

116TH CONGRESS
2D SESSION

S. 4152

To provide for the adjustment or modification by the Secretary of Agriculture of loans for critical rural utility service providers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 2, 2020

Mr. HOEVEN (for himself, Mr. BOOZMAN, Ms. SMITH, and Ms. SINEMA) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To provide for the adjustment or modification by the Secretary of Agriculture of loans for critical rural utility service providers, and for other purposes.

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 “Flexible Financing for
5 Rural America Act of 2020”.

6 **SEC. 2. LOAN ADJUSTMENTS FOR CRITICAL RURAL UTILITY**
7 **SERVICE PROVIDERS.**

8 (a) IN GENERAL.—Not later than 180 days after the
9 date of enactment of this Act, the borrower of a qualified

1 loan described in subsection (b) may submit to the Sec-
 2 retary of Agriculture (referred to in this section as the
 3 “Secretary”) a request to adjust the interest rate or mod-
 4 ify any other term of the qualified loan, which shall include
 5 a report summarizing how the adjustment or modification
 6 will assist the borrower in providing critical utility services
 7 to a rural community.

8 (b) QUALIFIED LOAN DESCRIBED.—A qualified loan
 9 referred to in subsection (a) is a loan made or guaranteed
 10 on or before the date of enactment of this Act under—

11 (1) section 4, 201, 305, 306, or 601 of the
 12 Rural Electrification Act of 1936 (7 U.S.C. 904,
 13 922, 935, 936, 950bb); or

14 (2) the program carried out under the matter
 15 under the heading “DISTANCE LEARNING, TELE-
 16 MEDICINE, AND BROADBAND PROGRAM” in title I of
 17 division A of the American Recovery and Reinvest-
 18 ment Act of 2009 (Public Law 111–5; 123 Stat.
 19 118) (commonly known as the “Broadband Initia-
 20 tives Program”).

21 (c) ADJUSTMENT OF INTEREST RATE; MODIFICA-
 22 TION OF LOAN TERMS.—

23 (1) IN GENERAL.—On receipt of a request
 24 made under subsection (a) with respect to a loan,
 25 the Secretary—

1 (A) in the case of a request for an interest
2 rate adjustment, shall adjust the interest rate
3 on the loan to the cost of funds to the Depart-
4 ment of the Treasury, as of the date of enact-
5 ment of this Act, for obligations of comparable
6 maturity to the term remaining on the out-
7 standing balance of the loan or other such high-
8 er rate as the borrower may request; and

9 (B) in the case of a request for a modifica-
10 tion to a loan term other than the adjustment
11 described in subparagraph (A), may use the au-
12 thorities provided in sections 2, 201, 306C and
13 703 of the Rural Electrification Act of 1936 (7
14 U.S.C. 902, 922, 936c, 950cc-2) and section
15 331(b)(4) of the Consolidated Farm and Rural
16 Development Act (7 U.S.C. 1981(b)(4)) to
17 make such other modifications to the loan
18 terms that the Secretary determines are nec-
19 essary—

20 (i) to address changes in the financial
21 position of the borrower due to the public
22 health emergency declared by the Secretary
23 of Health and Human Services under sec-
24 tion 319 of the Public Health Service Act

1 (42 U.S.C. 247d) on January 31, 2020,
 2 with respect to COVID–19; and

3 (ii) to promote the financial sustain-
 4 ability of the borrower.

5 (2) EFFECTIVE DATE.—An adjustment or
 6 modification under subparagraph (A) or (B), respec-
 7 tively, of paragraph (1) shall apply beginning on the
 8 first day after the close of the period with respect
 9 to which the first payment due on the loan after the
 10 date of the request applies.

11 (d) NO FEES OR PENALTIES.—In carrying out this
 12 section, the Secretary shall not impose or collect any fee
 13 from, or impose any penalty on, a borrower.

14 (e) NOTICE.—Not later than 30 days after the date
 15 of enactment of this Act, the Secretary shall publish in
 16 the Federal Register a notice of the benefits available to
 17 borrowers under this section.

18 (f) APPROPRIATION.—

19 (1) IN GENERAL.—Out of any amounts in the
 20 Treasury not otherwise appropriated, there are ap-
 21 propriated to the Secretary—

22 (A) such sums as are necessary to carry
 23 out subsection (c)(1)(A); and

24 (B) \$300,000,000 to carry out subsection
 25 (c)(1)(B).

1 (2) AVAILABILITY.—The amounts appropriated
2 by paragraph (1) shall remain available through De-
3 cember 31, 2021.

4 (3) EMERGENCY DESIGNATION.—

5 (A) IN GENERAL.—The amounts provided
6 by this Act are designated as an emergency re-
7 quirement pursuant to section 4(g) of the Stat-
8 utory Pay-As-You-Go Act of 2010 (2 U.S.C.
9 933(g)).

10 (B) DESIGNATION IN SENATE.—In the
11 Senate, this Act is designated as an emergency
12 requirement pursuant to section 4112(a) of H.
13 Con. Res. 71 (115th Congress), the concurrent
14 resolution on the budget for fiscal year 2018.

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