

ceptions, to Secretary of Agriculture by 1953 Reorg. Plan No. 2, §1, eff. June 4, 1953, 18 F.R. 3219, 67 Stat. 633, set out as a note under section 2201 of this title.

Rural Electrification Administration and its functions and activities transferred to Department of Agriculture, to be administered therein by Administrator under general direction and supervision of Secretary of Agriculture, by 1939 Reorg. Plan No. II, set out in the Appendix to Title 5, Government Organization and Employees. See also sections 401 to 404 of that plan for provisions relating to transfer of functions, records, property, personnel, and funds.

FINDINGS; STATEMENT OF POLICY

Pub. L. 101-624, title XXIII, §2352, Nov. 28, 1990, 104 Stat. 4038, provided that:

“(a) FINDINGS.—The Congress finds that—

“(1) making modern telecommunications technology and services available in rural areas in the United States promotes economic development and improves the quality of life in rural areas; and

“(2) the efficient operation of the Rural Telephone Bank and the Rural Electrification Administration telephone loan programs is essential to the continued development of the telecommunications infrastructure in rural areas in the United States.

“(b) STATEMENT OF POLICY.—It is the policy of the Congress that the Rural Telephone Bank and the Rural Electrification Administration make loans that facilitate the development and enhancement of the rural telecommunications infrastructure in order to make modern telecommunications technology and services available at reasonable rates to the greatest practicable number of people in rural areas in the United States.”

§ 902. General authority of Secretary of Agriculture

(a) Loans

The Secretary of Agriculture (referred to in this chapter as the “Secretary”) is authorized and empowered to make loans in the several States and Territories of the United States for rural electrification and for the purpose of furnishing and improving electric and telephone service in rural areas, as provided in this chapter, and for the purpose of assisting electric borrowers to implement demand side management, energy efficiency and conservation programs, and on-grid and off-grid renewable energy systems.

(b) Investigations and reports

The Secretary may make, or cause to be made, studies, investigations, and reports regarding matters, including financial, technological, and regulatory matters, affecting the condition and progress of electric, telecommunications, and economic development in rural areas, and publish and disseminate information with respect to the matters.

(May 20, 1936, ch. 432, title I, §2, 49 Stat. 1363; Oct. 28, 1949, ch. 776, §§2, 3, 63 Stat. 948; Pub. L. 103-129, §2(c)(1), Nov. 1, 1993, 107 Stat. 1363; Pub. L. 103-354, title II, §235(a)(2), (13), Oct. 13, 1994, 108 Stat. 3220, 3221; Pub. L. 104-127, title VII, §771, Apr. 4, 1996, 110 Stat. 1149; Pub. L. 110-234, title VI, §6101, May 22, 2008, 122 Stat. 1195; Pub. L. 110-246, §4(a), title VI, §6101, June 18, 2008, 122 Stat. 1664, 1956.)

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub.

L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

AMENDMENTS

2008—Subsec. (a). Pub. L. 110-246, §6101, inserted “efficiency and” before “conservation”.

1996—Pub. L. 104-127, §771(1), inserted section catchline.

Subsec. (a). Pub. L. 104-127, §771(1), (2), inserted heading, substituted “The Secretary of Agriculture (referred to in this chapter as the ‘Secretary’) is” for “The Secretary of Agriculture is”, struck out “and the furnishing of electric energy to persons in rural areas who are not receiving central station service” after “rural electrification”, and substituted “systems.” for “systems; to make, or cause to be made, studies, investigations, and reports concerning the condition and progress of the electrification of and the furnishing of adequate telephone service in rural areas in the several States and Territories; and to publish and disseminate information with respect thereto.”

Subsec. (b). Pub. L. 104-127, §771(3), added subsec. (b) and struck out former subsec. (b) which read as follows: “By January 1, 1994, the Secretary shall issue interim regulations to implement the authority contained in subsection (a) of this section to make loans for the purpose of assisting electric borrowers to implement demand side management, energy conservation programs, and on-grid and off-grid renewable energy systems. If the regulations are not issued by January 1, 1994, the Secretary shall consider any demand side management, energy conservation, or renewable energy program, system, or activity that is approved by a State agency to be eligible for the loans.”

1994—Pub. L. 103-354 substituted “Secretary of Agriculture” for “Administrator” in subsec. (a) and “Secretary” for “Administrator” in two places in subsec. (b).

1993—Pub. L. 103-129 designated existing provisions as subsec. (a), substituted “electric and telephone service in rural areas, as provided in this chapter, and for the purpose of assisting electric borrowers to implement demand side management, energy conservation programs, and on-grid and off-grid renewable energy systems;” for “telephone service in rural areas, as herein after provided;”, and added subsec. (b).

1949—Act Oct. 28, 1949, authorized loans to furnish and improve rural telephone service; and inserted “title I,” in credit of act May 20, 1936.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of this title.

§ 903. Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this chapter.

(May 20, 1936, ch. 432, title I, §3, 49 Stat. 1364; June 21, 1938, ch. 554, title IV, §401, 52 Stat. 818; Sept. 21, 1944, ch. 412, title V, §§501, 503, 504, 58 Stat. 739, 740; July 30, 1947, ch. 356, title I, §1, 61 Stat. 546; Oct. 28, 1949, ch. 776, §§2, 4(a)-(d), 63 Stat. 948; June 15, 1955, ch. 139, §1, 69 Stat. 131; Pub. L. 92-12, §3(a), May 7, 1971, 85 Stat. 37; Pub. L. 93-32, §3, May 11, 1973, 87 Stat. 70; Pub. L. 103-354, title II, §235(a)(3), (13), Oct. 13, 1994, 108 Stat. 3220, 3221; Pub. L. 104-127, title VII, §772(a), Apr. 4, 1996, 110 Stat. 1149.)

AMENDMENTS

1996—Pub. L. 104-127 amended section generally, inserting section catchline and substituting current provisions for provisions relating to funds of Secretary, in-

cluding provisions for loans by Secretary of the Treasury, authorization of appropriations, allotment of funds for loans in States, loans of unallotted funds, and unexpended funds and limitation on use.

1994—Pub. L. 103-354 substituted “Secretary” for “Administrator, upon the request and approval of the Secretary of Agriculture,” and for “Administrator appointed pursuant to the provisions of this chapter or from the Administrator of the Rural Electrification Administration established by Executive Order Numbered 7037” in first sentence of subsec. (a) and substituted “Secretary” for “Administrator” wherever appearing.

1973—Subsec. (f). Pub. L. 93-32 struck out subsec. (f) which made provision for the disposition of payments on loans that had been made by the Administrator.

1971—Subsec. (f). Pub. L. 92-12 inserted introductory text “Except as otherwise provided in sections 931 and 946(a) of this title”.

1955—Subsec. (c). Act June 15, 1955, reduced the funds which may be allotted for loans from fifty to twenty-five per centum of the available or appropriated sum, and inserted two provisos.

Subsec. (d). Act June 15, 1955, substituted “75 per centum” for “50 per centum”, and “25 per centum” for “10 per centum”.

Subsec. (e). Act June 15, 1955, substituted “25 per centum” for “10 per centum”.

1949—Act Oct. 28, 1949, § 2, inserted “title I,” in credit of act May 20, 1936.

Subsec. (a). Act Oct. 28, 1949, § 4(a), authorized loans for financing facilities to render telephone service.

Subsec. (c). Act Oct. 28, 1949, § 4(b), substituted “for loans for rural electrification pursuant to sections 904 and 905 of this title” for “for the purposes of this chapter”.

Subsec. (d). Act Oct. 28, 1949, § 4(c), inserted “rural electrification” after “available for”.

Subsec. (e). Act Oct. 28, 1949, § 4(d), inserted “for rural electrification loans” after “sums” in proviso.

1947—Subsec. (a). Act July 30, 1947, amended subsec. (a) generally, and among other things transferred from the Reconstruction Finance Corporation to the Secretary of the Treasury the power to make loans.

Subsec. (f). Act July 30, 1947, substituted Secretary of the Treasury for Reconstruction Finance Corporation.

1944—Subsec. (a). Act Sept. 21, 1944, struck out “The Reconstruction Finance Corporation is hereby authorized and directed to make loans to the Administrator, upon his request approved by the President, not exceeding in aggregate amounts \$50,000,000 for the fiscal year ending June 30, 1937, and \$100,000,000 for the fiscal year ending June 30, 1939, with interest at 3 per centum per annum” and inserted in lieu thereof “The Reconstruction Finance Corporation is hereby authorized and directed to make loans to the Administrator, upon the request and approval of the Secretary of Agriculture, in such amounts in the aggregate for each fiscal year commencing with the fiscal year ending June 30, 1945, as the Congress may from time to time determine to be necessary, with interest at a rate of 1¾ per centum per annum”, changed colon to period following “numbered 70037”, inserted “Interest rates on the unpaid balance of any loans made by the Reconstruction Finance Corporation to the Administrator prior to the effective date of this amendment shall be adjusted to a rate of 1¾ per centum per annum”, inserted sentence “The amount of the notes, bonds, debentures, and other such obligations which the Reconstruction Finance Corporation is authorized and empowered to issue and to have outstanding at any one time under existing law is hereby increased by an amount sufficient to carry out the provisions hereof”, and substituted “thirty-five years” for “twenty-five years” in second proviso.

Subsec. (b). Act Sept. 21, 1944, struck out subsec. (b) limiting amount of appropriation and renewal of appropriations to eight years after June 30, 1938, and inserted a new subsec. (b).

Subsec. (e). Act Sept. 21, 1944, struck out “and provided further, that no loans shall be made by the Re-

construction Finance Corporation to the Administrator after June 30, 1939”, and changed colon to period after “territories”.

1938—Subsecs. (a), (e). Act June 21, 1938, inserted “and \$100,000,000 for the fiscal year ending June 30, 1939” after “June 30, 1937,” in subsec. (a), and substituted “June 30, 1939” for “June 30, 1937” in subsec. (e).

EFFECTIVE DATE OF 1973 AMENDMENT

Amendment by Pub. L. 93-32 effective May 11, 1973, see section 12 of Pub. L. 93-32, set out as an Effective Date note under section 930 of this title.

EFFECTIVE DATE OF 1971 AMENDMENT

Amendment by Pub. L. 92-12 effective May 7, 1971, see section 7 of Pub. L. 92-12, set out as an Effective Date note under section 921a of this title.

RESTRICTIONS ON BORROWER

Section 401 of act June 21, 1938, as amended by Pub. L. 103-182, title III, § 381(d), Dec. 8, 1993, 107 Stat. 2129; Pub. L. 103-354, title II, § 235(b)(3), Oct. 13, 1994, 108 Stat. 3221; Pub. L. 103-465, title III, § 342(g), Dec. 8, 1994, 108 Stat. 4954, in addition to amending subsecs. (a) and (e), provided in part as follows: “In making loans pursuant to this title [title IV of such act] and pursuant to the Rural Electrification Act of 1936 [this chapter], the Secretary of Agriculture shall require that, to the extent practicable and the cost of which is not unreasonable, the borrower agree to use in connection with the expenditure of such funds only such unmanufactured articles, materials, and supplies, as have been mined or produced in the United States or in any eligible country, and only such manufactured articles, materials, and supplies as have been manufactured in the United States or in any eligible country substantially all from articles, materials, or supplies mined, produced, or manufactured, as the case may be, in the United States or in any eligible country. For purposes of this section, an ‘eligible country’ is any country that applies with respect to the United States an agreement ensuring reciprocal access for United States products and services and United States suppliers to the markets of that country, as determined by the United States Trade Representative.”

[Amendment by section 342(g) of Pub. L. 103-465 to section 401 of act June 21, 1938, set out above, effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 344(b) of Pub. L. 103-465, set out as an Effective Date of 1994 Amendment note under section 2512 of Title 19, Customs Duties.]

[Amendment by subsec. 381(d) of Pub. L. 103-182 to section 401 of act June 21, 1938, set out above, effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 381(e) of Pub. L. 103-182, set out as an Effective Date of 1993 Amendment note under section 2511 of Title 19, Customs Duties.]

§ 904. Loans for electrical plants and transmission lines

(a) In general

The Secretary is authorized and empowered, from the sums hereinbefore authorized, to make loans for rural electrification to persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, peoples’ utility districts and cooperative, nonprofit, or limited-dividend associations, organized under the laws of any State or Territory of the United States, for the purpose of financing the construction and operation of generating plants, electric transmission and distribution lines or systems for the furnishing and improving of electric service to persons in rural areas, includ-