



353280

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/20/2019	.	
	.	
	.	
	.	

The Committee on Agriculture (Albritton) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 570.82, Florida Statutes, is transferred, renumbered as section 252.65, Florida Statutes, and amended, to read:

252.65 ~~570.82~~ Agricultural Economic Development and Disaster Loans Program ~~disaster loans and grants and aid.~~

(1) USE OF LOAN FUNDS AND LOAN TERMS.



353280

11 (a) The division shall use funds appropriated for the
12 program to make loans ~~Loan funds~~ to agricultural producers who
13 have experienced losses from a natural disaster or a
14 catastrophic weather ~~socioeconomic condition or event.~~ Such
15 loans may be used to:

16 1. Restore or replace essential physical property or remove
17 debris on farmland or from essential physical property.

18 2. Pay all or part of production costs associated with the
19 disaster year, including direct input costs.

20 3. Pay the deductible to repair or replace insured farm or
21 irrigation equipment ~~essential family living expenses.~~

22 4. Restructure farm debts.

23 (b) ~~To be eligible, agricultural producers must have a~~
24 ~~parcel or parcels of land in production not exceeding 300 acres.~~

25 ~~(c) A loan must be zero-interest and in an amount of not~~
26 ~~Funds may be issued as direct loans, or as loan guarantees for~~
27 ~~up to 90 percent of the total loan, in amounts not less than~~
28 ~~\$30,000 nor more than \$500,000~~ \$300,000. The borrower shall pay
29 closing costs, which may not be more than 1 percent of the loan.
30 The closing costs may be paid directly by the borrower or may be
31 financed as part of the loan ~~Applicants must provide at least 10~~
32 ~~percent equity.~~

33 (c) The following loan limits apply per federal employer
34 identification number:

35 1. For timber, up to \$500 per acre.

36 2. For cotton, up to \$275 per acre.

37 3. For peanuts, up to \$125 per acre.

38 (d) The term of the loan is 10 years. If a subsequent
39 natural disaster or catastrophic weather event affects the same



353280

40 property for which a borrower has an outstanding loan made under
41 this section and that loan is still within its original term,
42 the division must work with the borrower to evaluate the
43 necessity of extending the term of the loan. The evaluation must
44 include, but need not be limited to, a review of the borrower's
45 financial condition, the availability of other financial
46 resources or programs, and consistency with the administration
47 of the program under subsection (8). If the division determines
48 it necessary to extend the term of the loan, the extension may
49 be for up to an additional 5 years but must be for at least 1
50 year.

51 (e)-(d) As used in For purposes of this subsection, the
52 term:

53 1. "Direct input costs" means costs incurred for:

54 a. Seed;

55 b. A boll weevil eradication program under part I of
56 chapter 593;

57 c. Fertilizer, lime, or other soil amendment;

58 d. Chicken litter;

59 e. Chemicals;

60 f. Custom application;

61 g. Hand weeding;

62 h. Crop scouting;

63 i. Fuel and lube;

64 j. Repairs and maintenance;

65 k. Irrigation;

66 l. Labor;

67 m. Insurance;

68 n. Land rent;



353280

69 o. Interest on operating capital;

70 p. Drying and cleaning; or

71 q. Marketing and fees.

72 3.1. "Losses" means loss or damage to crops; agricultural
73 products; agricultural facilities; farm, ranch, or dairy
74 infrastructure; or irrigation equipment farmworker housing.

75 2. "Essential physical property" means fences; equipment;
76 structural production facilities such as shade houses and
77 greenhouses; other agricultural facilities; farm, ranch, or
78 dairy infrastructure; or irrigation equipment farmworker
79 housing.

80 (2) ELIGIBLE AGRICULTURAL PRODUCERS CROPS.—Agricultural
81 producers of the following crops are eligible for the emergency
82 loan program Crops eligible for the emergency loan program
83 include:

84 (a) Crops grown for human consumption.

85 (b) Crops planted and grown for livestock consumption,
86 including, but not limited to, grain, seed, and forage crops.

87 (c) Crops grown for fiber, ~~except for trees.~~

88 (d) Specialty crops, such as seafood and aquaculture,
89 including, but not limited to, the products of shellfish or
90 oyster cultivation and harvesting, ornamental fish farming, and
91 commercial fishing; floricultural or ornamental nursery crops;
92 Christmas trees; turf for sod; industrial crops; and seed crops
93 used to produce eligible crops. As used in this paragraph, the
94 term "commercial fishing" means the activity of catching fish or
95 other seafood for commercial profit. As used in this paragraph,
96 the term "industrial crops" means crops that provide materials
97 for industrial processes and products, such as soybeans, cotton



353280

98 lint and cottonseed, flax, or tobacco.

99 (3) FARMING INFORMATION.—A borrower must keep complete and
100 acceptable farm records and present them as proof of production
101 levels. ~~A borrower must operate in accordance with a farm plan~~
102 ~~that he or she develops and that is approved by the~~
103 ~~commissioner.~~ A borrower may be required to ~~participate in a~~
104 ~~financial management training program and~~ obtain crop insurance
105 as a risk management tool.

106 (4) LOAN APPLICATION.—In order to qualify for a loan under
107 this section, an applicant must:

108 (a) Submit an application to the division ~~department~~ within
109 1 year ~~90 days~~ after the date the natural disaster or
110 catastrophic weather ~~socioeconomic condition or~~ event occurs ~~or~~
111 ~~the crop damage becomes apparent.~~

112 (b) Be ~~An applicant must be~~ a citizen of the United States
113 and a bona fide resident of this ~~the~~ state, and ~~must also~~
114 demonstrate the need for economic assistance, and demonstrate
115 that he or she has the ability to repay the loan. Only one loan
116 may be issued per federal employer identification number.

117 (c) Provide sufficient evidence to the division that he or
118 she used crop insurance as a risk management tool, if available,
119 at the time of the natural disaster or catastrophic weather
120 event.

121 (d) Be approved by the division.

122 (5) LOAN SECURITY REQUIREMENTS.—All loans must be secured.
123 A first lien is required on all property or product acquired,
124 produced, or refinanced with loan funds. The specific type of
125 collateral required may vary depending upon the loan purpose,
126 repayment ability, and the particular circumstances of the



353280

127 applicant. Farm assets may be used as collateral.

128 (6) LOAN REPAYMENT.—A borrower shall repay the loan
129 ~~Repayment of loans for crops, livestock, and non-real-estate~~
130 ~~losses shall normally be made within 10 7 years or, except a~~
131 ~~borrower who received an extension of a loan as provided in~~
132 ~~paragraph (1) (d) shall repay the loan by the expiration of the~~
133 ~~extension in special circumstances, within 20 years. Loans for~~
134 ~~physical losses to real estate and buildings shall not exceed 30~~
135 ~~years. A loan may not be extended or repaid beyond 15 years.~~
136 Borrowers are expected to return to conventional credit sources
137 when they are financially able. Loans are a temporary source of
138 credit, and borrowers must be reviewed periodically to determine
139 whether they can return to conventional credit.

140 (7) LOAN DEFAULT.—In the event of a default by a borrower,
141 the division may bring suit to enforce its interest, in addition
142 to any other remedy provided by law.

143 (8) ADMINISTRATION.—The division shall administer the
144 program in a manner consistent with federal disaster relief,
145 prioritizing the maximization of federal aid. All loan
146 repayments must be returned to the fund from which the
147 appropriation for the program was made.

148 ~~(7) GRANTS AND AID.—The department shall establish a grant~~
149 ~~program to provide aid to agribusinesses to assist in market~~
150 ~~development.~~

151 Section 2. Subsection (2) of section 201.25, Florida
152 Statutes, is amended to read:

153 201.25 Tax exemptions for certain loans.—There shall be
154 exempt from all taxes imposed by this chapter:

155 (2) Any loan made by the Agricultural Economic Development



353280

156 and Disaster Loans Program pursuant to s. 252.65 ~~s. 570.82~~.

157 Section 3. This act shall take effect upon becoming a law.

158

159 ===== T I T L E A M E N D M E N T =====

160 And the title is amended as follows:

161 Delete everything before the enacting clause

162 and insert:

163 A bill to be entitled

164 An act relating to emergency loans for agricultural
165 producers; transferring, renumbering, and amending s.
166 570.82, F.S.; renaming the Agricultural Economic
167 Development Program for disaster loans as the
168 Agricultural Economic Development and Disaster Loans
169 Program; transferring administration of the program
170 from the Department of Agriculture and Consumer
171 Services to the Division of Emergency Management
172 within the Executive Office of the Governor; revising
173 authorized uses of loan funds; revising eligibility
174 requirements for loans; increasing the total loan
175 limit and deleting the minimum limit; revising loan
176 requirements; requiring borrowers to pay closing
177 costs; specifying a limit on such costs and providing
178 that such costs may be paid directly or be financed;
179 specifying loan limits for certain crops; requiring
180 the division to work with borrowers in evaluating the
181 need to extend loan terms under certain circumstances;
182 specifying the minimum and maximum allowable extension
183 term; redefining the terms "losses" and "essential
184 physical property" and defining the term "direct input



353280

185 costs"; revising eligible crops; defining the terms
186 "commercial fishing" and "industrial crops"; deleting
187 requirements for farm plans and participation in
188 certain training programs; revising loan application
189 requirements; providing that farm assets may be used
190 as collateral; revising requirements for loan
191 repayment; authorizing remedies for the division
192 relating to loan defaults; specifying requirements for
193 the division in administering the program; deleting a
194 provision requiring the department to establish a
195 certain grant program; amending s. 201.25, F.S.;
196 conforming a provision to changes made by the act;
197 providing an effective date.