

costs for interest rate reduction except for certain concurrent loans.

Subsec. (c)(2), (3). Pub. L. 110-246, §6106(a)(2), added pars. (2) and (3) and struck out former pars. (2) and (3) which provided that the amount of an annual fee paid for the guarantee would be equal to 30 basis points of the amount of the unpaid principal and directed payment of fees required under subsec. (c) on a semiannual basis.

Subsec. (f). Pub. L. 110-246, §6106(a)(3), substituted “2012” for “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.

REGULATIONS AND IMPLEMENTATION

Pub. L. 110-234, title VI, §6106(b), May 22, 2008, 122 Stat. 1197, and Pub. L. 110-246, §4(a), title VI, §6106(b), June 18, 2008, 122 Stat. 1664, 1959, provided that: “The Secretary [of Agriculture] shall continue to carry out section 313A of the Rural Electrification Act of 1936 (7 U.S.C. 940c-1) in the same manner as on the day before the date of enactment of this Act [June 18, 2008], except without regard to the limitations prescribed in subsection (b)(1) of that section, until such time as any regulations necessary to carry out the amendments made by this section [amending this section] are fully implemented.”

[Pub. L. 110-234 and Pub. L. 110-246 enacted identical provisions. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246, set out as a note under section 8701 of this title.]

Pub. L. 108-199, div. A, title VII, §750(b), Jan. 23, 2004, 118 Stat. 38, provided that: “The Secretary shall publish a proposed rule to carry out section 313A of the Rural Electrification Act of 1936 [7 U.S.C. 940c-1] within 60 days of enactment of this Act [Jan. 23, 2004].”

Pub. L. 107-171, title VI, §6101(b), May 13, 2002, 116 Stat. 415, provided that:

“(1) REGULATIONS.—Not later than 180 days after the date of enactment of this Act [May 13, 2002], the Secretary of Agriculture shall promulgate regulations to carry out the amendments made by this section [enacting this section].

“(2) IMPLEMENTATION.—Not later than 240 days after the date of enactment of this Act [May 13, 2002], the Secretary shall implement the amendment made by this section [enacting this section].”

ADMINISTRATION OF GUARANTEES PRIOR TO IMPLEMENTATION OF REGULATIONS

Pub. L. 115-334, title VI, §6505(b), Dec. 20, 2018, 132 Stat. 4775, provided that: “Beginning on the date of enactment of the Agriculture Improvement Act of 2018 [Dec. 20, 2018], the Secretary [of Agriculture] shall continue to carry out section 313A of the Rural Electrification Act of 1936 (7 U.S.C. 940c-1) (as amended by subsection (a)) under a Notice of Solicitation of Applications until the date on which any regulations necessary to carry out the amendments made by subsection (a) [amending this section] are fully implemented.”

§ 940c-2. Rural development loans and grants

(a) In general

The Secretary shall provide grants or zero interest loans to borrowers under this chapter for the purpose of promoting rural economic development and job creation projects, including funding for project feasibility studies, start-up costs, incubator projects, and other reasonable expenses for the purpose of fostering rural development.

(b) Repayments

In the case of zero interest loans, the Secretary shall establish such reasonable repay-

ment terms as will encourage borrower participation.

(c) Proceeds

All proceeds from the repayment of such loans made under this section shall be returned to the subaccount that the Secretary shall maintain in accordance with sections 940c(b)(2) and 940c-2(f) of this title.

(d) Number of grants

Loans and grants required under this section shall be made to the full extent of the amounts made available under subsection (e).

(e) Funding

(1) Discretionary funding

In addition to other funds that are available to carry out this section, there is authorized to be appropriated not more than \$10,000,000 for each of fiscal years 2019 through 2023 to carry out this section, to remain available until expended.

(2) Mandatory funding

Of the funds of the Commodity Credit Corporation, the Secretary shall credit to the subaccount to use for the cost of grants and loans under this section \$5,000,000 for each of fiscal years 2022 and 2023, to remain available until expended.

(3) Other funds

In addition to the funds described in paragraphs (1) and (2), the Secretary shall use, without fiscal year limitation, to provide grants and loans under this section—

(A) the interest differential sums credited to the subaccount described in subsection (c); and

(B) subject to section 940c-1(e)(2) of this title, the fees described in subsection (c)(4) of such section.

(f) Maintenance of account

The Secretary shall maintain the subaccount described in section 940c(b)(2) of this title, as in effect in fiscal year 2017, for purposes of carrying out this section.

(May 20, 1936, ch. 432, title III, §313B, as added Pub. L. 115-334, title VI, §6504(c), Dec. 20, 2018, 132 Stat. 4773.)

IMPLEMENTATION OF LOAN AND GRANT PROGRAM

Pub. L. 115-334, title VI, §6504(e), Dec. 20, 2018, 132 Stat. 4774, provided that:

“(1) Subject to section 313B(e) of the Rural Electrification Act of 1936 (as added by this section) [7 U.S.C. 940c-2(e)], the Secretary of Agriculture shall carry out the loan and grant program required under such section in the same manner as the loan and grant program under section 313(b)(2) of such Act [7 U.S.C. 940c(b)(2)] is carried out on the day before the date of the enactment of this Act [Dec. 20, 2018], until such time as any regulations necessary to carry out the amendments made by this section [enacting this section and amending sections 912, 940c, and 940c-1 of this title] are fully implemented.

“(2) Paragraph (1) shall take effect on the date of the enactment of this Act.”

§ 940d. Repealed. Pub. L. 115-334, title VI, § 6601(b), Dec. 20, 2018, 132 Stat. 4776

Section, May 20, 1936, ch. 432, title III, §314, as added Pub. L. 101-508, title I, §1201, Nov. 5, 1990, 104 Stat.

1388-7; amended Pub. L. 103-129, §2(b)(1), Nov. 1, 1993, 107 Stat. 1362; Pub. L. 103-354, title II, §235(a)(13), Oct. 13, 1994, 108 Stat. 3221, related to limitations on authorization of appropriations.

§ 940e. Expansion of 911 access

(a) In general

Subject to subsection (c) and such terms and conditions as the Secretary may prescribe, the Secretary may make loans under this subchapter to entities eligible to borrow from the Rural Utilities Service, State or local governments, Indian tribes (as defined in section 5304 of title 25), or other public entities for facilities and equipment to expand or improve in rural areas—

- (1) 911 access;
- (2) integrated interoperable emergency communications, including multiuse networks that provide critical transportation-related information services in addition to emergency communications services;
- (3) homeland security communications;
- (4) transportation safety communications;
- or
- (5) location technologies used outside an urbanized area.

(b) Loan security

Government-imposed fees related to emergency communications (including State or local 911 fees) may be considered to be security for a loan under this section.

(c) Emergency communications equipment providers

The Secretary may make a loan under this section to an emergency communication equipment provider to expand or improve 911 access or other communications or technologies described in subsection (a) if the local government that has jurisdiction over the project is not allowed to acquire the debt resulting from the loan.

(d) Authorization of appropriations

The Secretary shall use to make loans under this section any funds otherwise made available for telephone loans for each of fiscal years 2008 through 2023.

(May 20, 1936, ch. 432, title III, §315, as added Pub. L. 107-171, title VI, §6102, May 13, 2002, 116 Stat. 415; amended Pub. L. 110-234, title VI, §6107, May 22, 2008, 122 Stat. 1198; Pub. L. 110-246, §4(a), title VI, §6107, June 18, 2008, 122 Stat. 1664, 1959; Pub. L. 113-79, title VI, §6103, Feb. 7, 2014, 128 Stat. 851; Pub. L. 115-334, title VI, §6506, Dec. 20, 2018, 132 Stat. 4775.)

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)(2). Pub. L. 115-334, §6506(1), substituted “critical transportation-related” for “commercial or transportation”.

Subsec. (d). Pub. L. 115-334, §6506(2), substituted “2023” for “2018”.

2014—Subsec. (d). Pub. L. 113-79 substituted “2018” for “2012”.

2008—Pub. L. 110-246, §6107, amended section generally, substituting provisions relating to expansion of access, loan security, emergency communications equipment providers, and authorization of appropriations, consisting of subsecs. (a) to (d), for provisions relating to expansion of access and authorization of appropriations, consisting of subsecs. (a) and (b).

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.

§ 940f. Extension of period of existing guarantee

(a) In general

Subject to the limitations in this section and the provisions of the Federal Credit Reform Act of 1990 [2 U.S.C. 661 et seq.], as amended, a borrower of a loan made by the Federal Financing Bank and guaranteed under this chapter may request an extension of the final maturity of the outstanding principal balance of such loan or any loan advance thereunder. If the Secretary and the Federal Financing Bank approve such an extension, then the period of the existing guarantee shall also be considered extended.

(b) Limitations

(1) Feasibility and security

Extensions under this section shall not be made unless the Secretary first finds and certifies that, after giving effect to the extension, in his judgment the security for all loans to the borrower made or guaranteed under this chapter is reasonably adequate and that all such loans will be repaid within the time agreed.

(2) Extension of useful life or collateral

Extensions under this section shall not be granted unless the borrower first submits with its request either—

(A) evidence satisfactory to the Secretary that a Federal or State agency with jurisdiction and expertise has made an official determination, such as through a licensing proceeding, extending the useful life of a generating plant or transmission line pledged as collateral to or beyond the new final maturity date being requested by the borrower, or

(B) a certificate from an independent licensed engineer concluding, on the basis of a thorough engineering analysis satisfactory to the Secretary, that the useful life of the generating plant or transmission line pledged as collateral extends to or beyond the new final maturity date being requested by the borrower.

(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