

694e(b) [former section 1001(b)(2) of this title]), \$50,000,000, including \$25,000,000 for loans to eligible veterans which may be distributed, without regard to the provisions of section 4 of the Bankhead-Jones Farm Tenant Act [former section 1004 of this title], among the States and Territories in such amounts as are necessary to make such loans, which sums shall be borrowed from the [former] Reconstruction Finance Corporation at an interest rate of not to exceed 3 per centum per annum and no loans, excepting those to eligible veterans, may be made for the acquisition or enlargement of farms which have a value, as acquired, enlarged, or improved, in excess of the average value of efficient family-size farm-management units, as determined by the Secretary, in the county, parish, or locality where the farm is located; and the [former] Reconstruction Finance Corporation is hereby authorized and directed to lend such sum to the Secretary upon the security of any obligations of borrowers from the Secretary under the provisions of title I of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937 [former sections 1001 to 1005d, 1006, 1006c to 1006e of this title]: *Provided*, That the amount loaned by the [former] Reconstruction Finance Corporation shall not exceed 85 per centum of the principal amount outstanding of the obligations constituting the security therefor: *Provided further*, That the Secretary may utilize proceeds from payments of principal and interest on any loans made under such title I to repay the [former] Reconstruction Finance Corporation the amount borrowed therefrom under the authority of this paragraph."

Similar provisions were contained in the following prior appropriation acts:

May 5, 1945, ch. 109, 59 Stat. 161.
 June 28, 1944, ch. 296, 58 Stat. 457.
 July 12, 1943, ch. 215, 57 Stat. 427.
 July 22, 1942, ch. 516, 56 Stat. 695.
 July 1, 1941, ch. 267, 55 Stat. 439.
 June 25, 1940, ch. 421, 54 Stat. 564.

§ 1006a. Loans to homestead or desertland entrymen and purchasers of lands in reclamation projects; security; first repayment installment

The Secretary of Agriculture is authorized to make a loan or loans for any purpose authorized by and in accordance with the terms of the Bankhead-Jones Farm Tenant Act, as amended, or the Act of August 28, 1937, as amended, to any person eligible for assistance under said Acts who has made or makes a homestead or desertland entry on public land or who has contracted for or contracts for the purchase of other land of the United States in a reclamation project pursuant to the applicable provisions of the homestead and reclamation laws. Any such loans required by the Secretary of Agriculture or by law to be secured by a real-estate mortgage may be secured by a mortgage contract which shall create a lien against the land in favor of the United States acting through the Secretary of Agriculture and any patent thereafter issued shall recite the existence of such lien. The first installment for the repayment of any such loan or any other loan made under the Bankhead-Jones Farm Tenant Act, as amended, or the Act of August 28, 1937, as amended, to the owner of a newly irrigated farm in a reclamation project or to an entryman under the desertland laws, may be deferred for a period of not to exceed two years from the date of the first advance under such loan.

(Oct. 19, 1949, ch. 697, § 1, 63 Stat. 883; Pub. L. 92-419, title VI, § 602, Aug. 30, 1972, 86 Stat. 675.)

Editorial Notes

REFERENCES IN TEXT

The Bankhead-Jones Farm Tenant Act, referred to in text, is act July 22, 1937, ch. 517, 50 Stat. 522, which is classified generally to this chapter (§1000 et seq.). For complete classification of this Act to the Code, see section 1000 of this title and Tables.

Act of August 28, 1937, referred to in text, was classified to sections 590r to 590x-4 of Title 16, Conservation, and was repealed by Pub. L. 87-128, title III, §341(a), Aug. 8, 1961, 75 Stat. 318. See section 921 et seq. of this title.

CODIFICATION

Section was not enacted as part of the Bankhead-Jones Farm Tenant Act, which constitutes a major part of this chapter.

AMENDMENTS

1972—Pub. L. 92-419 authorized loans to desertland entrymen and provided for first repayment installment of a loan to an entryman under the desertland laws.

§ 1006b. Cancellation of entry or purchase upon loan default; entry or resale; conditions; satisfaction of indebtedness

Any entry or purchase contract land with respect to which a loan is made under the authority of this section and section 1006a of this title shall be subject to cancellation by the Secretary of the Interior as provided by existing law or upon request of the Secretary of Agriculture whenever default occurs in the terms, conditions, covenants, or obligations contained in the mortgage. After cancellation or relinquishment of an entry or purchase contract, land on which there is a mortgage lien, pursuant to the provisions of said sections, shall thereafter, except as hereinafter provided, only be open to entry or resale to persons eligible for both an original entry or purchase contract and an original loan. Such entry or resale shall be subject to the outstanding balance of any amounts due the United States with respect to such land or such portion thereof as may be determined by the Secretary of Agriculture and the Secretary of the Interior, or their delegates, to be within the entryman's or purchaser's ability to pay on the basis of the long-time earning capacity of the land. If no entry or purchase is made within one year after the cancellation or relinquishment of a prior entry or purchase of land on which there is such a mortgage lien, the land shall be disposed of by the Secretary of Agriculture on terms consistent with the provisions of section 1017¹ of this title, for the satisfaction of the indebtedness secured by the mortgage, subject, however, to other outstanding charges on the land due the United States, and the purchaser of such land shall be entitled to the issuance of patent or deed upon the completion of all requirements with respect to the payment of such charges.

(Oct. 19, 1949, ch. 697, § 2, 63 Stat. 883.)

Editorial Notes

REFERENCES IN TEXT

Section 1017 of this title, referred to in text, was repealed by Pub. L. 87-128, title III, §341(a), Aug. 8, 1961, 75 Stat. 318.

¹ See References in Text note below.