

enforce a contract entered into by the Secretary under this section.

(Pub. L. 87-128, title III, § 349, as added Pub. L. 99-198, title XIII, § 1318(a), Dec. 23, 1985, 99 Stat. 1530; amended Pub. L. 100-233, title VI, § 612, Jan. 6, 1988, 101 Stat. 1674; Pub. L. 101-624, title XVIII, § 1815, title XXIII, § 2388(j), Nov. 28, 1990, 104 Stat. 3825, 4053; Pub. L. 104-127, title VI, § 642, Apr. 4, 1996, 110 Stat. 1102.)

Editorial Notes

AMENDMENTS

1996—Subsec. (b). Pub. L. 104-127, § 642(1), added subsec. (b) and struck out former subsec. (b) which read as follows: “Subject to subsection (c) of this section, the Secretary may acquire and retain an easement in real property, for a term of not less than 50 years, for conservation, recreational, and wildlife purposes.”

Subsec. (c). Pub. L. 104-127, § 642(2)(A), inserted heading and substituted “The Secretary may enter into a contract under subsection (b) if” for “Such easement may be acquired or retained for real property if”.

Subsec. (c)(2). Pub. L. 104-127, § 642(2)(B), inserted “and” at end.

Subsec. (c)(3). Pub. L. 104-127, § 642(2)(C), struck out “(i)” after “(3)(A)”, substituted “administered by the Secretary” for “administered by the Farmers Home Administration”, redesignated cl. (ii) of subpar. (A) as subpar. (B), substituted “such contract” for “such easement” and a period for “; or” at end, and struck out former subpar. (B) which read as follows: “such property is administered under this chapter by the Secretary; and”.

Subsec. (c)(4). Pub. L. 104-127, § 642(2)(D), struck out par. (4) which read as follows: “such property was (except in the case of wetland and other wildlife habitat) row cropped each year of the 3-year period ending on December 23, 1985.”

Subsec. (d). Pub. L. 104-127, § 642(3), substituted “contract” for “easement” in introductory provisions and par. (3).

Subsec. (e). Pub. L. 104-127, § 642(4), in par. (1), substituted “reduce or forgive the outstanding debt of a borrower” for “purchase any such easement from the borrower” in introductory provisions, in subpars. (A) and (B), substituted “administered by the Secretary” for “administered by the Farmers Home Administration” and “contract bears” for “easement bears”, and in par. (2)(A), substituted “contract is entered into” for “easement is acquired”.

Subsec. (f). Pub. L. 104-127, § 642(5), in par. (1), substituted “enter into contracts” for “acquire easements” and in pars. (2) and (3), substituted “contracts” for “easements”.

Subsec. (g). Pub. L. 104-127, § 642(6), substituted “a contract entered into” for “an easement acquired”.

1990—Subsec. (a)(4), (5). Pub. L. 101-624, § 2388(j), redesignated par. (5) as (4).

Subsec. (c). Pub. L. 101-624, § 1815(1)(A)-(D), (F), (G), in introductory provision, struck out “such property” after “real property if”, and inserted “such property” after par. (1), (2), (3)(A)(i), (3)(B), and (4) designations.

Subsec. (c)(3)(A)(ii). Pub. L. 101-624, § 1815(1)(E), amended cl. (ii) generally. Prior to amendment, cl. (ii) read as follows: “the borrower of such loan is unable, as determined by the Secretary, to repay such loan in a timely manner; or”.

Subsec. (e). Pub. L. 101-624, § 1815(2), amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: “Any such easement acquired by the Secretary shall be purchased from the borrower involved by canceling that part of the aggregate amount of such outstanding loans of the borrower held by the Secretary under laws administered by the Farmers Home Administration that bears the same ratio to the aggregate amount of the outstanding loans of such borrower held by the Secretary under all such laws as the number of

acres of the real property of such borrower that are subject to such easement bears to the aggregate number of acres securing such loans. In no case shall the amount so cancelled exceed the value of the land on which the easement is acquired or the difference between the amount of the outstanding loan secured by the land and the current value of the land, whichever is greater.”

Subsec. (h). Pub. L. 101-624, § 1815(9), struck out subsec. (h) which read as follows: “This section shall not apply with respect to the cancellation of any part of any loan that was made after December 25, 1985.”

1988—Subsec. (c)(4). Pub. L. 100-233, § 612(1), inserted “and other wildlife habitat” after “wetland”.

Subsec. (e). Pub. L. 100-233, § 612(2), inserted “or the difference between the amount of the outstanding loan secured by the land and the current value of the land, whichever is greater” at end of second sentence.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-127 effective 90 days after Apr. 4, 1996, see section 663(b) of Pub. L. 104-127, set out as a note under section 1922 of this title.

§ 1998. Guaranteed farm loan programs

Notwithstanding any other provision of this chapter, the Secretary shall ensure that farm loan guarantee programs carried out under this chapter are designed so as to be responsive to borrower and lender needs and to include provisions under reasonable terms and conditions for advances, before completion of the liquidation process, of guarantee proceeds on loans in default.

(Pub. L. 87-128, title III, § 350, as added Pub. L. 99-198, title XIII, § 1319, Dec. 23, 1985, 99 Stat. 1531.)

Editorial Notes

REFERENCES IN TEXT

This chapter, referred to in text, 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.

§ 1999. Interest rate reduction program

(a) Establishment of program

The Secretary shall establish and carry out in accordance with this section an interest rate reduction program for loans guaranteed under this chapter.

(b) Contracts with lenders

Under such program, the Secretary shall enter into a contract with, and make payments to, a legally organized institution to reduce during the term of such contract the interest rate paid by a borrower on a guaranteed loan made by such institution if—

(1) the borrower—

(A) is unable to obtain sufficient credit elsewhere to finance the actual needs of the borrower at reasonable rates and terms, taking into consideration private and cooperative rates and terms for a loan for a similar purpose and period of time in the community in or near which the borrower resides;