
7 U.S. Code § 1988

Appropriations

(a) Authorization

There is authorized to be appropriated to the Secretary such sums as the Congress may from time to time determine to be necessary to enable the Secretary to carry out the purposes of this chapter and for the administration of assets transferred to the Farmers Home Administration or the Rural Development Administration.

(b) Sale by lender and any holder of guaranteed portion of loan pursuant to regulations governing such sales; limitations; issuance of pool certificates representing ownership of guaranteed portion of guaranteed loan; terms and conditions, etc.; reporting requirements

(1)

(A) The guaranteed portion of any loan made under this chapter may be sold by the lender, and by any subsequent holder, in accordance with regulations governing such sales as the Secretary shall establish, subject to the following limitations:

(i) All fees due the Secretary with respect to a guaranteed loan are to be paid in full before any sale.

(ii) The loan is to have been fully disbursed to the borrower before the sale.

(B) After a loan is sold in the secondary market, the lender shall remain obligated under its guarantee agreement with the Secretary, and shall continue to service the loan in accordance with the terms and conditions of such agreement.

(C) The Secretary shall develop such procedures as are necessary for the facilitation, administration, and promotion of secondary market operations, and for determining the increase of farmers' access to capital at reasonable rates and terms as a result of secondary market operations.

(D) This subsection shall not be interpreted to impede or extinguish the right of the borrower or the successor in interest to such borrower to prepay (in whole or in part) any loan made under this chapter, or to impede or extinguish the rights of any party under any provision of this chapter.

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