

115TH CONGRESS
2D SESSION

H. R. 4988

To establish nonrecourse conservation assistance loans for loan commodities produced on certain farms, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 8, 2018

Mrs. BUSTOS (for herself and Mr. BOST) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To establish nonrecourse conservation assistance loans for loan commodities produced on certain farms, and for other purposes.

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. SHORT TITLE.**

4 This Act may be cited as the “Conservation Assist-
5 ance Loan Act of 2018”.

6 **SEC. 2. AVAILABILITY OF NONRECOURSE CONSERVATION**
7 **ASSISTANCE LOANS FOR LOAN COMMOD-**
8 **ITIES.**

9 (a) NONRECOURSE LOANS AVAILABLE.—

1 (1) IN GENERAL.—For each of the 2018
2 through 2022 crops of each loan commodity, the
3 Secretary shall make available to qualified producers
4 on a farm nonrecourse conservation assistance loans
5 for loan commodities produced on the farm.

6 (2) QUALIFIED PRODUCER.—In this section,
7 the term “qualified producer” means a producer eli-
8 gible for a nonrecourse marketing loan under section
9 1201 of the Agricultural Act of 2014 (7 U.S.C.
10 9031) that agrees to not apply for such loan for
11 each of the 2018 through 2022 crops described in
12 paragraph (1).

13 (b) ELIGIBLE PRODUCTION.—The producers on a
14 farm shall be eligible for a conservation assistance loan
15 under subsection (a) for any quantity of a loan commodity
16 produced on the farm.

17 (c) LOAN RATES FOR NONRECOURSE CONSERVATION
18 ASSISTANCE LOANS.—

19 (1) IN GENERAL.—Subject to paragraph (2),
20 for purposes of each of the 2018 through 2022 crop
21 years, the loan rate for a conservation assistance
22 loan under this section for a loan commodity shall
23 be—

24 (A) for beginning farmers and ranchers (as
25 determined by the Secretary), 75 percent of the

1 national average price received by producers
2 during the 12-month marketing year for the
3 loan commodity for the most recent 5 crop
4 years, excluding—

5 (i) the crop year with the highest
6 price; and

7 (ii) the crop year with the lowest
8 price; and

9 (B) for producers not described in para-
10 graph (1), 60 percent of the national average
11 price received by producers during the 12-
12 month marketing year for the loan commodity
13 for the most recent 5 crop years, excluding—

14 (i) the crop year with the highest
15 price; and

16 (ii) the crop year with the lowest
17 price.

18 (2) SPECIAL RULE FOR COVER CROPS.—In the
19 case of a producer who agrees to plant a cover crop
20 on acres associated with the loan commodity, the ap-
21 plicable loan rate under paragraph (1) shall be in-
22 creased by an amount equal to \$0.20 per bushel.

23 (d) TERMS OF LOANS.—

24 (1) IN GENERAL.—In the case of each loan
25 commodity, a conservation loan under this section

1 shall have a term of 9 months beginning on the first
2 day of the first month after the month in which the
3 loan is made.

4 (2) EXTENSIONS PROHIBITED.—The Secretary
5 may not extend the term of a conservation assist-
6 ance loan for any loan commodity.

7 (e) REPAYMENT OF LOANS.—

8 (1) IN GENERAL.—The Secretary shall permit
9 the producers on a farm to repay a conservation as-
10 sistance loan under this section for a loan com-
11 modity at a rate that is the lesser of the following:

12 (A) The loan rate established under sub-
13 section (c).

14 (B) A rate that is equal to the expected
15 market price for the loan commodity as cal-
16 culated for crop insurance, as determined by
17 the Secretary.

18 (C) Such other rate the Secretary deter-
19 mines will avoid or minimize potential loan for-
20 feitures.

21 (2) ADJUSTMENTS.—The Secretary shall make
22 all adjustments that the Secretary determines nec-
23 essary to—

1 (A) avoid forfeiture or the accumulation of
2 stocks of the commodities placed under a loan
3 under this section;

4 (B) minimize the costs incurred by the
5 Federal Government;

6 (C) allow the commodity produced to be
7 marketed freely and competitively, both domes-
8 tically and internationally;

9 (D) minimize discrepancies in conservation
10 loan benefits across State boundaries and
11 across country boundaries; and

12 (E) in the case of a producer who is pre-
13 vented from planting a commercial crop due to
14 weather or other natural events that interfered
15 with cover crop determined (as determined by
16 the Secretary), the Secretary may forgive the
17 portion of the loan calculated under subsection
18 (c)(2).

19 (f) COMPLIANCE REQUIREMENTS.—As a condition of
20 the receipt of a conservation assistance loan under this
21 section, the producer shall during the crop year of the
22 loan—

23 (1) comply with applicable conservation require-
24 ments under subtitle B of title XII of the Food Se-
25 curity Act of 1985 (16 U.S.C. 3811 et seq.) and ap-

1 applicable wetland protection requirements under sub-
2 title C of title XII of that Act (16 U.S.C. 3821 et
3 seq.);

4 (2) agree to use a reduced tillage method and
5 nutrient management practices (as determined by
6 the Secretary to be appropriate for soil health man-
7 agement) for the acres associated with the com-
8 modity covered by the loan; and

9 (3) in the case of a loan calculated under sub-
10 section (c)(2), agree to plant a cover crop on the
11 acres associated with the loan commodity, as deter-
12 mined by the Secretary to be appropriate.

13 (g) FARM SERVICE AGENCY REPORT.—The Adminis-
14 trator of the Farm Service Agency shall submit an annual
15 report to the Secretary that includes the information with
16 respect to the compliance requirements specified in para-
17 graphs (1) and (2) of subsection (f) relating to each con-
18 servation assistance loan under this section that was fully
19 repaid in the preceding fiscal year.

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