

liquidated by this Act, except that (1) the Secretary may retain so much of the personal property, such as office furniture, equipment, machines, automobiles, stationery, and office supplies, as he finds will be necessary in carrying out his duties under this Act and the Bankhead-Jones Farm Tenant Act, as amended; (2) until the loans obtained by the Secretary of Agriculture or the War Food Administrator [terminated by Executive Order 9577 of June 29, 1945, effective June 30, 1945] from the Reconstruction Finance Corporation [abolished by Reorg. Plan No. 1 of 1957, eff. June 30, 1957, 22 F.R. 4633, 71 Stat. 647] for carrying on the Farm Security Programs have been paid, the Secretary shall pay to the Reconstruction Finance Corporation, as collected, in accordance with the terms of the applicable loan agreements, the proceeds of all assets transferred to him for administration and liquidation which are pledged as security for such loans; and (3) the proceeds from collections on farmers' crop production and harvesting loans [former sections 1020i to 1020n and 1020o of Title 12] made available by the paragraph entitled 'Farmers' crop production and harvesting loans' under the item 'Farm Credit Administration' in the Department of Agriculture Appropriation Act, 1947 [act June 22, 1946, ch. 445, 60 Stat. 270], shall be available to the Secretary of Agriculture for the fiscal year 1947 for making loans under title II of the Bankhead-Jones Farm Tenant Act, as amended [former sections 1007, 1008 and 1009 of this title].

"(c) The funds appropriated, authorized to be borrowed, and made available under the items 'Farmers' crop production and harvesting loans' (under the heading 'Farm Credit Administration'), 'Loans, Grants, and Rural Rehabilitation' and 'Farm Tenancy', in the Department of Agriculture Appropriation Act, 1947 [act June 22, 1946, ch. 445, 60 Stat. 270], shall be available for the making and servicing of loans under this Act, for servicing and collecting loans made under prior authority, liquidation of rural rehabilitation projects, and for administrative expenses in connection therewith, and to the extent that such funds are validly obligated and committed on June 30, 1947, shall be available for use by the Secretary in fulfilling such obligations and commitments subject to the limitations set forth in the Acts appropriating or authorizing such funds."

"(d) [Repealed. Apr. 20, 1950, ch. 94, title II, § 205(a), 64 Stat. 73.]

"(e) Any of the personnel that is being utilized on the effective date of this Act [Aug. 14, 1946] for the performance of functions, powers, or duties abolished or transferred by this Act, including, but not limited to those related to emergency crop and feed loans, shall be utilized by the Secretary of Agriculture in the performance of his duties and functions under this Act and the Bankhead-Jones Farm Tenant Act, as amended, to the extent that he determines that such personnel are qualified and necessary therefor."

"(f) [Repealed. May 3, 1950, ch. 152, § 7, 64 Stat. 100.]

"(g) With the approval of the Secretary of Agriculture, the consummation of the transfer of any function, power, duty, asset, or liability transferred by this Act may be delayed not in excess of ninety days after the effective date of this Act, during which time such function, power, or duty, and any function, power, or duty abolished by this Act, may be administered by such agency as the Secretary may designate and in accordance with such rules and regulations as the Secretary may prescribe. Such rules and regulations shall, however, conform as nearly as may be practicable to the provisions of this Act, the several appropriation Acts which are involved, or the Bankhead-Jones Farm Tenant Act, as amended whichever is appropriate."

#### APPROPRIATION FOR LOANS

The Department of Agriculture Appropriation Act of 1947, June 22, 1946, ch. 445, 60 Stat. 294, provided in part: "For loans to individual farmers in accordance with title I of said Act [former sections 1001 to 1005d, 1006, 1006c to 1006e of this title] and section 505(b) of the Servicemen's Readjustment Act of 1944 (38 U.S.C.

694e(b) [former section 1001(b)(2) of this title]), \$50,000,000, including \$25,000,000 for loans to eligible veterans which may be distributed, without regard to the provisions of section 4 of the Bankhead-Jones Farm Tenant Act [former section 1004 of this title], among the States and Territories in such amounts as are necessary to make such loans, which sums shall be borrowed from the [former] Reconstruction Finance Corporation at an interest rate of not to exceed 3 per centum per annum and no loans, excepting those to eligible veterans, may be made for the acquisition or enlargement of farms which have a value, as acquired, enlarged, or improved, in excess of the average value of efficient family-size farm-management units, as determined by the Secretary, in the county, parish, or locality where the farm is located; and the [former] Reconstruction Finance Corporation is hereby authorized and directed to lend such sum to the Secretary upon the security of any obligations of borrowers from the Secretary under the provisions of title I of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937 [former sections 1001 to 1005d, 1006, 1006c to 1006e of this title]: *Provided*, That the amount loaned by the [former] Reconstruction Finance Corporation shall not exceed 85 per centum of the principal amount outstanding of the obligations constituting the security therefor: *Provided further*, That the Secretary may utilize proceeds from payments of principal and interest on any loans made under such title I to repay the [former] Reconstruction Finance Corporation the amount borrowed therefrom under the authority of this paragraph."

Similar provisions were contained in the following prior appropriation acts:

May 5, 1945, ch. 109, 59 Stat. 161.

June 28, 1944, ch. 296, 58 Stat. 457.

July 12, 1943, ch. 215, 57 Stat. 427.

July 22, 1942, ch. 516, 56 Stat. 695.

July 1, 1941, ch. 267, 55 Stat. 439.

June 25, 1940, ch. 421, 54 Stat. 564.

#### § 1006a. Loans to homestead or desertland entrymen and purchasers of lands in reclamation projects; security; first repayment installment

The Secretary of Agriculture is authorized to make a loan or loans for any purpose authorized by and in accordance with the terms of the Bankhead-Jones Farm Tenant Act, as amended, or the Act of August 28, 1937, as amended, to any person eligible for assistance under said Acts who has made or makes a homestead or desertland entry on public land or who has contracted for or contracts for the purchase of other land of the United States in a reclamation project pursuant to the applicable provisions of the homestead and reclamation laws. Any such loans required by the Secretary of Agriculture or by law to be secured by a real-estate mortgage may be secured by a mortgage contract which shall create a lien against the land in favor of the United States acting through the Secretary of Agriculture and any patent thereafter issued shall recite the existence of such lien. The first installment for the repayment of any such loan or any other loan made under the Bankhead-Jones Farm Tenant Act, as amended, or the Act of August 28, 1937, as amended, to the owner of a newly irrigated farm in a reclamation project or to an entryman under the desertland laws, may be deferred for a period of not to exceed two years from the date of the first advance under such loan.

(Oct. 19, 1949, ch. 697, § 1, 63 Stat. 883; Pub. L. 92-419, title VI, § 602, Aug. 30, 1972, 86 Stat. 675.)

**Editorial Notes**

## REFERENCES IN TEXT

The Bankhead-Jones Farm Tenant Act, referred to in text, is act July 22, 1937, ch. 517, 50 Stat. 522, as amended, which is classified generally to this chapter (§1000 et seq.). For complete classification of this Act to the Code, see section 1000 of this title and Tables.

Act of August 28, 1937, referred to in text, was classified to sections 590r to 590x-4 of Title 16, Conservation, and was repealed by Pub. L. 87-128, title III, §341(a), Aug. 8, 1961, 75 Stat. 318. See section 921 et seq. of this title.

## CODIFICATION

Section was not enacted as part of the Bankhead-Jones Farm Tenant Act, which constitutes a major part of this chapter.

## AMENDMENTS

1972—Pub. L. 92-419 authorized loans to desertland entrymen and provided for first repayment installment of a loan to an entryman under the desertland laws.

**§ 1006b. Cancellation of entry or purchase upon loan default; entry or resale; conditions; satisfaction of indebtedness**

Any entry or purchase contract land with respect to which a loan is made under the authority of this section and section 1006a of this title shall be subject to cancellation by the Secretary of the Interior as provided by existing law or upon request of the Secretary of Agriculture whenever default occurs in the terms, conditions, covenants, or obligations contained in the mortgage. After cancellation or relinquishment of an entry or purchase contract, land on which there is a mortgage lien, pursuant to the provisions of said sections, shall thereafter, except as hereinafter provided, only be open to entry or resale to persons eligible for both an original entry or purchase contract and an original loan. Such entry or resale shall be subject to the outstanding balance of any amounts due the United States with respect to such land or such portion thereof as may be determined by the Secretary of Agriculture and the Secretary of the Interior, or their delegates, to be within the entryman's or purchaser's ability to pay on the basis of the long-time earning capacity of the land. If no entry or purchase is made within one year after the cancellation or relinquishment of a prior entry or purchase of land on which there is such a mortgage lien, the land shall be disposed of by the Secretary of Agriculture on terms consistent with the provisions of section 1017<sup>1</sup> of this title, for the satisfaction of the indebtedness secured by the mortgage, subject, however, to other outstanding charges on the land due the United States, and the purchaser of such land shall be entitled to the issuance of patent or deed upon the completion of all requirements with respect to the payment of such charges.

(Oct. 19, 1949, ch. 697, §2, 63 Stat. 883.)

**Editorial Notes**

## REFERENCES IN TEXT

Section 1017 of this title, referred to in text, was repealed by Pub. L. 87-128, title III, §341(a), Aug. 8, 1961, 75 Stat. 318.

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

## CODIFICATION

Section was not enacted as part of the Bankhead-Jones Farm Tenant Act, which constitutes a major part of this chapter.

**§§ 1006c to 1006e. Repealed. Pub. L. 87-128, title III, §341(a), Aug. 8, 1961, 75 Stat. 318**

Section 1006c, act July 22, 1937, ch. 517, title I, §16, as added Aug. 9, 1955, ch. 633, §1, 69 Stat. 553; amended Aug. 1, 1956, ch. 829, §1(h), 70 Stat. 802, provided for additional insurance of loans, mortgages and other security, lien, definitions of mortgage, insured mortgage, mortgagor and mortgagee, conversion to insured loan and rights of holder of insured note.

Section 1006d, act July 22, 1937, ch. 517, title I, §17, as added Aug. 1, 1956, ch. 829, §1(i), 70 Stat. 802; amended Sept. 21, 1959, Pub. L. 86-332, 73 Stat. 599, related to loans for refinancing indebtedness on farms of not more than family size and restrictions and limitations thereon.

Section 1006e, act July 22, 1937, ch. 517, title I, §18, as added Aug. 25, 1958, Pub. L. 85-748, §1(a), 72 Stat. 840, related to authorization of Secretary for execution, insurance and sale of loans, interest, insurance, appraisal and delinquency charges, computation of aggregate amount of principal obligations which may be insured, insurance of loans from funds advanced by lenders other than United States, provisions applicable to loans, conversion of loans to insured loans, expense funds, sale of loans on noninsured basis and assignment of loans.

For subject matter of sections 1006c to 1006e of this title, see section 1921 et seq. of this title.

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF REPEAL

Repeal effective one hundred and twenty days after Aug. 8, 1961, or such earlier date as the provisions of section 1921 et seq. of this title are made effective by regulations of Secretary of Agriculture, see section 341(a) of Pub. L. 87-128, set out as a note under section 1921 of this title.

Sections repealed effective Oct. 15, 1961, by former section 300.1 of Title 6, Code of Federal Regulations, see Effective Date note under section 1921 of this title.

## SUBCHAPTER II—OPERATING LOANS

**Editorial Notes**

## AMENDMENTS

1956—Act Aug. 1, 1956, ch. 829, §2[6], 70 Stat. 802, substituted "OPERATING LOANS" for "PRODUCTION AND SUBSISTENCE LOANS".

1946—Act Aug. 14, 1946, ch. 964, §4, 60 Stat. 1071, substituted "PRODUCTION AND SUBSISTENCE LOANS" for "REHABILITATION LOANS".

**§ 1007. Repealed. Pub. L. 87-128, title III, §341(a), Aug. 8, 1961, 75 Stat. 318**

Section, acts July 22, 1937, ch. 517, title II, §21, 50 Stat. 524; Aug. 14, 1946, ch. 964, §4, 60 Stat. 1071; Aug. 23, 1951, ch. 344, §2, 65 Stat. 197; Aug. 1, 1956, ch. 829, §2[6], 70 Stat. 802; Mar. 29, 1961, Pub. L. 87-8, 75 Stat. 17, related to eligible borrowers for production and subsistence loans and terms thereof. See section 1921 et seq. of this title.

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF REPEAL

Repeal effective one hundred and twenty days after Aug. 8, 1961, or such earlier date as the provisions of section 1921 et seq. of this title are made effective by regulations of Secretary of Agriculture, see section