

(3) Rural area

Except as provided otherwise in this chapter, the term “rural area” means the farm and nonfarm population of—

(A) any area described in section 1991(a)(13)(C) of this title; and

(B) any area within a service area of a borrower for which a borrower has an outstanding loan made under subchapters I through V as of the date of enactment of this paragraph.

(4) Territory

The term “territory” includes any insular possession of the United States.

(5) Secretary

The term “Secretary” means the Secretary of Agriculture.

(May 20, 1936, ch. 432, title I, §13, 49 Stat. 1367; Oct. 28, 1949, ch. 776, §2, 63 Stat. 948; Pub. L. 103-129, §2(c)(3), Nov. 1, 1993, 107 Stat. 1363; Pub. L. 103-354, title II, §235(a)(6), Oct. 13, 1994, 108 Stat. 3221; Pub. L. 110-234, title VI, §6104, May 22, 2008, 122 Stat. 1195; Pub. L. 110-246, §4(a), title VI, §6104, June 18, 2008, 122 Stat. 1664, 1957.)

REFERENCES IN TEXT

The date of enactment of this paragraph, referred to in par. (3)(B), is the date of enactment of Pub. L. 110-246, which was approved June 18, 2008.

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 L. 110-234 were repealed by section 4(a) of Pub.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

2008—Pub. L. 110-246, §6104, amended section generally. Prior to amendment, text read as follows: “As used in this chapter the term ‘rural area’, except as provided in section 924(b) of this title, shall be deemed to mean any area of the United States not included within the boundaries of any urban area, as defined by the Bureau of the Census, and such term shall be deemed to include both the farm and nonfarm population thereof; the term ‘farm’ shall be deemed to mean a farm as defined in the publications of the Bureau of the Census; the term ‘person’ shall be deemed to mean any natural person, firm, corporation, or association; the term ‘Territory’ shall be deemed to include any insular possession of the United States; and the term ‘Secretary’ shall be deemed to mean the Secretary of Agriculture.”

1994—Pub. L. 103-354 inserted before period at end “; and the term ‘Secretary’ shall be deemed to mean the Secretary of Agriculture”.

1993—Pub. L. 103-129 inserted “, except as provided in section 924(b) of this title,” before “shall be deemed to mean” and substituted “urban area, as defined by the Bureau of the Census” for “city, village, or borough having a population in excess of fifteen hundred inhabitants.”

1949—Act Oct. 28, 1949, inserted “title I,” in credit of act May 20, 1936.

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.

§ 914. Separability

If any provision of this chapter, or the application thereof to any person or circumstances, is

held invalid, the remainder of the chapter and the application of such provision to other persons or circumstances shall not be affected thereby.

(May 20, 1936, ch. 432, title I, §14, 49 Stat. 1367; Oct. 28, 1949, ch. 776, §2, 63 Stat. 948.)

AMENDMENTS

1949—Act Oct. 28, 1949, inserted “title I,” in credit of act May 20, 1936.

§ 915. Purchase of financial and credit reports

The Secretary of Agriculture is authorized to purchase such financial and credit reports as may be necessary to carry out the Secretary’s authorized work: *Provided*, That purchases under this authority shall not be made unless provision is made therefor in the applicable appropriation and the cost thereof is not in excess of limitations prescribed therein.

(Sept. 21, 1944, ch. 412, title V, §505, 58 Stat. 740; Pub. L. 103-354, title II, §235(b)(2), Oct. 13, 1994, 108 Stat. 3221.)

CODIFICATION

Section was enacted as part of the Department of Agriculture Organic Act of 1944, and not as part of the Rural Electrification Act of 1936 which constitutes this chapter.

AMENDMENTS

1994—Pub. L. 103-354 substituted “Secretary of Agriculture” for “Rural Electrification Administration” and “the Secretary’s” for “its”.

§ 916. Criteria for loans

In order to insure coordination of electric generation and transmission financing under this chapter with the national energy policy, the Secretary in making or guaranteeing loans for the construction, operation, or enlargement of generating plants or electric transmission lines or systems, shall consider such general criteria consistent with the provisions of this chapter as may be published by the Secretary of Energy.

(May 20, 1936, ch. 432, title I, §16, as added Pub. L. 95-91, title VII, §709(f), Aug. 4, 1977, 91 Stat. 608; amended Pub. L. 103-354, title II, §235(a)(13), Oct. 13, 1994, 108 Stat. 3221.)

AMENDMENTS

1994—Pub. L. 103-354 substituted “Secretary” for “Administrator” before “in making”.

§ 917. Prohibition on restricting water and waste facility services to electric customers**(a) Prohibition**

Assistance under any rural development program administered by the Secretary or any agency of the Department of Agriculture shall not be conditioned on any requirement that the recipient of the assistance accept or receive electric service from any particular utility, supplier, or cooperative.

(b) Ensuring compliance

The Secretary shall establish, by regulation, adequate safeguards to ensure that assistance under any rural development program is not subject to such a condition. The safeguards shall

include periodic certifications and audits, and appropriate measures and sanctions against any person violating, or attempting to violate subsection (a) of this section.

(c) “Rural development programs” defined

In this section, the term “rural development program” means the following:

(1) Sections 304(b), 306, 306A, 306C, 306D, 310B, and 375¹ and subtitle E [7 U.S.C. 2009 et seq.] of the Consolidated Farm and Rural Development Act (7 U.S.C. 1924(b), 1926, 1926a, 1926c, 1926d, and 1932).

(2) Subtitle G¹ of title XVI and sections 2281 [42 U.S.C. 5177a], 2333, and 2381 [7 U.S.C. 950aaa-2, 3125b] of the Food, Agriculture, Conservation, and Trade Act of 1990.

(3) Subtitle C of title IX of the Food, Agriculture, Conservation, and Trade Act Amendments of 1991 (Public Law 102-237; 7 U.S.C. 5930 note).

(4) Section 1323(b) of the Food Security Act of 1985 (Public Law 99-198; 7 U.S.C. 1932 note).

(5) Title V [7 U.S.C. 2661 et seq.] and section 603(c) [7 U.S.C. 2204a] of the Rural Development Act of 1972.

(6) Sections 905 and 940a¹ of this title and subchapter IV of this chapter.

(d) Regulations

Not later than 60 days after April 4, 1996, the Secretary shall issue final regulations to ensure compliance with subsection (a) of this section.

(May 20, 1936, ch. 432, title I, §17, as added Pub. L. 104-127, title VII, §778, Apr. 4, 1996, 110 Stat. 1150.)

REFERENCES IN TEXT

Section 375 of the Consolidated Farm and Rural Development Act, referred to in subsec. (c)(1), was classified to section 2008j of this title prior to repeal by Pub. L. 87-128, title III, §375(j)(7), as added Pub. L. 106-78, title VIII, §816(d), Oct. 22, 1999, 113 Stat. 1182.

The Consolidated Farm and Rural Development Act, referred to in subsec. (c)(1), is Pub. L. 87-128, title III, Aug. 8, 1961, 75 Stat. 307, as amended. Subtitle E of the Act is classified generally to subchapter V (§2009 et seq.) of chapter 50 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1921 of this title and Tables.

The Food, Agriculture, Conservation, and Trade Act of 1990, referred to in subsec. (c)(2), is Pub. L. 101-624, Nov. 28, 1990, 104 Stat. 3359, as amended. Subtitle G of title XVI of the Act, known as the Alternative Agricultural Research and Commercialization Act of 1990, was classified generally to subchapter VI (§5901 et seq.) of chapter 88 of this title prior to repeal by Pub. L. 107-171, title VI, §6201(a), May 13, 2002, 116 Stat. 418. For complete classification of this Act to the Code, see Short Title of 1990 Amendments note set out under section 1421 of this title and Tables.

The Rural Development Act of 1972, referred to in subsec. (c)(5), is Pub. L. 92-419, Aug. 30, 1972, 86 Stat. 657, as amended. Title V of the Act is classified generally to subchapter II (§2661 et seq.) of chapter 59 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1921 of this title and Tables.

Sections 905 and 940a of this title, referred to in subsec. (c)(6), were repealed by Pub. L. 104-127, title VII, §774(a), 780, Apr. 4, 1996, 110 Stat. 1150, 1151.

PRIOR PROVISIONS

A prior section 917, act May 20, 1936, ch. 432, title I, §17, as added Nov. 28, 1990, Pub. L. 101-624, title XXIII,

¹ See References in Text note below.

§2343, 104 Stat. 4027, related to establishment of technical assistance unit to provide advice and technical assistance to electric and telephone borrowers under this chapter, prior to repeal by Pub. L. 102-237, title VII, §703(b), Dec. 13, 1991, 105 Stat. 1881.

§ 918. General prohibitions

(a) No consideration of borrower’s level of general funds

The Secretary and the Governor of the telephone bank shall not deny or reduce any loan or loan advance under this chapter based on a borrower’s level of general funds.

(b) Loan origination fees

The Secretary and the Governor of the telephone bank may not charge any fee or charge not expressly provided in this chapter in connection with any loan made or guaranteed under this chapter.

(c) Consultants

(1) In general

To facilitate timely action on applications by borrowers for financial assistance under this chapter and for approvals required of the Rural Electrification Administration pursuant to the terms of outstanding loan or security instruments or otherwise, the Secretary may use consultants funded by the borrower, paid for out of the general funds of the borrower, for financial, legal, engineering, and other technical advice and services in connection with the review of the application by the Rural Electrification Administration.

(2) Conflicts of interest

The Secretary shall establish procedures for the selection and the provision of technical services by consultants to ensure that the consultants have no financial or other conflicts of interest in the outcome of the application of the borrower.

(3) Payment of costs

The Secretary may not, without the consent of the borrower, require, as a condition of processing an application for approval, that the borrower agree to pay the costs, fees, and expenses of consultants hired to provide technical or advisory services to the Secretary.

(4) Contracts, grants, and agreements

The Secretary may enter into such contracts, grants, or cooperative agreements as are necessary to carry out this section.

(5) Use of consultants

Nothing in this subsection shall limit the authority of the Secretary to retain the services of consultants from funds made available to the Secretary or otherwise.

(May 20, 1936, ch. 432, title I, §18, as added Pub. L. 101-624, title XXIII, §2353, Nov. 28, 1990, 104 Stat. 4039; amended Pub. L. 103-129, §2(c)(4), Nov. 1, 1993, 107 Stat. 1364; Pub. L. 103-354, title II, §235(a)(13), Oct. 13, 1994, 108 Stat. 3221.)

AMENDMENTS

1994—Pub. L. 103-354 substituted “Secretary” for “Administrator” wherever appearing.

1993—Pub. L. 103-129 designated existing provisions as subsec. (a), inserted heading, and added subsecs. (b) and (c).