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DEPARTMENT OF AGRICULTURE

Rural Utilities Service

7 CFR Parts 1779 and 1780

Rural Housing Service

Rural Business-Cooperative Service

Rural Utilities Service

Farm Service Agency

7 CFR Part 1942

Rural Housing Service

7 CFR Parts 3570 and 3575

Rural Business-Cooperative Service

Rural Utilities Service

7 CFR Parts 4279 and 4280

**RIN 0570-AA87, 0570-AA92, 0572-AB57, 0572-AB59, 0575-AC53,
0575-AC58, 0575-AC75, 0575-AC78**

**Underlying Programs Cross-References to the Strategic
Economic and Community Development; Technical Amendments**

AGENCIES: Rural Business-Cooperative Service, Rural Housing Service, Rural Utilities Service, Farm Service Agency, USDA.

ACTION: Final rule.

SUMMARY: Rural Development (RD) is correcting an oversight of omitting cross-reference to the Strategic Economic and Community Development priority in the underlying programs when it published the rule for the priority.

DATES: This rule is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

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SUPPLEMENTARY INFORMATION: Section 6025 of the Agricultural Act of 2014 (2014 Farm Bill) provides the

Secretary of Agriculture the authority to give priority to projects that support strategic economic development or community development plans. Section 6025 enables the Secretary to reserve up to 10 percent of program funds from certain Rural Development programs, as identified in the section.

On May 20, 2015 (80 FR 28807), the Agency implemented this priority through the establishment of a new regulation, which is found in 7 CFR part 1980, subpart K of the Code of Federal Regulations. The new regulation applies to the following specific programs, which are referred to as the "underlying programs," within Rural Development:

- Community Facility Loans
- Fire and Rescue and Other Small Community

Facilities Projects

- Community Facilities Grant Program
- Community Programs Guaranteed Loans
- Water and Waste Disposal Programs Guaranteed

Loans

- Water and Waste Loans and Grants
- Business and Industry Guaranteed Loanmaking and

Servicing

- Rural Business Development Grants

When the Agency published the new regulation, we overlooked inserting cross-references to the new regulation in the regulations for the underlying programs. This action corrects that oversight. Specifically, the Agency is adding to each of the underlying programs' regulations language that alerts potential applicants to the new strategic and economic development regulation, which is found in 7 CFR part 1980, subpart K of chapter XVIII of the Code of Federal Regulations.

List of Subjects

7 CFR Part 1779

Loan programs-housing and community development, Rural areas, Waste treatment and disposal, Water supply.

7 CFR Part 1780

Community development, Community facilities, Grant programs-housing and community development, Loan programs-housing and community development, Reporting and recordkeeping requirements, Rural areas, Waste treatment and disposal, Water supply, Watersheds.

7 CFR Part 1942

Business and industry, Community facilities, Fire prevention, Grant programs-business, Grant programs-housing

and community development, Grant programs-Indians, Indians, Loan programs-agriculture, Loan programs-housing and community development, Loan programs-Indians, Loan programs-natural resources, Reporting and recordkeeping requirements, Rural areas, Waste treatment and disposal, Water supply, Watersheds.

7 CFR Part 3570

Administrative practice and procedure, Fair housing, Grant programs-housing and community development, Housing, Low and moderate income housing, Reporting and recordkeeping requirements, Rural areas.

7 CFR Part 3575

Loan programs-agriculture.

7 CFR Part 4279

Loan programs-business, Reporting and recordkeeping requirements, Rural areas.

7 CFR Part 4280

Loan programs-Business and industry, Economic development, Energy, Energy efficiency improvements, Feasibility studies, Grant programs, Guaranteed loan programs, Renewable energy systems, Rural areas.

For the reasons discussed above, chapters XVII, XVIII, XXXV, and XLII of title 7, of the Code of Federal

Regulations are amended as follows:

**CHAPTER XVII—RURAL UTILITIES SERVICE, DEPARTMENT OF
AGRICULTURE**

**PART 1779—WATER AND WASTE DISPOSAL PROGRAMS GUARANTEED
LOANS**

1. The authority citation for part 1779 continues to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 1989; 16 U.S.C. 1005.

2. Add § 1779.51 to read as follows:

**§ 1779.51 Strategic economic and community
development.**

Applicants with projects that support the implementation of strategic economic development and community development plans are encouraged to review and consider 7 CFR part 1980, subpart K, which contains provisions for providing priority to projects that support the implementation of strategic economic development and community development plans on a Multi-jurisdictional basis.

PART 1780—WATER AND WASTE LOANS AND GRANTS

3. The authority citation for part 1780 continues to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 1989; 16 U.S.C. 1005.

Subpart A - General Policies and Requirements

4. Add § 1780.34 to read as follows:

§ 1780.34 Strategic economic and community development.

Applicants with projects that support the implementation of strategic economic development and community development plans are encouraged to review and consider 7 CFR part 1980, subpart K, which contains provisions for providing priority to projects that support the implementation of strategic economic development and community development plans on a Multi-jurisdictional basis.

CHAPTER XVIII—RURAL HOUSING SERVICE, RURAL BUSINESS-COOPERATIVE SERVICE, RURAL UTILITIES SERVICE, AND FARM SERVICE AGENCY, DEPARTMENT OF AGRICULTURE

PART 1942—ASSOCIATIONS

5. The authority citation for part 1942 continues to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 1989.

Subpart A - Community Facility Loan

6. Add § 1942.10 to read as follows:

§ 1942.10 Strategic economic and community development.

Applicants with projects that support the implementation of strategic economic development and community development plans are encouraged to review and consider 7 CFR part 1980, subpart K, which contains provisions for providing priority to projects that support the implementation of strategic economic development and community development plans on a Multi-jurisdictional basis.

Subpart C - Fire and Rescue and Other Small Community Facilities Projects

7. Add § 1942.110 to read as follows:

§ 1942.110 Strategic economic and community development.

Applicants with projects that support the implementation of strategic economic development and community development plans are encouraged to review and consider 7 CFR part 1980, subpart K, which contains provisions for providing priority to

projects that support the implementation of strategic economic development and community development plans on a Multi-jurisdictional basis.

CHAPTER XXXV—RURAL HOUSING SERVICE, DEPARTMENT OF AGRICULTURE

PART 3570—COMMUNITY PROGRAMS

8. The authority citation for part 3570 continues to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 1989.

9. Add § 3570.71 to read as follows:

§ 3570.71 Strategic economic and community Development.

Applicants with projects that support the implementation of strategic economic development and community development plans are encouraged to review and consider 7 CFR part 1980, subpart K, which contains provisions for providing priority to projects that support the implementation of strategic economic development and community development plans on a Multi-jurisdictional basis.

PART 3575—GENERAL

10. The authority citation for part 3575 continues to read as follows:

Authority: 5 U.S.C. 301, 7 U.S.C. 1989.

Subpart A—Community Programs Guaranteed Loans

11. Add § 3575.51 to read as follows:

§ 3575.51 Strategic economic and community development.

Applicants with projects that support the implementation of strategic economic development and community development plans are encouraged to review and consider 7 CFR part 1980, subpart K, which contains provisions for providing priority to projects that support the implementation of strategic economic development and community development plans on a Multi-jurisdictional basis.

CHAPTER XLII—RURAL BUSINESS-COOPERATIVE SERVICE AND RURAL UTILITIES SERVICE, DEPARTMENT OF AGRICULTURE

PART 4279 - GUARANTEED LOANMAKING

12. The authority citation for part 4279 continues to read as follows:

Authority: 5 U.S.C. 301; and 7 U.S.C. 1989.

Subpart B - Business and Industry Loans

13. Add § 4279.162 to read as follows:

§ 4279.162 Strategic economic and community development.

Applicants with projects that support the implementation of strategic economic development and community development plans are encouraged to review and consider 7 CFR part 1980, subpart K, which contains provisions for providing priority to projects that support the implementation of strategic economic development and community development plans on a Multi-jurisdictional basis.

PART 4280 - LOANS AND GRANTS

14. The authority citation for part 4280 continues to read as follows:

Authority: 5 U.S.C. 301; 7 U.S.C. 904c and 7 U.S.C. 1932(c).

Subpart E - Rural Business Development Grants

15. Add § 4280.428 to read as follows:

§ 4280.428 Strategic economic and community development.

Applicants with projects that support the

implementation of strategic economic development and community development plans are encouraged to review and consider 7 CFR part 1980, subpart K, which contains provisions for providing priority to projects that support the implementation of strategic economic development and community development plans on a Multi-jurisdictional basis.

Lisa Mensah,
Under Secretary,
Rural Development.

February 19, 2016
Date

Michael Scuse,
Under Secretary,
Farm and Foreign Agricultural Services.
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