

program is only one of several others administered by FHA and all of its employees.

3. *History*

A. Water Facilities Act of 1937: Financial and technical assistance was extended to farm operators or landowners who made their facilities available to bona fide farm operators for agricultural use. The program was limited to 17 Western States. The primary objective was to provide financial and technical assistance in developing irrigation systems and improved soil and water practices. The maximum loan available per borrower was \$50,000.

B. Water Facilities Act of 1937 (as amended in 1954): The original act was broadened to permit: (a) Loans throughout the United States. (b) Loans for facilities to promote soil conservation, use, and development as well as facilities to promote water conservation, use, and development. (c) Loans up to \$250,000 to a corporation or agency serving farmers and ranchers. (d) Insuring of loans made by lenders other than the United States up to an aggregate amount of \$125 million.

C. Agricultural Act of 1961: Title III of the act known as the Consolidated Farmers Home Administration Act of 1961, replaced and substituted for the act of August 28, 1937, otherwise known as the Water Facilities Act.

It (a) Increased the ceiling on insured loans from 90 to 100 percent of the normal value of the security; (b) provided for loans to associations serving primarily farmers, ranchers, farm tenants, farm laborers, and rural residents, and (c) increased loan limits to \$500,000 direct and \$1 million insured.

D. Food and Agriculture Act of 1962: Act broadened to include authorization for loans for shifts in land use to grazing, recreation, and forestry.

E. Food and Agriculture Act of 1965: Section 306 of the Agricultural Act of 1961 was broadened to permit the use of grants and loans for the development of water and waste disposal systems serving farmers and rural communities, and for the preparation of areawide water and sewer comprehensive plans.

4. *Level of operations.* (See table 1.)

5. *Estimated magnitude of program in 1970.* (See table 1.)

Program: Rural water and waste disposal program.

Department or agency, and office or bureau: Department of Agriculture; Farmers Home Administration.