

113TH CONGRESS
2D SESSION

H. R. 5542

To amend the Agricultural Act of 2014 to require the Secretary of Agriculture to extend the term of a marketing assistance loan and the deadline for repayment of a farm ownership, operating, or emergency loan when the purchaser of the agricultural commodity subject to the marketing assistance loan declared bankruptcy before paying the farmer for the commodity.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 18, 2014

Mr. CRAWFORD (for himself, Mr. GRIFFIN of Arkansas, Mr. WOMACK, and Mr. COTTON) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Agricultural Act of 2014 to require the Secretary of Agriculture to extend the term of a marketing assistance loan and the deadline for repayment of a farm ownership, operating, or emergency loan when the purchaser of the agricultural commodity subject to the marketing assistance loan declared bankruptcy before paying the farmer for the commodity.

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 “Farm Protection Act
3 of 2014”.

4 **SEC. 2. EXTENSION OF MARKETING ASSISTANCE LOANS**
5 **AND DEADLINE FOR REPAYMENT OF FARM**
6 **OWNERSHIP, OPERATING, OR EMERGENCY**
7 **LOANS IN CERTAIN CASES OF BANKRUPTCY.**

8 Section 1203(b) of the Agricultural Act of 2014 (7
9 U.S.C. 9033(b)) is amended—

10 (1) by striking “The Secretary” and inserting
11 the following:

12 “(1) IN GENERAL.—Except as provided in para-
13 graph (2), the Secretary”; and

14 (2) by adding at the end the following new
15 paragraph:

16 “(2) EXTENSION OF CERTAIN LOANS IN EVENT
17 OF PURCHASER BANKRUPTCY.—

18 “(A) IN GENERAL.—This paragraph ap-
19 plies whenever—

20 “(i) the producers on a farm have a
21 marketing assistance loan under section
22 1201 for a loan commodity;

23 “(ii) the producers have sold, trans-
24 ferred, or delivered the loan commodity
25 subject to the loan to a purchaser; and

1 “(iii) a case under any chapter of title
2 11, United States Code (in this paragraph
3 referred to as a ‘chapter 11 bankruptcy’),
4 has been commenced in which the pur-
5 chaser is the debtor.

6 “(B) EXTENSION FOR NON-PAYMENT.—If
7 a chapter 11 bankruptcy in which the purchaser
8 of a loan commodity is the debtor, as described
9 in subparagraph (A), is commenced before the
10 purchaser pays the producers in full for the
11 loan commodity, the Secretary shall extend, to
12 a date that is not less than 180 days after the
13 date on which the chapter 11 bankruptcy is
14 closed or dismissed—

15 “(i) the term and any due date for
16 any payment or obligation pursuant to the
17 marketing assistance loan of the producers;
18 and

19 “(ii) the due date for any payment or
20 obligation pursuant to any ownership, op-
21 erating, or emergency loan made to the
22 producers under the Consolidated Farm
23 and Rural Development Act (7 U.S.C.
24 1921 et seq.).

25 “(C) RELATED SUSPENSIONS.—

1 “(i) ACCRUAL OF INTEREST.—If the
2 purchaser of the loan commodity has al-
3 ready taken possession of the loan com-
4 modity, the Secretary also shall suspend
5 the accruing of interest on the loans de-
6 scribed in subparagraph (B) during the pe-
7 riod of the extension under such subpara-
8 graph.

9 “(ii) RECOVERY ACTIONS.—If a trust-
10 ee in the purchaser’s chapter 11 bank-
11 ruptcy seeks recovery of all or any portion
12 of a purchase price paid to or on behalf of
13 the producers for the loan commodity, the
14 Secretary also shall suspend any efforts to
15 collect from the producers any amounts re-
16 lated to such recovery or potential recovery
17 until a date that is not less than 180 days
18 after the final resolution of the action to
19 recover all or any portion of the purchase
20 price.”.

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