

**AMENDMENT TO THE RULES COMMITTEE PRINT  
OF H.R. 1947  
OFFERED BY MR. MCNERNEY OF CALIFORNIA**

At the end of title XI, add the following new section:

1 **SEC. 11025. MARKET LOSS PILOT ENDORSEMENT PROGRAM**  
2 **TO COVER COMMODITY LOSSES DUE TO A**  
3 **QUARANTINE IMPOSED UNDER FEDERAL**  
4 **LAW.**

5 (a) PROGRAM AUTHORIZED.—Section 523 of the  
6 Federal Crop Insurance Act (7 U.S.C. 1523) is amended  
7 by adding at the end the following new subsection:

8 “(i) MARKET LOSS PILOT ENDORSEMENT PRO-  
9 GRAM.—

10 “(1) IN GENERAL.—To the extent practicable  
11 starting with the 2014 reinsurance year, notwith-  
12 standing subsection (a)(1) and the limitation on pre-  
13 mium increases in section 508(i)(1), the Corporation  
14 shall establish and carry out a market loss pilot en-  
15 dorsement program for producers of specialty crops  
16 (as defined in section 3 of the Specialty Crops Com-  
17 petitiveness Act of 2004 (7 U.S.C. 1621 note; Public  
18 Law 108-465)).

1           “(2) LOSSES COVERED.—The endorsement au-  
2           thorized under this subsection shall cover losses of a  
3           defined commodity due to a quarantine imposed  
4           under Federal law, pursuant to the terms of which  
5           the commodity is destroyed, may not be marketed,  
6           or otherwise may not be used for its intended pur-  
7           pose (as determined by the Secretary.)

8           “(3) BUY-UP REQUIREMENT.—An endorsement  
9           authorized under this subsection shall be purchased  
10          as part of a policy or plan of insurance at the addi-  
11          tional coverage level.

12          “(4) DETERMINATION BY BOARD.—The Board  
13          shall approve a policy or plan of insurance proposed  
14          under paragraph (1) if, as determined by the Board,  
15          the policy or plan of insurance—

16                  “(A) protects the interest of producers;

17                  “(B) is actuarially sound; and

18                  “(C) requires the payment of premiums  
19          and administrative fees by a producer obtaining  
20          the insurance.

21          “(5) DURATION.—The market loss pilot en-  
22          dorsement program shall terminate September 30,  
23          2018.”.

24          (b) FUNDING OFFSET.—To offset the costs to be in-  
25          curred to carry out a market loss pilot endorsement pro-

1 gram, as authorized by the amendment made by sub-  
2 section (a), the Secretary shall reduce total expenditures  
3 under section 1501 (supplemental agricultural disaster as-  
4 sistance) by \$60,000,000.

