

7 U.S. Code § 1523

Pilot programs

(a) General provisions

(1) Authority

Except as otherwise provided in this section, the Corporation may, at the sole discretion of the Corporation, conduct a pilot program submitted to and approved by the Board under section 1508(h) of this title, or that is developed under subsection (b) or section 1522 of this title, to evaluate whether a proposal or new risk management tool tested by the pilot program is suitable for the marketplace and addresses the needs of producers of agricultural commodities.

(2) Private coverage

Under this section, the Corporation shall not conduct any pilot program that provides insurance protection against a risk if insurance protection against the risk is generally available from private companies.

(3) Covered activities

The pilot programs described in paragraph (1) may include pilot programs providing insurance protection against losses involving—

- (A) reduced forage on rangeland caused by drought or insect infestation;
- (B) livestock poisoning and disease;
- (C) destruction of bees due to the use of pesticides;
- (D) unique special risks related to fruits, nuts, vegetables, and specialty crops in general, aquacultural species, and forest industry needs (including appreciation);
- (E) after October 1, 2001, wild salmon, except that—
 - (i) any pilot program with regard to wild salmon may be carried out without regard to the limitations of this subchapter; and
 - (ii) the Corporation shall conduct all wild salmon programs under this subchapter so that, to the maximum extent practicable, all costs associated with conducting the programs are not expected to exceed \$1,000,000 for fiscal year 2002 and each subsequent fiscal year.

(4) Scope of pilot programs

The Corporation may—

- (A) approve a pilot program under this section to be conducted on a regional, State, or national basis after considering the interests of affected producers and the interests of, and risks to, the Corporation;
 - (B) operate the pilot program, including any modifications of the pilot program, for a period of up to 4 years;
 - (C) extend the time period for the pilot program for additional periods, as determined appropriate by the Corporation; and
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- (D) provide pilot programs that would allow producers—
- (i) to receive a reduced premium for using whole farm units or single crop units of insurance; and
 - (ii) to cross State and county boundaries to form insurable units.

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