

1991—Pub. L. 102-237 inserted a closing parenthesis after “3801(a)(16) of title 16” and substituted “before November 28, 1990” for “prior to the date of enactment of this section”.

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective as if included in the provision of the Food, Agriculture, Conservation, and Trade Act of 1990, Pub. L. 101-624, to which the amendment relates, see section 1101(b)(3) of Pub. L. 102-237, set out as a note under section 1421 of this title.

**§ 2006f. Rural development certified lenders program**

**(a) Certified lenders program**

**(1) In general**

The Secretary may establish a program under which the Secretary may guarantee a loan for any rural development program that is made by a lender certified by the Secretary.

**(2) Certification requirements**

The Secretary may certify a lender if the lender meets such criteria as the Secretary may prescribe in regulations, including the ability of the lender to properly make, service, and liquidate the guaranteed loans of the lender.

**(3) Condition of certification**

As a condition of certification, the Secretary may require the lender to undertake to service the guaranteed loan using standards that are not less stringent than generally accepted banking standards concerning loan servicing that are used by prudent commercial or cooperative lenders.

**(4) Guarantee**

Notwithstanding any other provision of law, the Secretary may guarantee not more than 80 percent of a loan made by a certified lender described in paragraph (1), if the borrower of the loan meets the eligibility requirements and such other criteria for the loan guarantee that are established by the Secretary.

**(5) Certifications**

With respect to loans to be guaranteed, the Secretary may permit a certified lender to make appropriate certifications (as provided in regulations issued by the Secretary)—

(A) relating to issues such as creditworthiness, repayment ability, adequacy of collateral, and feasibility of the operation; and

(B) that the borrower is in compliance with all requirements of law, including regulations issued by the Secretary.

**(6) Relationship to other requirements**

This subsection shall not affect the responsibility of the Secretary to determine eligibility, review financial information, and otherwise assess an application.

**(b) Preferred certified lenders program**

**(1) In general**

The Secretary may establish a preferred certified lenders program for lenders who establish their—

(A) knowledge of, and experience under, the program established under subsection (a);

(B) knowledge of the regulations concerning the particular guaranteed loan program; and

(C) proficiency related to the certified lender program requirements.

**(2) Additional lending institutions**

The Secretary may certify any lending institution as a preferred certified lender if the institution meets such additional criteria as the Secretary may prescribe by regulation.

**(3) Revocation of designation**

The designation of a lender as a preferred certified lender shall be revoked if the Secretary determines that the lender is not adhering to the rules and regulations applicable to the program or if the loss experiences of the preferred certified lender are greater than other preferred certified lenders, except that the suspension or revocation shall not affect any outstanding guarantee.

**(4) Condition of certification**

As a condition of the preferred certification, the Secretary shall require the lender to undertake to service the loan guaranteed by the Secretary under this subsection using generally accepted banking standards concerning loan servicing employed by prudent commercial or cooperative lenders. The Secretary shall, at least annually, monitor the performance of each preferred certified lender to ensure that the conditions of the certification are being met.

**(5) Effect of preferred lender certification**

Notwithstanding any other provision of law, the Secretary may—

(A) guarantee not more than 80 percent of any approved loan made by a preferred certified lender as described in this subsection, if the borrower meets the eligibility requirements and such other criteria as may be applicable to loans guaranteed by the Secretary; and

(B) permit preferred certified lenders to make all decisions, with respect to loans to be guaranteed by the Secretary under this subsection relating to creditworthiness, the closing, monitoring, collection, and liquidation of loans, and to accept appropriate certifications, as provided in regulations issued by the Secretary, that the borrower is in compliance with all requirements of law and regulations issued by the Secretary.

(Pub. L. 87-128, title III, §364, as added Pub. L. 104-127, title VII, §752, Apr. 4, 1996, 110 Stat. 1129.)

PRIOR PROVISIONS

A prior section 2006f, Pub. L. 87-128, title III, §364, as added Pub. L. 101-624, title XXIII, §2302(a)(1), Nov. 28, 1990, 104 Stat. 3979; amended Pub. L. 102-237, title VII, §701(d), Dec. 13, 1991, 105 Stat. 1879; Pub. L. 103-129, §4, Nov. 1, 1993, 107 Stat. 1366, established Rural Development Administration in Department of Agriculture and provided for the performance of specified functions, prior to repeal by Pub. L. 103-354, title II, §231(f)(3), Oct. 13, 1994, 108 Stat. 3219. See section 6912 et seq. of this title.

**§§ 2007 to 2007e. Repealed. Pub. L. 104-127, title VII, § 701, Apr. 4, 1996, 110 Stat. 1108**

Section 2007, Pub. L. 101-624, title XXIII, §2310, Nov. 28, 1990, 104 Stat. 3982, related to general provisions for programs under former sections 2007a to 2007e and 2008 to 2008c of this title, including applications, selection of States, duration of projects, and effective dates.

Section 2007a, Pub. L. 101-624, title XXIII, §2311, Nov. 28, 1990, 104 Stat. 3982; Pub. L. 102-237, title VII, §702(b), Dec. 13, 1991, 105 Stat. 1880, defined terms for purposes of former sections 2007a to 2007e of this title.

Section 2007b, Pub. L. 101-624, title XXIII, §2312, Nov. 28, 1990, 104 Stat. 3984, related to establishment and powers of Rural Partnerships Investment Board.

Section 2007c, Pub. L. 101-624, title XXIII, §2313, Nov. 28, 1990, 104 Stat. 3986; Pub. L. 102-237, title VII, §702(c), Dec. 13, 1991, 105 Stat. 1880, established Rural Business Investment Fund.

Section 2007d, Pub. L. 101-624, title XXIII, §2314, Nov. 28, 1990, 104 Stat. 3991; Pub. L. 102-237, title VII, §702(d), Dec. 13, 1991, 105 Stat. 1880, related to establishment of local revolving funds.

Section 2007e, Pub. L. 101-624, title XXIII, §2315, Nov. 28, 1990, 104 Stat. 3994; Pub. L. 102-237, title VII, §702(e), Dec. 13, 1991, 105 Stat. 1880, related to compliance with and enforcement of former sections 2007a to 2007e of this title and regulations promulgated thereunder.

**§ 2008. Rural development and farm loan program activities**

The Secretary may not complete a study of, or enter into a contract with a private party to carry out, without specific authorization in a subsequent Act of Congress, a competitive sourcing activity of the Secretary, including support personnel of the Department of Agriculture, relating to rural development or farm loan programs.

(Pub. L. 87-128, title III, §365, as added Pub. L. 110-234, title V, §5306, May 22, 2008, 122 Stat. 1153, and Pub. L. 110-246, §4(a), title V, §5306, June 18, 2008, 122 Stat. 1664, 1915.)

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 enacted identical sections. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246.

PRIOR PROVISIONS

A prior section 2008, Pub. L. 87-128, title III, §365, as added Pub. L. 101-624, title XXIII, §2316(a), Nov. 28, 1990, 104 Stat. 4000; amended Pub. L. 102-237, title VII, §701(e), Dec. 13, 1991, 105 Stat. 1879, related to system for delivery of certain rural development programs, prior to repeal by Pub. L. 104-127, title VII, §753(a), Apr. 4, 1996, 110 Stat. 1131.

EFFECTIVE DATE

Enactment 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 a note under section 8701 of this title.

**§ 2008a. Equitable relief**

**(a) In general**

Subject to subsection (b), the Secretary may provide a form of relief described in subsection (c) to any farmer or rancher who—

- (1) received a direct farm ownership, operating, or emergency loan under this chapter; and
- (2) the Secretary determines is not in compliance with the requirements of this chapter with respect to the loan.

**(b) Limitation**

The Secretary may only provide relief to a farmer or rancher under subsection (a) if the Secretary determines that the farmer or rancher—

- (1) acted in good faith; and
- (2) relied on an action of, or the advice of, the Secretary (including any authorized representative of the Secretary) to the detriment of the farming or ranching operation of the farmer or rancher.

**(c) Forms of relief**

The Secretary may provide to a farmer or rancher under subsection (a) any of the following forms of relief:

- (1) The farmer or rancher may retain loans or other benefits received in association with the loan with respect to which the farmer or rancher was determined to be noncompliant under subsection (a)(2).
- (2) The farmer or rancher may receive such other equitable relief as the Secretary determines to be appropriate.

**(d) Condition**

As a condition of receiving relief under this section, the Secretary may require the farmer or rancher to take actions designed to remedy the noncompliance.

**(e) Administrative appeal; judicial review**

A determination or action of the Secretary under this section—

- (1) shall be final; and
- (2) shall not be subject to administrative appeal or judicial review under chapter 7 of title 5.

(Pub. L. 87-128, title III, §366, as added Pub. L. 115-334, title V, §5305, Dec. 20, 2018, 132 Stat. 4672.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this title”, meaning title III of Pub. L. 87-128, Aug. 8, 1961, 75 Stat. 307, known as the Consolidated Farm and Rural Development Act, which is classified principally to this chapter. For complete classification of title III to the Code, see Short Title note set out under section 1921 of this title and Tables.

PRIOR PROVISIONS

A prior section 2008a, Pub. L. 87-128, title III, §366, as added Pub. L. 101-624, title XXIII, §2316(a), Nov. 28, 1990, 104 Stat. 4004; amended Pub. L. 102-237, title VII, §701(f), Dec. 13, 1991, 105 Stat. 1879, related to State rural economic development review panel, prior to repeal by Pub. L. 104-127, title VII, §754, Apr. 4, 1996, 110 Stat. 1131.

**§ 2008b. Socially disadvantaged farmers and ranchers; qualified beginning farmers and ranchers**

In the case of a loan guaranteed by the Secretary under subchapter I or II to a socially disadvantaged farmer or rancher (as defined in section 2003(e) of this title) or a qualified beginning farmer or rancher, the Secretary may provide for a standard guarantee plan, which shall cover an amount equal to 95 percent of the outstanding principal of the loan.

(Pub. L. 87-128, title III, §367, as added Pub. L. 115-334, title V, §5306, Dec. 20, 2018, 132 Stat. 4673.)