

Bill No. 113 of 2021

THE SPECIAL FINANCIAL ASSISTANCE TO THE STATE OF
BIHAR (FOR THE WELFARE OF FARMERS) BILL, 2021

By

DR. ALOK KUMAR SUMAN, M.P.

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BILL

to provide for special financial assistance to the State of Bihar for overcoming the current agrarian crisis in State caused by the unseasonal rains, hailstorms, deficit rainfall and consistently rising input prices forcing farmers into debt trap; providing relief and loan waivers to farmers, compensation for failed crops, promotion of sustainable farming, rainwater harvesting, creation of grain and fodder banks, skill development, research and development and welfare schemes for farmers, agricultural labourers and other marginalized sections of society in State of Bihar and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Seventy-second Year of the Republic of India as follows:—

1. (1) This Act may be called the Special Financial Assistance to the State of Bihar (For the Welfare of Farmers) Act, 2021.

5 (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Short title
and
commencement.

Special
Financial
Assistance to
the State of
Bihar for the
welfare of
farmers.

2. (1) Notwithstanding anything contained in any other law for the time being in force, there shall be paid such sums of money out of the Consolidated Fund of India, every year, which shall not be less than eighty thousand crore rupees, as Parliament may by due appropriation by law provide, as special financial assistance to the State of Bihar to meet the cost of such schemes and works aimed at overcoming the ongoing agrarian crises and welfare of farmers, as may be undertaken by the State with the approval of Union Government for carrying out the purposes of this Act.

(2) Without prejudice to generality of the provisions of sub-section (1), the schemes and works to overcome the agrarian crisis may include,—

- (i) settling the debt of farmers;**
- (ii) providing compensation and relief to farmers and agricultural labourers for any damage to crops caused due to rainfall deficit, pest attack, flood, hailstorm or any other natural calamity;**
- (iii) providing assistance to small and marginal farmers;**
- (iv) encouraging and providing modern irrigation facilities like drip irrigation and sprinklers to farmers;**
- (v) promotion of rainwater harvesting and conserving the groundwater;**
- (vi) promoting less water intensive crops like pigeon pea or tur, urad, mustard, sunflower and jawar bajra;**
- (vii) promotion of growing fodder and establishing fodder banks;**
- (viii) establishment of grain banks;**
- (ix) establishment of warehouses and cold storages;**
- (x) promotion of research and development for better and inexpensive inputs like seeds, fertilizers and pesticides;**
- (xi) training of farmers in new crops and new agricultural techniques;**
- (xii) introducing agricultural education in school curriculum;**
- (xiii) afforestation of barren and waste land;**
- (xiv) promoting food processing industries based on local agricultural products;**
- (xv) providing skill development and training to farmers; and**
- (xvi) such other provisions as the State Government of Bihar may deem necessary for carrying out the purposes of this Act.**

Power to
remove
difficulty.

3. If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, make such provisions not inconsistent with provisions of this Act, which appear to it to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made after the expiry of three years from the date of commencement of this Act.

Act not in
derogation of
other laws.

4. The provisions of this Act shall be in addition and not in derogation of any other law for the time being in force dealing with the subject matter of this Act.

STATEMENT OF OBJECTS AND REASONS

The State of Bihar has been at the forefront of the agricultural production in the country and has been pioneer in country's journey to achieve food security. Hard work of Bihar's farmers has made it the bread basket of the nation. But in last decade, stagnation of growth in agricultural sector has adversely affected the whole State. Farmers, who form the backbone of State's economy have suffered the most, alongwith agricultural labourers who belong to the Dalit and marginalized sections of society. Prices of inputs like seeds, fertilizers, pesticides etc. have skyrocketed in recent years but prices of their agricultural produce have not increased proportionately. This has made farming a non-remunerative and non-viable profession, pushing the farmers into borrowing for day to day expenses, eventually falling in debt trap. Above mentioned problems have been exacerbated in recent years by the unseasonal hailstorm destroying the crops, whitefly attack on crops and impending water crisis as the ground water levels continue to plummet. There has been no worthwhile research in the agricultural universities in Bihar that can help the farmers to mitigate these crises. State has not invested enough to provide modern facilities like drip irrigation, sprinklers that can help farmers improve their productivity. Lack of modern supply chain like cold storage prevents farmers from getting fair price for their produce. There is also a need to promote diversity in agriculture and incentivize farmers to grow new crops that can help them generate additional income. Desertification is another threat that makes hard working farmers of the Bihar vulnerable and the State needs to combat it.

All the above mentioned interventions cannot be implemented without cooperation of farmers, therefore there is an urgent need to train farmers in the newer and productive ways of agriculture and allied activities so that it can generate more income and employment.

Unfortunately, mismanagement of State finances by the Government has resulted in a massive public debt over the State. Through its own ill devised policies, State Government has hamstrung itself and is not able to take up the schemes for welfare of farmers, agricultural labourers and develop agriculture sector in State.

In such a situation, most marginalized and most vulnerable farmers of Bihar, that are the *Annadata* (food provider) of the nation, need an immediate help from the Union Government to alleviate their distress. The Bill seeks to ensure that appropriate financial resources are allocated to farmers of the State of Bihar which would go a long way in building a more powerful nation.

Hence this Bill.

NEW DELHI;
July 6, 2021.

ALOK KUMAR SUMAN

FINANCIAL MEMORANDUM

Clause 2 of the Bill provides that there shall be paid such sum of money out of the Consolidated Fund of India, every year which shall not be less than eighty thousand crore rupees, as Parliament may by due appropriation provide, as special financial assistance to the State of Bihar to meet the cost of schemes and works aimed at overcoming the ongoing agrarian crises and welfare of farmers in the State. The Bill, therefore, if enacted would involve recurring expenditure of a minimum rupees eighty thousand crore per annum from the Consolidated Fund of India.

No non-recurring expenditure is likely to be incurred from the Consolidated Fund of India.

LOK SABHA

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(Dr. Alok Kumar Suman, M.P.)