



Jersey

**AGRICULTURE (LOANS AND  
GUARANTEES) (JERSEY) LAW 1974**

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## AGRICULTURE (LOANS AND GUARANTEES) (JERSEY) LAW 1974

### Arrangement

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Jersey

## **AGRICULTURE (LOANS AND GUARANTEES) (JERSEY) LAW 1974<sup>1</sup>**

**A LAW** to make provision for affording financial assistance to the agricultural industry through the lending of money, the giving of guarantees in respect of bank loans made by persons carrying on banking business, and the making of payments to reduce the cost to borrowers of bank loans in respect of which guarantees have been given and to provide for matters in connection therewith

Commencement [[see endnotes](#)]

### **1 Interpretation**

(1) In this Law, unless the context otherwise requires –

“agricultural land” means land, including land under glass, used by way of trade or business, for any purpose of agriculture or horticulture and includes land capable of being so used, and “agricultural” shall be construed accordingly;

“applicant” means a person by or in respect of whom an application for a loan or for the giving of a guarantee is made;

“approved” means approved by the Minister;

“bank” means any body corporate, firm or society carrying on banking business which has been approved;

“bank loan” means a loan made by a bank by way of fluctuating overdraft or otherwise;

“Board” has the meaning assigned to it by Article 2(2);

“borrower” means a person to whom a loan or a bank loan is made;

“Fund” has the meaning assigned to it by Article 2(2);

“guarantee” means a guarantee in an approved form given under this Law in respect of a bank loan;

“loan” means a loan, other than a bank loan, made under this Law;

“Minister” means the Minister for Economic Development.

- (2) References in this Law to the giving of a guarantee shall be construed as references to guaranteeing, either unconditionally or on such terms and conditions as the Minister may think fit to impose, the repayment of the whole or any part of a bank loan and the payment of interest thereon.
- (3) References in this Law to any other enactment shall, unless the context otherwise requires, be construed as references to that enactment as amended by or under any other enactment, and as including references to any enactment repealing and re-enacting the enactment with or without further amendment.

## **2 Regulations**

- (1) The States may by Regulations provide generally for –
  - (a) the lending of money for prescribed agricultural purposes;
  - (b) the giving of guarantees in respect of bank loans made for such purposes;
  - (c) the making of payments to a borrower under a bank loan in respect of which a guarantee has been given, or to the bank making the loan, so as to reduce the cost of the loan to the borrower.
- (2) Without prejudice to the generality of the provisions of paragraph (1), Regulations made under that paragraph –
  - (a) shall provide for the establishment, under the guarantee of the annual income of the States, and for the management of a fund to be called the Agricultural Loans and Guarantees Fund (in this Law referred to as the “Fund”);
  - (b) shall provide for the constitution, for the purpose of making recommendations with regard to the making of loans and payments and the giving of guarantees, of a Board to be called the Agricultural Loans and Guarantees Advisory Board (in this Law referred to as the “Board”);
  - (c) may restrict the persons, or classes of persons to whom loans or payments may be made or guarantees given;
  - (d) may make provision for determining the amount of the principal of a loan to be granted in any case and the rate of interest which the loan will bear, and different provisions, including provisions relating to the repayment of the principal of a loan and any interest thereon, may be made in relation to different cases and circumstances;
  - (e) may provide for the securing of a loan in such manner and subject to such conditions as may be prescribed and may prescribe the form of any contract necessary to effect the loan;
  - (f) may prescribe matters on which the Minister shall be required to be satisfied before a loan is made, the conditions to be observed in relation to any loan and the powers of the Minister in the event of a breach of such conditions;

- (g) may prescribe the maximum amount of a bank loan in respect of which a guarantee may be given;
- (h) may prescribe the conditions to be fulfilled or undertakings given by an applicant for a guarantee and may prescribe the form of such undertakings;
- (i) may make provision regarding the duration and termination of guarantees and the duties of banks to whom guarantees are given, and may empower the Minister to withdraw guarantees on the happening of prescribed events and to recover any sums paid to a bank in fulfilment of a guarantee;
- (j) may prescribe the circumstances in and the conditions subject to which payments may be made, the manner in which the amount of the payments will be calculated and the means whereby they will be made, and different provisions may be prescribed in relation to different cases and circumstances;
- (k) may prescribe the circumstances in which an officer in an administration of the States for which the Minister is assigned responsibility, or a person authorized in writing by the Minister, shall be permitted to enter on or inspect any agricultural land;
- (l) may prescribe the acts or omissions which constitute offences against the Regulations and may prescribe in respect of such offences penalties of a fine not exceeding £200 or imprisonment for a term not exceeding 6 months or both such fine and such imprisonment;
- (m) may provide generally for the administration of this Law.

### **3 Limitation of application of Building Loans (Jersey) Law 1950**

Article 3 of the Building Loans (Jersey) Law 1950<sup>2</sup> shall not apply in any case where a loan may be made under this Law.

### **4 Citation**

This Law may be cited as the Agriculture (Loans and Guarantees) (Jersey) Law 1974.

**ENDNOTES****Table of Legislation History**

<b>Legislation</b>	<b>Year and No</b>	<b>Commencement</b>
Agriculture (Loans and Guarantees) (Jersey) Law 1974	L.5/1974	17 May 1974, 18 September 1974 (R&O.6042)
States of Jersey (Amendments and Construction Provisions No. 4) (Jersey) Regulations 2005	R&O.44/2005	9 December 2005

**Table of Renumbered Provisions**

<b>Original</b>	<b>Current</b>
1(3)	spent, omitted from this revised edition
2(2)(j)	2(2)(i)
(k)	(j)
(l)	(k)
(m)	(l)
(n)	(m)
3	spent, omitted from this revised edition
4	3
5(1)	4
(2)	spent, omitted from this revised edition

**Table of Endnote References**

- <sup>1</sup> *This Law has been amended by the States of Jersey (Amendments and Construction Provisions No. 4) (Jersey) Regulations 2005. The amendments replace all references to a Committee of the States of Jersey with a reference to a Minister of the States of Jersey, and remove and add defined terms appropriately, consequentially upon the move from a committee system of government to a ministerial system of government*
- <sup>2</sup> *chapter 24.090*