

## §§ 1786.1—1786.24

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AUTHORITY: 7 U.S.C. 901-950b; Title I, subtitle B, Pub. L. 99-509; Pub. L. 101-624, 104 Stat. 4051; Pub. L. 103-354, 108 Stat. 3178, (7 U.S.C. 6941 *et seq.*), unless otherwise noted.

SOURCE: 55 FR 1145, Jan. 11, 1990, unless otherwise noted.

### Subpart A—General [Reserved]

## §§ 1786.1—1786.24 [Reserved]

### Subpart B—Prepayment of RUS Guaranteed Federal Financing Bank Loans Pursuant to Section 306(A) of the RE Act

AUTHORITY: 7 U.S.C. 901-950b; Title I, Subtitle B, Pub. L. 99-509; Title I, Pub. L. 100-202; Pub. L. 100-203; Title VI, Pub. L. 100-460; Pub. L. 103-354, 108 Stat. 3178 (7 U.S.C. 6941 *et seq.*).

SOURCE: 55 FR 1145, Jan. 11, 1990, unless otherwise noted. Redesignated at 55 FR 49250, Nov. 27, 1990.

#### § 1786.25 Purpose.

This subpart contains the general regulations of the Rural Utilities Service (RUS) for implementing the provisions of (a) section 306(A) of the Rural Electrification Act of 1936, as amended (RE Act); (b) section 633 of the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988 (Pub. L. 100-202) (the continuing resolution); and (c) section 637 of the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1989 (Pub. L. 100-460) (the 1989 Appropriations Act) which permit, in certain circumstances, loans made by the Federal Financing Bank (FFB) and guaranteed by the Administrator of RUS to be prepaid by RUS electric and telephone borrowers by paying the outstanding principal balance due on the FFB loan, using a private loan with the existing RUS guarantees or using internally generated funds.

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#### § 1786.26 Policy.

It is the policy of RUS to facilitate the prepayment of FFB loans in accordance with the provisions of section 306(A) of the RE Act and section 633 of the continuing resolution as modified by section 637 of the 1989 Appropriations Act. Furthermore, consistent with the RE Act, the continuing resolution and the 1989 Appropriations Act, it is the policy of RUS to implement the objectives of the prepayment program in a manner which does not result in an increase in loan guarantee risk or an inappropriate increase in the administrative burden on RUS.

#### § 1786.27 Definitions and rules of construction.

(a) *Definitions.* For the purposes of this subpart, the following terms shall have the following meanings:

*Administrator* means the Administrator of RUS.

*Application Category* shall have the meaning set forth in §1786.29(c).

*Application period* means a period during which RUS is accepting applications to make prepayments pursuant to this subpart, and initially means:

(1) In the case of telephone borrowers, the period commencing on February 12, 1990 and ending on March 12, 1990;

(2) In the case of financially distressed borrowers, the period commencing October 1, 1990 and ending on July 30, 1993; or

(3) In the case of other borrowers, the period to be announced by RUS.

*Borrower* means any organization which has an outstanding FFB loan guaranteed by RUS under the RE Act.

*Business Day* means any day other than a Saturday, a Sunday, a legal public holiday under 5 U.S.C. section 6103 for the purposes of statutes relating to pay and leave of employees, or any other day declared to be legal holiday for the purposes of statutes relating to pay and leave of employees by Federal statute or Federal Executive Order.

*Continuing Resolution* means section 633 of the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988 (Pub. L. 100-202).