

with direct loans pursuant to subtitle D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.)” for “loans from the Farmers Home Administration Direct Loan Account created by section 1988(c) of title 7, and to make and insure loans as provided in sections 1928 and 1929 of title 7”.

Subsec. (b)(1). Pub. L. 113-79, § 5402(2), substituted “or to intermediaries in order to establish revolving loan funds for the purchase of highly fractionated land under that section” for “pursuant to section 2204(c) of this title”.

2008—Pub. L. 110-246, § 5501, inserted section catchline, designated existing provisions as subsec. (a), inserted heading, and added subsec. (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 Title 7, Agriculture.

§ 5137. Removal of duplicative appraisals

Notwithstanding any other law (including regulations), in making loans under section 5136 of this title, borrowers who are Indian tribes, members of Indian tribes, or tribal corporations shall only be required to obtain 1 appraisal under an appraisal standard recognized as of February 7, 2014, by the Secretary or the Secretary of the Interior.

(Pub. L. 113-79, title V, § 5403, Feb. 7, 2014, 128 Stat. 840.)

CODIFICATION

Section was formerly classified to section 488a of this title prior to editorial reclassification and renumbering as this section.

DEFINITION OF “SECRETARY”

“Secretary” as meaning the Secretary of Agriculture, see section 9001 of Title 7, Agriculture.

§ 5138. Title in trust to United States

Title to land acquired by a tribe or tribal corporation with a loan made or insured pursuant to sections 5136 to 5143 of this title may, with the approval of the Secretary of the Interior, be taken by the United States in trust for the tribe or tribal corporation.

(Pub. L. 91-229, § 2, Apr. 11, 1970, 84 Stat. 120.)

CODIFICATION

Section was formerly classified to section 489 of this title prior to editorial reclassification and renumbering as this section.

§ 5139. Tribal rights and privileges in connection with loans

A tribe or tribal corporation to which a loan is made or insured pursuant to sections 5136 to 5143 of this title (1) may waive in writing any immunity from suit or liability which it may possess, (2) may mortgage or otherwise hypothecate trust or restricted property if (a) authorized by its constitution or charter or by a tribal referendum, and (b) approved by the Secretary of the Interior, and (3) shall comply with rules and regulations prescribed by the Secretary of Agriculture in connection with such loans.

(Pub. L. 91-229, § 3, Apr. 11, 1970, 84 Stat. 120.)

CODIFICATION

Section was formerly classified to section 490 of this title prior to editorial reclassification and renumbering as this section.

§ 5140. Mortgaged property governed by State law

Trust or restricted tribal or tribal corporation property mortgaged pursuant to sections 5136 to 5143 of this title shall be subject to foreclosure and sale or conveyance in lieu of foreclosure, free of such trust or restrictions, in accordance with the laws of the State in which the property is located.

(Pub. L. 91-229, § 4, Apr. 11, 1970, 84 Stat. 120.)

CODIFICATION

Section was formerly classified to section 491 of this title prior to editorial reclassification and renumbering as this section.

§ 5141. Interest rates and taxes

Loans made or insured pursuant to sections 5136 to 5143 of this title will be subject to the interest rate provisions of section 307(a)(3)(B) of the Consolidated Farmers Home Administration Act of 1961, as amended [7 U.S.C. 1927(a)(3)(B)], and to the provisions of subtitle D of that Act [7 U.S.C. 1981 et seq.] except sections 340 [7 U.S.C. 1990], 341, 342 [7 U.S.C. 1013a], and 343 [7 U.S.C. 1991] thereof: *Provided*, That section 334 [7 U.S.C. 1984] thereof shall not be construed to subject to taxation any lands or interests therein while they are held by an Indian tribe or tribal corporation or by the United States in trust for such tribe or tribal corporation pursuant to sections 5136 to 5143 of this title.

(Pub. L. 91-229, § 5, Apr. 11, 1970, 84 Stat. 120; Pub. L. 101-624, title XVIII, § 1854(a), Nov. 28, 1990, 104 Stat. 3837.)

REFERENCES IN TEXT

The Consolidated Farmers Home Administration Act of 1961, referred to in text, is now the Consolidated Farm and Rural Development Act, Pub. L. 87-128, title III, Aug. 8, 1961, 75 Stat. 307. Subtitle D of the Consolidated Farm and Rural Development Act is classified principally to subchapter IV (§1981 et seq.) of chapter 50 of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 1921 of Title 7 and Tables.

Section 341 of that Act is set out as a note under section 1921 of Title 7.

CODIFICATION

Section was formerly classified to section 492 of this title prior to editorial reclassification and renumbering as this section.

AMENDMENTS

1990—Pub. L. 101-624 substituted “section 307(a)(3)(B)” for “section 307(a)”.

§ 5142. Reduction of unpaid principal

(a) In general

The Secretary of Agriculture may, on the application of the borrower of a loan or loans made under sections 5136 to 5143 of this title, reduce the unpaid principal balance of such loan or loans to the current fair market value of the land purchased with the proceeds of the loan or loans if—