
7 U.S. Code § 1961

Eligibility for loans

(a) Persons eligible

The Secretary shall make and insure loans under this subchapter only to the extent and in such amounts as provided in advance in appropriation Acts to (1) established farmers or ranchers (including equine farmers or ranchers), or persons engaged in aquaculture, who are citizens of the United States and who are (in the case of farm ownership loans in accordance with subchapter I) owner-operators or operators, or (in the case of loans for a purpose under subchapter II) operators of not larger than family farms, and (2) farm cooperatives, private domestic corporations, partnerships, joint operations, trusts, or limited liability companies, or such other legal entities as the Secretary considers appropriate (A) that are engaged primarily in farming or ranching (including equine farming or ranching) or aquaculture, and (B) in which a majority interest is held by individuals who are citizens of the United States and who are (in the case of farm ownership loans in accordance with subchapter I) owner-operators or operators, or (in the case of loans for a purpose under subchapter II) operators of not larger than family farms (or in the case of such cooperatives, corporations, partnerships, joint operations, trusts, or limited liability companies, or other legal entities in which a majority interest is held by individuals who are related by blood or marriage, as defined by the Secretary, such individuals must be either owners or operators of not larger than a family farm and at least one such individual must be an operator of not larger than a family farm), where the Secretary finds that the applicants' farming, ranching, or aquaculture operations have been substantially affected by a quarantine imposed by the Secretary under the Plant Protection Act [7 U.S.C. 7701 et seq.] or the animal quarantine laws (as defined in section 136a of title 21), a natural disaster in the United States, or a major disaster or emergency designated by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.): *Provided*, That they have experience and resources necessary to assure a reasonable prospect for successful operation with the assistance of such loan and are not able to obtain sufficient credit elsewhere. In addition to the foregoing requirements of this subsection, in the case of farm cooperatives, private domestic corporations, partnerships, joint operations, trusts, limited liability companies, and such other legal entities, the family farm requirement of the preceding sentence shall apply as well to all farms in which the entity has an ownership or operator interest (in the case of loans for a purpose under subchapter I) or an operator interest (in the case of loans for a purpose under subchapter II). The Secretary shall accept applications from, and make or insure loans pursuant to the requirements of this subchapter to, applicants, otherwise eligible under this subchapter, that conduct farming, ranching, or aquaculture operations in any county contiguous to a county where the Secretary has found that farming, ranching, or aquaculture operations have been substantially affected by a quarantine imposed by the Secretary under the Plant Protection Act [7 U.S.C. 7701 et seq.] or the animal quarantine laws (as defined in section 136a of title 21), a natural disaster in the United States, or a major disaster or emergency designated by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.). The Secretary shall accept applications for assistance under this subchapter from persons affected by such a quarantine or natural disaster at any time during the eight-month period beginning (A) on the date on which the Secretary determines that farming, ranching, or aquaculture operations have been substantially affected by such quarantine or natural disaster or (B) on the date the

President makes the major disaster or emergency designation with respect to such natural disaster, as the case may be. An entity that is an owner-operator or operator described in this subsection shall be considered to meet the direct ownership requirement imposed under this subsection if at least 75 percent of the ownership interests of each embedded entity of the entity is owned directly or indirectly by the individuals that own the family farm.

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