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# 7 U.S. Code § 1991

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## Definitions

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(a) As used in this chapter:

- (1) The term “farmer” includes a person who is engaged in, or who, with assistance afforded under this chapter, intends to engage in, fish farming.
- (2) The term “farming” shall be deemed to include fish farming.
- (3) The term “owner-operator” shall include in the State of Hawaii the lessee-operator of real property in any case in which the Secretary determines that such real property cannot be acquired in fee simple by such lessee-operator, that adequate security is provided for the loan with respect to such real property for which such lessee-operator applies under this chapter, and that there is a reasonable probability of accomplishing the objectives and repayment of such loan.
- (4) The word “insure” as used in this chapter includes guarantee, which means to guarantee the payment of a loan originated, held, and serviced by a private financial agency or other lender approved by the Secretary.
- (5) The term “contract of insurance” includes a contract of guarantee.
- (6) The terms “United States” and “State” shall include each of the several States, the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and, to the extent the Secretary determines it to be feasible and appropriate, the Trust Territory of the Pacific Islands.
- (7) The term “joint operation” means a joint farming operation in which two or more farmers work together sharing equally or unequally land, labor, equipment, expenses, and income.
- (8) The term “beginning farmer or rancher” means such term as defined by the Secretary.
- (9) The term “direct loan” means a loan made or insured from funds in the account created by section 1929 of this title.
- (10) The term “farmer program loan” means a farm ownership loan (FO) under section 1923 of this title, operating loan (OL) under section 1942 of this title, soil and water loan (SW) under section 1924 of this title, emergency loan (EM) under section 1961 of this title, economic emergency loan (EE) under section 202 of the Emergency Agricultural Credit Adjustment Act (title II of Public Law 95-334), economic opportunity loan (EO) under the Economic Opportunity Act of 1961 (42 U.S.C. 2942), softwood timber loan (ST) under section 1254 of the Food Security Act of 1985, or rural housing loan for farm service buildings (RHF) under section 1472 of title 42.
- (11) The term “qualified beginning farmer or rancher” means an applicant, regardless of whether the applicant is participating in a program under section 1935 of this title—
  - (A) who is eligible for assistance under this chapter;
  - (B) who has not operated a farm or ranch, or who has operated a farm or ranch for not more than 10 years;
  - (C) in the case of a cooperative, corporation, partnership, joint operation, or such other legal entity as the

Secretary considers appropriate, who has members, stockholders, partners, joint operator,<sup>[1]</sup> or owners who are all related to one another by blood or marriage;

(D)

(i) in the case of an owner and operator of a farm or ranch, who—

(I) in the case of a loan made to an individual, individually or with the immediate family of the applicant

(aa) materially and substantially participates in the operation of the farm or ranch; and

(bb) provides substantial day-to-day labor and management of the farm or ranch, consistent with the practices in the State or county in which the farm or ranch is located; or

(II)

(aa) in the case of a loan made to a cooperative, corporation, partnership, joint operation, or such other legal entity as the Secretary considers appropriate, has members, stockholders, partners, joint operators, or owners, materially and substantially participate in the operation of the farm or ranch; and

(bb) in the case of a loan made to a cooperative, corporation, partnership, joint operation, or other such legal entity as the Secretary considers appropriate, has members, stockholders, partners, or joint operators, all of whom are qualified beginning farmers or ranchers; and

(ii) in the case of an applicant seeking to own and operate a farm or ranch, who—

(I) in the case of a loan made to an individual, individually or with the immediate family of the applicant, will—

(aa) materially and substantially participate in the operation of the farm or ranch; and

(bb) provide substantial day-to-day labor and management of the farm or ranch, consistent with the practices in the State or county in which the farm or ranch is located; or

(II)

(aa) in the case of a loan made to a cooperative, corporation, partnership, joint operation, or such other legal entity as the Secretary considers appropriate, will have members, stockholders, partners, joint operators, or owners, materially and substantially participate in the operation of the farm or ranch; and

(bb) in the case of a loan made to a cooperative, corporation, partnership, joint operation, or other such legal entity as the Secretary considers appropriate, has members, stockholders, partners, or joint operators, all of whom are qualified beginning farmers or ranchers;

(E) who agrees to participate in such loan assessment, borrower training, and financial management programs as the Secretary may require;

(F) who does not own land or who, directly or through interests in family farm corporations, owns land, the aggregate acreage of which does not exceed 30 percent of the average acreage of the farms or ranches, as the case may be, in the county in which the farm or ranch operations of the applicant are located, as reported in the most recent census of agriculture, except that this subparagraph shall not apply to a loan made or guaranteed under subchapter II; and

(G) who demonstrates that the available resources of the applicant and spouse (if any) of the applicant are not sufficient to enable the applicant to continue farming or ranching on a viable scale.

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