

110TH CONGRESS  
1ST SESSION

# S. 1837

To amend the Farm Security and Rural Investment Act of 2002 to authorize the Secretary of Agriculture to provide loans to eligible agricultural producers of eligible commodities that are used to produce bioenergy to ensure that the capacities of the commodity storage facilities of the agricultural producers are adequate for the storage requirements of the agricultural producers, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JULY 19, 2007

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

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## A BILL

To amend the Farm Security and Rural Investment Act of 2002 to authorize the Secretary of Agriculture to provide loans to eligible agricultural producers of eligible commodities that are used to produce bioenergy to ensure that the capacities of the commodity storage facilities of the agricultural producers are adequate for the storage requirements of the agricultural producers, 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,*

1 **SECTION 1. FEEDSTOCK SECURITY FOR AGRICULTURAL**  
2 **PRODUCERS OF BIOENERGY.**

3 Title IX of the Farm Security and Rural Investment  
4 Act of 2002 (7 U.S.C. 8101 et seq.) is amended by adding  
5 at the end the following:

6 **“SEC. 9012. COMMODITY STORAGE CAPACITY LOANS.**

7 “(a) REVISION OF REGULATIONS.—Not later than 30  
8 days after the date of enactment of this section, the Sec-  
9 retary shall revise part 1436 of title 7, Code of Federal  
10 Regulations (as in effect on the date of enactment of this  
11 section), in accordance with subsection (b).

12 “(b) COMMODITY STORAGE CAPACITY LOANS.—

13 “(1) DEFINITION OF ELIGIBLE COMMODITY.—

14 In this subsection, the term ‘eligible commodity’ has  
15 the meaning given the term in section 9010.

16 “(2) AUTHORITY OF SECRETARY.—In carrying  
17 out subsection (a), the Secretary may provide loans  
18 to eligible agricultural producers to ensure that the  
19 capacities of the commodity storage facilities of the  
20 eligible agricultural producers are adequate for the  
21 storage requirements of the eligible agricultural pro-  
22 ducers.

23 “(3) APPLICATION.—To be eligible to receive a  
24 loan under paragraph (2), an eligible agricultural  
25 producer shall submit to the Secretary an applica-

1 tion at such time, in such manner, and containing  
2 such information as the Secretary may require.

3 “(4) AMOUNT.—

4 “(A) IN GENERAL.—The amount of a loan  
5 that may be provided by the Secretary to an eli-  
6 gible agricultural producer under paragraph (2)  
7 shall be equal to the amount necessary for the  
8 eligible agricultural producer to construct, or  
9 make improvements to, 1 or more commodity  
10 storage facilities to meet the storage require-  
11 ments of the eligible agricultural producer, as  
12 determined by the Secretary in accordance with  
13 subparagraph (B).

14 “(B) DETERMINATION OF STORAGE RE-  
15 QUIREMENTS OF ELIGIBLE AGRICULTURAL PRO-  
16 DUCERS.—

17 “(i) IN GENERAL.—Except as pro-  
18 vided in clause (ii), the storage require-  
19 ments of an eligible agricultural producer  
20 shall be equal to the difference between—

21 “(I) the average annual total  
22 quantity of eligible commodities pro-  
23 duced by the eligible agricultural pro-  
24 ducer during the preceding 3 crop  
25 years; and

1                   “(II) the maximum quantity of  
2                   eligible commodities that may be  
3                   stored in the commodity storage facili-  
4                   ties of the eligible agricultural pro-  
5                   ducer as of the date of application for  
6                   the loan.

7                   “(ii) NEW AGRICULTURAL PRODUCERS  
8                   OF ELIGIBLE COMMODITIES.—If an eligible  
9                   agricultural producer has produced an eli-  
10                  gible commodity for a period that is less  
11                  than the 3-crop year period described in  
12                  clause (i)(I), the Secretary shall determine  
13                  the storage requirements of the eligible ag-  
14                  ricultural producer.

15                  “(5) REQUIREMENTS OF LOAN.—In providing a  
16                  loan to an eligible agricultural producer under para-  
17                  graph (2), the Secretary shall require—

18                         “(A) a lien only on each commodity stor-  
19                         age facility constructed or improved by the eli-  
20                         gible agricultural producer using funds provided  
21                         under this subsection; and

22                         “(B) the eligible agricultural producer to  
23                         enter into an egress agreement with the Sec-  
24                         retary with respect to each commodity storage  
25                         facility constructed or improved by the eligible

1            agricultural producer using funds provided  
2            under this subsection.

3            “(6) TERM.—The term of a loan provided to an  
4            eligible agricultural producer under paragraph (2)  
5            shall be a term of not less than 20 years that is  
6            agreed to by the Secretary and the borrower.”.

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