

104TH CONGRESS
2D SESSION

S. 1564

To amend the Small Reclamation Projects Act of 1956 to authorize the Secretary of the Interior to provide loan guarantees for water supply, conservation, quality, and transmission projects, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 7, 1996

Mr. CRAIG introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To amend the Small Reclamation Projects Act of 1956 to authorize the Secretary of the Interior to provide loan guarantees for water supply, conservation, quality, and transmission projects, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. RECLAMATION PROJECT LOAN GUARANTEE**
4 **PROGRAM.**

5 The Small Reclamation Projects Act of 1956 (43
6 U.S.C. 422a et seq.) is amended by adding at the end the
7 following:

1 “(m)(1) Notwithstanding any other provision con-
2 tained in this Act, the Secretary of the Interior is author-
3 ized to provide loan guarantees to the developers, includ-
4 ing nongovernment entities, of water supply, water con-
5 servation, water quality, and water transmission projects.
6 Guaranteed loans shall bear interest at the rate agreed
7 upon by the borrower and lender. The amount of guaran-
8 teed loans shall be subject only to such limitations as to
9 amounts as may be contained in appropriation Acts pro-
10 viding budget subsidy authority for such guarantees. As
11 used in this section a guaranteed loan is one which is ini-
12 tially made, held, and serviced by a legally organized lend-
13 ing institution and which is guaranteed by the Secretary
14 hereunder. All guarantees issued pursuant to this section
15 shall constitute obligations, in accordance with the terms
16 of such guarantees, of the United States Government and
17 the full faith and credit of the United States is hereby
18 pledged to the full performance of such obligations.

19 “(2) The maximum contingent liability outstanding
20 at any time pursuant to guarantees issued under this sec-
21 tion shall not exceed in the aggregate \$500,000,000.”.

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