

119TH CONGRESS
1ST SESSION

S. 1117

To amend the Federal Crop Insurance Act to modify a provision relating to quality loss adjustment coverage.

IN THE SENATE OF THE UNITED STATES

MARCH 25, 2025

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

A BILL

To amend the Federal Crop Insurance Act to modify a provision relating to quality loss adjustment coverage.

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 “Quality Loss Adjust-
5 ment Improvement for Farmers Act”.

6 **SEC. 2. QUALITY LOSS ADJUSTMENT COVERAGE.**

7 Section 508(m) of the Federal Crop Insurance Act
8 (7 U.S.C. 1508(m)) is amended—

9 (1) in paragraph (3)—

1 (A) by striking subparagraph (A) and in-
2 serting the following:

3 “(A) PERIODIC REVIEW.—Beginning in
4 calendar year 2025, and once every 5 years
5 thereafter, the Corporation shall contract with a
6 qualified person to conduct a review of the qual-
7 ity loss adjustment procedures of the Corpora-
8 tion, each of which shall be completed not later
9 than 1 year after the date of commencement of
10 the review.”;

11 (B) in subparagraph (B), by striking “Ef-
12 fective beginning not later than the 2004 rein-
13 surance year, based on the review, the Corpora-
14 tion” and inserting “Based on each review con-
15 ducted under subparagraph (A), the Corpora-
16 tion”;

17 (C) by redesignating subparagraph (B) as
18 subparagraph (C);

19 (D) by inserting after subparagraph (A)
20 the following:

21 “(B) STAKEHOLDER ENGAGEMENT.—Each
22 review under subparagraph (A) shall include en-
23 gagement from regionally diverse industry
24 stakeholders for each agricultural commodity

1 for which a quality loss adjustment is offered.”;
 2 and

3 (E) by adding at the end the following:

4 “(D) REPORT.—On the completion of each
 5 review under subparagraph (A), the Corpora-
 6 tion shall submit to the Committee on Agri-
 7 culture, Nutrition, and Forestry of the Senate
 8 and the Committee on Agriculture of the House
 9 of Representatives a report that describes—

10 “(i) findings from that review;

11 “(ii) changes to the quality loss ad-
 12 justment procedures; and

13 “(iii) the stakeholder engagement for
 14 that review pursuant to subparagraph
 15 (B).”; and

16 (2) by adding at the end the following:

17 “(7) REGIONAL DISCOUNT FACTORS FOR SOY-
 18 BEANS.—

19 “(A) DEFINITION OF COVERED DECLARA-
 20 TION.—In this paragraph, the term ‘covered
 21 declaration’ means—

22 “(i) a disaster declaration by the Sec-
 23 retary;

24 “(ii) a major disaster declared by the
 25 President under section 401 of the Robert

1 T. Stafford Disaster Relief and Emergency
2 Assistance Act (42 U.S.C. 5170); or

3 “(iii) an emergency declared by the
4 President under section 501 of that Act
5 (42 U.S.C. 5191).

6 “(B) DISCOUNT FACTOR.—In the event of
7 a covered declaration for a State or region, or
8 the occurrence of a salvage market for soybeans
9 in a State or region, the Corporation shall es-
10 tablish a State or regional discount factor, as
11 applicable, to reflect the average quality dis-
12 counts applied to the local or regional market
13 prices of the soybean crop.

14 “(C) REPORTING REQUIREMENT.—Any
15 State or regional discount factor established
16 under subparagraph (B) shall be included in—

17 “(i) the applicable periodic review con-
18 ducted under paragraph (3)(A); and

19 “(ii) the report described in para-
20 graph (3)(D).”.

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