

Casey 1

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: To require the Secretary to make certain loans.

**IN THE SENATE OF THE UNITED STATES—112th Cong., 2d Sess.**

**(no.)** \_\_\_\_\_

To reauthorize agricultural programs through 2017, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. CASEY

Viz:

1 In section 3601(f)(2) of the Consolidated Farm and  
2 Rural Development Act (as amended by section 6001)—

3 (1) in subparagraph (A)—

4 (A) redesignate clauses (i) through (vii) as  
5 clauses (iv) through (x), respectively;

6 (B) insert before clause (iv) (as so redesign-  
7 nated) the following:

8 “(i) LOCAL AGRICULTURAL BUSINESS  
9 PROJECT.—The term ‘local agricultural  
10 business project’ means a project that is—

11 “(I) designed to promote the pro-  
12 duction of a locally or regionally pro-  
13 duced food; and



1 community and an Indian tribal commu-  
2 nity) that, as determined by the Secretary,  
3 has—

4 “(I) limited access to affordable,  
5 healthy foods, including fresh fruits  
6 and vegetables, in grocery retail stores  
7 or farmer-to-consumer direct markets;  
8 and

9 “(II) a high rate of hunger or  
10 food insecurity or a high poverty  
11 rate.”;

12 (2) redesignate subparagraph (D) as subpara-  
13 graph (E); and

14 (3) insert after subparagraph (C) the following:

15 “(D) LOCAL OR REGIONAL AGRICULTURAL  
16 BUSINESS PROJECTS.—

17 “(i) IN GENERAL.—The Secretary  
18 shall make loans to microentrepreneurial  
19 development organizations for the purpose  
20 of providing low fixed-interest rate loans to  
21 local food entrepreneurs to assist in car-  
22 rying out local agricultural business  
23 projects.

24 “(ii) ELIGIBLE ACTIVITIES.—Loans  
25 made under clause (i) may be used by the

1 local food entrepreneur to carry out eligible  
2 activities, including to—

3 “(I) carry out production projects  
4 for value-added food products;

5 “(II) provide working capital for  
6 general operational costs of the local  
7 agricultural business project;

8 “(III) purchase project-related  
9 equipment;

10 “(IV) purchase seeds, plants, and  
11 fruit or nut trees;

12 “(V) purchase livestock, poultry,  
13 and breeding stock;

14 “(VI) construct and maintain ir-  
15 rigation systems;

16 “(VII) construct buildings (in-  
17 cluding barns, sheds, greenhouses,  
18 and dry and cold storage sheds) nec-  
19 essary to support agricultural produc-  
20 tion;

21 “(VIII) lease, lease to purchase,  
22 or directly purchase farm or ranch  
23 land or make a down payment on an  
24 accepted purchase offer for farm or  
25 ranch land; or

1                   “(IX) carry out any other activ-  
2                   ity that the Secretary determines is  
3                   necessary to carry out this subsection.

4                   “(iii) PRIORITY.—In making loans,  
5                   microentrepreneurial development organi-  
6                   zations shall give priority to local agricul-  
7                   tural business projects that are operated  
8                   by local food entrepreneurs who—

9                   “(I) are qualified beginning  
10                  farmers or ranchers or socially dis-  
11                  advantaged farmers or ranchers;

12                  “(II) will produce locally or re-  
13                  gionally produced food to supply un-  
14                  derserved communities; or

15                  “(III) will grow or raise locally or  
16                  regionally produced food to supply  
17                  schools or other institutions.

18                  “(iv) SECRETARIAL APPROVAL; GUAR-  
19                  ANTEE.—

20                  “(I) APPROVAL.—A microentre-  
21                  preneurial development organization  
22                  may make a loan to a local food entre-  
23                  preneur if the Secretary determines  
24                  that the loan complies with the re-  
25                  quirements under this section.

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1                   “(II) LOAN GUARANTEE.—The  
2                   Secretary shall guarantee not more  
3                   than 85 percent of the principal and  
4                   interest on each loan approved under  
5                   subclause (I).

6                   “(v) RESERVATION OF FUNDS.—For  
7                   each of fiscal years 2012 through 2017,  
8                   the Secretary shall reserve not less than 10  
9                   percent of the total amount made available  
10                  to carry out this subsection until April 1 of  
11                  the fiscal year.