

[CHAPTER 70.]

JOINT RESOLUTION

March 3, 1932.
[H. J. Res. 292.]
[Pub. Res., No. 11.]

To authorize the Secretary of Agriculture to aid in the establishment of agricultural-credit corporations, and for other purposes.

Agricultural-credit corporations.
Advances authorized to assist in organizing, etc.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is hereby authorized to make advances or loans to individuals, under such regulations as he may prescribe, for the purpose of assisting in forming local agricultural-credit corporations, livestock-loan companies, or like organizations, or of increasing the capital stock of such corporations, companies, or organizations qualified to do business with Federal intermediate credit banks, or to which such privileges may be extended.

Limit on amount of loan.

SEC. 2. (a) No loans shall be made to individual stockholders on the capital stock of, or to create or increase the capital stock of such corporation, company, or organization in an amount in excess of 75 per centum of the par value of the capital stock of such corporation, company, or organization owned by or proposed to be subscribed to by such individual.

Investigation of financial structure of corporation.

(b) No loan shall be made upon the capital stock of any corporation until the Secretary of Agriculture shall find that the financial structure of such corporation is sound and unimpaired and by him approved, nor shall any loan be made upon the capital stock of such corporation until the management of such company shall be made known to and approved by the Secretary, and the Secretary shall have the right at any time to declare the indebtedness to the Government that may be created hereunder due whenever in his judgment the financial structure of the corporation shall become so impaired or the management become so unsatisfactory as to jeopardize the interests of the Government.

Approval of management.

Due date of indebtedness.

Minimum paid in capital stock.

SEC. 3. No loan or advance shall be made to any individual upon the capital stock of or to create or increase the capital stock of any corporation, unless the paid in capital stock of such corporation shall be at least \$10,000.

Appropriation authorized.

Vol. 46, pp. 1032, 1160, 1167.

SEC. 4. To carry out the provisions of this resolution, including all expenses incurred thereunder, there are authorized to be appropriated, out of the unexpended balances of appropriations made to carry out the provisions of Public Resolution Numbered 112, Seventy-first Congress (46 Stat. 1032), as amended by the Interior Department Appropriation Act for the fiscal year ending June 30, 1932, and as amended by Public Resolution Numbered 120 (46 Stat. 1167), and out of the collections from loans made under Public Resolution Numbered 112, as so amended, a sum not exceeding \$10,000,000, which sum shall be paid into a revolving fund. Not to exceed 2 per centum of such fund may be used for expenses of administration. All moneys received from time to time upon the repayment of any advance or loan made pursuant to this Act, together with the interest, shall be paid into the revolving fund and shall thereafter be available for the purposes and in the manner hereinbefore provided.

To constitute revolving fund.

Administration expenses.
Payments.

Approved, March 3, 1932.