



CRITICAL AGRICULTURAL MATERIALS ACT

[As Amended Through Public Law 106-580, Dec. 31, 2000]



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CRITICAL AGRICULTURAL MATERIALS ACT

(Public Law 95-592, November 4, 1970)

AN ACT To amend the Public Works and Economic Development Act of 1965 to authorize a program of research, development, and demonstration of guayule rubber production and manufacture as an economic development opportunity for the Southwestern States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, [7 U.S.C. 178 note] That this Act may be cited as the "Critical Agricultural Materials Act".

SEC. 2. [7 U.S.C. 178] (a)(1) Congress recognizes that natural latex rubber is a commodity of vital importance to the economy, the defense, and the general well-being of the Nation. The United States is totally dependent upon foreign sources for its supplies of natural (Hevea) latex, which total about one million tons per year. Synthetic rubber, manufactured from petroleum feedstocks, cannot be substituted for natural rubber.

(2) Congress further recognizes that certain plant species of the genus *Parthenium* (Guayule), native to Texas and the Republic of Mexico, as well as other plants, are known to contain commercial quantities of extractable rubber. During World War II, through research carried out by the Secretary of Agriculture in the Emergency Rubber Project, the United States demonstrated that *Parthenium* latex is a promising and realistic substitute for Hevea latex.

(3) Congress further recognizes that additional research and development are needed, especially into methods for increasing latex yields, before commercialization of native *Parthenium* latex or other hydrocarbon-containing plants by private industry is feasible.

(4) Congress further recognizes that the development of a domestic natural rubber industry, based on *Parthenium* and other hydrocarbon-containing plants, would not only relieve the Nation's dependence upon foreign latex sources but also convey substantial economic benefits to peoples living in arid and semiarid regions of the United States. Such an industry would comprise the agricultural production of the hydrocarbon-containing plants and the development of commercial processing and manufacturing facilities to extract the latex and other products.

(5) Congress further recognizes that ongoing research into the development and commercialization of native latex has been conducted by the Department of Agriculture, the Department of Commerce, the National Science Foundation, and other public as well as private and industrial research groups, and that these research efforts should be continued and expanded.

(b) In Addition, Congress recognizes that the development of a domestic industry or industries for the production and manufacture

from native agricultural crops of products other than rubber which are of strategic and industrial importance but for which the Nation is now dependent upon foreign sources, would benefit the economy, the defense, and the general well-being of the Nation, and that additional research efforts in this area should be undertaken or continued and expanded.

(c) It is therefore the policy of the United States to provide for the development and demonstration of economically feasible means of culturing and manufacturing Parthenium and other hydrocarbon-containing plants, along with other native agricultural crops, for the production of critical agricultural materials to benefit the Nation and promote economic development.

SEC. 3. [7 U.S.C. 178a] As used in this Act—

(a) The term “State” means each of the fifty States, the District of Columbia, and the Commonwealth of Puerto Rico.

(b) The term “Secretaries” means the Secretary of Agriculture and/or the Secretary of Commerce acting each separately or jointly.

(c) The term “commercialization” means the stage in the development or advancement of a technology at which point private enterprise is willing to invest in a full-scale production facility.

(d) The term “native” means hydrocarbon-containing plants and other agricultural crops of strategic and industrial importance which may be cultured in North America, especially plants which are members of the genus Parthenium known as Guayule.

SEC. 4. [7 U.S.C. 178b] (a) There is hereby established a Joint Commission on Research and Development of Critical Agricultural Materials, hereinafter referred to as the Joint Commission. The function of the Joint Commission shall be to assist the Secretaries in carrying out the purposes of this Act.

(b) The Joint Commission shall consist of the following members: Three individuals designated by the Secretary of Agriculture from among the staff of the Department of Agriculture; three individuals designated by the Secretary of Commerce from among the staff of the Department of Commerce; a representative of the Bureau of Indian Affairs of the Department of the Interior; a representative of the National Science Foundation; a representative of the Department of State; a representative of the Department of Defense; and a representative of the Federal Emergency Management Agency. Each of the members of the Joint Commission shall be an individual who, on behalf of the Department or agency which such individual represents, is engaged in the support of research, development, demonstration, and commercialization activities involving native latex and the production of other critical agricultural materials from native agricultural crops.

(c) The Joint Commission shall be headed by a Chairman who shall be selected by the Secretary of Agriculture from among the three individuals designated by the Secretary as members under subsection (b).

(d) The Secretaries may delegate to the Joint Commission one or more of their responsibilities under this Act and transfer to the Joint Commission funds appropriated to carry out the purposes of this Act as they deem appropriate to achieve the purposes of this Act, and the Joint Committee is authorized to carry out such functions and expend such funds to achieve the purposes of the Act.

(e) The Joint Commission shall—

(1) develop a plan establishing goals, timetables, and tasks to be undertaken in carrying out the purposes of this Act;

(2) establish broad policy for implementing the plan carrying out the purposes of this Act;

(3) establish criteria for evaluating and awarding contracts for research, development, and demonstration projects; and

(4) review and advise the Secretaries with respect to grants, contracts, and other project expenditures.

(f) The Secretaries are authorized to provide without reimbursement such administrative support services, including the detail of staff personnel not to exceed a total of five persons from each Department, as the Joint Commission may need to carry out its functions.

(g) To the maximum extent possible, the Secretaries and the Joint Commission shall seek the advice of the scientific, engineering and business communities with respect to the activities carried out under this Act. The Secretaries and the Commission shall specifically seek the advice of persons with expertise in appropriate fields of agricultural research in land grant colleges and other universities, in State agricultural experiment stations, and in other appropriate organizations; and, persons with expertise in manufacturing and commerce involving rubber and other critical agricultural materials in private enterprise and other appropriate organizations.

SEC. 5. [7 U.S.C. 178c] (a) The Department of Agriculture shall be the lead agency in carrying out this Act.

(b) The Secretary of Agriculture shall conduct, sponsor, promote, and coordinate basic and applied research, technology development, and technology transfer leading to effective and economical methods for large-scale culturing of plantations and the extraction of latex from *Parthenium* or other hydrocarbon-containing plants, and for the development of other critical agricultural materials from native agricultural crops having strategic and industrial importance. Such research shall include, but not be limited to—

(1) carrying out extensive seed collections from wild plants in Texas, Mexico, and other areas and borrowing or purchasing seeds from other sources;

(2) developing a stockpile of *Parthenium* seeds, such stockpile to be appropriately classified and stored at a suitable facility;

(3) accelerating present plant breeding, genetics, and selection programs for the purpose of improving and increasing latex yields, expanding insect and disease resistance, broadening the ranges of drought and cold resistance of the *Parthenium* plant, and providing a system of regional research trials for enhancing and increasing the supply of foundation seed for certified seed production;

(4) establishing a system of large-scale experimental plantings (aggregating ten thousand acres or more) to provide shrub for feedstock to process in the developmental rubber processing facility described in paragraph (7);

(5) carrying out specific studies on the effects of irrigation on plant growth and latex yield and survival potential;

(6) developing equipment needed to carry out nursery operations, planting, cultivating, harvesting, transporting the crop, and other necessary agricultural activities;

(7) accelerating the refinement of present extraction and processing technologies and future extraction technologies, including the development and construction of a developmental rubber processing facility for the extraction and production of test quantities of guayule natural rubber;

(8) establishing and maintaining a bank of all pertinent research data on native latex including extant United States Government publications and records from the emergency rubber project. Such data shall be made available to other Federal and State agencies and private persons who are interested or involved in native latex research, development, or manufacture; and

(9) studying the economic feasibility of developing other native agricultural crops (in addition to Parthenium and other hydrocarbon-containing plants) that would supply critical agricultural materials for strategic and industrial purposes, carrying out demonstration projects to promote the development or commercialization of such crops (including projects designed to expand domestic or foreign markets for such crops), and, to the extent appropriate, carrying out research activities with respect to such crops in the manner specified in paragraphs (1) through (8).

(c) The Secretary of Agriculture shall establish within the Department of Agriculture an Office of Critical Agricultural Materials, as a central location where such Department can address research and development with respect to agricultural crops that have the potential of producing critical materials for strategic and industrial purposes.

(d) Notwithstanding any other provision of law, in carrying out a demonstration project referred to in subsection (b)(9), the Secretary may—

(1) enter into a contract or cooperative agreement with, or provide a grant to, any person, or public or private agency or organization, to participate in, carry out, support, or stimulate such projects;

(2) make available for purposes of clause (1) agricultural commodities or the products thereof acquired by the Commodity Credit Corporation under price support operations conducted by the Corporation; or

(3) use any funds appropriated pursuant to section 16(a), or any funds provided by any person, or public or private agency or organization, to carry out such project or reimburse the Commodity Credit Corporation for agricultural commodities or products that are utilized in connection with such project.

SEC. 6. [7 U.S.C. 178d] The Secretary of Commerce is authorized and directed to initiate and carry out research, technology development, technology transfer, and demonstration projects to test and demonstrate the economic feasibility of the manufacture and commercialization of natural rubber from Parthenium or other hydrocarbon-containing plants or the manufacture and commer-

cialization of other critical agricultural materials from native agricultural crops having strategic and industrial importance. Such research shall include but not be limited to—

(a) conducting research and development on extraction and processing techniques;

(b) economic analysis of the production of native latex, including usable byproducts;

(c) studying the environmental, social, and economic impacts of the commercial development of native latex;

(d) evaluating the commercial marketability of Parthenium and rubber derived from other hydrocarbon-containing plants;

(e) further refining present extraction and manufacturing technologies and future extraction and manufacturing technologies, including technologies which utilize solar energy;

(f) developing pertinent material and records on manufacturing of natural rubber which shall be available to other Federal and State agencies and private persons who are interested in or involved in natural rubber development, or manufacture; and

(g) to the extent appropriate, carrying out research activities with respect to native agricultural crops (other than Parthenium and other hydrocarbon-containing plants) that would supply critical agricultural materials for strategic and industrial purposes, in the manner specified in clauses (a) through (f).

SEC. 7. [7 U.S.C. 178e] The Secretaries, in consultation with the Secretary of State, are authorized and encouraged to enter into cooperative projects with the Government of Mexico, the Government of Australia, and the Government of Israel in order to accomplish appropriate aspects of the research and development provided for in this Act. Such cooperative projects should include, but not be limited to, projects to determine the economic feasibility of extraction and processing of latex and other critical agricultural materials produced in the United States.

SEC. 8. [7 U.S.C. 178f] The Secretaries are authorized to accept financial or other assistance from any State or public agency to aid in carrying out the provisions of this Act and to enter into contracts with respect to such assistance and to enter into agreements with any State or public agency for the purpose of demonstrating, transferring, or applying results of research or methods of economic development relating to native latex or to other critical agricultural materials.

SEC. 9. [7 U.S.C. 178g] In carrying out the provisions of this Act, the Secretary of Agriculture is authorized to—

(a) make grants to States, education institutions, scientific organizations, and Indian tribes as defined in the Indian Self-Determination and Education Assistance Act (Public Law 93-638, 25 U.S.C. 450), and enter into contracts with such institutions and organizations and with industrial or engineering firms;

(b) acquire the services of biologists, agronomists, foresters, geneticists, chemists, engineers, economists, and other personnel by contract or otherwise;

(c) utilize the facilities of Federal and State scientific laboratories;

(d) establish and operate necessary facilities and plantations to carry out the continuous research, testing, development, and programing necessary to effectuate the purposes of this Act;

(e) acquire secret processes, technical data, inventions, patent applications, patents, licenses, land and interest in land (including water rights), facilities, and other property or rights by purchase, license, lease, or donation;

(f) assemble and maintain pertinent and current literature and publications, patents and licenses, land and interests in land;

(g) cause onsite inspections to be made of promising projects, domestic or foreign, and, in the case of projects located in the United States, cooperate and participate in their development when the Secretary determines that the purpose of this Act will be served thereby;

(h) foster and participate in regional, national, and international conferences relating to native latex culture or the culture of other native agricultural crops which could supply critical agricultural materials;

(i) coordinate, correlate, and publish information with a view to advancing the development of native latex technology or the technology of other native agricultural crops which could supply agricultural materials; and

(j) cooperate with other Federal departments and agencies, with State and local departments, agencies, and instrumentalities, and with interested persons, firms, institutions, and organizations.

SEC. 10. [7 U.S.C. 178h] In carrying out the provisions of this Act, the Secretary of Commerce is authorized to—

(a) make grants to States, education institutions, scientific organizations, and Indian tribes as defined in the Indian Self-Determination and Education Assistance Act (Public Law 93-638, 25 U.S.C. 450), and enter into contracts with such institutions and organizations and with industrial or engineering firms;

(b) acquire the services of biologists, agronomists, foresters, geneticists, engineers, economists, and other personnel having expertise in native agricultural crops which could supply critical agricultural materials by contract or otherwise;

(c) utilize the facilities of Federal and State institutions and other scientific laboratories;

(d) establish and operate necessary facilities and pilot plants to carry out the continuous research, testing, development, and programing necessary to effectuate the purposes of this section;

(e) acquire secret processes, technical data, invention, patent applications, patents, licenses, land and interests in land (including water rights), plants and facilities, and other property or rights by purchase, license, lease, or donation; and

(f) foster and participate in regional, national, and international conferences relating to the activities authorized by this Act.

SEC. 11. [7 U.S.C. 178i] In carrying out the provisions of this Act, the Secretaries and the Joint Commission shall cooperate with each other in the conduct of their activities under this Act, and shall ensure that their activities under this Act are closely coordinated with the activities of other Federal agencies such as the Department of the Interior, National Science Foundation, Bureau of Indian Affairs, Department of Energy, Department of State, Department of Defense, Treasury Department, Federal Emergency Management Agency, and others, in order to prevent duplication of effort, ensure compatibility with ongoing programs and policies, and to fully exploit the opportunities inherent in the culture and manufacture of native latex.

SEC. 12. [7 U.S.C. 178j] Relative to the definitions of, title to, and licensing of inventions made or conceived in the course of or under any contract or grant pursuant to this Act, and notwithstanding any other provisions of law, the provisions of sections 9 and 10 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5908-9) shall govern.

SEC. 13. [7 U.S.C. 178k] The Secretaries may dispose of any latex, resin, wax, pulp, and any other byproducts, as well as products, other than rubber, developed from agricultural crops which are of strategic and industrial importance, resulting from operations under this Act. Dispositions under this section may include sales of the materials involved to other Federal departments and agencies for testing purposes. All moneys received from dispositions under this section shall be paid into the Treasury as miscellaneous receipts.

SEC. 14. [7 U.S.C. 178l] The Secretaries may issue rules and regulations necessary to effectuate the purposes of this Act.

SEC. 15. [7 U.S.C. 178m] The Secretaries shall submit to the President and the Congress, no later than December 31, 1980, and each year thereafter through 1987, a report on the status of the research, development, and other work underway under this Act. Such report shall (1) recommend specific directions for further research, development and other work, and (2) recommend funding levels for various elements of the overall project.

SEC. 16. [7 U.S.C. 178n] (a) There are authorized to be appropriated to the Secretary of Agriculture such sums as are necessary to carry out this Act in each of the fiscal years 1991 through 2002.

(b) No more than 3 per centum of funds authorized under subsection (a) shall be available for administration and management of the program.

(c) Notwithstanding any other provisions of this Act the authority to enter into contracts shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriations Acts.

(d) Notwithstanding any other provisions of this Act, the Secretaries and the Joint Commission shall limit their activities under this Act to critical agricultural materials other than native latex after the close of the fiscal year ending September 30, 1988.

SEC. 17. [Omitted-Amendment]