

(Pub. L. 87-128, title III, §342, as added Pub. L. 115-334, title VI, §6103, Dec. 20, 2018, 132 Stat. 4728.)

### Editorial Notes

#### CODIFICATION

Another section 342 of Pub. L. 87-128 amended section 1013a of this title.

### § 1991. Definitions

(a) As used in this chapter:

(1) The term “farmer” includes a person who is engaged in, or who, with assistance afforded under this chapter, intends to engage in, fish farming.

(2) The term “farming” shall be deemed to include fish farming.

(3) The term “owner-operator” shall include in the State of Hawaii the lessee-operator of real property in any case in which the Secretary determines that such real property cannot be acquired in fee simple by such lessee-operator, that adequate security is provided for the loan with respect to such real property for which such lessee-operator applies under this chapter, and that there is a reasonable probability of accomplishing the objectives and repayment of such loan.

(4) The word “insure” as used in this chapter includes guarantee, which means to guarantee the payment of a loan originated, held, and serviced by a private financial agency or other lender approved by the Secretary.

(5) The term “contract of insurance” includes a contract of guarantee.

(6) The terms “United States” and “State” shall include each of the several States, the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and, to the extent the Secretary determines it to be feasible and appropriate, the Trust Territory of the Pacific Islands.

(7) The term “joint operation” means a joint farming operation in which two or more farmers work together sharing equally or unequally land, labor, equipment, expenses, and income.

(8) The term “beginning farmer or rancher” means such term as defined by the Secretary.

(9) The term “direct loan” means a loan made or insured from funds in the account created by section 1929 of this title.

(10) The term “farmer program loan” means a farm ownership loan (FO) under section 1923 of this title, operating loan (OL) under section 1942 of this title, soil and water loan (SW) under section 1924 of this title, emergency loan (EM) under section 1961 of this title, economic emergency loan (EE) under section 202 of the Emergency Agricultural Credit Adjustment Act (title II of Public Law 95-334), economic opportunity loan (EO) under the Economic Opportunity Act of 1961 (42 U.S.C. 2942), softwood timber loan (ST) under section 1254 of the Food Security Act of 1985, or rural housing loan for farm service buildings (RHF) under section 1472 of title 42.

(11) The term “qualified beginning farmer or rancher” means an applicant, regardless of

whether the applicant is participating in a program under section 1935 of this title—

(A) who is eligible for assistance under this chapter;

(B) who has not operated a farm or ranch, or who has operated a farm or ranch for not more than 10 years;

(C) in the case of a cooperative, corporation, partnership, joint operation, or such other legal entity as the Secretary considers appropriate, who has members, stockholders, partners, joint operator,<sup>1</sup> or owners who are all related to one another by blood or marriage;

(D)(i) in the case of an owner and operator of a farm or ranch, who—

(I) in the case of a loan made to an individual, individually or with the immediate family of the applicant—

(aa) materially and substantially participates in the operation of the farm or ranch; and

(bb) provides substantial day-to-day labor and management of the farm or ranch, consistent with the practices in the State or county in which the farm or ranch is located; or

(II)(aa) in the case of a loan made to a cooperative, corporation, partnership, joint operation, or such other legal entity as the Secretary considers appropriate, has members, stockholders, partners, joint operators, or owners, materially and substantially participate in the operation of the farm or ranch; and

(bb) in the case of a loan made to a cooperative, corporation, partnership, joint operation, or other such legal entity as the Secretary considers appropriate, has members, stockholders, partners, or joint operators, all of whom are qualified beginning farmers or ranchers; and

(ii) in the case of an applicant seeking to own and operate a farm or ranch, who—

(I) in the case of a loan made to an individual, individually or with the immediate family of the applicant, will—

(aa) materially and substantially participate in the operation of the farm or ranch; and

(bb) provide substantial day-to-day labor and management of the farm or ranch, consistent with the practices in the State or county in which the farm or ranch is located; or

(II)(aa) in the case of a loan made to a cooperative, corporation, partnership, joint operation, or such other legal entity as the Secretary considers appropriate, will have members, stockholders, partners, joint operators, or owners, materially and substantially participate in the operation of the farm or ranch; and

(bb) in the case of a loan made to a cooperative, corporation, partnership, joint operation, or other such legal entity as the Secretary considers appropriate, has members, stockholders, partners, or joint oper-

<sup>1</sup> So in original.

ators, all of whom are qualified beginning farmers or ranchers;

(E) who agrees to participate in such loan assessment, borrower training, and financial management programs as the Secretary may require;

(F) who does not own land or who, directly or through interests in family farm corporations, owns land, the aggregate acreage of which does not exceed 30 percent of the average acreage of the farms or ranches, as the case may be, in the county in which the farm or ranch operations of the applicant are located, as reported in the most recent census of agriculture, except that this subparagraph shall not apply to a loan made or guaranteed under subchapter II; and

(G) who demonstrates that the available resources of the applicant and spouse (if any) of the applicant are not sufficient to enable the applicant to continue farming or ranching on a viable scale.

(12) DEBT FORGIVENESS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term “debt forgiveness” means reducing or terminating a farmer program loan made or guaranteed under this chapter, in a manner that results in a loss to the Secretary, through—

(i) writing down or writing off a loan under section 2001 of this title;

(ii) compromising, adjusting, reducing, or charging-off a debt or claim under section 1981 of this title;

(iii) paying a loss on a guaranteed loan under section 2005 of this title; or

(iv) discharging a debt as a result of bankruptcy.

(B) EXCEPTIONS.—The term “debt forgiveness” does not include—

(i) consolidation, rescheduling, reamortization, or deferral of a loan; or

(ii) any write-down provided as part of a resolution of a discrimination complaint against the Secretary.

(13) RURAL AND RURAL AREA.—

(A) IN GENERAL.—Subject to subparagraphs (B) through (I), the terms “rural” and “rural area” mean any area other than—

(i) a city or town that has a population of greater than 50,000 inhabitants; and

(ii) any urbanized area contiguous and adjacent to a city or town described in clause (i).

(B) WATER AND WASTE DISPOSAL GRANTS AND DIRECT LOANS.—For the purpose of water and waste disposal grants and direct loans provided under paragraphs (1) and (2) of section 1926(a) of this title, the terms “rural” and “rural area” mean a city, town, or unincorporated area that has a population of no more than 10,000 inhabitants.

(C) COMMUNITY FACILITY LOANS AND GRANTS.—For the purpose of community facility direct loans and grants under paragraphs (1), (19), (20), and (21) of section 1926(a) of this title, the terms “rural” and “rural area” mean any area other than a city, town, or unincorporated area that has

a population of greater than 20,000 inhabitants.

(D) AREAS RURAL IN CHARACTER.—

(i) APPLICATION.—This subparagraph applies to—

(I) an urbanized area described in subparagraphs (A)(ii) and (F) that—

(aa) has 2 points on its boundary that are at least 40 miles apart; and

(bb) is not contiguous or adjacent to a city or town that has a population of greater than 150,000 inhabitants or an urbanized area of such city or town; and

(II) an area within an urbanized area described in subparagraphs (A)(ii) and (F) that is within  $\frac{1}{4}$ -mile of a rural area described in subparagraph (A).

(ii) DETERMINATION.—Notwithstanding any other provision of this paragraph, on the petition of a unit of local government in an area described in clause (i) or on the initiative of the Under Secretary for Rural Development, the Under Secretary may determine that a part of an area described in clause (i) is a rural area for the purposes of this paragraph, if the Under Secretary finds that the part is rural in character, as determined by the Under Secretary.

(iii) ADMINISTRATION.—In carrying out this subparagraph, the Under Secretary for Rural Development shall—

(I) not delegate the authority to carry out this subparagraph;

(II) consult with the applicable rural development State or regional director of the Department of Agriculture and the governor of the respective State;

(III) provide to the petitioner an opportunity to appeal to the Under Secretary a determination made under this subparagraph;

(IV) release to the public notice of a petition filed or initiative of the Under Secretary under this subparagraph not later than 30 days after receipt of the petition or the commencement of the initiative, as appropriate;

(V) make a determination under this subparagraph not less than 15 days, and not more than 60 days, after the release of the notice under subclause (IV);

(VI) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report on actions taken to carry out this subparagraph; and

(VII) terminate a determination under this subparagraph that part of an area is a rural area on the date that data is available for the next decennial census conducted under section 141(a) of title 13.

(E) EXCLUSIONS.—Notwithstanding any other provision of this paragraph, in determining which census blocks in an urbanized area are not in a rural area (as defined in this paragraph), the Secretary shall exclude any cluster of census blocks that would otherwise be considered not in a rural area only

because the cluster is adjacent to not more than 2 census blocks that are otherwise considered not in a rural area under this paragraph.

(F) URBAN AREA GROWTH.—

(i) APPLICATION.—This subparagraph applies to—

(I) any area that—

(aa) is a collection of census blocks that are contiguous to each other;

(bb) has a housing density that the Secretary estimates is greater than 200 housing units per square mile; and

(cc) is contiguous or adjacent to an existing boundary of a rural area; and

(II) any urbanized area contiguous and adjacent to a city or town described in subparagraph (A)(i).

(ii) ADJUSTMENTS.—The Secretary may, by regulation only, consider—

(I) an area described in clause (i)(I) not to be a rural area for purposes of subparagraphs (A) and (C); and

(II) an area described in clause (i)(II) not to be a rural area for purposes of subparagraph (C).

(iii) APPEALS.—A program applicant may appeal an estimate made under clause (i)(I) based on appropriate data for an area, as determined by the Secretary.

(G) HAWAII AND PUERTO RICO.—Notwithstanding any other provision of this paragraph, within the areas of the County of Honolulu, Hawaii, and the Commonwealth of Puerto Rico, the Secretary may designate any part of the areas as a rural area if the Secretary determines that the part is not urban in character, other than any area included in the Honolulu Census Designated Place or the San Juan Census Designated Place.

(H) EXCLUSION OF INCARCERATED POPULATIONS.—Populations of individuals incarcerated on a long-term or regional basis shall not be included in determining whether an area is “rural” or a “rural area”.

(I) LIMITED EXCLUSION OF MILITARY BASE POPULATIONS.—The first 1,500 individuals who reside in housing located on a military base shall not be included in determining whether an area is “rural” or a “rural area”.

(b) As used in sections 1927(d), 1981d, 1985(e) and (f), 1988(b), 2000(b) and (c), 2001, and 2005 of this title:

(1) The term “borrower” means any farm borrower who has outstanding obligations to the Secretary under any farmer program loan, without regard to whether the loan has been accelerated, but does not include any farm borrower all of whose loans and accounts have been foreclosed on or liquidated, voluntarily or otherwise.

(2) The term “loan service program” means, with respect to a farmer program borrower, a primary loan service program or a preservation loan service program.

(3) The term “primary loan service program” means—

(A) loan consolidation, rescheduling, or reamortization;

(B) interest rate reduction, including the use of the limited resource program;

(C) loan restructuring, including deferral, set aside, or writing down of the principal or accumulated interest charges, or both, of the loan; or

(D) any combination of actions described in subparagraphs (A), (B), and (C).

(4) PRESERVATION LOAN SERVICE PROGRAM.—The term “preservation loan service program” means homestead retention as authorized under section 2000 of this title.

(Pub. L. 87-128, title III, §343, as added Pub. L. 87-703, title IV, §401(5), Sept. 27, 1962, 76 Stat. 632; amended Pub. L. 89-586, Sept. 19, 1966, 80 Stat. 809; Pub. L. 92-419, title I, §128(a), Aug. 30, 1972, 86 Stat. 666; Pub. L. 95-334, title I, §124, Aug. 4, 1978, 92 Stat. 428; Pub. L. 96-438, §2(2), Oct. 13, 1980, 94 Stat. 1872; Pub. L. 99-198, title XIII, §1301(b), Dec. 23, 1985, 99 Stat. 1519; Pub. L. 100-233, title VI, §602, Jan. 6, 1988, 101 Stat. 1665; Pub. L. 101-624, title XVIII, §1814, title XXIII, §2388(h), Nov. 28, 1990, 104 Stat. 3824, 4053; Pub. L. 102-237, title VII, §702(h)(1), Dec. 13, 1991, 105 Stat. 1880; Pub. L. 102-554, §19, Oct. 28, 1992, 106 Stat. 4158; Pub. L. 104-127, title VI, §§640, 661(h), title VII, §749(b)(2), Apr. 4, 1996, 110 Stat. 1098, 1107, 1129; Pub. L. 105-113, §3(c), Nov. 21, 1997, 111 Stat. 2275; Pub. L. 107-171, title V, §5310, title VI, §6020(a), May 13, 2002, 116 Stat. 346, 362; Pub. L. 110-234, title VI, §6018(a), May 22, 2008, 122 Stat. 1170; Pub. L. 110-246, §4(a), title VI, §6018(a), June 18, 2008, 122 Stat. 1664, 1931; Pub. L. 113-79, title V, §5303, Feb. 7, 2014, 128 Stat. 839; Pub. L. 115-334, title V, §5401(e)(1), (f)(1), title VI, §§6301(a), 6402(a), Dec. 20, 2018, 132 Stat. 4674, 4748, 4757.)

## Editorial Notes

### REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this title”, meaning title III of Pub. L. 87-128, Aug. 8, 1961, 75 Stat. 307, known as the Consolidated Farm and Rural Development Act, which is classified principally to this chapter. For complete classification of title III to the Code, see Short Title note set out under section 1921 of this title and Tables.

Section 202 of the Emergency Agricultural Credit Adjustment Act, referred to in subsec. (a)(10), is section 202 of Pub. L. 95-334, title II, Aug. 4, 1978, 92 Stat. 429, which was set out in a note preceding section 1961 of this title prior to repeal by Pub. L. 101-624, title XVIII, §1851, Nov. 28, 1990, 104 Stat. 3837.

The Economic Opportunity Act of 1961, referred to in subsec. (a)(10), probably means the Economic Opportunity Act of 1964, Pub. L. 88-452, Aug. 20, 1964, 78 Stat. 508, which was classified generally to chapter 34 (§2701 et seq.) of Title 42, The Public Health and Welfare, prior to repeal, except for titles VIII and X, by Pub. L. 97-35, title VI, §683(a), Aug. 13, 1981, 95 Stat. 519. Titles VIII and X of the Act are classified generally to subchapters VIII (§2991 et seq.) and X (§2996 et seq.) of chapter 34 of Title 42. For complete classification of this Act to the Code, see Tables.

Section 1254 of the Food Security Act of 1985, referred to in subsec. (a)(10), is section 1254 of Pub. L. 99-198, title XII, Dec. 23, 1985, 99 Stat. 1517, which amended Pub. L. 98-258, §608, set out as a note under section 1981 of this title.

### 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

2018—Subsec. (a)(11)(C). Pub. L. 115-334, §5401(e)(1), substituted “joint operator, or owners” for “or joint operators”.

Subsec. (a)(13)(A). Pub. L. 115-334, §6301(a)(1), substituted “through (I)” for “through (G)” in introductory provisions.

Subsec. (a)(13)(B). Pub. L. 115-334, §6402(a)(1), struck out “and guaranteed” before “loans” in heading and text and substituted “(1) and (2)” for “(1), (2), and (24)”.

Subsec. (a)(13)(C). Pub. L. 115-334, §6402(a)(2), struck out “and guaranteed” before “loans” and substituted “and (21)” for “(21), and (24)”.

Subsec. (a)(13)(H), (I). Pub. L. 115-334, §6301(a)(2), added subpars. (H) and (I).

Subsec. (b). Pub. L. 115-334, §5401(f)(1), substituted “1927(d)” for “1927(e)” in introductory provisions.

2014—Subsec. (a)(11)(C). Pub. L. 113-79, §5303(a)(2), which directed substitution of “joint operators, or owners,” for “or joint operators,” could not be executed because “or joint operators,” did not appear in text. Corrected amendment was made by Pub. L. 115-334, §5401(e)(1), effective as of the effective date of Pub. L. 113-79, §5303(a)(2). See 2018 Amendment note above and Effective Date of 2018 Amendment note below.

Pub. L. 113-79, §5303(a)(1), substituted “joint operation, or such other legal entity as the Secretary considers appropriate,” for “or joint operation,”.

Subsec. (a)(11)(D)(i)(II)(aa). Pub. L. 113-79, §5303(a)(1), (2), substituted “joint operation, or such other legal entity as the Secretary considers appropriate,” for “or joint operation,” and “joint operators, or owners,” for “or joint operators,”.

Subsec. (a)(11)(D)(i)(II)(bb). Pub. L. 113-79, §5303(a)(3), substituted “cooperative, corporation, partnership, joint operation, or other such legal entity as the Secretary considers appropriate, has members, stockholders, partners, or joint operators,” for “corporation, has stockholders,”.

Subsec. (a)(11)(D)(ii)(II)(aa). Pub. L. 113-79, §5303(a)(1), (2), substituted “joint operation, or such other legal entity as the Secretary considers appropriate,” for “or joint operation,” and “joint operators, or owners,” for “or joint operators,”.

Subsec. (a)(11)(D)(ii)(II)(bb). Pub. L. 113-79, §5303(a)(3), substituted “cooperative, corporation, partnership, joint operation, or other such legal entity as the Secretary considers appropriate, has members, stockholders, partners, or joint operators,” for “corporation, has stockholders,”.

Subsec. (a)(11)(F). Pub. L. 113-79, §5303(b), substituted “average acreage” for “median acreage”.

2008—Subsec. (a)(13). Pub. L. 110-246, §6018(a), amended par. (13) generally, substituting provisions defining “rural” and “rural area”, provisions defining such terms for the purpose of water and waste disposal grants and direct and guaranteed loans and community facility loans and grants, and provisions relating to areas rural in character, exclusions, urban area growth, and designations in Hawaii and Puerto Rico, for provisions defining “rural” and “rural area” and defining such terms for the purpose of water and waste disposal grants and direct and guaranteed loans, community facility loans and grants, multijurisdictional regional planning organizations, and the rural business investment program.

2002—Subsec. (a)(11)(F). Pub. L. 107-171, §5310(a), substituted “30 percent” for “25 percent”.

Subsec. (a)(12)(B). Pub. L. 107-171, §5310(b), amended heading and text of subpar. (B) generally. Prior to amendment, text read as follows: “The term ‘debt forgiveness’ does not include consolidation, rescheduling, reamortization, or deferral.”

Subsec. (a)(13). Pub. L. 107-171, §6020(a), added par. (13).

1997—Subsec. (a)(11)(F). Pub. L. 105-113 struck out “taken under section 142 of title 13” after “census of agriculture”.

1996—Subsec. (a)(10). Pub. L. 104-127, §661(h)(1), struck out “recreation loan (RL) under section 1924 of this title,” before “emergency loan (EM)”.

Subsec. (a)(11). Pub. L. 104-127, §640(1)(A), in introductory provisions, substituted “applicant, regardless of whether the applicant is participating in a program under section 1935 of this title” for “applicant”.

Subsec. (a)(11)(F). Pub. L. 104-127, §640(1)(B), substituted “25 percent” for “15 percent” and inserted before semicolon at end “, except that this subparagraph shall not apply to a loan made or guaranteed under subchapter II”.

Subsec. (a)(12). Pub. L. 104-127, §640(2), added par. (12). Subsec. (b). Pub. L. 104-127, §§661(h)(2)(A), 749(b)(2), in introductory provisions, substituted “1988(b), 2000(b) and (c)” for “1988(f), 1999(h), 2000(b) and (c)”.

Subsec. (b)(4). Pub. L. 104-127, §661(h)(2)(B), added par. (4) and struck out former par. (4) which read as follows:

“The term ‘preservation loan service program’ means—  
“(A) homestead retention as authorized under section 2000 of this title; and

“(B) a leaseback or buyback of farmland authorized under section 1985 of this title.”

1992—Subsec. (a). Pub. L. 102-554 substituted “this chapter:” and par. (1) for “this chapter (1) the term ‘farmers’ shall be deemed to include persons who are engaged in, or who, with assistance afforded under this chapter, intend to engage in, fish farming,” in pars. (2) to (8), realigned margins and substituted “The” for “the” first place appearing in each par. and a period for a comma at end of each par., in par. (9), realigned margin and substituted “The” for “the” first place appearing and a period for “, and” at end, in par. (10), realigned margin and substituted “The” for “the” first place appearing, and added par. (11).

1991—Subsec. (a)(1), (3). Pub. L. 102-237, §702(h)(1)(A), (B), made technical amendment to directory language of Pub. L. 101-624, §2388(h)(1), (2). See 1990 Amendment note below.

Subsec. (a)(5). Pub. L. 102-237, §702(h)(1)(C), repealed Pub. L. 101-624, §2388(h)(3). See 1990 Amendment note below.

1990—Subsec. (a)(1), (3). Pub. L. 101-624, §2388(h)(1), (2), as amended by Pub. L. 102-237, §702(h)(1)(A), (B), struck out “and” after “fish farming,” in par. (1), and “and” after “such loan,” in par. (3).

Subsec. (a)(5). Pub. L. 101-624, §2388(h)(3), which directed substitution of “‘contract of insurance’” for “‘contract of insurance’”, was repealed by Pub. L. 102-237, §702(h)(1)(C). See Construction of 1990 Amendment note below.

Subsec. (a)(8) to (10). Pub. L. 101-624, §1814, added pars. (8) to (10).

1988—Pub. L. 100-233 designated existing provisions as subsec. (a) and added subsec. (b).

1985—Pub. L. 99-198 added cl. (7).

1980—Pub. L. 96-438 added cl. (3). For termination of former cl. (3) as added by Pub. L. 89-586, see Effective and Termination Date of 1966 Amendment note below.

1978—Pub. L. 95-334 added cl. (6).

1972—Pub. L. 92-419 added cls. (4) and (5).

1966—Pub. L. 89-586 struck out “and” before “(2)” and inserted cl. (3) defining “owner-operator”. See Effective and Termination Date of 1966 Amendment note below.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2018 AMENDMENT

Pub. L. 115-334, title V, §5401(e)(2), Dec. 20, 2018, 132 Stat. 4674, provided that: “The amendment made by this subsection [amending this section] shall take effect as of the effective date of section 5303(a)(2) of the Agricultural Act of 2014 (Public Law 113-79) [probably means the date of enactment of Pub. L. 113-79, which was approved Feb. 7, 2014].”

Pub. L. 115-334, title V, §5401(f)(2), Dec. 20, 2018, 132 Stat. 4674, provided that: “The amendment made by paragraph (1) [amending this section] shall take effect as of the date of enactment of the Agricultural Act of 2014 (Public Law 113-79) [Feb. 7, 2014].”

## 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.

## EFFECTIVE DATE OF 1997 AMENDMENT

Pub. L. 105-113, §3(d), Nov. 21, 1997, 111 Stat. 2276, provided that: “This section [amending this section and repealing section 142 of Title 13, Census] and the amendments made by this section shall take effect October 1, 1998.”

## EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by section 640(1) of Pub. L. 104-127 effective 90 days after Apr. 4, 1996, and amendment by sections 640(2) and 661(h) of Pub. L. 104-127 effective Apr. 4, 1996, see section 663(a), (b) of Pub. L. 104-127, set out as a note under section 1922 of this title.

## EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective as if included in the provision of the Food, Agriculture, Conservation, and Trade Act of 1990, Pub. L. 101-624, to which the amendment relates, see section 1101(b)(7) of Pub. L. 102-237, set out as a note under section 1421 of this title.

EFFECTIVE AND TERMINATION DATE OF 1966  
AMENDMENT

Pub. L. 89-586, Sept. 19, 1966, 80 Stat. 809, as amended by Pub. L. 90-426, July 26, 1968, 82 Stat. 445, provided in part that the amendment made by Pub. L. 89-586 is effective only for the period of time commencing with Sept. 19, 1966, and ending on June 30, 1970.

## CONSTRUCTION OF 1990 AMENDMENT

Pub. L. 102-237, title VII, §702(h)(2), Dec. 13, 1991, 105 Stat. 1881, as amended by Pub. L. 102-552, title V, §516(k), Oct. 28, 1992, 106 Stat. 4139, provided that: “The Consolidated Farm and Rural Development Act [title III of Pub. L. 87-128, see Short Title note set out under section 1921 of this title] shall be applied and administered as if the amendment made by section 2388(h)(3) of the Food, Agriculture, Conservation, and Trade Act of 1990 [Pub. L. 101-624, amending this section] had never been enacted.”

## Executive Documents

TERMINATION OF TRUST TERRITORY OF THE PACIFIC  
ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

## § 1992. Loan limitations

No loan (other than one to a public body or nonprofit association (including Indian tribes on Federal and State reservations or other federally recognized Indian tribal groups) for community facilities or one of a type authorized by section 1926(a)(1) of this title prior to its amendment by the Rural Development Act of 1972) shall be made by the Secretary either for sale as an insured loan or otherwise under sections 1926(a)(1), 1932, or 1942(c) of this title unless the Secretary shall have determined that no other lender is willing to make such loan and assume 10 per centum of any loss sustained thereon. No contract guaranteeing any such loan by such other lender shall require the Secretary to guarantee more than 90 per centum of the principal and interest on such loan.

(Pub. L. 87-128, title III, §344, as added Pub. L. 92-419, title I, §129, Aug. 30, 1972, 86 Stat. 666;

amended Pub. L. 94-35, §2, June 16, 1975, 89 Stat. 214; Pub. L. 104-127, title VI, §661(i), Apr. 4, 1996, 110 Stat. 1107.)

## Editorial Notes

## REFERENCES IN TEXT

For statutory changes to section 1926(a)(1) of this title by the Rural Development Act of 1972, referred to in text, see 1972 Amendment note for section 104 of Pub. L. 92-419, set out under section 1926 of this title. For complete classification of Rural Development Act of 1972 to the Code, see Short Title of 1972 Amendment note set out under section 1921 of this title and Tables.

## AMENDMENTS

1996—Pub. L. 104-127 substituted “1926(a)(1), 1932, or 1942(c) of this title” for “1924(b), 1926(a)(1), 1932, 1942(b), or 1942(c) of this title”.

1975—Pub. L. 94-35 substituted “guaranteed more than 90 per centum of the principal and interest on such loan” for “participate in more than 90 per centum of any loss sustained thereon”.

§ 1993. Transition to private commercial or other  
sources of credit

## (a) In general

In making or insuring a farm loan under subchapter I or II, the Secretary shall establish a plan and promulgate regulations (including performance criteria) that promote the goal of transitioning borrowers to private commercial credit and other sources of credit in the shortest period of time practicable.

## (b) Coordination

In carrying out this section, the Secretary shall integrate and coordinate the transition policy described in subsection (a) with—

- (1) the borrower training program established by section 2006a of this title;
- (2) the loan assessment process established by section 2006b of this title;
- (3) the supervised credit requirement established by section 2006c of this title;
- (4) the market placement program established by section 2006d of this title; and
- (5) other appropriate programs and authorities, as determined by the Secretary.

(Pub. L. 87-128, title III, §345, as added Pub. L. 110-234, title V, §5304, May 22, 2008, 122 Stat. 1153, and Pub. L. 110-246, §4(a), title V, §5304, June 18, 2008, 122 Stat. 1664, 1914.)

## Editorial Notes

## CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 enacted identical sections. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246.

## PRIOR PROVISIONS

A prior section 1993, Pub. L. 87-128, title III, §345, as added Pub. L. 94-68, §9, Aug. 5, 1975, 89 Stat. 382; amended Pub. L. 103-437, §4(a)(7), Nov. 2, 1994, 108 Stat. 4582, related to testimony by Secretary of Agriculture before congressional committees, prior to repeal by Pub. L. 104-127, title VII, §750, Apr. 4, 1996, 110 Stat. 1129.

## Statutory Notes and Related Subsidiaries

## EFFECTIVE DATE

Enactment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the