

§ 2008g. Payment of interest as condition of loan servicing for borrowers

The Secretary may not reschedule or reamortize a loan for a borrower under this chapter who has not requested consideration under section 1981d(e) of this title unless the borrower pays a portion, as determined by the Secretary, of the interest due on the loan.

(Pub. L. 87-128, title III, §372, as added Pub. L. 104-127, title VI, §648(a), Apr. 4, 1996, 110 Stat. 1104.)

Editorial Notes

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, 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.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective 90 days after Apr. 4, 1996, see section 663(b) of Pub. L. 104-127, set out as an Effective Date of 1996 Amendment note under section 1922 of this title.

§ 2008h. Loan and loan servicing limitations

(a) Delinquent borrowers prohibited from obtaining direct operating loans

The Secretary may not make a direct operating loan under subchapter II to a borrower who is delinquent on any loan made or guaranteed under this chapter.

(b) Prohibition of loans for borrowers that have received debt forgiveness

(1) Prohibitions

Except as provided in paragraph (2)—

(A) the Secretary may not make a loan under this chapter to a borrower that has received debt forgiveness on a loan made or guaranteed under this chapter; and

(B) the Secretary may not guarantee a loan under this chapter to a borrower that has received—

(i) debt forgiveness after April 4, 1996, on a loan made or guaranteed under this chapter; or

(ii) received debt forgiveness on more than 3 occasions on or before April 4, 1996.

(2) Exceptions

(A) In general

The Secretary may make a direct or guaranteed farm operating loan for paying annual farm or ranch operating expenses of a borrower who—

(i) was restructured with a write-down under section 2001 of this title;

(ii) is current on payments under a confirmed reorganization plan under chapters¹ 11, 12, or 13 of title 11; or

(iii) received debt forgiveness on not more than 1 occasion resulting directly

and primarily from a major disaster or emergency designated by the President on or after April 4, 1996, under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

(B) Emergency loans

(i) In general

The Secretary may make an emergency loan under section 1961 of this title to a borrower that—

(I) on or before April 4, 1996, received not more than 1 debt forgiveness on a loan made or guaranteed under this chapter; and

(II) after April 4, 1996, has not received debt forgiveness on a loan made or guaranteed under this chapter.

(ii) Restructured loans

For purposes of clause (i), a borrower who was restructured with a write-down or restructuring under section 2001 of this title shall not be considered to have received debt forgiveness on a loan made or guaranteed under this chapter.

(c) No more than 1 debt forgiveness for borrower on direct loan

The Secretary may not provide to a borrower debt forgiveness on a direct loan made under this chapter if the borrower has received debt forgiveness on another direct loan made under this chapter.

(Pub. L. 87-128, title III, §373, as added Pub. L. 104-127, title VI, §648(b), Apr. 4, 1996, 110 Stat. 1104; amended Pub. L. 105-277, div. A, §101(a) [title VIII, §801], Oct. 21, 1998, 112 Stat. 2681, 2681-37; Pub. L. 107-171, title V, §5319, May 13, 2002, 116 Stat. 348; Pub. L. 115-334, title V, §5307, Dec. 20, 2018, 132 Stat. 4673.)

Editorial Notes

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, 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.

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, referred to in subsec. (b)(2)(A)(iii), is Pub. L. 93-288, May 22, 1974, 88 Stat. 143, which is classified principally to chapter 68 (§5121 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of Title 42 and Tables.

AMENDMENTS

2018—Subsec. (b)(2)(B). Pub. L. 115-334 designated existing provisions as cl. (i) and inserted heading, redesignated former cls. (i) and (ii) as subcls. (I) and (II), respectively, of cl. (i), and added cl. (ii).

2002—Subsec. (b)(2)(A)(iii). Pub. L. 107-171 added cl. (iii).

1998—Subsec. (b). Pub. L. 105-277 added subsec. (b) and struck out heading and text of former subsec. (b). Text read as follows:

“(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary may not make or guarantee a loan under this chapter to a borrower who received debt forgiveness on a loan made or guaranteed under this chapter.

¹ So in original. Probably should be “chapter”.

“(2) EXCEPTION.—The Secretary may make a direct or guaranteed farm operating loan for paying annual farm or ranch operating expenses of a borrower who was restructured with a write-down under section 2001 of this title.”

§ 2008i. Short form certification of farm program borrower compliance

The Secretary shall develop and utilize a consolidated short form for farm program borrowers to use in certifying compliance with any applicable provision of law (including a regulation) that serves as an eligibility prerequisite for a loan made under this chapter.

(Pub. L. 87-128, title III, §374, as added Pub. L. 104-127, title VI, §649, Apr. 4, 1996, 110 Stat. 1105.)

Editorial Notes

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, 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.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective 90 days after Apr. 4, 1996, see section 663(b) of Pub. L. 104-127, set out as an Effective Date of 1996 Amendment note under section 1922 of this title.

§ 2008j. Transferred

Section, Pub. L. 87-128, title III, §375, as added Pub. L. 104-127, title VII, §759, Apr. 4, 1996, 110 Stat. 1132; amended Pub. L. 106-78, title VIII, §816, Oct. 22, 1999, 113 Stat. 1182; Pub. L. 106-387, §1(a) [title VII, §756], Oct. 28, 2000, 114 Stat. 1549, 1549A-43; Pub. L. 107-76, title VII, §731, Nov. 28, 2001, 115 Stat. 736; Pub. L. 108-7, div. A, title VII, §728, Feb. 20, 2003, 117 Stat. 42; Pub. L. 108-199, div. A, title VII, §726, Jan. 23, 2004, 118 Stat. 35; Pub. L. 108-447, div. A, title VII, §725, Dec. 8, 2004, 118 Stat. 2842; Pub. L. 110-234, title XI, §11009(a), (b)(1), May 22, 2008, 122 Stat. 1359; Pub. L. 110-246, §4(a), title XI, §11009(a), (b)(1), June 18, 2008, 122 Stat. 1664, 2120, 2121; Pub. L. 113-79, title XII, §12102(b)(1), Feb. 7, 2014, 128 Stat. 979, was renumbered section 210 of act Aug. 14, 1946, ch. 966, by Pub. L. 113-79, title XII, §12102(b)(2), (3), Feb. 7, 2014, 128 Stat. 979, and transferred to section 1627b of this title.

§ 2008k. Making and servicing of loans by personnel of State, county, or area committees

The Secretary shall use personnel of a State, county or area committee established under section 590h(b)(5) of title 16 to make and service loans under this chapter to the extent the personnel have been trained to do so.

(Pub. L. 87-128, title III, §376, as added Pub. L. 107-171, title V, §5320, May 13, 2002, 116 Stat. 349.)

Editorial Notes

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, 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.

§ 2008l. Eligibility of employees of State, county, or area committee for loans and loan guarantees

(a) In general

The Secretary shall not prohibit an employee of a State, county or area committee established under section 590h(b)(5) of title 16 or an employee of the Department of Agriculture from obtaining a loan or loan guarantee under subchapter I, II or III of this chapter.

(b) Approvals

(1) County or area office

In the case of a loan application from an employee in a county or area office, the Farm Service Agency State office shall be responsible for reviewing and approving the application.

(2) State office

In the case of a loan application from an employee of a State office, the Farm Service Agency national office shall be responsible for reviewing and approving the application.

(Pub. L. 87-128, title III, §377, as added Pub. L. 107-171, title V, §5321, May 13, 2002, 116 Stat. 349.)

§ 2008m. National Rural Development Partnership

(a) Definitions

In this section:

(1) Agency with rural responsibilities

The term “agency with rural responsibilities” means any executive agency (as defined in section 105 of title 5) that implements a Federal law, or administers a program, targeted at or having a significant impact on rural areas.

(2) Coordinating Committee

The term “Coordinating Committee” means the National Rural Development Coordinating Committee established by subsection (c).

(3) Partnership

The term “Partnership” means the National Rural Development Partnership continued by subsection (b).

(4) State rural development council

The term “State rural development council” means a State rural development council that meets the requirements of subsection (d).

(b) Partnership

(1) In general

The Secretary shall continue the National

Rural Development Partnership composed of—

- (A) the Coordinating Committee; and
- (B) State rural development councils.

(2) Purposes

The purposes of the Partnership are to empower and build the capacity of States and rural communities to design flexible and innovative responses to their own special rural development needs, with local determinations of progress and selection of projects and activities.

(3) Governing panel

(A) In general

A panel consisting of representatives of the Coordinating Committee and State rural