

(3) Amount eligible for extension

Extensions under this section shall not be granted if the principal balance extended exceeds the appraised value of the generating plant or transmission line referred to in subsection paragraph (2).

(4) Period of extension

Extensions under this section shall in no case result in a final maturity greater than 55 years from the time of original disbursement and shall in no case result in a final maturity greater than the useful life of the plant.

(5) Number of extensions

Extensions under this section shall not be granted more than once per loan advance.

(c) Fees**(1) In general**

A borrower that receives an extension under this section shall pay a fee to the Secretary which shall be credited to the Rural Electrification and Telecommunications Loans Program account. Such fees shall remain available without fiscal year limitation to pay the modification costs for extensions.

(2) Amount

The amount of the fee paid shall be equal to the modification cost, calculated in accordance with section 502 of the Federal Credit Reform Act of 1990 [2 U.S.C. 661a], as amended, of such extension.

(3) Payment

The borrower shall pay the fee required under this section at the time the existing guarantee is extended by making a payment in the amount of the required fee.

(May 20, 1936, ch. 432, title III, §316, as added Pub. L. 109-97, title VII, §774, Nov. 10, 2005, 119 Stat. 2160.)

Editorial Notes

REFERENCES IN TEXT

The Federal Credit Reform Act of 1990, referred to in subsec. (a), is title V of Pub. L. 93-344, as added by Pub. L. 101-508, title XIII, §13201(a), Nov. 5, 1990, 104 Stat. 1388-609, which is classified generally to subchapter III (§661 et seq.) of chapter 17A of Title 2, The Congress. For complete classification of this Act to the Code, see Short Title note set out under section 621 of Title 2 and Tables.

§ 940g. Electric loans for renewable energy**(a) Definition of renewable energy source**

In this section, the term “renewable energy source” means an energy conversion system fueled from a solar, wind, hydropower, biomass, or geothermal source of energy.

(b) Loans

In addition to any other funds or authorities otherwise made available under this chapter, the Secretary may make electric loans under this subchapter for electric generation from renewable energy resources for resale to rural and nonrural residents.

(c) Rate

The rate of a loan under this section shall be equal to the average tax-exempt municipal bond rate of similar maturities.

(May 20, 1936, ch. 432, title III, §317, as added Pub. L. 110-234, title VI, §6108, May 22, 2008, 122 Stat. 1198, and Pub. L. 110-246, §4(a), title VI, §6108, June 18, 2008, 122 Stat. 1664, 1959.)

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.

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 date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as a note under section 8701 of this title.

§ 940h. Bonding requirements

The Secretary shall review the bonding requirements for all programs administered by the Rural Utilities Service under this chapter to ensure that bonds are not required if—

- (1) the interests of the Secretary are adequately protected by product warranties; or
- (2) the costs or conditions associated with a bond exceed the benefit of the bond.

(May 20, 1936, ch. 432, title III, §318, as added Pub. L. 110-234, title VI, §6109, May 22, 2008, 122 Stat. 1198, and Pub. L. 110-246, §4(a), title VI, §6109, June 18, 2008, 122 Stat. 1664, 1960.)

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.

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 date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as a note under section 8701 of this title.

§ 940i. Cybersecurity and grid security improvements**(a) Definition of cybersecurity and grid security improvements**

In this section, the term “cybersecurity and grid security improvements” means investment in the development, expansion, and modernization of rural utility infrastructure that addresses known cybersecurity and grid security risks.

(b) Loans and loan guarantees

The Secretary may make or guarantee loans under this subchapter and subchapter I for cybersecurity and grid security improvements.

(May 20, 1936, ch. 432, title III, §319, as added Pub. L. 115-334, title VI, §6507, Dec. 20, 2018, 132 Stat. 4775.)

SUBCHAPTER IV—RURAL TELEPHONE
BANK

§§ 941 to 950b. Repealed. Pub. L. 115-334, title VI, § 6602(a), (b)(15), Dec. 20, 2018, 132 Stat. 4776, 4777

Section 941, act May 20, 1936, ch. 432, title IV, § 401, as added Pub. L. 92-12, § 2, May 7, 1971, 85 Stat. 30, established the Rural Telephone Bank and set out its status and purpose.

Section 942, act May 20, 1936, ch. 432, title IV, § 402, as added Pub. L. 92-12, § 2, May 7, 1971, 85 Stat. 30, set out the general powers of the telephone bank.

Section 943, act May 20, 1936, ch. 432, title IV, § 403, as added Pub. L. 92-12, § 2, May 7, 1971, 85 Stat. 31; amended Pub. L. 103-354, title II, § 235(a)(9), Oct. 13, 1994, 108 Stat. 3221, related to special provisions governing telephone bank as a Federal agency until conversion of ownership, control, and operation.

Section 944, act May 20, 1936, ch. 432, title IV, § 404, as added Pub. L. 92-12, § 2, May 7, 1971, 85 Stat. 31; amended Pub. L. 103-354, title II, § 235(a)(10), Oct. 13, 1994, 108 Stat. 3221, required the the Secretary to designate an official of the Department of Agriculture to serve as the chief executive officer or governor of the telephone bank, who would perform all functions, powers, and duties of the telephone bank, except as otherwise provided.

Section 944a, Pub. L. 100-203, title I, § 1414, Dec. 22, 1987, 101 Stat. 1330-27, provided for publication of rural telephone bank policies and regulations.

Section 945, act May 20, 1936, ch. 432, title IV, § 405, as added Pub. L. 92-12, § 2, May 7, 1971, 85 Stat. 32; amended Pub. L. 93-32, § 4, May 11, 1973, 87 Stat. 70; Pub. L. 101-624, title XXIII, § 2363(a), (b)(1), (c), Nov. 28, 1990, 104 Stat. 4042-4044; Pub. L. 103-354, title II, § 235(a)(7), Oct. 13, 1994, 108 Stat. 3221, created a board of directors for the telephone bank and set out its membership requirements.

Section 946, act May 20, 1936, ch. 432, title IV, § 406, as added Pub. L. 92-12, § 2, May 7, 1971, 85 Stat. 33; amended Pub. L. 93-32, § 5, May 11, 1973, 87 Stat. 70; Pub. L. 94-273, § 2(2), Apr. 21, 1976, 90 Stat. 375; Pub. L. 97-98, title XVI, § 1607, Dec. 22, 1981, 95 Stat. 1347; Pub. L. 100-203, title I, § 1413(a), (c), Dec. 22, 1987, 101 Stat. 1330-26; Pub. L. 101-624, title XXIII, §§ 2364, 2367(a), Nov. 28, 1990, 104 Stat. 4044; Pub. L. 103-129, § 2(c)(9), Nov. 1, 1993, 107 Stat. 1365; Pub. L. 103-354, title II, § 235(a)(11), (13), Oct. 13, 1994, 108 Stat. 3221; Pub. L. 104-127, title VII, § 772(b)(3), Apr. 4, 1996, 110 Stat. 1149, related to capitalization of the telephone bank.

Section 947, act May 20, 1936, ch. 432, title IV, § 407, as added Pub. L. 92-12, § 2, May 7, 1971, 85 Stat. 34; amended Pub. L. 92-324, § 2, June 30, 1972, 86 Stat. 390; Pub. L. 93-32, §§ 6, 7, May 11, 1973, 87 Stat. 70, authorized the telephone bank to obtain funds through the public or private sale of its bonds, debentures, notes, and other evidences of indebtedness.

Section 948, act May 20, 1936, ch. 432, title IV, § 408, as added Pub. L. 92-12, § 2, May 7, 1971, 85 Stat. 35; amended Pub. L. 93-32, §§ 8, 9, May 11, 1973, 87 Stat. 70, 71; Pub. L. 100-203, title I, §§ 1411(b)(1), (c), 1412, Dec. 22, 1987, 101 Stat. 1330-22, 1330-23, 1330-26; Pub. L. 101-624, title XXIII, §§ 2365, 2366, 2367(b), Nov. 28, 1990, 104 Stat. 4044; Pub. L. 103-129, § 2(a)(2), Nov. 1, 1993, 107 Stat. 1361; Pub. L. 103-354, title II, § 235(a)(13), Oct. 13, 1994, 108 Stat. 3221; Pub. L. 104-66, title I, § 1011(y), Dec. 21, 1995, 109 Stat. 711, granted the telephone bank lending power subject to certain terms and conditions.

Section 949, act May 20, 1936, ch. 432, title IV, § 409, as added Pub. L. 92-12, § 2, May 7, 1971, 85 Stat. 36, provided that receipts from telephone bank activities would be available for all obligations and expenditures of the telephone bank.

Section 950, act May 20, 1936, ch. 432, title IV, § 410, as added Pub. L. 92-12, § 2, May 7, 1971, 85 Stat. 36; amended Pub. L. 94-273, § 2(2), Apr. 21, 1976, 90 Stat. 375; Pub. L. 101-624, title XXIII, § 2363(b)(2), Nov. 28, 1990, 104 Stat. 4043; Pub. L. 103-354, title II, § 235(a)(11), Oct. 13, 1994, 108

Stat. 3221, related to the transfer of ownership, control and power from the Secretary of Agriculture to the Telephone Bank Board.

Section 950a, act May 20, 1936, ch. 432, title IV, § 411, as added Pub. L. 92-12, § 2, May 7, 1971, 85 Stat. 37, related to the liquidation or dissolution of the telephone bank.

Section 950b, act May 20, 1936, ch. 432, title IV, § 412, as added Pub. L. 92-12, § 2, May 7, 1971, 85 Stat. 37; amended Pub. L. 103-354, title II, § 235(a)(13), Oct. 13, 1994, 108 Stat. 3221, limited loans under section 922 of this title for any borrower with a net worth in excess of 20 percent of its assets.

Statutory Notes and Related Subsidiaries

CONGRESSIONAL FINDINGS COVERING INTEREST RATES
AND LOAN PREPAYMENTS

Pub. L. 100-203, title I, § 1411(a), Dec. 22, 1987, 101 Stat. 1330-22, which set out congressional findings related to interest rates and loan prepayments and was formerly set out as a note under section 948 of this title, was repealed by Pub. L. 115-334, title VI, § 6602(b)(16), Dec. 20, 2018, 132 Stat. 4777.

PREPAYMENT REGULATIONS

Pub. L. 100-203, title I, § 1411(b)(2), Dec. 22, 1987, 101 Stat. 1330-23, which directed the Governor of the Rural Telephone Bank to issue regulations to carry out the amendment to this section by section 1411(b)(1) of Pub. L. 100-203 and was formerly set out as a note under section 948 of this title, was repealed by Pub. L. 115-334, title VI, § 6602(b)(16), Dec. 20, 2018, 132 Stat. 4777.

SUBCHAPTER V—RURAL ECONOMIC
DEVELOPMENT

§ 950aa. Additional powers and duties

The Secretary shall—

(1) provide advice and guidance to electric borrowers under this chapter concerning the effective and prudent use by such borrowers of the investment authority under section 940b of this title to promote rural development;

(2) provide technical advice, troubleshooting, and guidance concerning the operation of programs or systems that receive assistance under this chapter;

(3) establish and administer various pilot projects through electric and telephone borrowers that the Secretary determines are useful or necessary, and recommend specific rural development projects for rural areas;

(4) act as an information clearinghouse and conduit to provide information to electric and telephone borrowers under this chapter concerning useful and effective rural development efforts that such borrowers may wish to apply in their areas of operation and concerning State, regional, or local plans for long-term rural economic development;

(5) provide information to electric and telephone borrowers under this chapter concerning the eligibility of such borrowers to apply for financial assistance, loans, or grants from other Federal agencies and non-Federal sources to enable such borrowers to expand their rural development efforts; and

(6) promote local partnerships and other coordination between borrowers under this chapter and community organizations, States, counties, or other entities, to improve rural development.

(May 20, 1936, ch. 432, title V, § 501, as added Pub. L. 101-624, title XXIII, § 2345, Nov. 28, 1990, 104