

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 relented 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) Limitation on loan amounts

The maximum amount of a loan by an eligible entity described in subsection (b) to individuals and entities for a project under subsection (c), including the unpaid balance of any existing loans, shall be the lesser of—

- (1) \$400,000; and
- (2) 50 percent of the loan to the eligible entity under subsection (a).

(f) Applications

(1) In general

To be eligible to receive a loan or loan guarantee under subsection (a), an eligible entity described in subsection (b) shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(2) Evaluation

In evaluating applications submitted under paragraph (1), the Secretary shall—

- (A)(i) take into consideration the previous performance of an eligible entity in carrying out projects under subsection (c); and

(ii) in the case of satisfactory performance under clause (i), require the eligible entity to contribute less equity for subsequent loans without modifying the priority given to subsequent applications; and

(B) in assigning priorities to applications, require an eligible entity to demonstrate that it has a governing or advisory board made up of business, civic, and community leaders who are representative of the communities of the service area, without limitation to the size of the service area.

(g) Return of equity

The Secretary shall establish a schedule that is consistent with the amortization schedules of the portfolio of loans made or guaranteed under subsection (a) for the return of any equity contribution made under this section by an eligible entity described in subsection (b), if the eligible entity is—

- (1) current on all principal and interest payments; and
- (2) in compliance with loan covenants.

(h) Regulations

The Secretary shall promulgate regulations and establish procedures reducing the administrative requirements on eligible entities described in subsection (b), including regulations to carry out the amendments made to this section by the Agriculture Improvement Act of 2018.

(i) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection \$25,000,000 for each of fiscal years 2014 through 2023.

(Pub. L. 87-128, title III, §310H, as added Pub. L. 113-79, title VI, §6017(a), Feb. 7, 2014, 128 Stat. 845; amended Pub. L. 115-334, title VI, §6416, Dec. 20, 2018, 132 Stat. 4762.)

REFERENCES IN TEXT

The amendments made to this section by the Agriculture Improvement Act of 2018, referred to in subsec. (h), means the amendments made to this section by Pub. L. 115-334.

AMENDMENTS

2018—Subsecs. (e) to (h). Pub. L. 115-334, §6416(2), added subsecs. (e) to (h). Former subsec. (e) redesignated (i).

Subsec. (i). Pub. L. 115-334, §6416(1), (3), redesignated subsec. (e) as (i) and substituted “2023” for “2018”.

§ 1936c. Relending program to resolve ownership and succession on farmland

(a) In general

The Secretary may make 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 described in subsection (a) are cooperatives, credit unions, and nonprofit organizations with—

- (1) certification under section 1805.201 of title 12, Code of Federal Regulations (or successor regulations), to operate as a lender;