

[CHAPTER 6]

AN ACT

To continue the functions of the Reconstruction Finance Corporation, and for other purposes.

January 26, 1937
[S. 415]
[Public, No. 2]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, until the close of business on June 30, 1939, the Reconstruction Finance Corporation is hereby authorized to continue to perform all functions which it is authorized to perform under law, and the liquidation and winding up of the Corporation's affairs as provided for by section 13 of the Reconstruction Finance Corporation Act, as amended, are hereby postponed during the period that functions of the Corporation are continued pursuant to this Act: *Provided*, That in order to facilitate the withdrawal of the credit activities of the Corporation when from time to time during such period the President finds, upon a report of the Board of Directors of the Corporation or otherwise, that credit for any class of borrowers to which the Corporation is authorized to lend is sufficiently available from private sources to meet legitimate demands upon fair terms and rates, the President may authorize the directors to suspend the exercise by the Corporation of any such lending authority for such time or times as he may deem advisable.

Reconstruction Finance Corporation.
Authority to function continued.

Liquidation, etc., postponed.
47 Stat. 10.
15 U. S. C. § 613.

Proviso.
Temporary suspension of lending authority.

SEC. 2. (a) Section 7 of the Act approved January 31, 1935 (Public, Numbered 1, Seventy-fourth Congress), is hereby amended by striking from the first sentence thereof "April 1, 1937" and inserting in lieu thereof "the close of business on June 30, 1939"; section 1 of the Act approved March 31, 1936 (Public, Numbered 484, Seventy-fourth Congress), is hereby amended by striking from the first sentence thereof "February 1, 1937" and inserting in lieu thereof "the close of business on June 30, 1939"; section 9 of the Act approved January 31, 1935 (Public, Numbered 1, Seventy-fourth Congress), is hereby amended by striking from the first sentence thereof "June 16, 1937" and inserting in lieu thereof "the close of business on June 30, 1939".

Designated agencies continued.
49 Stat. 4.
Post, pp. 347, 348.

49 Stat. 1186.

(b) The agencies referred to in the Acts referred to in subdivision (a) of this section, and the RFC Mortgage Company, shall be deemed to be established by or pursuant to law within the meaning of section 7 (a) of the First Deficiency Appropriation Act, fiscal year 1936.

Incurring obligations after June 30, 1937.
49 Stat. 1647.

Approved, January 26, 1937.

[CHAPTER 7]

AN ACT

To provide for loans to farmers for crop production and harvesting during the year 1937, and for other purposes.

January 29, 1937
[H. R. 1545]
[Public, No. 3]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Governor of the Farm Credit Administration, hereinafter in this Act referred to as the Governor, is hereby authorized to make loans to farmers in the United States (including Hawaii and Puerto Rico), for fallowing, for planting, for cultivation, for production of crops, for harvesting of crops, for supplies incident and necessary to such production or harvesting, and for feed for livestock, or for any of such purposes. Such loans shall be made and collected through such agencies, upon such terms and conditions, and subject to such regulations, as the Governor may prescribe.

Loans to farmers for crop production, etc., during 1937.

Conditions pre-
scribed.

Applicant unable to
procure elsewhere.

Security.

Maximum amount.

Proviso.
Distressed emer-
gency areas.

Interest rate.

Proceeds of loans
impressed with a
trust.

Recording, etc., fees.

Fees for releasing
liens, etc.

Officers and em-
ployees authorized;
pay, duties, etc.

5 U. S. C. § 673.

Use of designated
agencies, facilities, etc.

Other facilities and
services.

SEC. 2. (a) No loan shall be made under this Act to any applicant who shall not have first established to the satisfaction of the proper officer or employee of the Farm Credit Administration, under such regulations as the Governor may prescribe, that such applicant is unable to procure from other sources a loan in an amount reasonably adequate to meet his needs for the purposes for which loans may be made under this Act; and preference shall be given to the applications of farmers whose cash requirements are small.

(b) There shall be required as security for any such loan a first lien, or an agreement to give a first lien, upon all crops of which the production or harvesting, or both, is to be financed, in whole or in part, with the proceeds of such loan; or, in case of any loan, for the purchase or production of feed for livestock, a first lien upon the livestock to be fed.

(c) No loan made under the provisions of this Act to any borrower shall exceed \$400, nor shall a loan be so made in any calendar year which, together with the unpaid principal of prior loans so made to such borrower in that year, shall exceed \$400 in amount: *Provided, however,* That in any area certified by the President of the United States to the Governor as a distressed emergency area, the Governor may make loans without regard to the foregoing limitations as to amount, under such regulations, with such maturities, and in such amounts as he may prescribe.

(d) Each loan shall bear interest at the rate of 4 per centum per annum.

SEC. 3. The proceeds of each loan made by the Governor under the provisions of this Act shall be impressed with a trust for the purposes for which loans may be made under this Act, and may be used only for the purposes stated in the application therefor, and such trust shall continue, and the proceeds shall be free from garnishment, attachment, or the levy of an execution, until such proceeds have been used by the borrower for such purposes.

SEC. 4. (a) Fees for recording, filing, registration, and examination of records (including certificates) shall not exceed 75 cents per loan, and may be paid from the proceeds of the loan.

(b) No fees for releasing liens given to secure loans made pursuant to this Act, nor any other fee not specified herein, shall be paid from the funds herein authorized to be appropriated.

SEC. 5. (a) The Governor shall have power, without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States, to employ and fix the compensation and duties of such agents, officers, and employees as may be necessary to carry out the purposes of this Act; but the compensation of such officers and employees shall correspond, so far as the Governor deems practicable, to the rates established by the Classification Act of 1923, as amended.

(b) Such agents, officers, and employees, or any of them, and the agents, officers, employees, and facilities of the Farm Credit Administration available for use in connection with loans made under the provisions of this Act or of prior crop production, seed, and feed loan Acts of the same general character, may be used by the Governor to perform services for any institution operating under the supervision of the Farm Credit Administration, upon such terms and conditions as the Governor may determine; and such institutions are hereby expressly empowered to enter into agreements with the Governor for such purpose.

(c) For the purpose of carrying out the provisions of this Act, and for collecting loans made under other Acts of the same general character, including loans made by the Governor with funds appro-

priated by the Emergency Appropriation Act, fiscal year 1935, or the Emergency Relief Appropriation Act of 1935, the Governor is authorized also to use the facilities and services of any agency or corporation operating under the supervision of the Farm Credit Administration, and of any officer or employee of any such agency or institution, or of the Farm Credit Administration, and may pay for such services and the use of such facilities from the funds made available for the payment of necessary administrative expenses, and such agencies and institutions are hereby expressly empowered to enter into agreements with the Governor for the accomplishment of such purposes and to perform the services provided for therein.

SEC. 6. (a) Except with the written permission of the Governor or his duly authorized representative, it shall be unlawful for any borrower to willfully use the proceeds of any loan:

(1) For any purpose other than those specified in the application therefor; or

(2) For the purpose of fallowing, or for the planting, production, or harvesting of any crops on, any land other than that described in his application for such loan.

(b) It shall be unlawful for any person to make any material false representation for the purpose of obtaining, or assisting another to obtain, a loan under the provisions of this Act; or willfully to dispose of, or assist in disposing of, except for the account of the Governor, any crops or other property upon which there exists a lien securing a loan made under the provisions of this Act.

(c) It shall be unlawful for any person to charge or accept a fee for preparing or assisting in the preparation of any papers of an applicant for a loan under the provisions of this Act.

(d) Any person violating any provision of this section of this Act shall, upon conviction thereof, be punished by a fine of not more than \$1,000, or by imprisonment for not more than six months, or both.

SEC. 7. (a) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$50,000,000 for the purpose of enabling the Governor to carry out the provisions of this Act.

(b) The moneys appropriated in pursuance of subsection (a) of this section, any amounts collected for services rendered under section 5 (b), and all collections of principal and interest of loans made under this Act may be used by the Governor for making loans under this Act, and for all necessary administrative expenses incurred in connection with the making and collection of such loans.

(c) Expenditures for printing and binding necessary in carrying out the provisions of this Act may be made without regard to the provisions of section 3709 of the Revised Statutes.

Approved, January 29, 1937.

[CHAPTER 8]

JOINT RESOLUTION

To create a joint congressional committee on Government organization.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is hereby established a joint congressional committee to be known as the Joint Committee on Government Organization (hereinafter referred to as the joint committee).

(b) The joint committee shall be composed of nine Members of the Senate, appointed by the President of the Senate, and nine Members of the House of Representatives, appointed by the Speaker of the House of Representatives.

Payment therefor.

Unlawful acts.

False representation, etc.

Fee for preparing application.

Penalty for violation.

Appropriation authorized.
Post, p. 11.

Use of designated moneys for loans and expenses.

Printing and binding.
R. S. § 3709; 41 U. S. C. § 5.

February 3, 1937
[H. J. Res. 81]
[Pub. Res., No. 4]

Joint Committee on Government Organization, establishment.

Composition and appointment.