

106TH CONGRESS
2D SESSION

S. 2039

To amend the Consolidated Farm and Rural Development Act to authorize the Secretary of Agriculture to provide emergency loans to poultry producers to rebuild chicken houses destroyed by disasters.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 8, 2000

Mr. HUTCHINSON introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To amend the Consolidated Farm and Rural Development Act to authorize the Secretary of Agriculture to provide emergency loans to poultry producers to rebuild chicken houses destroyed by disasters.

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

3 **SECTION 1. EMERGENCY LOANS FOR POULTRY FARMERS.**

4 Section 321(b) of the Consolidated Farm and Rural
5 Development Act (7 U.S.C. 1961(b)) is amended by add-
6 ing at the end the following:

7 “(3) LOANS TO POULTRY FARMERS.—

8 “(A) INABILITY TO OBTAIN INSURANCE.—

1 “(i) IN GENERAL.—Notwithstanding
2 any other provision of this subtitle, the
3 Secretary may make a loan to a poultry
4 farmer under this subtitle to cover the loss
5 of a chicken house for which the farmer
6 did not have hazard insurance at the time
7 of the loss, if the farmer—

8 “(I) applied for, but was unable,
9 to obtain hazard insurance for the
10 chicken house;

11 “(II) uses the loan to rebuild the
12 chicken house in accordance with in-
13 dustry standards in effect on the date
14 the farmer submits an application for
15 the loan (referred to in this paragraph
16 as ‘current industry standards’);

17 “(III) obtains, for the term of
18 the loan, hazard insurance for the full
19 market value of the chicken house;
20 and

21 “(IV) meets the other require-
22 ments for the loan under this subtitle,
23 other than (if the Secretary finds that
24 the applicant’s farming operations
25 have been substantially affected by a

major disaster or emergency designated by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.)) the requirement that an applicant not be able to obtain sufficient credit elsewhere.

“(ii) AMOUNT.—The amount of a loan made to a poultry farmer under clause (i) shall be an amount that will allow the farmer to rebuild the chicken house in accordance with current industry standards.

“(B) LOANS TO COMPLY WITH CURRENT INDUSTRY STANDARDS.—

“(i) IN GENERAL.—Notwithstanding any other provision of this subtitle, the Secretary may make a loan to a poultry farmer under this subtitle to cover the loss of a chicken house for which the farmer had hazard insurance at the time of the loss, if—

“(I) the amount of the hazard insurance is less than the cost of rebuilding the chicken house in accordance with current industry standards;

1 “(II) the farmer uses the loan to
2 rebuild the chicken house in accord-
3 ance with current industry standards;

4 “(III) the farmer obtains, for the
5 term of the loan, hazard insurance for
6 the full market value of the chicken
7 house; and

8 “(IV) the farmer meets the other
9 requirements for the loan under this
10 subtitle, other than (if the Secretary
11 finds that the applicant’s farming op-
12 erations have been substantially af-
13 fected by a major disaster or emer-
14 gency designated by the President
15 under the Robert T. Stafford Disaster
16 Relief and Emergency Assistance Act
17 (42 U.S.C. 5121 et seq.)) the require-
18 ment that an applicant not be able to
19 obtain sufficient credit elsewhere.

20 “(ii) AMOUNT.—The amount of a loan
21 made to a poultry farmer under clause (i)
22 shall be the difference between—

23 “(I) the amount of the hazard in-
24 surance obtained by the farmer; and

1 “(II) the cost of rebuilding the
2 chicken house in accordance with cur-
3 rent industry standards.”.

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