

TITLE 7 - AGRICULTURE
CHAPTER 50 - AGRICULTURAL CREDIT
SUBCHAPTER II - OPERATING LOANS

§ 1943. Limitations on amount of operating loans

(a) In general

The Secretary shall make or insure no loan under this subchapter—

- (1) that would cause the total principal indebtedness outstanding at any one time for loans made under this subchapter to any one borrower to exceed, in the case of a loan other than a loan guaranteed by the Secretary, \$300,000, or, in the case of a loan guaranteed by the Secretary, \$700,000 (increased, beginning with fiscal year 2000, by the inflation percentage applicable to the fiscal year in which the loan is guaranteed and reduced by the unpaid indebtedness of the borrower on loans under the sections specified in section 1925 of this title that are guaranteed by the Secretary); or
- (2) for the purchasing or leasing of land other than for cash rent, or for carrying on any land leasing or land purchasing program.

(b) Inflation percentage

For purposes of this section, the inflation percentage applicable to a fiscal year is the percentage (if any) by which—

- (1) the average of the Prices Paid By Farmers Index (as compiled by the National Agricultural Statistics Service of the Department of Agriculture) for the 12-month period ending on August 31 of the immediately preceding fiscal year; exceeds
- (2) the average of such index (as so defined) for the 12-month period ending on August 31, 1996.

(Pub. L. 87–128, title III, § 313, Aug. 8, 1961, 75 Stat. 310; Pub. L. 90–488, § 9, Aug. 15, 1968, 82 Stat. 771; Pub. L. 92–419, title I, § 122, Aug. 30, 1972, 86 Stat. 665; Pub. L. 95–334, title I, § 116, Aug. 4, 1978, 92 Stat. 426; Pub. L. 98–258, title VI, § 604(a), Apr. 10, 1984, 98 Stat. 139; Pub. L. 105–277, div. A, § 101(a) [title VIII, § 806(b)], Oct. 21, 1998, 112 Stat. 2681, 2681–39; Pub. L. 110–234, title V, § 5102, May 22, 2008, 122 Stat. 1146; Pub. L. 110–246, § 4(a), title V, § 5102, June 18, 2008, 122 Stat. 1664, 1908.)

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 L. 110–234 were repealed by section 4(a) of Pub.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

2008—Subsec. (a)(1). Pub. L. 110–246, § 5102, substituted “\$300,000” for “\$200,000”.

1998—Pub. L. 105–277 inserted section catchline, designated existing provisions as subsec. (a), inserted heading, substituted “this subchapter—” for “this subchapter”, in introductory provisions, realigned margin of par. (1) and substituted “\$700,000 (increased, beginning with fiscal year 2000, by the inflation percentage applicable to the fiscal year in which the loan is guaranteed and reduced by the unpaid indebtedness of the borrower on loans under the sections specified in section 1925 of this title that are guaranteed by the Secretary); or” for “\$400,000; or”, realigned margin of par. (2), and added subsec. (b).

1984—Pub. L. 98–258 substituted “\$200,000” and “\$400,000” for “\$100,000” and “\$200,000”, respectively.

1978—Pub. L. 95–334 substituted provisions setting forth criteria for Secretary to make or insure loans under this subchapter for provisions setting forth criteria for Secretary to make loans under this subchapter.

1972—Pub. L. 92–419 substituted “\$50,000” for “\$35,000”.

1968—Pub. L. 90–488 struck out from item (1) the proviso which limited the amount to be used for loans which would cause the indebtedness of any borrower to exceed \$15,000 to 25 per centum of the sums made available for loans.

NB: This unofficial compilation of the U.S. Code is current as of Jan. 8, 2008 (see <http://www.law.cornell.edu/uscode/uscpri.html>).

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.