

107TH CONGRESS
1ST SESSION

S. 1413

To amend the Consolidated Farm and Rural Development Act to permit borrowers and grantees to use certain rural development loans and grants for other purposes under certain circumstances.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 10, 2001

Mr. LUGAR (for himself and Mr. HARKIN) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To amend the Consolidated Farm and Rural Development Act to permit borrowers and grantees to use certain rural development loans and grants for other purposes under certain circumstances.

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. USE OF RURAL DEVELOPMENT LOANS AND**
4 **GRANTS FOR OTHER PURPOSES.**

5 Subtitle A of the Consolidated Farm and Rural De-
6 velopment Act (7 U.S.C. 1921 et seq.) is amended by add-
7 ing at the end the following:

1 **“SEC. 310F. USE OF RURAL DEVELOPMENT LOANS AND**
2 **GRANTS FOR OTHER PURPOSES.**

3 “If, after making a loan or a grant described in sec-
4 tion 381E(d), the Secretary determines that the cir-
5 cumstances under which the loan or grant was made have
6 sufficiently changed to make the project or activity for
7 which the loan or grant was made available no longer ap-
8 propriate, the Secretary may allow the loan borrower or
9 grant recipient to use property (real and personal) pur-
10 chased with the loan or grant funds, or proceeds from the
11 sale of property (real and personal) purchased with such
12 funds, for another project or activity that (as determined
13 by the Secretary)—

14 “(1) will be carried out in the same area as the
15 original project or activity;

16 “(2) meets the criteria for a loan or a grant de-
17 scribed in section 381E(d); and

18 “(3) satisfies such additional requirements as
19 are established by the Secretary.”.

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