

(1) Expenses generally

For each of the 1999 and subsequent reinsurance years, the Corporation may pay from the insurance fund established under subsection (c) all expenses of the Corporation (other than expenses covered by subsection (a)(1) and expenses covered by paragraph (2)(A)), including the following:

(A) Premium subsidies and indemnities.

(B) Administrative and operating expenses of the Corporation necessary to pay the sales commissions of agents.

(C) All administrative and operating expense reimbursements due under a reinsurance agreement with an approved insurance provider.

(D) Costs associated with the conduct of livestock and wild salmon pilot programs carried out under section 1523 of this title, subject to the limitations in subsections (a)(3)(E)(ii) and (b)(10) of section 1523 of this title.

(E) Costs associated with the reimbursement, contracting, and partnerships for research and development under section 1522 of this title.

(2) Policy consideration and implementation

(A) In general

For each of the 1999 and subsequent reinsurance years, the Corporation may use the insurance fund established under subsection (c), but not to exceed \$3,500,000 for each fiscal year, to pay the following:

(i) Costs associated with the consideration and implementation of policies, plans of insurance, and related materials submitted under section 1508(h) of this title or developed under section 1522 or 1523 of this title.

(ii) Costs to contract for the review of policies, plans of insurance, and related materials under section 1505(e) of this title and to contract for other assistance in considering policies, plans of insurance, and related materials.

(B) Dairy options pilot program

Amounts necessary to carry out the dairy options pilot program shall not be counted toward the limitation on expenses specified in subparagraph (A).

(C) Reviews, compliance, and integrity

(i) In general

For each of the 2014 and subsequent reinsurance years, the Corporation may use

the insurance fund established under subsection (c), but not to exceed \$9,000,000 for each fiscal year, to pay costs—

(I) to reimburse expenses incurred for the operations and review of policies, plans of insurance, and related materials (including actuarial and related information); and

(II) to assist the Corporation in maintaining program actuarial soundness and financial integrity.

(ii) Secretarial action

For the purposes described in clause (i), the Secretary may, without further appropriation—

(I) merge some or all of the funds made available under this subparagraph into the accounts of the Risk Management Agency; and

(II) obligate those funds.

(iii) Maintenance of funding

Funds made available under this subparagraph shall be in addition to other funds made available for costs incurred by the Corporation or the Risk Management Agency.

(c) Insurance fund

(1) In general

There is established an insurance fund, for the deposit of premium income, amounts made available under subsection (a)(2), and civil fines collected under section 1515(h) of this title, to be available without fiscal year limitation.

(2) Commodity Credit Corporation funds

If at any time the amounts in the insurance fund are insufficient to enable the Corporation to carry out subsection (b), to the extent the funds of the Commodity Credit Corporation are available—

(A) the Corporation may request the Secretary to use the funds of the Commodity Credit Corporation to carry out subsection (b); and

(B) the Secretary may use the funds of the Commodity Credit Corporation to carry out subsection (b).

(Feb. 16, 1938, ch. 30, title V, §516, 52 Stat. 77; June 21, 1941, ch. 214, §§6, 8, 55 Stat. 255, 256; Aug. 3, 1956, ch. 950, §10, 70 Stat. 1034; Pub. L. 96-365, title I, §§109, 110, Sept. 26, 1980, 94 Stat. 1317, 1318; Pub. L. 97-11, May 22, 1981, 95 Stat. 13; Pub. L. 99-198, title X, §1021, Dec. 23, 1985, 99 Stat. 1459; Pub. L. 103-354, title I, §110, Oct. 13, 1994, 108 Stat. 3198; Pub. L. 104-127, title I, §193(e), Apr. 4, 1996, 110 Stat. 945; Pub. L. 105-185, title V, §531, June 23, 1998, 112 Stat. 580; Pub. L. 106-224, title I, §147, June 20, 2000, 114 Stat. 393; Pub. L. 113-79, title XI, §11021, Feb. 7, 2014, 128 Stat. 968.)

AMENDMENTS

2014—Subsec. (b)(2)(C). Pub. L. 113-79 added subpar. (C).

2000—Subsec. (a)(2). Pub. L. 106-224, §147(a), in introductory provisions, substituted “years the following:” for “years—”, in subpar. (A), substituted “The” for “the” and a period for “; and” at end, in subpar. (B), substituted “Premium” for “premium”, and added subpars. (C) and (D).

Subsec. (b)(1). Pub. L. 106-224, §147(b), in introductory provisions, substituted “including the following:” for “including—”, in subpar. (A), substituted “Premium” for “premium” and a period for the semicolon at end, in subpar. (B), substituted “Administrative” for “administrative” and a period for “; and” at end, in subpar. (C), substituted “All” for “all”, and added subpars. (D) and (E).

Subsec. (b)(2). Pub. L. 106-224, §147(c)(1), substituted “Policy consideration and implementation” for “Research and development expenses” in heading.

Subsec. (b)(2)(A). Pub. L. 106-224, §147(c)(2), substituted “may use” for “may pay from”, struck out “research and development expenses of the Corporation” before “, but not to exceed”, substituted “, to pay the following:” for period at end, and added cls. (i) and (ii).

Subsec. (b)(2)(B). Pub. L. 106-224, §147(c)(3), struck out “research and development” after “the limitation on”.

Subsec. (c)(1). Pub. L. 106-224, §147(d), substituted “income,” for “income and” and inserted “, and civil fines collected under section 1515(h) of this title” before “, to be available”.

1998—Subsec. (a)(1). Pub. L. 105-185, §531(1)(A), added par. (1) and struck out heading and text of former par. (1). Text read as follows: “There are authorized to be appropriated for each of fiscal years 1995 through 2001 such sums as are necessary to cover—

“(A) the salaries and expenses of the Corporation; and

“(B) the administrative and operating expenses of the Corporation for the sales commissions of agents.”

Subsec. (a)(2). Pub. L. 105-185, §531(1)(B)(i), inserted “for each of the 1999 and subsequent reinsurance years” after “are necessary to cover” in introductory provisions.

Subsec. (a)(2)(A). Pub. L. 105-185, §531(1)(B)(ii), added subpar. (A) and struck out former subpar. (A) which read as follows: “in the case of each of the 1995 through 1997 reinsurance years, the administrative and operating expenses of the Corporation for the sales commissions of agents, consistent with subsection (b)(1) of this section; and”.

Subsec. (b). Pub. L. 105-185, §531(2), added subsec. (b) and struck out heading and text of former subsec. (b). Text read as follows:

“(1) ADMINISTRATIVE AND OPERATING EXPENSES.—In the case of each of the 1995 through 1997 reinsurance years, the Corporation is authorized to pay from the insurance fund established under subsection (c) of this section, the administrative and operating expenses of an approved insurance provider, including expenses covered by subsection (a)(1)(B) of this section.

“(2) OTHER EXPENSES.—The Corporation is authorized to pay from the insurance fund established under subsection (c) of this section—

“(A) all other expenses of the Corporation (other than expenses covered by subsection (a)(1) of this section), including all premium subsidies and indemnities;

“(B) in the case of each of the 1995 through 1997 reinsurance years, all administrative and expense reimbursements due under a reinsurance agreement with an approved insurance provider; and

“(C) to the extent necessary, expenses incurred by the Corporation to carry out research and development.”

1996—Subsec. (a)(2)(C). Pub. L. 104-127, §193(e)(1), struck out subpar. (C) which read as follows: “payments for noninsured assistance losses under section 1519 of this title.”

Subsec. (b)(1). Pub. L. 104-127, §193(e)(2)(A), struck out subpar. (A) designation and heading “In general”, substituted “In the case of each” for “Except as provided in subparagraph (B), in the case of each”, and struck out heading and text of subpar. (B). Prior to amendment, text read as follows: “In the case of the 1997 reinsurance year, the amount of the payments from the insurance fund established under subsection (c) of this section for the expenses of the Corporation

for the sales commissions of agents may not exceed 8.5 percent of the total amount of premiums paid for additional coverage for the 1997 reinsurance year.”

Subsec. (b)(2)(A). Pub. L. 104-127, §193(e)(3), struck out “, noninsured assistance benefits,” after “all premium subsidies”.

Subsec. (b)(2)(B). Pub. L. 104-127, §193(e)(2)(B), struck out “subject to paragraph (1)(B),” before “in the case of each”.

1994—Pub. L. 103-354 amended section generally, substituting subsecs. (a) to (c) for former subsecs. (a) to (d) relating to authorization of appropriations to cover operating and administrative costs of Corporation, issuance of regulations, emergency funding, and borrowing authority.

1985—Subsec. (c)(1). Pub. L. 99-198 struck out provision that Secretary’s authority to use the funds of Commodity Credit Corporation for purposes of this subsection would expire one year after date on which that authority was first used.

1981—Subsec. (a). Pub. L. 97-11 designated existing provisions as par. (1) and added par. (2).

1980—Subsec. (a). Pub. L. 96-365, §109, substituted appropriations authorization of necessary sums for former limitation of \$12,000,000 for each fiscal year beginning after June 30, 1938; included as costs agents’ and brokers’ commissions, interest on Treasury notes and other obligations, partial premium payments by the Corporation, and the direct cost of loss adjusters for crop inspections and loss adjustments and authorized payment of these costs from premium income and other Corporation funds and restoration of such payments through subsequent year appropriations; prescribed limitation on employment of additional personnel except during emergencies; and deleted provisions for for consideration as being nonadministrative or nonoperating expenses such expenses as related to purchase, transportation, handling, or sale of the agricultural commodity and the direct cost of loss adjusters for crop inspections and loss adjustments and provision for use of premium income for administrative and operating costs within limits prescribed in applicable appropriations.

Subsecs. (c), (d). Pub. L. 96-365, §110, added subsecs. (c) and (d).

1956—Subsec. (a). Act Aug. 3, 1956, added to list of costs which may be considered as nonadministrative or nonoperating, the direct cost of loss adjusters for crop inspections and loss adjustment, and authorized use of premium income for administrative and operating costs within limits prescribed by applicable appropriation.

1941—Subsec. (a). Act June 21, 1941, substituted “the agricultural commodity” for “wheat”, and “\$12,000,000” for “\$6,000,000”.

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-185 effective July 1, 1998, see section 537 of Pub. L. 105-185, set out as a note under section 1506 of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-354 effective Oct. 13, 1994, and applicable to provision of crop insurance under Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) beginning with 1995 crop year, with such Act, as in effect on the day before Oct. 13, 1994, to continue to apply with respect to 1994 crop year, see section 120 of Pub. L. 103-354, set out as a note under section 1502 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Pub. L. 96-365, title I, §109, Sept. 26, 1980, 94 Stat. 1317, provided that the amendment made by that section is effective Oct. 1, 1980.

Pub. L. 96-365, title I, §110, Sept. 26, 1980, 94 Stat. 1318, provided that the amendment made by that section is effective Oct. 1, 1980.

TRANSFER OF FUNCTIONS

Administration of program of Federal Crop Insurance Corporation transferred to Secretary of Agriculture by

1946 Reorg. Plan No. 3, §501, eff. July 16, 1946, 11 F.R. 7877, 60 Stat. 1100. See note set out under section 1503 of this title.

Wartime consolidation of Federal Crop Insurance Corporation into Agricultural Conservation and Adjustment Administration, see note set out under section 1503 of this title.

ADDITIONAL APPROPRIATION

Act Dec. 23, 1944, ch. 713, §6, 58 Stat. 920, provided an additional appropriation not to exceed \$3,000,000 to be available for the fiscal year 1945 to carry out the provisions of this chapter for the fiscal years 1943 and 1944.

§ 1517. Separability

The sections of this subchapter and subdivisions of sections are declared to be separable, and in the event any one or more sections or parts of the same of this subchapter be held to be unconstitutional, the same shall not affect the validity of other sections or parts of sections of this subchapter.

(Feb. 16, 1938, ch. 30, title V, §517, 52 Stat. 77; Pub. L. 110-234, title XII, §12033(c)(2)(B), May 22, 2008, 122 Stat. 1405; Pub. L. 110-246, §4(a), title XII, §12033(c)(2)(B), June 18, 2008, 122 Stat. 1664, 2167.)

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

AMENDMENTS

2008—Pub. L. 110-246, §12033(c)(2)(B), substituted “this subchapter” for “this chapter” wherever appearing.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of this title.

§ 1518. “Agricultural commodity” defined

“Agricultural commodity”, as used in this subchapter, means wheat, cotton, flax, corn, dry beans, oats, barley, rye, tobacco, rice, peanuts, soybeans, sugar beets, sugar cane, tomatoes, grain sorghum, sunflowers, raisins, oranges, sweet corn, dry peas, freezing and canning peas, forage, apples, grapes, potatoes, timber and forests, nursery crops, citrus, and other fruits and vegetables, nuts, tame hay, native grass, aquacultural species (including, but not limited to, any species of finfish, mollusk, crustacean, or other aquatic invertebrate, amphibian, reptile, or aquatic plant propagated or reared in a controlled or selected environment), or any other agricultural commodity, excluding stored grain, determined by the Board, or any one or more of such commodities, as the context may indicate.

(Feb. 16, 1938, ch. 30, title V, §518, as added June 21, 1941, ch. 214, §9, 55 Stat. 256; amended Dec. 23, 1944, ch. 713, §4, 58 Stat. 919; Aug. 25, 1949, ch. 512, §9, 63 Stat. 665; Pub. L. 96-365, title I, §111, Sept. 26, 1980, 94 Stat. 1319; Pub. L. 102-237, title VI, §601(6), Dec. 13, 1991, 105 Stat. 1878; Pub. L. 103-354, title I, §119(f)(3), Oct. 13, 1994, 108 Stat. 3208; Pub. L. 106-224, title I, §132(b), June 20, 2000, 114 Stat. 386; Pub. L. 110-234, title XII,