

Public Law 94-35
94th Congress

An Act

To extend and amend the Emergency Livestock Credit Act of 1974, and for other purposes.

June 16, 1975
[S. 1236]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Emergency Livestock Credit Act of 1974 (88 Stat. 391) is amended as follows:

(a) Section 2 is amended—

(1) By striking “for the purpose of” in the first sentence of subsection (a) and inserting in lieu thereof the following: “and who have substantial operations in”.

(2) By striking the period at the end of subsection (a) and inserting in lieu thereof the following: “including dairy cattle raised and maintained for the primary purpose of marketing dairy products.”.

(3) By striking everything following the word “Provided,” in subsection (b) and inserting in lieu thereof the following: “That the term ‘legally organized lending agency’ shall be deemed to include the Federal Financing Bank only to the extent that such Bank may hold the guaranteed portion of such loans.”.

(4) By striking all of subsection (c) after the word “Secretary” and inserting the following in lieu thereof: “to guarantee more than 90 per centum of the principal and interest on such loan.”.

(5) By changing subsection (f) to read as follows:

“(f) Loans guaranteed under this Act shall be for the period reasonably required by the needs of the borrower, taking into consideration the security the borrower has available, but not exceeding an original term of seven years. Loans may be renewed for not more than three additional years.”.

(b) Section 3 is amended by striking all of paragraph (3) of subsection (a) after the words “Provided, That” and inserting in lieu thereof the following: “the total principal balance outstanding at any one time on loans guaranteed under this Act for any borrower shall not exceed \$350,000;”.

(c) Section 4 is amended to read as follows:

“SEC. 4. Loans guaranteed under this Act shall be secured by collateral adequate to protect the Government’s interests, as determined by the Secretary: *Provided*, That the Secretary may accept collateral which has depreciated in value owing to temporary economic conditions and which, in the opinion of the lender, together with his confidence in the repayment ability of the borrower, is adequate security for the loan.”.

(d) Section 5 is amended by striking “\$2,000,000,000” and inserting in lieu thereof “\$1,500,000,000”, and by adding at the end thereof the following new sentences: “Such fund may also be utilized to pay administrative expenses of the Secretary necessary to carry out the provisions of this Act. The Secretary in his discretion is authorized to use the funds from the Agricultural Credit Insurance Fund to purchase, on such terms and conditions as he may deem appropriate, the guaranteed portion of any loan made pursuant to this Act and to pay such expenses and fees incident to such purchases.”.

Emergency Livestock Credit Act of 1974, amendment.
7 USC prec. 1961 note.

“Legally organized lending agency.”

Loans, term and renewal.

Collateral.

Guarantee
authority,
extension.

(e) Section 8 is amended to read as follows:

"SEC. 8. The provisions of this Act shall become effective upon enactment, and the authority to make new guarantees shall terminate on December 31, 1976."

7 USC prec. 1961
note.

(f) Section 10 is amended by adding at the end thereof the following new sentence: "Insofar as practicable, the Secretary shall complete action on each loan application within thirty days after its receipt."

Report to
congressional
committees.

(g) The Act is amended by adding at the end thereof the following new section 11:

"SEC. 11. The Secretary shall report to the Committee on Agriculture, United States House of Representatives, and the Committee on Agriculture and Forestry, United States Senate, on or within one year of the date of the enactment of this section, and annually thereafter, with respect to the effectiveness of this Act. The Secretary shall be required, but not limited, to include in such report the number of loan applications submitted, the number and amount of loans approved, the financial situation facing cattlemen at the time of the report, the effect of this Act on the retail marketing of beef and on the farm-retail price spread of beef, and any recommendations he may have as to actions which can be taken to further decrease the price spread and to increase the consumption of beef."

Contents.

7 USC 1992.

SEC. 2. Section 344 of the Consolidated Farm and Rural Development Act (86 Stat. 667) is amended by changing the last sentence thereof to read as follows: "No contract guaranteeing any such loan by such other lender shall require the Secretary to guarantee more than 90 per centum of the principal and interest on such loan."

Approved June 16, 1975.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 94-125 (Comm. on Agriculture) and No. 94-244 (Comm. of Conference).

SENATE REPORTS: No. 94-43 (Comm. on Agriculture and Forestry) and No. 94-151 (Comm. of Conference).

CONGRESSIONAL RECORD, Vol. 121 (1975):

Mar. 20, considered and passed Senate.

May 6, considered and passed House, amended.

May 22, Senate agreed to conference report.

June 3, House agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 11, No. 25:

June 16, Presidential statement.