

112TH CONGRESS
1ST SESSION

H. R. 3740

To provide supplemental emergency disaster assistance to agricultural producers for certain crop losses during the 2011 crop year, to eliminate limitations on certain waivers for borrowers eligible for direct farm operating loans, and to suspend the limitation on the period for which borrowers are eligible for guaranteed farm operating loans, for farming or ranching operations in counties subject to a disaster declaration issued in 2011.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 20, 2011

Mr. BUTTERFIELD (for himself, Mr. MCINTYRE, Mr. SHULER, Mr. KISSELL, Mr. MILLER of North Carolina, Mr. PRICE of North Carolina, and Mr. WATT) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To provide supplemental emergency disaster assistance to agricultural producers for certain crop losses during the 2011 crop year, to eliminate limitations on certain waivers for borrowers eligible for direct farm operating loans, and to suspend the limitation on the period for which borrowers are eligible for guaranteed farm operating loans, for farming or ranching operations in counties subject to a disaster declaration issued in 2011.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Farmers Disaster As-
3 sistance Act of 2011”.

4 **SEC. 2. SUPPLEMENTAL EMERGENCY DISASTER ASSIST-**
5 **ANCE.**

6 (a) DEFINITIONS.—In this section:

7 (1) DISASTER COUNTY.—The term “disaster
8 county” means a county included in the geographic
9 area covered by a qualifying natural disaster dec-
10 laration for the 2011 crop year.

11 (2) ELIGIBLE PRODUCER.—The term “eligible
12 producer” means an agricultural producer in a dis-
13 aster county.

14 (3) ELIGIBLE SPECIALTY CROP PRODUCER.—
15 The term “eligible specialty crop producer” means
16 an agricultural producer that, for the 2011 crop
17 year, as determined by the Secretary—

18 (A) produced, or was prevented from
19 planting, a specialty crop; and

20 (B) experienced crop losses in a disaster
21 county due to excessive rainfall or related condi-
22 tion.

23 (4) QUALIFYING NATURAL DISASTER DECLARA-
24 TION.—The term “qualifying natural disaster dec-
25 laration” means a natural disaster declared by the
26 Secretary for production losses under section 321(a)

1 of the Consolidated Farm and Rural Development
2 Act (7 U.S.C. 1961(a)).

3 (5) SECRETARY.—The term “Secretary” means
4 the Secretary of Agriculture.

5 (6) SPECIALTY CROP.—The term “specialty
6 crop” has the meaning given the term in section 3
7 of the Specialty Crops Competitiveness Act of 2004
8 (Public Law 108–465; 7 U.S.C. 1621 note).

9 (b) SUPPLEMENTAL DIRECT PAYMENT.—

10 (1) IN GENERAL.—Of the funds of the Com-
11 modity Credit Corporation, the Secretary shall use
12 such sums as are necessary to make supplemental
13 payments under sections 1103 and 1303 of the
14 Food, Conservation, and Energy Act of 2008 (7
15 U.S.C. 8713, 8753) to eligible producers on farms
16 located in disaster counties that had at least 1 crop
17 of economic significance (other than crops intended
18 for grazing) suffer at least a 5-percent crop loss due
19 to a natural disaster, including quality losses, as de-
20 termined by the Secretary, in an amount equal to 90
21 percent of the direct payment the eligible producers
22 received for the 2011 crop year on the farm.

23 (2) ACRE PROGRAM.—Eligible producers that
24 received payments under section 1105 of the Food,
25 Conservation, and Energy Act of 2008 (7 U.S.C.

1 8715) for the 2011 crop year and that otherwise
2 meet the requirements of paragraph (1) shall be eli-
3 gible to receive supplemental payments under that
4 paragraph in an amount equal to 90 percent of the
5 reduced direct payment the eligible producers re-
6 ceived for the 2011 crop year under section 1103 or
7 1303 of the Food, Conservation, and Energy Act of
8 2008 (7 U.S.C. 8713, 8753).

9 (3) INSURANCE REQUIREMENT.—As a condition
10 of receiving assistance under this subsection, eligible
11 producers on a farm that—

12 (A) in the case of an insurable commodity,
13 did not obtain a policy or plan of insurance for
14 the insurable commodity under the Federal
15 Crop Insurance Act (7 U.S.C. 1501 et seq.)
16 (other than for a crop insurance pilot program
17 under that Act) for each crop of economic sig-
18 nificance (other than crops intended for graz-
19 ing), shall obtain such a policy or plan for those
20 crops for the next available crop year, as deter-
21 mined by the Secretary; or

22 (B) in the case of a noninsurable com-
23 modity, did not file the required paperwork, and
24 pay the administrative fee by the applicable
25 State filing deadline, for the noninsurable com-

1 modity under section 196 of the Federal Agri-
2 culture Improvement and Reform Act of 1996
3 (7 U.S.C. 7333) for each crop of economic sig-
4 nificance (other than crops intended for graz-
5 ing), shall obtain such coverage for those crops
6 for the next available crop year, as determined
7 by the Secretary.

8 (4) RELATIONSHIP TO OTHER LAW.—Assistance
9 received under this subsection shall be included in
10 the calculation of farm revenue for the 2011 crop
11 year under section 531(b)(4)(A) of the Federal Crop
12 Insurance Act (7 U.S.C. 1531(b)(4)(A)) and section
13 901(b)(4)(A) of the Trade Act of 1974 (19 U.S.C.
14 2497(b)(4)(A)).

15 (c) SPECIALTY CROP ASSISTANCE.—

16 (1) IN GENERAL.—Of the funds of the Com-
17 modity Credit Corporation, the Secretary shall use
18 such sums as necessary, which shall remain available
19 until September 30, 2012, to carry out a program
20 of grants to States to assist eligible specialty crop
21 producers for losses due to excessive rainfall and re-
22 lated conditions affecting the 2011 crops.

23 (2) NOTIFICATION.—Not later than 60 days
24 after the date of enactment of this Act, the Sec-
25 retary shall notify the State department of agri-

1 culture (or similar entity) in each State of the avail-
2 ability of funds to assist eligible specialty crop pro-
3 ducers, including such terms as are determined by
4 the Secretary to be necessary for the equitable treat-
5 ment of eligible specialty crop producers.

6 (3) PROVISION OF GRANTS.—

7 (A) IN GENERAL.—The Secretary shall
8 make grants to States for disaster counties with
9 excessive rainfall and related conditions on a
10 pro rata basis based on the value of specialty
11 crop losses in those counties during the 2011
12 calendar year, as determined by the Secretary.

13 (B) TIMING.—Not later than 120 days
14 after the date of enactment of this Act, the Sec-
15 retary shall make grants to States to provide
16 assistance under this subsection.

17 (C) MAXIMUM GRANT.—The maximum
18 amount of a grant made to a State under this
19 subsection may not exceed \$40,000,000.

20 (4) REQUIREMENTS.—The Secretary shall
21 make grants under this subsection only to States
22 that demonstrate to the satisfaction of the Secretary
23 that the State will—

24 (A) use grant funds to assist eligible spe-
25 cialty crop producers;

1 (B) provide assistance to eligible specialty
2 crop producers not later than 90 days after the
3 date on which the State receives grant funds;
4 and

5 (C) not later than 30 days after the date
6 on which the State provides assistance to eligi-
7 ble specialty crop producers, submit to the Sec-
8 retary a report that describes—

9 (i) the manner in which the State pro-
10 vided assistance;

11 (ii) the amounts of assistance pro-
12 vided by type of specialty crop; and

13 (iii) the process by which the State
14 determined the levels of assistance to eligi-
15 ble specialty crop producers.

16 (5) RELATION TO OTHER LAW.—Assistance re-
17 ceived under this subsection shall be included in the
18 calculation of farm revenue for the 2011 crop year
19 under section 531(b)(4)(A) of the Federal Crop In-
20 surance Act (7 U.S.C. 1531(b)(4)(A)) and section
21 901(b)(4)(A) of the Trade Act of 1974 (19 U.S.C.
22 2497(b)(4)(A)).

1 **SEC. 3. ELIMINATION OF LIMITATIONS ON CERTAIN WAIV-**
2 **ERS FOR BORROWERS ELIGIBLE FOR DIRECT**
3 **FARM OPERATING LOANS FOR FARMING OR**
4 **RANCHING OPERATIONS IN COUNTIES SUB-**
5 **JECT TO A DISASTER DECLARATION ISSUED**
6 **IN 2011.**

7 The numerical and durational limitations on waivers
8 which may be granted under section 311(c)(4)(B) of the
9 Consolidated Farm and Rural Development Act shall not
10 apply with respect to an operating loan for a farming or
11 ranching operation located in a county which is found by
12 the Secretary of Agriculture to have been substantially af-
13 fected by a natural disaster in the United States or a
14 major disaster or emergency designated by the President
15 under the Robert T. Stafford Disaster Relief and Emer-
16 gency Assistance Act, that occurred in calendar year 2011.

17 **SEC. 4. SUSPENSION OF LIMITATION ON PERIOD FOR**
18 **WHICH BORROWERS ARE ELIGIBLE FOR**
19 **GUARANTEED FARM OPERATING LOANS FOR**
20 **FARMING OR RANCHING OPERATIONS IN**
21 **COUNTIES SUBJECT TO A DISASTER DEC-**
22 **LARATION ISSUED IN 2011.**

23 Section 5102 of the Farm Security and Rural Invest-
24 ment Act of 2002 (7 U.S.C. 1949 note; Public Law 107–
25 171) is amended—

1 (1) in the section heading by inserting “**FOR**
2 **FARMING OR RANCHING OPERATIONS IN**
3 **COUNTIES SUBJECT TO A DISASTER DECLARA-**
4 **TION ISSUED IN 2011**” after “**ASSISTANCE**”;

5 (2) by striking “2010” and inserting “2013”;
6 and

7 (3) by inserting “in the case of a guaranteed
8 operating loan for a farming or ranching operation
9 located in a county which is found by the Secretary
10 of Agriculture to have been substantially affected by
11 a natural disaster in the United States or a major
12 disaster or emergency designated by the President
13 under the Robert T. Stafford Disaster Relief and
14 Emergency Assistance Act, that occurred in calendar
15 year 2011” before the period.

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