DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service

Rural Housing Service

Rural Utilities Service

[Docket No. RBS-20-BUSINESS-0040]

Notice of Solicitation of Applications (NOSA) for the Strategic Economic and Community Development Program for Fiscal Year (FY) 2021

AGENCY: Rural Business-Cooperative Service, Rural Housing Service, and Rural Utilities Service, USDA.

ACTION: Notice.

SUMMARY: The Agriculture Act of 2018 (2018 Farm Bill) re-authorized the Strategic Economic and Community Development (SECD) priority with some modifications. Section 6401 of the 2018 Farm Bill enables the Secretary of Agriculture to prioritize projects that support multi-jurisdictional and multi-sectoral strategic community investment plans, recently included in the existing regulation. In Fiscal Year (FY) 2021, the Agency implements SECD through reserving funds from covered program’s appropriations. The purpose of this notice is to provide requirements to applicants submitting applications for the covered programs’ reserved funds and to establish the above mentioned priority.

DATES: To apply for SECD priority points and funding in FY 2021, applicants must submit Form RD 1980-88, “Strategic Economic and Community Development (Section 6401),” to the appropriate covered program by the deadline established for receipt of applications within individual covered programs as established on the Agency website or
in the program’s Federal Register Notice. All applicants are responsible for any additional expenses incurred in preparing and submitting applications.

**ADDRESSES:** Submit applications to the USDA Rural Development Office servicing the area where the project is located. A list of the USDA Rural Development Offices can be found listed by state at: http://www.rd.usda.gov/contact-us/state-offices. If you have been assigned a OneRD Loan Guarantee Initiative Customer Relationship Manager (CRM), please submit applications to them.

**FOR FURTHER INFORMATION CONTACT:** For more information, please contact your respective Rural Development State Office listed here:

http://www.rd.usda.gov/browse-state

Or if you have been assigned a OneRD Loan Guarantee Initiative CRM, please contact them.

For all other inquiries, contact:
Greg Batson, Rural Development Innovation Center, U.S. Department of Agriculture, Stop 0793, 1400 Independence Avenue SW, Washington, DC 20250–0783, Telephone: (573) 239-2945. Email: gregory.batson@usda.gov.

A checklist of all required application information for regional planning priority can be found at: https://www.rd.usda.gov/programs-services/strategic-economic-and-community-development.

**SUPPLEMENTARY INFORMATION:**

The Agriculture Act of 2018 (2018 Farm Bill) re-authorized the Strategic Economic and Community Development (SECD) priority with some modifications. Section 6401 of the 2018 Farm Bill enables the Secretary of Agriculture to prioritize projects that support multi-jurisdictional and multi-sectoral strategic community investment plans. These changes were implemented in a recent amendment to 7 CFR 1980 Subpart K, which was published in the Federal Register on September 22, 2020. In FY 2021, the Agency
implements SECD through reserving funds from covered programs’ appropriations. This notice provides requirements to applicants submitting applications for the covered programs’ reserved funds and establishes the above-mentioned priority effective upon the publication of this notice.

**Priority Language for Funding Opportunities**

The Agency encourages applications that will help improve life in rural America. See information on the Interagency Task Force on Agriculture and Rural Prosperity found at: www.usda.gov/ruralprosperity. Applicants are encouraged to consider projects that provide measurable results in helping rural communities build robust and sustainable economies through strategic investments.

Key strategies include:

- Achieving e-Connectivity for Rural America
- Developing the Rural Economy
- Harnessing Technological Innovation
- Supporting a Rural Workforce
- Improving Quality of Life

To leverage investments in rural property, the Agency also encourages projects located in rural Opportunity Zones where projects should provide measurable results in helping communities build robust and sustainable economies. An Opportunity Zone is an economically-distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment. Localities qualify as Opportunity Zones if they have been nominated for that designation by the State and that nomination has been certified by the Secretary of the U.S. Treasury via his delegation of authority to the Internal Revenue Service.
To combat a key threat to economic prosperity, rural workforce, and quality of life, the Agency encourages applications that will support the Administration’s goal to reduce the morbidity and mortality associated with Substance Use Disorder (including opioid misuse) in high-risk rural communities by strengthening the capacity to address prevention, treatment, and/or recovery at the community, county, State, and/or regional levels. See https://www.cdc.gov/pwid/vulnerable-counties-data.html.

Key strategies include:

- **Prevention:** reducing the occurrence of Substance Use Disorder (including opioid misuse) and fatal substance-related overdoses through community and provider education and harm reduction measures such as the strategic placement of overdose reversing devices, such as naloxone;
- **Treatment:** implementing or expanding access to evidence-based treatment practices for Substance Use Disorder (including opioid misuse) such as medication-assisted treatment (MAT); and
- **Recovery:** expanding peer recovery and treatment options that help people start and stay in recovery.

To focus investments to areas for the largest opportunity for growth in prosperity, the Agency encourages applications that serve the smallest communities with the lowest incomes, with an emphasis on areas where at least 20 percent of the population is living in poverty, according to the American Community Survey data by census tracts.

This action has been reviewed and determined not to be a rule or regulation as defined in Executive Order 12866, as amended by Executive Order 13258.

I. **Background**

Section 6401 of the 2018 Farm Bill re-authorized Section 6025 of the Agricultural Act of 2014 (2014 Farm Bill) with some modifications. The provision provides priority to projects that support multi-jurisdictional and multi-sectoral strategic community
investment plans when applying for program funds under the rural development mission area. These changes were implemented in a recent amendment to 7 CFR 1980 subpart K, which was published in the Federal Register on September 22, 2020. In FY 2021, the Agency will reserve funds from the covered programs, using SECD regulation 7 CFR part 1980, subpart K. This notice provides applicants with eligible projects the opportunity to apply for reserve funding in FY 2021.

A. Statutory Authority

This priority is authorized under Section 6401 of the 2018 Farm Bill.

B. Programs

Section 6401 of the 2018 Farm Bill authorizes any program under the Consolidated Farm and Rural Development Act (7 U.S.C. 2008v), as determined by the Secretary, to give priority to applications that support the implementation of multi-jurisdictional and multi-sectoral strategic community investment plans. In FY 2021, the Agency implements SECD through reserving funds from the covered programs, using SECD regulation 7 CFR part 1980, subpart K.

Accordingly, the Agency is giving priority to projects implementing strategic community investment plans through the following Rural Development programs:

- Community Facility Loans; see 7 CFR part 1942, subpart A.
- Community Facilities Grants; see 7 CFR part 3570, subpart B.
- Community Programs Guaranteed Loans; see 7 CFR part 3575.
- Water and Waste Disposal Programs Guaranteed Loans; see 7 CFR part 1779.
- Water and Waste Loans and Grants; see 7 CFR part 1780.
- Business and Industry Guaranteed Loans; see 7 CFR part 4279, subparts A and B; 7 CFR part 4287, subpart B.
- Rural Business Development Grants; see 7 CFR part 4280, subpart E.
II. Award Information

Type of Awards: Guaranteed loans, direct loans and grants.

Fiscal Year Funds: FY 2021 appropriated funds.

Available Funds: The amount of funds available will depend on the amount of funds the covered programs have available during the fiscal year.

Regional Planning Priority

For FY 2021 applications, the following table specifies the percentage of funds being reserved:

<table>
<thead>
<tr>
<th>Program</th>
<th>Percentage of funds reserved for SECD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Facility Loans</td>
<td>10 percent</td>
</tr>
<tr>
<td>Community Facilities Grant Program</td>
<td>10 percent</td>
</tr>
<tr>
<td>Community Programs Guaranteed Loans</td>
<td>10 percent</td>
</tr>
<tr>
<td>Water and Waste Disposal Programs Guaranteed Loans</td>
<td>10 percent</td>
</tr>
<tr>
<td>Water and Waste Loans</td>
<td>5 percent</td>
</tr>
<tr>
<td>Water and Waste Grants</td>
<td>3 percent</td>
</tr>
<tr>
<td>Business and Industry Guaranteed Loan</td>
<td>5 percent</td>
</tr>
<tr>
<td>Rural Business Development Grants</td>
<td>5 percent</td>
</tr>
<tr>
<td>Community Connect</td>
<td>10 percent</td>
</tr>
</tbody>
</table>

Award Amounts: Guaranteed loans, direct loans and grants will be awarded in amounts consistent with each applicable covered program.

Award Dates: Awards for SECD applications submitted in FY 2021 to the
Business and Industry (B&I) Guaranteed Loan Program, Community Connect Grant Program, Community Facilities (CF) Program and Water and Environmental Program (WEP) will be obligated on or before June 30, 2021. For SECD applications submitted to the Rural Business Development Grant (RBDG) Program, awards will be obligated on or before July 31, 2021. The agency will return any reserved funds that are not obligated by the covered program’s obligation deadlines to the covered program’s regular funding account for obligation of all eligible projects in that program.

III. Eligibility Information

A. Eligible Requirements

To be considered for SECD reserved funds, both the applicant and project must meet the eligibility requirements of the covered program. These requirements vary among the covered programs and applicants should refer to the regulations for those programs, which are referenced in I. A. of this notice.

The agency supports community and regional planning through the SECD regulation without making any changes to the applicant eligibility requirements of the covered programs. The SECD regulation includes three criteria that a project must meet in order to be considered for the SECD reserve funding (see 7 CFR 1980.1010):

The first criterion, as noted above, is that the project meets the applicable eligibility requirements of the covered program for which the applicant is applying.

The second criterion is that the project is “carried out in a rural area” as defined in 7 CFR 1980.1005. As defined, this means either the entire project is physically located in a rural area or all the beneficiaries of the service(s) provided through the project must either reside in or be located in a rural area. Note that the definition of “rural” varies among the covered programs and the Section 6401 regulation does not change those definitions, therefore, the applicable program regulations as outlined in I.A. should be
reviewed as necessary.

The third criterion is that the project supports the implementation of a strategic community investment plan on a multi-jurisdictional and multi-sectoral basis as defined in 7 CFR 1980.1005.

In order to be considered for the reserved funds from covered programs in FY 2021, applicants must (1) meet all requirements of the covered program; (2) meet all requirements in accordance with 7 CFR part 1980, subpart K (see 7 CFR 1980.1010); and (3) submit Form RD 1980-88 and supporting documentation. Form RD 1980-88 requests such information as (see 7 CFR 1980.1015):

- Identification of the applicant; i.e., a State, county, municipal, or tribal government or non-profit entity, council of government, school district or special district;
- Identification by name of the plan being supported by the project, the date the plan became effective and is to remain in effect, and a detailed description of how the project directly supports one or more of the plan’s objectives;
- Sufficient information to show that the project will be carried out in a rural area; and
- Identification of any current or previous applications the applicant has submitted for funds from the covered programs.

B. Cost Sharing or Matching

Any and all cost sharing, matching, and cost participation requirements of the applicable covered program apply to projects seeking SECD reserved funds. The Section 6401 regulation does not change such requirements.

C. Other Eligibility Requirements

Any and all other eligibility requirements (beyond those identified in III.A of this notice) found in the covered programs applying to applicants, their projects, and the beneficiaries of those projects are unchanged by either this notice or the Section 6401
IV. Application Evaluation and Selection for Covered Programs Funds

A. Scoring of Applications

All FY 2021 applications for covered programs will be reviewed, evaluated, and scored based on the covered program’s scoring criteria. This notice does not affect that process. This notice only affects the scoring of SECD applications competing for a covered program’s SECD reserve funds.

For applicants wishing to be considered for the reserved funds in FY 2021, the Agency will review, evaluate, and score each Form RD 1980-88, based on the criteria specified in 7 CFR 1980.1020, to award the SECD reserved funds.

B. Selection Process

The Agency will prioritize applications competing for a covered program’s reserved funds based on the covered program’s awarded points plus the SECD earned points to determine which projects receive reserved funds.

VI. Award Administration Information

A. Award Notices

The Agency will notify SECD applicants who receive funding in a manner consistent with award notifications for the covered program.

B. Administrative and National Policy Requirements

Any and all additional requirements of the applicable covered programs apply to projects receiving funding in response to this notice. Please see the regulations for the applicable covered underlying program.

C. Reporting Requirements

Any and all post-award reporting requirements contained in the covered program
apply to all projects receiving funding in response to this notice.

VII. Additional Information

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995, the information collection requirements contained in 7 CFR part 1980, subpart K, have been approved by Office of Management and Budget (OMB) under OMB Control Number 0570-0068.

National Environmental Policy Act

This document has been reviewed in accordance with 7 CFR part 1970, subpart A, “Environmental Policies.” It is the determination of the Agency that this action does not constitute a major Federal action significantly affecting the quality of the human environment, and, in accordance with the National Environmental Policy Act of 1969, Public Law 91-190, neither an Environmental Assessment nor an Environmental Impact Statement is required.

Federal Funding Accountability and Transparency Act

All applicants, in accordance with 2 CFR part 25, must have a DUNS number, which can be obtained at no cost via a toll-free request line at 1-866-705-5711 or online at http://fedgov.dnb.com/webform. Similarly, all grant applicants must be registered in the System for Award Management (SAM) prior to submitting an application. Applicants may register for the SAM at http://www.sam.gov/SAM. All recipients of Federal financial grant assistance are required to report information about first-tier sub-awards and executive total compensation in accordance with 2 CFR part 170. Applicants must ensure they complete the Financial Assistance General Certifications and Representations in SAM.

Nondiscrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture
(USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA’s TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) Mail: U.S. Department of Agriculture

                   Office of the Assistant Secretary for Civil Rights

                   1400 Independence Avenue, SW.,

                   Washington, D.C. 20250-9410;

                   Fax: (202) 690-7442; or

                   Email: program.intake@usda.gov.
Bette Brand,
Deputy Under Secretary,
Rural Development.
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