



DEPARTMENT OF AGRICULTURE

Rural Housing Service

7 CFR Part 3550

[Docket No. RHS-23-SFH-0017]

Single Family Housing Section 504 Home Repair Loans and Grants in Presidentially Declared Disaster Areas Pilot Program

AGENCY: Rural Housing Service, USDA.

ACTION: Notification; update and rescission.

SUMMARY: The Rural Housing Service (RHS or the Agency), a Rural Development (RD) agency of the United States Department of Agriculture (USDA), is providing notification that due to funding constraints it is rescinding one of the waivers being tested under the Section 504 Home Repair Loans and Grants in a Presidentially Declared Disaster Areas (PDDAs) pilot program, as published in the **Federal Register** on July 18, 2023.

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

FOR FURTHER INFORMATION CONTACT: Anthony Williams, Management and Program Analyst, Special Programs, Single Family Housing Direct Loan Division, Rural Development, 1400 Independence Ave., Washington, DC 20250, U.S. Department of Agriculture, Email: anthonyl.williams@usda.gov; Phone: (202) 720-9649.

SUPPLEMENTARY INFORMATION:

New Section 504 Pilot Regulatory Waivers Update

On July 18, 2023, the RHS published the Single Family Housing Section 504 Home Repair Loan and Grants in Presidentially Declared Disaster Areas Pilot Program notice in the

Federal Register (88 FR 45809). The purpose of the notice was to waive four regulatory requirements for the Section 504 Home Repair Loans and Grants in a Presidentially Declared Disaster Areas (PDDAs) pilot program. The Agency's intention was to evaluate the existing regulations and remove regulatory barriers to assist eligible applicants in PDDAs to improve the program usage for very low-income homeowners that are seeking to repair their damaged homes that are in PDDAs. The Agency also published a correction notice dated September 6, 2023 (88 FR 60883). In the September 6, 2023, notice, the Agency stated that the pilot was subject to the availability of funds.

As stated in the original notice and the correction notice, the Agency has continued to monitor the effectiveness of the pilot and the availability of funds. The Agency has now determined that there are not sufficient funds available for this program to keep all the waivers under the pilot in place. The Consolidated Appropriations Act, 2024 reduced the program level for Section 504 grants to \$25,000,000 (in comparison to \$32,000,000 in the Consolidated Appropriations Act, 2023) and rescinded \$28,000,000 of the unobligated balances that carried over from prior year appropriations. With the lower program level and no available carryover funds, the waiver to the age requirement is no longer supportable and is rescinded. With the rescission of this one waiver, all applicants for the Section 504 Home Repair Grant Program must be 62 years of age or older at the time of application, according to 7 CFR 3550.103(b). Complete applications received prior to the date of this notice can be processed with the age requirement waiver.

The remaining regulatory waivers established for the Section 504 PDDAs pilot program will remain in place and are anticipated to continue until July 18, 2025. This pilot remains subject to the availability of funds.

Eligibility Requirements

Eligible participants in the Section 504 program must abide by the statutory requirements as set forth in 7 CFR part 3550. Eligible PDDAs (individual and public assistance) can be found on the FEMA website at: <https://www.fema.gov/disaster/declarations>.

Non-Discrimination 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, staff office; or the 711 Federal 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 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, DC 20250-9410; or
- 2) Fax: (833) 256-1665 or (202) 690-7442; or

3) Email: *program.intake@usda.gov*.

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Joaquin Altoro,

Administrator,

Rural Housing Service.

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