



DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service

Rural Housing Service

Rural Utilities Service

[Docket No. RUS-24-AGENCY-0010]

OneRD Annual Notice of Guarantee Fee Rates, Periodic Retention Fee Rates, Loan Guarantee Percentage and Fee for Issuance of the Loan Note Guarantee Prior to Construction Completion for Fiscal Year 2025

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

ACTION: Notice.

SUMMARY: The Rural Business-Cooperative Service (RBCS), Rural Housing Service (RHS), and the Rural Utilities Service (RUS), agencies of the Rural Development mission area within the U.S. Department of Agriculture (USDA), hereinafter collectively referred to as the Agency, offer loan guarantees through four programs: Community Facilities (CF) administered by the RHS; Water and Waste Disposal (WWD) administered by the RUS; and Business and Industry (B&I) and Rural Energy for America Program (REAP) administered by the RBCS. This notice provides applicants with the Guarantee Fee rates, Guarantee percentage for Guaranteed Loans, the Periodic Retention Fee, and Fee for Issuance of the Loan Note Guarantee Prior to Construction Completion for Fiscal Year (FY) 2025. These fees are to be used when applying for loan note guarantees under the guaranteed loan types listed above during FY2025. This notice is being published prior to the passage of a FY 2025 appropriation. Should the fees need to be adjusted after passage of the FY 2025 appropriations, the agency will publish a subsequent notice in the *Federal Register*.

DATES: The fees in this notice are effective October 1, 2024.

FOR FURTHER INFORMATION CONTACT: For information specific to this notice contact Susan Woolard, Special Projects Coordinator, Rural Development Innovation Center – Regulations Management, USDA, 1400 Independence Avenue SW, Washington, DC 20250-1522. Telephone: (202) 720-9631 (This is not a toll-free number). Email: susan.woolard@usda.gov. For information regarding implementation, contact your respective Rural Development State Office listed at rd.usda.gov/browse-state.

SUPPLEMENTARY INFORMATION:

As set forth in 7 CFR part 5001, the Agency is authorized to charge a guarantee fee, a periodic guarantee retention fee, a fee for the issuance of the loan note guarantee prior to construction completion and establish a loan guarantee percentage for guaranteed loans made under this rule. Pursuant to this and other applicable authority, and subject to the current appropriated authority, the Agency is establishing the following for FY 2025:

Loan Type	Guarantee Fee	Periodic Guarantee Retention Fee	Loan Guarantee Percentage	Fee for Issuance of Loan Note Guarantee Prior to Construction Completion
B&I	3.00%	0.55%	80%	0.50%
B&I Reduced Fee	1.0%	0.50%	80%	0.50%
B&I project in a high cost, isolated rural area of the State of Alaska that is not connected to a road system	1.0%	0.50%	90%	0.50%
CF	1.25%	0.50%	80%	0.50%
REAP	1.0%	0.25%	80%	0.50%
WWD	1.0%	N/A	90%	0.50%

The initial guarantee fee is paid at the time the loan note guarantee is issued. The periodic guarantee retention fee is paid by the lender to the Agency once a year. Payment of the periodic guarantee retention fee is required in order to maintain the enforceability of the guarantee. The fee for issuance of the loan note guarantee prior to construction

completion DOES NOT apply to all construction loans. This additional fee only applies to loans requesting to receive a loan note guarantee prior to project completion. For loans where the loan note guarantee is issued between October 1 and December 31, the first periodic retention fee payment is due January 31 of the second year following the date the loan note guarantee was issued.

As set forth in 7 CFR 5001.454(d), each fiscal year, the Agency shall establish a limit on the maximum portion of B&I guarantee authority available for that fiscal year that may be used to guarantee loans with a reduced guarantee fee. The Agency has established that not more than 12 percent of the Agency's B&I guarantee authority will be reserved for loan guarantee requests with a reduced fee. Once this limit is reached, all additional loans will be at the standard fee.

Unless precluded by a subsequent FY 2025 appropriation, these rates will apply to all guaranteed loans obligated in FY 2025. The amount of the periodic retention fee on each guaranteed loan will be determined by multiplying the periodic retention fee rate by the outstanding principal loan balance as of December 31, multiplied by the percentage of guarantee.

Non-Discrimination 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 through the 711 Relay Service. Additionally, program information may be made available in languages other than English.

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/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.

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Basil I. Gooden,
Under Secretary,
Rural Development.

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