

Public Law 94-570
94th Congress

An Act

To amend the Rural Electrification Act of 1936, as amended, to correct unintended inequities in the interest rate criteria for borrowers from the Rural Electrification Administration, and to make other technical amendments.

Oct. 20, 1976

[H.R. 12207]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Rural Electrification Administration Technical Amendments Act of 1976".

Rural
Electrification
Administration
Technical
Amendments
Act of 1976.
7 USC 901 note.
7 USC 931.

SEC. 2. Section 301(a)(4) of the Rural Electrification Act of 1936, as amended, is amended to strike the semicolon at the end thereof, and add the following: "and the unobligated balances of any funds made available for loans under the item 'Rural Electrification Administration' in the Department of Agriculture and Agriculture-Environmental and Consumer Protection Appropriations Acts;"

SEC. 3. Section 305(b) of the Rural Electrification Act of 1936, as amended, is amended—

Insured loans.
7 USC 935.

(1) by striking the words "meets either of the following conditions";

(2) by striking out all of paragraph (1) thereof and inserting in lieu thereof the following:

"(1) in the case of a telephone borrower, had at the end of the most recent calendar year ending at least six months before approval of the loan, an average subscriber density of three or fewer per mile; or";

(3) by striking out all of paragraph (2) thereof through and including the words "telephone borrowers" and inserting in lieu thereof the following:

"(2) in the case of an electric borrower, had at the end of the most recent calendar year ending at least six months before approval of the loan, an average consumer density of two or fewer per mile or an average adjusted plant revenue ratio of over 9.0, such ratio being a simple average of the ratios obtained by dividing the sum of its distribution plant and general plant by its annual gross revenue less cost of power for that calendar year and the two immediately preceding calendar years. As used in this subsection the sum of distribution plant and general plant shall be the total of the amounts shown in accounts numbered 360 through and including 399 of the uniform system of accounts approved, as of the effective date of this amendment, by the Administrator, for use by Rural Electrification Administration borrowers; gross revenue shall be the amount shown in account numbered 400 of said system of accounts; and the cost of power shall be the total of amounts shown in accounts numbered 500 through and including 573 of said system of accounts as the same is constituted";

(4) by inserting the words "to a telephone or electric borrower" following the words "make a loan" in the proviso to paragraph (2) thereof.

Effective date.

7 USC 935 note.

7USC 931.

SEC. 4. This Act shall take effect upon enactment, except that insured loans made pursuant to applications for such loans which would otherwise lose eligibility for special rate financing upon such enactment, received by the Rural Electrification Administration and still pending on the date of enactment of this Act, shall bear interest as determined under section 305(b) of the Rural Electrification Act of 1936 before its amendment by this Act.

Approved October 20, 1976.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 94-1025 (Comm. on Agriculture).

SENATE REPORT No. 94-1314 (Comm. on Agriculture and Forestry).

CONGRESSIONAL RECORD, Vol. 122 (1976):

May 3, considered and passed House.

Sept. 30, considered and passed Senate, amended.

Oct. 1, House agreed to Senate amendment.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 12, No. 43:

Oct. 21, Presidential statement.