

1704, 1706, 1709, 1723, 1724, and 1782 of this title and section 590p of Title 16, repealing sections 1001 to 1005d, 1006c to 1006e, 1007, 1008, 1009, 1014 to 1025, 1027 to 1029 of this title, sections 1148a-1 to 1148a-3 of Title 12, and sections 590r to 590x-4 of Title 16, and enacting provisions set out as notes under this section and sections 1282, 1334, 1335, 1441, 1446, 1703, and 1921 of this title and section 590p of Title 16, and repealing Act Aug. 31, 1954, ch. 1145, 68 Stat. 999, set out as a note under former section 1148a-1 of Title 12], may be cited as the 'Agricultural Act of 1961'."

Section 101 of Pub. L. 87-128 provided that: "This title [enacting this section and sections 1912 and 1913, amending sections 602, 608a, 608c, 608e-1, 1334, 1335, 1336, 1340, and 1782 of this title and section 590p of Title 16, and enacting provisions set out as notes under sections 1334, 1340, 1441, and 1911 of this title and section 590p of Title 16] may be cited as the 'Agricultural Enabling Amendments Act of 1961'."

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1912 of this title.

§ 1912. Submission of legislative proposals

If the Secretary of Agriculture, after such consultation and receipt of such advice as provided in section 1911 of this title, determines that additional legislative authority is necessary to develop agricultural programs involving supply adjustments or marketing regulations through the use of marketing orders, marketing quotas or price-support programs, he shall formulate specific recommendations in the form of proposed legislation which shall be submitted to the Congress together with a statement setting forth the purpose and need for such proposed legislation.

(Pub. L. 87-128, title I, § 103, Aug. 8, 1961, 75 Stat. 295.)

§ 1913. Authority of Secretary of Agriculture under other provisions of law and to establish and consult with advisory committees

Nothing in this Act shall be deemed to limit the authority of the Secretary of Agriculture under other provision of law or to establish or consult with advisory committees.

(Pub. L. 87-128, title I, § 104, Aug. 8, 1961, 75 Stat. 295.)

REFERENCES IN TEXT

This Act, referred to in text, means Pub. L. 87-128, Aug. 8, 1961, 75 Stat. 294, as amended, known as the Agricultural Act of 1961. For complete classification of this Act to the Code, see Short Title note set out under section 1911 of this title and Tables.

CHAPTER 50—AGRICULTURAL CREDIT

Sec. 1921.	Congressional findings.
SUBCHAPTER I—REAL ESTATE LOANS	
1922.	Persons eligible for loans. (a) Authorization and conditions. (b) Direct loans.
1923.	Purposes of loans. (a) Allowed purposes. (b) Preferences. (c) Hazard insurance requirement.
1924.	Soil and water conservation and protection. (a) In general. (b) Priority. (c) Loan maximum.

Sec. 1925.	Limitations on amount of farm ownership loans. (a) In general. (b) Determination of value. (c) Inflation percentage.
1926.	Water and waste facility loans and grants. (a) Criteria; definitions; limitation on allowable uses of Federal funds; inclusion of interest or other income in gross income on sale of insured loan. (b) Curtailment or limitation of service prohibited. (c) Repealed. (d) Carryover of unused authorizations for appropriations.
1926-1. 1926a.	Repealed. Emergency community water assistance grant program. (a) In general. (b) Priority. (c) Eligibility. (d) Uses. (e) Restrictions. (f) Maximum grants. (g) Full funding. (h) Application. (i) Authorization of appropriations.
1926b. 1926c.	Repealed. Water and waste facility loans and grants to alleviate health risks. (a) Loans and grants to persons other than individuals. (b) Loans and grants to individuals. (c) Preference. (d) "Cooperative" defined. (e) Limitations on authorization of appropriations. (f) Regulations.
1926d.	Water systems for rural and Native villages in Alaska. (a) In general. (b) Matching funds. (c) Consultation with State of Alaska. (d) Authorization of appropriations.
1927.	Repayment requirements. (a) Period of repayment; interest rates. (b) Payment of charges; prepayment of taxes and insurance. (c) Mortgages, liens, and other security. (d) Mineral rights as collateral. (e) Additional collateral.
1927a.	Loan interest rates charged by Farmers Home Administration; grant funds associated with loans.
1928.	Full faith and credit. (a) In general. (b) Contestability.
1929.	Agricultural Credit Insurance Fund. (a) Revolving fund. (b) Deposits of funds; investments; purchase of notes. (c) Notes; form and denominations; maturities; terms and conditions; interest rate; purchase by Treasury; public debt transaction. (d) Notes and security as part of fund; collection or sale of notes; deposit of net proceeds in fund. (e) Deposit in fund of portion of charge on outstanding principal obligations; availability of remainder of charge, and merger with appropriations, for administrative expenses. (f) Utilization of fund. (g) Transfer of funds from Farmers Home Administration direct loan account and Emergency Credit Revolving Fund; abolition of such account and fund; payments from Agricultural Credit Insurance Fund; interest.

Sec.		Sec.	
	(h) Guaranteed loans; interest rate for loans sold into secondary market; loan fees.		(c) Direct loans.
	(i) Coordination of assistance for qualified beginning farmers and ranchers.	1942.	Purposes of loans. (a) In general. (b) Guaranteed loans. (c) Hazard insurance requirement. (d) Private reserve.
1929-1.	Level of loan programs under Agricultural Credit Insurance Fund.	1943.	Limitations on amount of operating loans. (a) In general. (b) Inflation percentage.
1929a.	Rural Development Insurance Fund (a) Creation; revolving fund; rural development loans. (b) Transfer of assets and liabilities. (c) Credits in the Treasury; investments; notes, purchasing authority of the Secretary. (d) Notes, issuing authority of the Secretary; use of funds; terms and conditions, form, denominations, maturities, and interest rate of notes; notes, purchasing authority of the Secretary of the Treasury; public debt transactions. (e) Notes and security as part of Insurance Fund; collection and sale of notes and other obligations; deposit of net proceeds in Insurance Fund. (f) Deposit of loan service charges in Insurance Fund. (g) Use of Insurance Fund. (h) Gross income; interest or other income on insured loans.	1944.	Soil conservation district loans; limitation; purchase of conservation equipment.
		1945.	Repealed.
		1946.	Liability of borrower. (a) Determination of interest rates. (b) Payment period; consolidation and re-scheduling of loans. (c) Line-of-credit loans.
		1947, 1948.	Repealed.
		1949.	Graduation of borrowers with operating loans or guarantees to private commercial credit. (a) Graduation plan. (b) Limitation on period borrowers are eligible for guaranteed assistance.
			SUBCHAPTER III—EMERGENCY LOANS
		1961.	Eligibility for loans. (a) Persons eligible. (b) Hazard insurance requirement. (c) Family farm system. (d) Definitions.
		1962.	Loan determination factors; written credit declinations.
1929b.	Purchase of guaranteed portions of loans; terms and conditions; exercise of authorities.	1963.	Purpose and extent of loans.
1930.	Continued availability of appropriated funds for direct real estate loans to farmers and ranchers.	1964.	Terms of loans. (a) Maximum amount of loan. (b) Interest rates. (c) Interest subsidies. (d) Repayment. (e) Grant eligibility.
1931.	Repealed.	1965.	Repealed.
1932.	Rural industrialization assistance. (a) Loans for private business enterprises; pollution abatement and control; aquaculture; solar energy; loan guarantees. (b) Solid waste management grants. (c) Rural business enterprise grants. (d) Joint loans or grants for private business enterprises; restrictions; system of certification for expeditious processing of requests for assistance; prior approval of grant or loan; equity investment as condition for loan commitment; issuance of certificates of beneficial ownership of notes. (e) Rural cooperative development grants. (f) Grants to broadcasting systems. (g) Loan guarantees for purchase of cooperative stock. (h) Grants to defray administrative costs. (i) Loans for business telecommunications partnerships. (j) Grants to broadcasting systems.	1966.	Emergency Credit Revolving Fund utilization.
		1967.	Addition to Emergency Credit Revolving Fund of sums from liquidation of loans; authorization of appropriations.
		1968, 1969.	Repealed.
		1970.	Eligibility for assistance based on production loss.
		1971.	Repealed.
			SUBCHAPTER IV—ADMINISTRATIVE PROVISIONS
		1981.	Farmers Home Administration. (a) Appointment and compensation of Administrator; transfer of powers, duties, and assets pertaining to agricultural credit. (b) Powers of Secretary of Agriculture. (c) Delinquent claims and obligations. (d) Temporary authority to enter into contracts. (e) Private collection agency.
		1981a.	Loan moratorium and policy on foreclosures.
		1981b.	Farm loan interest rates.
1933.	Guaranteed rural housing loans; Hawaiian home lands.	1981c.	Oil and gas royalty payments on loans.
1934.	Low-income farm ownership loan program; eligibility; repayment requirements.	1981d.	Notice of loan service programs. (a) Requirement. (b) Contents. (c) Contained in regulations. (d) Timing. (e) Consideration of borrowers for loan service programs.
1935.	Down payment loan program. (a) In general. (b) Loan terms. (c) Limitations. (d) Administration.	1981e.	Planting and production history guidelines. (a) In general. (b) Calculation of yields.
1936.	Repealed.	1981f.	Underwriting forms and standards.
	SUBCHAPTER II—OPERATING LOANS	1982.	Repealed.
1941.	Persons eligible for loans. (a) Requirements. (b) Rural youths in 4-H Clubs, Future Farmers of America, etc.	1983.	Special conditions and limitations on loans.
		1983a.	Prompt approval of loans and loan guarantees.

Sec.		Sec.	
	(a) Applications; time for action by Secretary; notice; statement of reasons.	1996.	Loans to resident aliens.
	(b) Loan proceeds; time for receipt.	1997.	Conservation easements.
	(c) Reconsideration of applications; time for action by Secretary.		(a) Definitions.
	(d) Approved lender designation applications; time for decision by Secretary.		(b) Contracts on loan security properties.
	(e) Processing loan applications; personnel and other resources made available; use of authorities of law.		(c) Limitations.
	(f) Graduation of seasoned direct loan borrowers to loan guarantee program.		(d) Terms and conditions.
	(g) Simplified application for guaranteed loans of \$50,000 or less.		(e) Purchase; limitation upon cancellation or prepayment.
1983b.	Repealed.		(f) Consultations with Director of Fish and Wildlife Service.
1983c.	Provision of information to borrowers.		(g) Enforcement.
	(a) In general.	1998.	Guaranteed farm loan programs.
	(b) Construction of section.	1999.	Interest rate reduction program.
1984.	Taxation.		(a) Establishment of program.
1985.	Security servicing.		(b) Contracts with lenders.
	(a) Preservation and protection of security, lien, or priority of lien securing loan.		(c) Payments to lenders.
	(b) Operation or lease of realty.		(d) Duration of contracts.
	(c) Sale of property.		(e) Agricultural Credit Insurance Fund use limitation.
	(d) Easements; condemnations.		(f) List of lender participants in guaranteed loan program.
	(e) Real property located within Indian reservation; conservation practices; adverse effects prohibition.		(g) Foreclosure action provision in farm loan guarantees.
	(f) Normal security income.		
	(g) Easements on inventoried property.	2000.	Homestead protection.
1986.	Conflicts of interests.		(a) Definitions.
	(a) Acceptance of fees, commissions, gifts, or other considerations prohibited.		(b) Occupancy of homestead upon foreclosure, bankruptcy, or liquidation; appraisal; period of occupancy.
	(b) Acquisition of interest in land by certain officers or employees of Department of Agriculture prohibited; 3-year period.		(c) Terms and conditions.
	(c) Certifications on loans to family members prohibited.		(d) First right of refusal of reacquisition.
	(d) Penalties.		(e) Value as measure of reacquisition payment of principal.
1987.	Debt adjustment and credit counseling; "summary period" defined; loan summary statements.		(f) Contract authority.
1988.	Appropriations.		(g) Conflict between Federal and State law.
	(a) Authorization.	2001.	Debt restructuring and loan servicing.
	(b) Sale by lender and any holder of guaranteed portion of loan pursuant to regulations governing such sales; limitations; issuance of pool certificates representing ownership of guaranteed portion of guaranteed loan; terms and conditions, etc.; reporting requirements.		(a) In general.
			(b) Eligibility.
			(c) Restructuring determinations.
			(d) Principal and interest write-down.
			(e) Shared appreciation arrangements.
			(f) Determination to restructure.
			(g) Prerequisites to foreclosure or liquidation.
			(h) Time limits for restructuring.
			(i) Notice of ineligibility for restructuring.
			(j) Independent appraisals.
			(k) Partial liquidations.
			(l) Disposition of normal income security.
			(m) Only 1 write-down or net recovery buy-out per borrower for loan made after January 6, 1988.
			(n) Liquidation of assets.
			(o) Lifetime limitation on debt forgiveness per borrower.
1989.	Rules and regulations.	2001a.	Debt restructuring and loan servicing for community facility loans.
	(a) In general.	2002.	Transfer of inventory lands.
	(b) Debt service margin requirements.		(a) In general.
	(c) Certified Lenders Program.		(b) Conditions.
	(d) Preferred Certified Lenders Program.	2003.	Target participation rates.
1990.	Transfer of lands to Secretary.		(a) Establishment.
1991.	Definitions.		(b) Reservation and allocation.
1992.	Loan limitations.		(c) Operating loans.
1993.	Repealed.		(d) Report.
1994.	Maximum amounts for loans authorized; long-term cost projections.		(e) Definitions.
	(a) Maximum aggregate principal amounts for loans authorized.		(f) Implementation consistent with Supreme Court holding.
	(b) Authorization for loans.	2004.	Expedited clearing of title to inventory property.
	(c) Development of long-term cost projections for loan program authorizations.	2005.	Payment of losses on guaranteed loans.
	(d) Low-income, limited-resource borrowers.		(a) Payments to lenders.
1995.	Participation and financial and technical assistance by other Federal departments, etc., to program participants.	2006.	Waiver of mediation rights by borrowers.
		2006a.	Borrower training.
			(a) In general.
			(b) Contract.

- Sec. (c) Eligibility for loans.
- (d) Guidelines and curriculum.
- (e) Payment.
- (f) Waivers.
- 2006b. Loan assessments.
 - (a) In general.
 - (b) Determinations.
 - (c) Contract.
 - (d) Review of loans.
 - (e) Guidelines.
- 2006c. Supervised credit.
- 2006d. Market placement.
- 2006e. Prohibition on use of loans for certain purposes.
- 2006f. Rural development certified lenders program.
 - (a) Certified lenders program.
 - (b) Preferred certified lenders program.
- 2007 to 2008c. Repealed.
- 2008d. Recordkeeping of loans by borrower's gender.
- 2008e. Prohibition under rural development programs.
 - (a) Prohibition.
 - (b) Ensuring compliance.
 - (c) Regulations.
- 2008f. Crop insurance requirement.
 - (a) In general.
 - (b) Applicable benefits.
- 2008g. Payment of interest as condition of loan servicing for borrowers.
- 2008h. Loan and loan servicing limitations.
 - (a) Delinquent borrowers prohibited from obtaining direct operating loans.
 - (b) Prohibition of loans for borrowers that have received debt forgiveness.
 - (c) No more than 1 debt forgiveness for borrower on direct loan.
- 2008i. Short form certification of farm program borrower compliance.
- 2008j. National Sheep Industry Improvement Center.
 - (a) Definitions.
 - (b) Establishment of Center.
 - (c) Purposes.
 - (d) Strategic plan.
 - (e) Revolving Fund.
 - (f) Board of Directors.
 - (g) Officers and employees.
 - (h) Consultation.
 - (i) Oversight.
 - (j) Privatization.

SUBCHAPTER V—RURAL COMMUNITY ADVANCEMENT PROGRAM

- 2009. Definitions.
- 2009a. Establishment.
- 2009b. National objectives.
- 2009c. Strategic plans.
 - (a) In general.
 - (b) Assistance.
 - (c) Review.
 - (d) Contents.
- 2009d. Rural Development Trust Fund.
 - (a) Establishment.
 - (b) Accounts.
 - (c) Deposits into accounts.
 - (d) Function categories.
 - (e) National reserve account.
 - (f) Federally recognized Indian tribe account.
 - (g) Allocation among States.
 - (h) Availability of funds allocated for States.
- 2009e. Transfers of funds.
 - (a) General authority.
 - (b) Limitation.
 - (c) Exceptions.
- 2009f. Grants to States.
 - (a) Simple grants.
 - (b) Matching grants.

- Sec. (c) Use of funds.
- (d) Maintenance of effort.
- (e) Appeals.
- (f) Administrative costs.
- (g) Expenditure of funds by State.
- (h) No entitlement to contract, grant, or assistance.
- 2009g. Guarantee and commitment to guarantee loans.
 - (a) "Eligible public entity" defined.
 - (b) Guarantee and commitment.
 - (c) Limitation.
 - (d) Payment of principal, interest, and costs.
 - (e) Repayment contract; security.
 - (f) Pledged grants for repayments.
 - (g) Outstanding obligations.
 - (h) Purchase of guaranteed obligations by Federal Financing Bank.
 - (i) Full faith and credit.
- 2009h. Local involvement.
- 2009i. Interstate collaboration.
- 2009j. Annual report.
 - (a) In general.
 - (b) Submission.
- 2009k. Rural development interagency working group.
 - (a) In general.
 - (b) Duties.
- 2009l. Duties of Rural Economic and Community Development State Offices.
- 2009m. Electronic transfer.
- 2009n. Rural venture capital demonstration program.
 - (a) In general.
 - (b) Rural business investment pool.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in sections 940, 2204f, 2279, 2279a of this title; title 12 sections 2219d, 2279aa; title 15 section 636; title 16 sections 590h, 3811, 3821; title 21 section 889; title 38 section 3711; title 40 App. section 214; title 42 sections 8813, 9817.

§ 1921. Congressional findings

The Congress finds that the statutory authority of the Secretary of Agriculture, hereinafter referred to in this chapter as the "Secretary," for making and insuring loans to farmers and ranchers should be revised and consolidated to provide for more effective credit services to farmers.

(Pub. L. 87-128, title III, §301(b), Aug. 8, 1961, 75 Stat. 307.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this title", meaning title III of Pub. L. 87-128, Aug. 8, 1961, 75 Stat. 307, as amended, known as the Consolidated Farm and Rural Development Act. For complete classification of title III to the Code, see Short Title note set out below and Tables.

CODIFICATION

Section is comprised of subsec. (b) of section 301 of Pub. L. 87-128. Subsec. (a) of such section 301 is set out as a Short Title note below.

EFFECTIVE DATE

Former section 300.1 of Title 6, Code of Federal Regulations, promulgated on Oct. 15, 1961, by the Administrator of the Farmers Home Administration, published in 26 F.R. 10031, provided: "The Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921) [this chapter], is hereby made effective on October 15, 1961, except (a) as to its authorizations to make and sell in-