

## REFERENCES IN TEXT

Section 905 of this title, referred to in pars. (1) and (2), was repealed by Pub. L. 104-127, title VII, §774(a), Apr. 4, 1996, 110 Stat. 1150.

## AMENDMENTS

2018—Par. (3). Pub. L. 115-334, §6602(b)(7)(A), struck out “except for net collection proceeds previously appropriated for the purchase of class A stock in the Rural Telephone Bank,” after “under this subchapter.”

Par. (6). Pub. L. 115-334, §6602(b)(7)(B)–(D), struck out par. (6) which read as follows: “shares of the capital stock of the Rural Telephone Bank purchased by the United States pursuant to section 946(a) of this title and moneys received from said bank upon retirement of said shares of stock in accordance with the provisions of subchapter IV of this chapter, which said shares and moneys shall be assets of the fund.”

1996—Pub. L. 104-127 struck out “(a)” before “There is hereby” in introductory provisions and struck out “notwithstanding section 903(a) of this title,” before “all collections” in par. (3).

1994—Subsec. (a)(1). Pub. L. 103-354 substituted “Secretary” for “Administrator”.

1976—Subsec. (a)(4). Pub. L. 94-570 provided for inclusion in the fund the unobligated balances of any funds made available for loans under item “Rural Electrification Administration” in the Department of Agriculture and Agriculture-Environmental and Consumer Protection Appropriation Acts.

1973—Pub. L. 93-32 substituted provisions establishing the Rural Electrification and Telephone Revolving Fund and enumerating its constituent parts, for provisions establishing a rural telephone account in the United States Treasury.

## EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94-570 effective Oct. 20, 1976, see section 4 of Pub. L. 94-570, set out as a note under section 935 of this title.

## EFFECTIVE DATE OF 1973 AMENDMENT

Amendment by Pub. L. 93-32 effective May 11, 1973, see section 12 of Pub. L. 93-32, set out as an Effective Date note under section 930 of this title.

## EFFECTIVE DATE

Pub. L. 92-12, §7, May 14, 1971, 85 Stat. 37, provided that: “This Act [enacting this section and sections 921a, 932, and 941 to 950b of this title, amending sections 903 and 922 of this title and sections 856 and 868 of former Title 31, and enacting provisions set out as notes under sections 856 and 868 of former Title 31] shall take effect upon enactment [May 7, 1971].”

RESERVATION OF RIGHT TO REPEAL, ALTER, OR AMEND  
PUB. L. 92-12

Pub. L. 92-12, §6, May 14, 1971, 85 Stat. 37, provided that: “The right to repeal, alter, or amend this Act [enacting this section and sections 921a, 932, and 941 to 950b of this title, amending sections 903 and 922 of this title and sections 856 and 868 of former Title 31, and enacting provisions set out as notes under sections 856 and 868 of former Title 31] is expressly reserved.”

**§ 931a. Level of loan programs under Rural Electrification and Telephone Revolving Fund**

On and after October 28, 1991, no funds in this Act or any other Act shall be available to carry out loan programs under the Rural Electrification and Telephone Revolving Fund at levels other than those provided for in advance in appropriations Acts.

(Pub. L. 102-142, title III, Oct. 28, 1991, 105 Stat. 903.)

## CODIFICATION

Section was enacted as part of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1992, and not as part of the Rural Electrification Act of 1936 which comprises this chapter.

**§ 932. Liabilities and uses of Rural Electrification and Telephone Revolving Fund****(a) Liabilities and obligations of fund**

The notes of the Secretary to the Secretary of the Treasury to obtain funds for loans under sections 904, 905,<sup>1</sup> and 922 of this title, and all other liabilities against the appropriations or assets in the fund in connection with electrification and telephone loan operations shall be liabilities of the fund, and all other obligations against such appropriations or assets in the fund arising out of electrification and telephone loan operations shall be obligations of the fund.

**(b) Uses of fund assets**

The assets of the fund shall be available only for the following purposes:

(1) loans which could be insured under this subchapter, and for advances in connection with such loans and loans previously made, as of May 11, 1973, under sections 904, 905,<sup>1</sup> and 922 of this title;

(2) payment of principal when due (without interest) on outstanding loans to the Secretary from the Secretary of the Treasury for electrification and telephone purposes and payment of principal and interest when due on loans to the Secretary from the Secretary of the Treasury pursuant to section 934(a) of this title;

(3) payment of amounts to which the holder of notes is entitled on insured loans: *Provided*, That payments other than final payments need not be remitted to the holder until due or until the next agreed annual, semiannual, or quarterly remittance date;

(4) payment to the holder of insured notes of any defaulted installment or, upon assignment of the note to the Secretary at his request, the entire balance due on the note;

(5) purchase of notes in accordance with contracts of insurance entered into by the Secretary;

(6) payment in compliance with contracts of guarantee;

(7) payment of taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application, and transmittal of collections or necessary to obtain credit reports on applicants or borrowers, expenses for necessary services, including construction inspections, commercial appraisals, loan servicing, consulting business advisory or other commercial and technical services, and other program services, and other expenses and advances authorized in section 907 of this title in connection with insured loans. Such items may be paid in connection with guaranteed loans after or in connection with the acquisition of such loans or security thereof after default, to the extent determined to be necessary to protect the interest of the Gov-

<sup>1</sup> See References in Text note below.

ernment, or in connection with any other activity authorized in this chapter;

(8) payment of the purchase price and any costs and expenses incurred in connection with the purchase, acquisition, or operation of property pursuant to section 907 of this title.

**(c) Separate electric and telephone accounts**

(1) The Secretary shall maintain two separate accounts within the fund, which shall be known as the electric account and the telephone account, respectively.

(2)(A) The Secretary shall account for the assets, liabilities, income, expenses, and equity of the fund attributable to electrification loan operations in the electric account.

(B) The Secretary shall account for the assets, liabilities, income, expenses, and equity of the fund attributable to telephone loan operations in the telephone account.

(3)(A) The assets accounted for in the electric account shall be available solely for electrification loan operations under this chapter.

(B) The assets accounted for in the telephone account shall be available solely for telephone loan operations under this chapter (other than under subchapter IV).

(May 20, 1936, ch. 432, title III, § 302, as added Pub. L. 92-12, § 2, May 7, 1971, 85 Stat. 30; amended Pub. L. 93-32, § 2, May 11, 1973, 87 Stat. 66; Pub. L. 101-624, title XXIII, § 2359, Nov. 28, 1990, 104 Stat. 4041; Pub. L. 103-354, title II, § 235(a)(13), Oct. 13, 1994, 108 Stat. 3221; Pub. L. 104-127, title VII, § 772(b)(2), Apr. 4, 1996, 110 Stat. 1149.)

REFERENCES IN TEXT

Section 905 of this title, referred to in subsecs. (a) and (b)(1), was repealed by Pub. L. 104-127, title VII, § 774(a), Apr. 4, 1996, 110 Stat. 1150.

AMENDMENTS

1996—Subsec. (b)(2). Pub. L. 104-127 struck out “pursuant to section 903(a) of this title” after “purposes”.

1994—Subsecs. (a), (b)(2), (4), (5), (c)(1), (2). Pub. L. 103-354 substituted “Secretary” for “Administrator” wherever appearing.

1990—Subsec. (c). Pub. L. 101-624 added subsec. (c).

1973—Pub. L. 93-32 substituted provisions setting out the liabilities of the Rural Electrification and Telephone Revolving Fund and the allowable purposes for which fund assets shall be available, for provisions, that the monies in the rural telephone account should remain on deposit in the Treasury of the United States until disbursed.

EFFECTIVE DATE OF 1973 AMENDMENT

Amendment by Pub. L. 93-32 effective May 11, 1973, see section 12 of Pub. L. 93-32, set out as an Effective Date note under section 930 of this title.

EFFECTIVE DATE

Section effective May 7, 1971, see section 7 of Pub. L. 92-12, set out as a note under section 931 of this title.

**§ 933. Moneys in the Rural Electrification and Telephone Revolving Fund**

Moneys in the fund shall remain on deposit in the Treasury of the United States until disbursed.

(May 20, 1936, ch. 432, title III, § 303, as added Pub. L. 93-32, § 2, May 11, 1973, 87 Stat. 67.)

EFFECTIVE DATE

Section effective May 11, 1973, see section 12 of Pub. L. 93-32, set out as a note under section 930 of this title.

**§ 934. Authorized financial transactions; interim notes; purchase of obligations for resale; sale of notes and certificates; liens**

(a) The Secretary is authorized to make and issue interim notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for discharging obligations of the fund and for making loans, advances and authorized expenditures out of the fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be agreed upon by the Secretary and the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yield of outstanding marketable obligations of the United States having maturities comparable to the notes issued by the Secretary under this section. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and, for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, and the purposes for which such securities may be issued under such chapter are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States: *Provided, however*, That such interim notes to the Secretary of the Treasury shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

(b) The Secretary of the Treasury is authorized and directed to purchase for resale obligations insured through the fund when offered by the Secretary. Such resales shall be upon such terms and conditions as the Secretary of the Treasury shall determine. Purchases and resales by the Secretary of the Treasury hereunder shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and not lending (budget outlays) of the United States.

(c) The Secretary may, on an insured basis or otherwise, sell and assign any notes in the fund or sell certificates of beneficial ownership therein to the Secretary of the Treasury or in the private market. Any sale by the Secretary of notes individually or in blocks shall be treated as a sale of assets for the purposes of chapter 11 of title 31, notwithstanding the fact that the Secretary, under an agreement with the purchaser or purchasers, holds the debt instruments evidencing the loans and holds or reinvests payments thereon as trustee and custodian for the purchaser or purchasers of the individual note or of the certificate of beneficial ownership in a number of such notes. Security instruments taken by the Secretary in connection with any notes in the fund may constitute liens running to the United States notwithstanding the fact that such notes may be thereafter held by purchasers thereof.