

or Rancher Contract Land Sales Program must be implemented for the 2011 Fiscal Year. (Pub. L. 87-128, title III, §310F, as added Pub. L. 107-171, title V, §5006, May 13, 2002, 116 Stat. 342; amended Pub. L. 110-234, title V, §5005, May 22, 2008, 122 Stat. 1145; Pub. L. 110-246, §4(a), title V, §5005, June 18, 2008, 122 Stat. 1664, 1906.)

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 L. 110-234 were repealed by section 4(a) of Pub.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

PRIOR PROVISIONS

A prior section 1936, Pub. L. 87-128, title III, §310F, as added Pub. L. 102-554, §7(b), Oct. 28, 1992, 106 Stat. 4146, related to availability of farm ownership loans and loan guarantees for certain qualified beginning farmers and ranchers, prior to repeal by Pub. L. 104-127, title VI, §616(b), Apr. 4, 1996, 110 Stat. 1090.

AMENDMENTS

2008—Pub. L. 110-246, §5005, amended section generally, substituting provisions relating to guarantee of a loan made by a private seller of a farm or ranch to a qualified beginning farmer or rancher or socially disadvantaged farmer or rancher on a contract land sales basis, for similar provisions relating to a pilot program in fiscal years 2003 through 2007.

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.

§ 1936a. Use of rural development loans and grants for other purposes

If, after making a loan or a grant described in section 2009d(d) of this title, the Secretary determines that the circumstances under which the loan or grant was made have sufficiently changed to make the project or activity for which the loan or grant was made available no longer appropriate, the Secretary may allow the loan borrower or grant recipient to use property (real and personal) purchased or improved with the loan or grant funds, or proceeds from the sale of property (real and personal) purchased with such funds, for another project or activity that (as determined by the Secretary)—

- (1) will be carried out in the same area as the original project or activity;
- (2) meets the criteria for a loan or a grant described in section 2009d(d) of this title; and
- (3) satisfies such additional requirements as are established by the Secretary.

(Pub. L. 87-128, title III, §310G, as added Pub. L. 107-171, title VI, §6018, May 13, 2002, 116 Stat. 361.)

§ 1936b. Intermediary relending program

(a) In general

The Secretary may make or guarantee loans to eligible entities described in subsection (b) so that the eligible entities may relend the funds to individuals and entities for the purposes described in subsection (c).

(b) Eligible entities

Entities eligible for loans and loan guarantees described in subsection (a) are—

- (1) public agencies;
- (2) Indian tribes;
- (3) cooperatives; and
- (4) nonprofit corporations.

(c) Eligible purposes

The proceeds from loans made or guaranteed by the Secretary pursuant to subsection (a) may be relent by eligible entities for projects that—

- (1) predominately serve communities in rural areas; and
- (2) as determined by the Secretary—
 - (A) promote community development;
 - (B) establish new businesses;
 - (C) establish and support microlending programs; and
 - (D) create or retain employment opportunities.

(d) Limitation

The Secretary shall not make loans under section 9812(a) of title 42.

(e) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection \$25,000,000 for each of fiscal years 2014 through 2018.

(Pub. L. 87-128, title III, §310H, as added Pub. L. 113-79, title VI, §6017(a), Feb. 7, 2014, 128 Stat. 845.)

SUBCHAPTER II—OPERATING LOANS

§ 1941. Persons eligible for loans

(a) In general

(1) Eligibility requirements

The Secretary may make and insure loans under this subchapter to farmers and ranchers in the United States, and to farm cooperatives and private domestic corporations, partnerships, joint operations, trusts, limited liability companies, and such other legal entities as the Secretary considers appropriate, that are controlled by farmers and ranchers and engaged primarily and directly in farming or ranching in the United States, subject to the conditions specified in this section. To be eligible for such loans, applicants who are individuals, or, in the case of cooperatives, corporations, partnerships, joint operations, trusts, limited liability companies, and such other legal entities, individuals holding a majority interest in such entity, must (A) be citizens of the United States, (B) for direct loans only, have either training or farming experience that the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operations, taking into consideration all farming experience of the applicant, without regard to any lapse between farming experiences, (C) be or will become operators of not larger than family farms (or in the case of cooperatives, corporations, partnerships, joint operations, trusts, limited liability companies, and such other legal entities in which a majority interest is held by individuals who are related by blood or marriage, as defined by the Secretary, such individuals must be or will become either owners or operators of not larger than a family farm and at least one such individual must be