



## **DEPARTMENT OF AGRICULTURE**

### **Rural Business-Cooperative Service**

**[DOCKET #: RBS-23-BUSINESS-0010]**

### **Notice of Solicitation of Applications for Inviting Applications for the Rural Economic Development Loan and Grant Programs for Fiscal Year 2024**

**AGENCY:** Rural Business-Cooperative Service, USDA.

**ACTION:** Notice.

**SUMMARY:** The Rural Business-Cooperative Service (RBCS or Agency), a Rural Development (RD) agency of the United States Department of Agriculture (USDA), invites applications for loans and grants under the Rural Economic Development Loan and Grant Programs (REDLG or Programs) for fiscal year (FY) 2024, subject to the availability of funding. This notice is being issued prior to the passage of a FY 24 Consolidated Appropriations Act, which may or may not provide funding for this program, to allow applicants sufficient time to leverage financing, prepare and submit their applications, and give the Agency time to process applications within FY 2024. Based on FY 2023 appropriated funding, the Agency estimates that approximately \$90,000,000 will be available for FY 2024. Successful applications will be selected by the Agency for funding and subsequently awarded to the extent that funding may ultimately be made available through appropriations. All applicants are responsible for any expenses incurred in developing their applications.

**DATES:** The deadlines for completed applications to be received in the RD State Office for quarterly funding competitions are no later than 4:30 p.m. (local time) on: First Quarter, September 30, 2023; Second Quarter, December 31, 2023; Third Quarter, March 31, 2024 and Fourth Quarter, June 30, 2024. The Agency will not consider any application received after the deadline for funding competition in that fiscal quarter.

**ADDRESSES:** Applications must be submitted in paper or electronically to the RD State Office for the state where the project is located. A list of the RD State Office contacts can be found at: <https://www.rd.usda.gov/about-rd/state-offices>. This notice will also be announced at [www.grants.gov](http://www.grants.gov).

**FOR FURTHER INFORMATION CONTACT:** Cindy Mason at [cindy.mason@usda.gov](mailto:cindy.mason@usda.gov), Program Management Division, Business Programs, Rural Business-Cooperative Service, U.S. Department of Agriculture, 1400 Independence Avenue SW., Stop 3226, Room 5160-South, Washington, D.C. 20250-3226, or call (202) 720-1400. For further information on this notice, please contact the RD State Office in the state which the applicant's headquarters is located. A list of RD State Office contacts is provided at the following link: <https://www.rd.usda.gov/about-rd/state-offices>.

**SUPPLEMENTARY INFORMATION:**

**Overview**

*Federal Awarding Agency Name:* Rural Business-Cooperative Service (RBCS)

*Funding Opportunity Type:* Rural Economic Development Loans and Grants (REDLG)

*Announcement Type:* Notice of Solicitation of Application (NOSA)

*Funding Opportunity Number:* RD-RBCS-24-REDLG

*Assistance Listing Number:* 10.854

*Dates:* The deadlines for complete applications to be received in the RD State Office for quarterly funding competitions are no later than 4:30 p.m. (local time) on: First Quarter, September 30, 2023; Second Quarter, December 31, 2023; Third Quarter, March 31, 2024, and Fourth Quarter, June 30, 2024.

*Rural Development Key Priorities:* The Agency encourages applicants to consider projects that will advance the following key priorities (more details available at <https://www.rd.usda.gov/priority-points>):

- Assisting rural communities recover economically through more and better market opportunities and through improved infrastructure;
- Ensuring all rural residents have equitable access to Rural Development (RD) programs and benefits from RD funded projects; and
- Reducing climate pollution and increasing resilience to the impacts of climate change through economic support to rural communities.

## **A. Program Description**

1. *Purpose of the Program.* The Rural Economic Development Loan (REDL) and Grant (REDG) Programs (REDLG or Program(s)) provide financing to eligible Rural Utilities Service (RUS) electric or telecommunications borrowers (Intermediaries) to promote rural economic development and job creation projects. Assistance provided to rural and Tribal areas, as defined, under this program may include business startup costs, business expansion, business incubators, technical assistance feasibility studies, advanced telecommunications services and computer networks for medical, educational, and job training services, and Community Facilities, as defined at 7 CFR 4280.3, projects for economic development.

2. *Statutory and Regulatory Authority.* These Programs are authorized under 7 U.S.C. 940c-2 and implemented by 7 CFR part 4280, subpart A.

The Consolidated Appropriations Act, 2023, (Public Law 117-328, division A, title VII), section 736 designates funding for projects in persistent poverty counties. Persistent poverty counties as defined in section 736 is “any county that has had 20 percent or more of its population living in poverty over the past 30 years, as measured by the 1990 and 2000 decennial censuses, and 2007–2011 American Community Survey 5-year average, or any territory or possession of the United States”. Another provision in SEC. 736 expands the eligible population in persistent poverty counties to include any county seat of such a persistent poverty county that has a population that does not exceed the authorized population limit by more than 10 percent. This provision expands the current 50,000 population limit to 55,000 for only county seats

located in persistent poverty counties. Therefore, assuming the Appropriations Act for 2024 has similar language, applicants and/or beneficiaries located in persistent poverty county seats with populations up to 55,000 (per the 2010 Census) are eligible.

3. *Definitions.* The definitions applicable to this notice are published at 7 CFR 4280.3.

4. *Application of Awards.* The Agency will review, evaluate, and score applications received in response to this notice based on the provisions found in 7 CFR part 4280, subpart A, and as indicated in this notice. Awards under the REDLG programs will be made on a competitive basis using specific selection criteria contained in 7 CFR part 4280, subpart A and as indicated in this notice. The applicant bears the full burden in preparing and submitting an application in response to this notice regardless of whether or not funding is appropriated for the programs in FY 2024.

## **B. Federal Award Information**

*Type of Awards:* Loans and Grants

*Fiscal Year Funds:* FY 2024

*Available Funds:* Dependent upon FY 2024 appropriations. Funding is anticipated to be approximately \$90,000,000 based on FY 2023 amounts.

*Award Amounts:* The Agency anticipates the following maximum amounts per award: Loans - \$2,000,000; Grants - \$300,000.

*Anticipated Award Dates:* First Quarter, November 30, 2023; Second Quarter, February 29, 2024; Third Quarter, May 31, 2024; and Fourth Quarter, August 31, 2024.

*Performance Period:* December 1, 2023, through September 30, 2025

*Renewal or Supplemental Awards:* None

*Type of Assistance Instrument:* Direct Loan and Financial Assistance Agreement

## **C. Eligibility Information**

1. *Eligible Applicants.* Loans and grants may be made to any entity that is identified by USDA RD as an eligible borrower under the Rural Electrification Act of 1936, as amended (Act). In

accordance with 7 CFR 4280.13, applicants that are not delinquent on any Federal debt or not otherwise disqualified from participation in these Programs are eligible to apply.

Notwithstanding any other provision of law, any former RUS borrower that has repaid or prepaid an insured, direct, or guaranteed loan under the Act, or any not-for-profit utility that is eligible to receive an insured or direct loan under such Act shall be eligible for assistance under section 313B(a) of such Act in the same manner as a borrower under such Act. All other restrictions in this notice will apply.

2. *Cost Sharing or Matching.* For loans, either the ultimate recipient or the intermediary must provide supplemental funds for the project equal to at least 20 percent of the loan to the intermediary. For grants, the intermediary must establish a revolving loan fund and contribute an amount equal to at least 20 percent of the grant. The supplemental contribution must come from the intermediary's which may not be from other Federal grants, unless permitted by law.

3. *Other.*

(a) There are no "responsiveness" or "threshold" eligibility criteria for these loans and grants. There is no limit on the number of applications an applicant may submit under this announcement.

(b) None of the funds made available by this or any other Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to any corporation that:

(i) Has any unpaid Federal tax liability, that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability where the awarding agency is aware of the unpaid tax liability, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government.

(ii) Was convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the awarding agency is aware of the conviction, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government.

(c) Applications will not be considered for funding if they do not provide sufficient information to determine eligibility or are missing required elements.

#### **D. Application and Submission Information**

1. *Address to Request Application Package.* For further information, entities wishing to apply for assistance should contact the RD State Office provided in the **ADDRESSES** section of this notice to obtain copies of the application package. If an applicant requires alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) please contact the 711 Relay Service.

2. *Content and Form of Application Submission.* An application must contain all of the required elements outlined in 7 CFR 4280.39 and address each selection priority criterion outlined in 7 CFR 4280.42(b). Failure to address any of the criterion will result in a zero-point score for that criterion and will impact the overall evaluation of the application.

3. *System for Award Management and Unique Entity Identifier.*

(a) At the time of application, each applicant must have an active registration in the System for Award Management (SAM) before submitting its application in accordance with 2 CFR part 25. In order to register in SAM, entities will be required to obtain a Unique Entity Identifier (UEI). Instructions for obtaining the UEI are available at <https://sam.gov/content/entity-registration>.

(b) Applicants must maintain an active SAM registration, with current, accurate and complete information, at all times during which it has an active Federal award or an application under consideration by a Federal awarding agency.

(c) Applicant must ensure they complete the Financial Assistance General Certifications and Representations in SAM.

(d) Applicants must provide a valid UEI in its application, unless determined exempt under 2 CFR 25.110.

(e) The Agency will not make an award until the applicant has complied with all SAM requirements including providing the UEI. If an applicant has not fully complied with the requirements by the time the Agency is ready to make an award, the Agency may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

#### 4. *Submission Dates and Times.*

(a) *Application Technical Assistance Deadline Date.* Prior to official submission of grant applications, applicants may request technical assistance or other application guidance from the Agency, as long as such requests are made at least 15 days prior to each quarter submission date. Technical assistance is not meant to be an analysis or assessment of the quality of the materials submitted, a substitute for agency review of completed applications, nor a determination of eligibility, if such determination requires in-depth analysis.

(b) *Application Deadline Dates.* Completed applications must be received no later than 4:30 p.m. (local time) on: First Quarter, September 30, 2023; Second Quarter, December 31, 2023; Third Quarter, March 31, 2024; and Fourth Quarter, June 30, 2024. Applications must be in the RD State Office by the dates and times as indicated. If the due date falls on a Saturday, Sunday, or Federal holiday, the application is due the next business day. If completed applications are not received by the deadline established above, the application will neither be reviewed nor considered in that quarter under any circumstances.

The Agency will not solicit or consider new scoring or eligibility information that is submitted after the application deadline. The Agency also reserves the right to ask applicants for clarifying information and additional verification of assertions in the application.

5. *Intergovernmental Review.* Executive Order (E.O.) 12372, “Intergovernmental Review of Federal Programs,” applies to this program. This E.O. requires that Federal agencies provide opportunities for consultation on proposed assistance with State and local governments. Many states have established a Single Point of Contact (SPOC) to facilitate this consultation. For a list of States that maintain a SPOC, please see the White House Web site:

<https://www.whitehouse.gov/omb/management/office-federal-financial-management/>. If your State has a SPOC, you may submit a copy of the application directly for review. Any comments obtained through the SPOC must be provided to your State Office for consideration as part of your application. If your state has not established a SPOC, you may submit your application directly to the Agency. Applications from Federally recognized Indian Tribes are not subject to this requirement.

6. *Funding Restrictions.* The grantee may utilize a previously approved indirect cost rate. Otherwise, the applicant may elect to charge the 10 percent indirect cost permitted under 2 CFR 200.414(f). An indirect cost rate determination may be requested with the application; however, due to the time required to evaluate indirect cost rates, it is likely that all funds will be awarded before the indirect cost rate is determined. No foreign travel is permitted. Pre-Federal award costs will only be permitted with prior written approval by the Agency.

7. *Other Submission Requirements.*

(a) There are no specific limitations on the number of pages, font size and type face, margins, paper size, number of copies, and the sequence or assembly requirements.

(b) The component pieces of this application should contain original signatures on the original application. Any form that requires an original signature but is signed electronically in the application submission, must be signed in ink by the authorized person prior to the disbursement of funds.

(c) An original copy of the application package must be filed with the RD State Office for the State where the intermediary is located.

(d) Applicants may submit applications in hard copy or electronic format as previously indicated in the **Application and Submission Information** section of this notice. If the applicant wishes to hand deliver its application, the addresses for these deliveries can be located in the **ADDRESSES** section of this notice. Applicants are encouraged to contact their respective State Office for an email contact to submit an electronic application prior to the submission deadline date(s).

Applicants intending to mail applications must allow sufficient time to permit delivery on or before the closing deadline date and time. Acceptance by the United States Postal Service or private mailer does not constitute delivery. Facsimile (FAX) or postage due applications will not be accepted.

#### **E. Application Review Information**

1. *Criteria.* All eligible and complete applications will be evaluated and scored based on the selection criteria and weights contained in 7 CFR part 4280, subpart A. Failure to address any one of the criteria by the application deadline will result in the application being determined ineligible, and the application will not be considered for funding.

2. *Review and Selection Process.* The RD State Offices will review applications to determine if they are eligible for assistance based on requirements contained in 7 CFR part 4280, subpart A. If determined eligible, applications will be submitted to the National Office. Funding of projects is subject to the intermediary's satisfactory submission of the additional items required by that subpart and the RD Letter of Conditions. Discretionary priority points, under 7 CFR 4280.43(e), may be awarded with documented justification for the following categories:

(a) Assisting rural communities recover economically through more and better market opportunities and through improved infrastructure. Applicant would receive priority points if the project is located in or serving a rural community whose economic well-being ranks in the most distressed tier (distress score of 80 or higher) of the Distressed Communities Index using the Distressed Communities Look-Up Map available at <https://www.rd.usda.gov/priority-points>.

(b) Ensuring all rural residents have equitable access to RD programs and benefits from RD funded projects. Using the Social Vulnerability Index (SVI) Look-Up Map (available at <https://www.rd.usda.gov/priority-points>), an applicant would receive priority points if the project is:

- Located in or serving a community with score 0.75 or above on the SVI;
- Is a Federally recognized tribe, including Tribal instrumentalities and entities that are wholly owned by Tribes; or
- Is a project where at least 50 percent of the project beneficiaries are members of Federally Recognized Tribes and non-Tribal applicants include a Tribal Resolution of Consent from the Tribe or Tribes that the applicant is proposing to serve.

(c) Reduce climate pollution and increasing resilience to the impacts of climate change through economic support to rural communities. Using the Disadvantaged Community and Energy Community Look-Up Map (available at <https://www.rd.usda.gov/priority-points>), applicants will receive priority in two ways:

- If the project is located in or serves a *Disadvantaged Community* as defined by the Climate and Economic Justice Screening Tool (CEJST), from the White House Council on Environmental Quality (CEQ), or
- If the project is located in or serves an *Energy Community* as defined by the Inflation Reduction Act (IRA).

See the website, <https://www.rd.usda.gov/priority-points>, for options.

## **F. Federal Award Administration Information**

1. *Federal Award Notices.* Successful applicants will receive notification for funding from the RD State Office. Applicants must comply with all applicable statutes and regulations before the loan/grant award can be approved. Provided the application and eligibility requirements have not changed, an eligible application not selected will be reconsidered in three subsequent

quarterly funding competitions for a total of four competitions. If an application is withdrawn by the applicant, it can be resubmitted and will be evaluated as a new application.

2. *Administrative and National Policy Requirements.* Additional requirements that apply to intermediaries or grantees selected for these programs can be found in 7 CFR part 4280, subpart A; Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards of the U.S. Department of Agriculture codified in 2 CFR 400.1 to 400.2, and 2 CFR part 415 to 422, and successor regulations to these parts.

Awards are subject to USDA grant regulations at 2 CFR part 400 which adopts the Office of Management and Budget (OMB) regulations 2 CFR part 200.

All successful applicants will be notified by letter which will include a Letter of Conditions, and a Letter of Intent to Meet Conditions. This letter is not an authorization to begin performance. If the applicant wishes to consider beginning performance prior to the loan or grant being officially closed, all pre-award costs must be approved in writing and in advance by the Agency. The loan or grant will be considered officially awarded when all conditions in the Letter of Conditions have been met and the Agency obligates the funding for the project.

The following additional requirements apply to intermediaries or grantees selected for these Programs:

(a) Form RD 4280-2 “Rural Business-Cooperative Service Financial Assistance Agreement.”

(b) Letter of Conditions.

(c) Form RD 1940-1, “Request for Obligation of Funds.”

(d) Form RD 1942-46, “Letter of Intent to Meet Conditions.”

(e) LLL, “Disclosure of Lobbying Activities,” if applicable.

(f) Form SF 270, “Request for Advance or Reimbursement.”

(g) Form RD 400-4, “Assurance Agreement” must be completed by the applicant and each prospective ultimate recipient.

(h) Intermediaries or grantees must collect and maintain data provided by ultimate recipients on race, sex, and national origin and ensure ultimate recipients collect and maintain this data. Race and ethnicity data will be collected in accordance with OMB *Federal Register* notice, “Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity” (62 FR 58782), October 30, 1997. Sex data will be collected in accordance with Title IX of the Education Amendments of 1972. These items should not be submitted with the application but should be available upon request by the Agency.

### 3. *Reporting.*

(a) A financial status report and a project performance activity report will be required of all grantees on a quarterly basis until initial funds are expended and yearly thereafter, if applicable, based on the Federal fiscal year. The grantee will complete the project within the total time available to it in accordance with the scope of work and any necessary modifications thereof prepared by the grantee and approved by the Agency. A final project performance report will be required with the final financial status report. The final report may serve as the last quarterly report. The final report must provide complete information regarding the jobs created and supported as a result of the grant if applicable. Grantees must continuously monitor performance to ensure that time schedules are being met, projected work by time periods is being accomplished, and other performance objectives are being achieved. Grantees must submit an original of each report to the Agency no later than 30 days after the end of the quarter. The project performance reports must include, but not be limited to, the following:

- (i) A comparison of actual accomplishments to the objectives established for that period;
- (ii) Problems, delays, or adverse conditions, if any, which have affected or will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of particular project work elements during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation;

(iii) Objectives and timetable established for the next reporting period;

(iv) Any special reporting requirements, such as jobs supported and created, businesses assisted, or economic development which results in improvements in median household incomes, and any other specific requirements, should be placed in the reporting section of the Letter of Conditions; and

(v) Within 90 days after the conclusion of the project, the intermediary will provide a final project evaluation report. The last quarterly payment will be withheld until the final report is received and approved by the Agency. Even though the intermediary may request reimbursement on a monthly basis, the last 3 months of reimbursements will be withheld until a final report, project performance, and financial status report are received and approved by the Agency.

(b) In addition to any reports required by 2 CFR part 200 and 2 CFR 400.1 to 400.2 and 2 CFR part 415 to 422, the intermediary or grantee must provide reports as required by 7 CFR part 4280, subpart A.

**G. Federal Awarding Agency Contact(s)** – For general questions about this announcement, please contact your RD State Office provided in the **ADDRESSES** section of this notice.

#### **H. Build America, Buy America**

*Funding to Non-Federal Entities.* Awardees that are Non-Federal Entities, defined pursuant to 2 CFR 200.1 as any State, local government, Indian tribe, Institution of Higher Education, or nonprofit organization, shall be governed by the requirements of Section 70914 of the Build America, Buy America Act (BABAA) within the Infrastructure Investment and Jobs Act (Public Law 117-58). Any requests for waiver of these requirements must be submitted pursuant to USDA's guidance available online at <https://www.usda.gov/ocfo/federal-financial-assistance-policy/USDABuyAmericaWaiver>.

#### **I. Other Information**

1. *Paperwork Reduction Act.* In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), the information collection requirements associated with the programs, as covered in this notice, have been approved by the Office of Management and Budget (OMB) under OMB Control Number 0570-0035.

2. *National Environmental Policy Act.* All recipients under this notice are subject to the requirements of 7 CFR part 1970. Awards for technical assistance and training under this notice are classified as a Categorical Exclusion according to 7 CFR 1970.53(b), and usually do not require any additional documentation. RBCS will review each grant application to determine its compliance with 7 CFR part 1970. The applicant may be asked to provide additional information or documentation to assist RBCS with this determination.

3. *Federal Funding Accountability and Transparency Act.* All applicants, in accordance with 2 CFR part 25, must be registered in SAM and have a UEI number as stated in section D.3 of this notice. All recipients of Federal financial assistance are required to report information about first-tier sub-awards and executive total compensation in accordance with 2 CFR part 170.

4. *Civil Rights Act.* All grants made under this notice (to applicant and ultimate recipient) are subject to title VI of the Civil Rights Act of 1964 as required by the USDA (7 CFR part 15, subpart A - Nondiscrimination in Federally-Assisted Programs of the Department of Agriculture - Effectuation of Title VI of the Civil Rights Act of 1964) and section 504 of the Rehabilitation Act of 1973, title VIII of the Civil Rights Act of 1968, title IX, Executive Order 12250, Executive Order 13166 (Limited English Proficiency), Executive Order 11246, and the Equal Credit Opportunity Act of 1974, Americans with Disabilities Act (ADA), and 7 CFR part 1901, subpart E .

5. *Nondiscrimination Statement.* In accordance with Federal civil rights laws and USDA civil rights regulations and policies, the USDA, its Mission Areas, agencies, staff offices, 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.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language) should contact the responsible Mission Area, agency, or staff office or the 711 Relay Service.

To file a program discrimination complaint, a complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form, which can be obtained online at <https://www.usda.gov/sites/default/files/documents/ad-3027.pdf> from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted 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; or

(2) Fax: (833) 256-1665 or (202) 690-7442; or

(3) Email: [program.intake@usda.gov](mailto:program.intake@usda.gov)

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**Karama Neal,**  
*Administrator,  
Rural Business-Cooperative Service,  
USDA Rural Development.*

