

Feb. 7, 2014, 128 Stat. 843; Pub. L. 115-334, title VI, § 6408, Dec. 20, 2018, 132 Stat. 4761.)

#### REFERENCES IN TEXT

Section 325 of the Department of the Interior and Related Agencies Appropriations Act, 1998, referred to in subsecs. (a) and (d)(2), is section 325 of Pub. L. 105-83, title III, Nov. 14, 1997, 111 Stat. 1597, which is not classified to the Code.

#### 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 L. 110-234 were repealed by section 4(a) of Pub.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). Pub. L. 115-334, § 6408(1), substituted “Alaska, a consortium formed pursuant to section 325 of the Department of the Interior and Related Agencies Appropriations Act, 1998 (Public Law 105-83; 111 Stat. 1597), and Native villages (as defined in section 1602 of title 43) for” for “Alaska for”.

Subsec. (b). Pub. L. 115-334, § 6408(2), inserted “for any grant awarded under subsection (a)” before period at end.

Subsec. (d)(1). Pub. L. 115-334, § 6408(3)(A), substituted “2023” for “2018”.

Subsec. (d)(2). Pub. L. 115-334, § 6408(3)(B), substituted “Alaska, and not more than 2 percent of the amount made available under paragraph (1) for a fiscal year may be used by a consortium formed pursuant to section 325 of the Department of the Interior and Related Agencies Appropriations Act, 1998 (Public Law 105-83; 111 Stat. 1597),” for “Alaska”.

2014—Subsec. (d)(1). Pub. L. 113-79 substituted “2018” for “2012”.

2008—Subsec. (d)(1). Pub. L. 110-246, § 6009(a), substituted “2008 through 2012” for “2001 through 2007”.

2002—Subsec. (d)(1). Pub. L. 107-171 substituted “through 2007” for “and 2002”.

2000—Subsec. (d). Pub. L. 106-224 added subsec. (d) and struck out heading and text of former subsec. (d). Text read as follows: “There are authorized to be appropriated to carry out this section \$20,000,000 for each of fiscal years 1996 through 2002.”

1998—Subsec. (b). Pub. L. 105-277 substituted “25 percent in matching” for “equal matching”.

Subsec. (d). Pub. L. 105-277 substituted “\$20,000,000” for “\$15,000,000”.

#### 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.

### § 1926e. Rural decentralized water systems

#### (a) Definition of eligible individual

In this section, the term “eligible individual” means an individual who is a member of a household the members of which have a combined income (for the most recent 12-month period for which the information is available) that is not more than 60 percent of the median non-metropolitan household income for the State or territory in which the individual resides, according to the most recent decennial census of the United States.

#### (b) Grants

##### (1) In general

The Secretary may make grants to private nonprofit organizations for the purpose of providing loans and subgrants to eligible individ-

uals for the construction, refurbishing, and servicing of individual household water well systems and individually owned household decentralized wastewater systems in rural areas that are or will be owned by the eligible individuals.

#### (2) Terms and amounts

##### (A) Terms of loans

A loan made with grant funds under this section—

(i) shall have an interest rate of 1 percent; and

(ii) shall have a term not to exceed 20 years.

##### (B) Amounts

A loan or subgrant made with grant funds under this section shall not exceed \$15,000 for each water well system or decentralized wastewater system described in paragraph (1).

#### (3) Administrative expenses

A recipient of a grant made under this section may use grant funds to pay administrative expenses associated with providing the assistance described in paragraph (1), as determined by the Secretary.

#### (4) Ground well water contamination

In the event of ground well water contamination, the Secretary shall allow a loan or subgrant to be made with grant funds under this section for the installation of water treatment where needed beyond the point of entry, with or without the installation of a new water well system.

#### (c) Priority in awarding grants

In awarding grants under this section, the Secretary shall give priority to an applicant that has substantial expertise and experience in promoting the safe and effective use of individually owned household water well systems, individually owned household decentralized wastewater systems, and ground water.

#### (d) Authorization of appropriations

There is authorized to be appropriated to carry out this section \$20,000,000 for each of fiscal years 2019 through 2023.

(Pub. L. 87-128, title III, § 306E, as added Pub. L. 107-171, title VI, § 6012(a), May 13, 2002, 116 Stat. 357; amended Pub. L. 110-234, title VI, § 6010, May 22, 2008, 122 Stat. 1163; Pub. L. 110-246, § 4(a), title VI, § 6010, June 18, 2008, 122 Stat. 1664, 1925; Pub. L. 113-79, title VI, § 6009, Feb. 7, 2014, 128 Stat. 843; Pub. L. 115-334, title VI, § 6409, Dec. 20, 2018, 132 Stat. 4761.)

#### 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—Pub. L. 115-334, § 6409(1), substituted “Rural decentralized water systems” for “Grants to nonprofit organizations to finance the construction, refurbishing, and servicing of individually-owned household water well systems in rural areas for individuals with low or moderate incomes” in section catchline.

Subsec. (a). Pub. L. 115-334, §6409(2), substituted “60” for “100”.

Subsec. (b)(1). Pub. L. 115-334, §6409(3)(A), inserted “and subgrants” after “loans” and “and individually owned household decentralized wastewater systems” after “well systems”.

Subsec. (b)(2). Pub. L. 115-334, §6409(3)(B), added par. (2) and struck out former par. (2). Prior to amendment, text read as follows: “A loan made with grant funds under this section—

“(A) shall have an interest rate of 1 percent;

“(B) shall have a term not to exceed 20 years; and

“(C) shall not exceed \$11,000 for each water well system described in paragraph (1).”

Subsec. (b)(4). Pub. L. 115-334, §6409(3)(C), added par. (4).

Subsec. (c). Pub. L. 115-334, §6409(4), substituted “effective use of individually owned household water well systems, individually owned household decentralized wastewater systems,” for “productive use of individually-owned household water well systems”.

Subsec. (d). Pub. L. 115-334, §6409(5), substituted “\$20,000,000” for “\$5,000,000” and “2019 through 2023” for “2014 through 2018”.

2014—Subsec. (d). Pub. L. 113-79 substituted “\$5,000,000 for each of fiscal years 2014 through 2018” for “\$10,000,000 for each of fiscal years 2008 through 2012”.

2008—Subsec. (b)(2)(C). Pub. L. 110-246, §6010(1), substituted “\$11,000” for “\$8,000”.

Subsec. (d). Pub. L. 110-246, §6010(2), substituted “2008 through 2012” for “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.

#### EFFECTIVE DATE

Pub. L. 107-171, title VI, §6012(b), May 13, 2002, 116 Stat. 358, provided that: “The amendment made by subsection (a) [enacting this section] takes effect on October 1, 2002.”

### § 1926f. Contracts with not-for-profit third parties

On and after November 10, 2005, notwithstanding the provisions of the Consolidated Farm and Rural Development Act [7 U.S.C. 1921 et seq.] (including the associated regulations) governing the Community Facilities Program, the Secretary may allow all Community Facility Program facility borrowers and grantees to enter into contracts with not-for-profit third parties for services consistent with the requirements of the Program, grant, and/or loan: *Provided*, That the contracts protect the interests of the Government regarding cost, liability, maintenance, and administrative fees.

(Pub. L. 109-97, title VII, §756, Nov. 10, 2005, 119 Stat. 2157.)

#### REFERENCES IN TEXT

The Consolidated Farm and Rural Development Act, referred to in text, is title III of Pub. L. 87-128, Aug. 8, 1961, 75 Stat. 307, as amended, which is classified principally to this chapter. For complete classification of the Act to the Code, see Short Title note set out under section 1921 of this title and Tables.

#### CODIFICATION

Section was enacted as part of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2006, and not as part of the Consolidated Farm and Rural Development Act which comprises this chapter.

#### PRIOR PROVISIONS

Provisions similar to those in this section were contained in the following prior appropriation acts:

Pub. L. 108-447, div. A, title VII, §770, Dec. 8, 2004, 118 Stat. 2848.

Pub. L. 108-199, div. A, title VII, §775, Jan. 23, 2004, 118 Stat. 40.

### § 1927. Repayment requirements

#### (a) Period of repayment; interest rates

(1) The period for repayment of loans under this subchapter shall not exceed forty years.

(2) Except as otherwise provided in paragraphs (3), (4), (5), and (6) of this subsection, the interest rates on loans under this subchapter shall be as determined by the Secretary, but not in excess of the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, plus not to exceed 1 per centum, as determined by the Secretary, and adjusted to the nearest one-eighth of 1 per centum.

(3)(A) Notwithstanding the provisions of the constitution or laws of any State limiting the rate or amount of interest that may be charged, taken, received, or reserved, except as provided in paragraph (6), the interest rates on loans (other than guaranteed loans), to public bodies or nonprofit associations (including Indian tribes on Federal and State reservations and other federally recognized Indian tribal groups) for water and waste disposal facilities and essential community facilities shall be set by the Secretary at rates not to exceed the current market yield for outstanding municipal obligations with remaining periods to maturity comparable to the average maturity for such loans, and adjusted to the nearest one-eighth of 1 per centum; and not in excess of 5 per centum per annum for any such loans which are for the upgrading of existing facilities or construction of new facilities as required to meet applicable health or sanitary standards in areas where the median household income of the persons to be served by such facility is below the higher of 80 per centum of the statewide nonmetropolitan median household income or the poverty line established by the Office of Management and Budget, as revised under section 9902(2) of title 42 and in other areas as the Secretary may designate where a significant percentage of the persons to be served by such facilities are of low income, as determined by the Secretary; and not in excess of 7 per centum per annum on loans for such facilities that do not qualify for the 5 per centum per annum interest rate but are located in areas where the median household income of the persons to be served by the facility does not exceed 100 per centum of the statewide nonmetropolitan median household income.

(B) Except as provided in subparagraph (D) and in paragraph (6), the interest rate on loans (other than guaranteed loans) under section 1934 of this title shall not be—

(i) greater than the sum of—

(I) an amount that does not exceed one-half of the current average market yield on outstanding marketable obligations of the United States with maturities of 5 years; and