

## **§1924. Conservation loan and loan guarantee program**

### **(a) In general**

The Secretary may make or guarantee qualified conservation loans to eligible borrowers under this section.

### **(b) Definitions**

In this section:

#### **(1) Qualified conservation loan**

The term “qualified conservation loan” means a loan, the proceeds of which are used to cover the costs to the borrower of carrying out a qualified conservation project.

#### **(2) Qualified conservation project**

The term “qualified conservation project” means conservation measures that address provisions of a conservation plan of the eligible borrower.

#### **(3) Conservation plan**

The term “conservation plan” means a plan, approved by the Secretary, that, for a farming or ranching operation, identifies the conservation activities that will be addressed with loan funds provided under this section, including-

(A) the installation of conservation structures to address soil, water, and related resources;

(B) the establishment of forest cover for sustained yield timber management, erosion control, or shelter belt purposes;

(C) the installation of water conservation measures;

(D) the installation of waste management systems;

(E) the establishment or improvement of permanent pasture;

(F) compliance with [section 3812 of title 16](#); and

(G) other purposes consistent with the plan, including the adoption of any other emerging or existing conservation practices, techniques, or technologies approved by the Secretary.

### **(c) Eligibility**

#### **(1) In general**

The Secretary may make or guarantee loans to farmers or ranchers in the United States, farm cooperatives, private domestic corporations, partnerships, joint operations, trusts, or limited liability companies that are controlled by farmers or ranchers and engaged primarily and directly in agricultural production in the United States.

#### **(2) Requirements**

To be eligible for a loan under this section, applicants shall meet the requirements in paragraphs (1) and (2) of [section 1922\(a\) of this title](#).

#### **(d) Priority**

In making or guaranteeing loans under this section, the Secretary shall give priority to-

(1) qualified beginning farmers or ranchers and socially disadvantaged farmers or ranchers;

(2) owners or tenants who use the loans to convert to sustainable or organic agricultural production systems; and

(3) producers who use the loans to build conservation structures or establish conservation practices to comply with [section 3812 of title 16](#).

**(e) Limitations applicable to loan guarantees**

The portion of a loan that the Secretary may guarantee under this section shall be 75 percent of the principal amount of the loan.

**(f) Administrative provisions**

The Secretary shall ensure, to the maximum extent practicable, that loans made or guaranteed under this section are distributed across diverse geographic regions.

**(g) Credit eligibility**

The provisions of paragraphs (1) and (3) of [section 1983 of this title](#) shall not apply to loans made or guaranteed under this section.

**(h) Authorization of appropriations**

For each of fiscal years 2008 through 2012, there are authorized to be appropriated to the Secretary such funds as are necessary to carry out this section.

(Pub. L. 87–128, title III, §304, Aug. 8, 1961, 75 Stat. 308; Pub. L. 90–488, §2, Aug. 15, 1968, 82 Stat. 770; Pub. L. 92–419, title I, §102, Aug. 30, 1972, 86 Stat. 657; Pub. L. 95–334, title I, §102, Aug. 4, 1978, 92 Stat. 421; Pub. L. 101–624, title XVIII, §1802(a), Nov. 28, 1990, 104 Stat. 3817; Pub. L. 102–237, title V, §501(a), Dec. 13, 1991, 105 Stat. 1865; Pub. L. 104–127, title VI, §603, Apr. 4, 1996, 110 Stat. 1085; Pub. L. 110–234, title V, §5002, May 22, 2008, 122 Stat. 1142; Pub. L. 110–246, §4(a), title V, §5002, June 18, 2008, 122 Stat. 1664, 1904.)

**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**—Pub. L. 110–246, §5002, amended section generally, substituting provisions relating to conservation loans and loan guarantee programs for former provisions which related to, in subsec. (a), authority to make or insure loans for soil and water conservation and protection, in subsec. (b), priority of producers who would build conservation structures or establish conservation practices to comply with [section 3812 of title 16](#), and in subsec. (c), maximum amount of a loan.

**1996**—Pub. L. 104–127, §603(2), inserted section catchline.

Subsec. (a). Pub. L. 104–127, §603(2), (5), redesignated subsec. (a)(1) as (a), inserted heading, and redesignated subpars. (A) to (F) as pars. (1) to (6), respectively. Former pars. (2) and (3) redesignated subsecs. (b) and (c), respectively.

Subsec. (b). Pub. L. 104–127, §603(1), (3), redesignated subsec. (a)(2) as (b), inserted heading, substituted “guaranteeing loans” for “insuring loans”, and struck out former subsec. (b) which read as follows: “Loans may also be made or insured under this subchapter to residents of rural areas without regard to the requirements of clauses (2) and (3) of [section 1922 of this title](#) to acquire or establish in rural areas small business enterprises to provide such residents with essential income.”

Subsec. (c). Pub. L. 104–127, §603(1), (4), (6), redesignated subsec. (a)(3) as (c), inserted heading, redesignated subpars. (A) and (B) as pars. (1) and (2), respectively, and struck out former subsec. (c) which read as follows: “Loans may also be made or insured under this subchapter to any farm owners or tenants without regard to the requirements of clauses (1), (2), and (3) of [section 1922 of this title](#) for the purposes of meeting Federal, State, or local

requirements for agricultural, animal, or poultry waste pollution abatement and control facilities, including the construction, modification, or relocation of farm or other structures necessary to comply with such pollution abatement requirements.”

**1991**-Subsecs. (a), (d). Pub. L. 102–237 redesignated subsec. (d) as (a) and moved it to appear before subsec. (b) and struck out former subsec. (a) which read as follows: “Loans may also be made or insured under this subchapter to any farmowners or tenants without regard to the requirements of [section 1922\(1\), \(2\), and \(3\) of this title](#) for the purposes only of land and water development, use and conservation, not including recreational uses and facilities, and without regard to the requirements of section 1922(2) and (3) of this title, to farmowners or tenants to finance outdoor recreational enterprises or to convert to recreational uses their farming or ranching operations, including those heretofore financed under this chapter.”

**1990**-Subsec. (d). Pub. L. 101–624 added subsec. (d).

**1978**-Subsec. (a). Pub. L. 95–334, §102(1), struck out “individual” after “title, to”.

Subsec. (c). Pub. L. 95–334, §102(2), added subsec. (c).

**1972**-Pub. L. 92–419 designated existing provisions as subsec. (a) and struck out item (a) and (b) designations appearing before “to any farmowners” and “without regard to”, respectively, and added subsec. (b).

**1968**-Pub. L. 90–488 designated existing provisions as cl. (a), excluded recreational uses and facilities, and added cl. (b).

#### **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](#).

#### **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](#).