

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: To modify Farm Service Agency loan provisions.

**IN THE SENATE OF THE UNITED STATES—115th Cong., 2d Sess.**

**S.** \_\_\_\_\_

To provide for the reform and continuation of agricultural and other programs of the Department of Agriculture through fiscal year 2023, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and  
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENTS intended to be proposed by  
\_\_\_\_\_ to the amendment (No. 01) pro-  
posed by Mr. HOEVEN

Viz:

1 Beginning on page 1, strike line 2 and all that follows  
2 through page 2, line 11, and insert the following:

3 **SEC. 51\_\_ . LIMITATIONS ON AMOUNT OF FARM OWNER-**  
4 **SHIP LOANS.**

5 Section 305 of the Consolidated Farm and Rural De-  
6 velopment Act (7 U.S.C. 1925) is amended in subsection  
7 (a), by striking “smaller of” and all that follows through  
8 the period at the end and inserting the following: “lesser  
9 of—

10 “(1) the value of the farm or other security;

11 and

1 “(2) in the case of—

2 “(A) a loan other than a loan guaranteed  
3 by the Secretary, \$600,000 for each of fiscal  
4 years 2109 through 2023; or

5 “(B) a loan guaranteed by the Secretary,  
6 subject to subsection (c), \$1,750,000 for each  
7 of fiscal years 2109 through 2023.”; and

8 At the beginning of subtitle B of title V, insert the  
9 following:

10 **SEC. 5201. LIMITATIONS ON AMOUNT OF OPERATING**  
11 **LOANS.**

12 Section 313 of the Consolidated Farm and Rural De-  
13 velopment Act (7 U.S.C. 1943) is amended in subsection  
14 (a)(1), by striking “to exceed” and all that follows through  
15 “Secretary);” and inserting the following: “to exceed, in  
16 the case of—

17 “(A) a loan other than a loan guaranteed  
18 by the Secretary, \$400,000 for each of fiscal  
19 years 2019 through 2023; or

20 “(B) a loan guaranteed by the Secretary,  
21 subject to subsection (c), \$1,750,000 for each  
22 of fiscal years 2019 through 2023;” and

23 After section 5304, insert the following:

1 **SEC. 5305. SOCIALLY DISADVANTAGED FARMERS AND**  
2 **RANCHERS; QUALIFIED BEGINNING FARM-**  
3 **ERS AND RANCHERS.**

4 The Consolidated Farm and Rural Development Act  
5 is amended by inserting after section 367 (as added by  
6 section 6117) the following:

7 **“SEC. 368. SOCIALLY DISADVANTAGED FARMERS AND**  
8 **RANCHERS; QUALIFIED BEGINNING FARM-**  
9 **ERS AND RANCHERS.**

10 “In the case of a loan guaranteed by the Secretary  
11 under subtitle A or B to a socially disadvantaged farmer  
12 or rancher (as defined in section 355(e)) or a qualified  
13 beginning farmer or rancher, the Secretary shall—

14 “(1) waive the guarantee fee of 1.5 percent;  
15 and

16 “(2) provide for a standard guarantee plan,  
17 which shall cover an amount equal to 95 percent of  
18 the outstanding principal of the loan.”.

19 At the end of subtitle D of title V, add the following:

20 **SEC. 54 \_\_\_. REPORTING.**

21 (a) DEFINITION OF FARM LOAN.—In this section,  
22 the term “farm loan” means—

1           (1) a farm ownership loan under subtitle A of  
2 the Consolidated Farm and Rural Development Act  
3 (7 U.S.C. 1922 et seq.); and

4           (2) an operating loan under subtitle B of that  
5 Act (7 U.S.C. 1941 et seq.).

6 (b) REPORTS.—

7           (1) PREPARATION.—For each fiscal year, the  
8 Secretary shall prepare a report that includes—

9           (A) aggregate data based on a review of  
10 each outstanding farm loan made or guaranteed  
11 by the Secretary describing, for the United  
12 States and for each State and county in the  
13 United States—

14                   (i) the age of the recipient producer;

15                   (ii) the duration that the recipient  
16 producer has engaged in agricultural pro-  
17 duction;

18                   (iii) the size of the farm or ranch of  
19 the recipient producer;

20                   (iv) the race, ethnicity, and gender of  
21 the recipient producer;

22                   (v) the agricultural commodity or  
23 commodities, or type of enterprise, for  
24 which the loan was secured;

1 (vi) the amount of the farm loan  
2 made or guaranteed;

3 (vii) the type of the farm loan made  
4 or guaranteed;

5 (viii) the default rate of the farm loan  
6 made or guaranteed;

7 (B) for each State and county in the  
8 United States, data demonstrating the number  
9 of outstanding farm loans made or guaranteed,  
10 according to loan size cohort; and

11 (C) an assessment of actual loans made or  
12 guaranteed as measured against target partici-  
13 pation rates for beginning and socially dis-  
14 advantaged farmers, broken down by State, as  
15 described in sections 346(b)(2) and 355 of the  
16 Consolidated Farm and Rural Development Act  
17 (7 U.S.C. 1994(b)(2), 2003).

18 (2) SUBMISSION OF REPORT.—The report de-  
19 scribed in paragraph (1) shall be—

20 (A) submitted—

21 (i) to—

22 (I) the Committee on Agriculture  
23 of the House of Representatives;

24 (II) the Committee on Appropria-  
25 tions of the House of Representatives;

1 (III) the Committee on Agri-  
2 culture, Nutrition, and Forestry of  
3 the Senate; and

4 (IV) the Committee on Appro-  
5 priations of the Senate; and

6 (ii) not later than December 30,  
7 2018, and annually thereafter; and

8 (B) made publically available not later  
9 than 90 days after the date described in sub-  
10 paragraph (A)(ii).

11 (c) COMPREHENSIVE REVIEW.—

12 (1) IN GENERAL.—Not later than 4 years after  
13 the date of enactment of this Act (and every 5 years  
14 thereafter), the Secretary shall—

15 (A) prepare a comprehensive review of all  
16 reports submitted under subsection (b)(2);

17 (B) identify trends within data outlined in  
18 subsection (b)(2), including the extent to which  
19 target annual participation rates for beginning  
20 and socially disadvantaged farmers (as defined  
21 in ) are being met for each loan type; and

22 (C) provide specific actions the Depart-  
23 ment will take to improve the performance of  
24 direct and guaranteed loans with respect to un-  
25 derserved producers and any recommendations

1           the Secretary may make for further congres-  
2           sional action.

3           (2) SUBMISSION OF COMPREHENSIVE RE-  
4           VIEW.—The comprehensive review described in para-  
5           graph (1) shall be—

6                   (A) submitted to—

7                           (i) the Committee on Agriculture of  
8                           the House of Representatives;

9                           (ii) the Committee on Appropriations  
10                          of the House of Representatives;

11                          (iii) the Committee on Agriculture,  
12                          Nutrition, and Forestry of the Senate; and

13                          (iv) the Committee on Appropriations  
14                          of the Senate; and

15                   (B) made publicly available not later than  
16                   90 days after the date of submission under sub-  
17                   paragraph (A).

18           (d) PRIVACY.—In preparing any report or review  
19           under this section, the Secretary shall aggregate or de-  
20           identify the data in a manner sufficient to ensure that the  
21           identity of a recipient producer associated with the data  
22           cannot be ascertained.

23   **SEC. 54\_\_\_ . SENSE OF THE SENATE.**

24           It is the sense of the Senate that —

1           (1) sections 346 and 355 of the Consolidated  
2           Farm and Rural Development Act (7 U.S.C. 1994,  
3           2003) reserve amounts to incentivize participation in  
4           Farm Service Agency loan programs for qualified  
5           beginning farmers and ranchers and socially dis-  
6           advantaged farmers;

7           (2) under current law—

8                   (A) for direct loans, 75 percent of the  
9                   funding for farm ownership loans and 50 per-  
10                  cent of operating loans are reserved for the first  
11                  11 months of the fiscal year; and

12                   (B) for guaranteed loans, 40 percent of  
13                   available funding is reserved for ownership  
14                   loans and farm operating loans for the first  $\frac{1}{2}$   
15                   of the fiscal year; and

16           (3) all participants of the Farm Service Agency  
17           loan programs should strive to encourage beginning  
18           farmers and ranchers and socially disadvantaged  
19           farmers to use Farm Service Agency loans.