

TO: State Directors  
Rural Development

ATTN: National Office and Business Program Directors

FROM: Bette B. Brand /s/ *Bette B. Brand*  
Administrator  
Rural Business-Cooperative Service

SUBJECT: Implementation of the Report to the President of the United States from the Task Force on Agriculture and Rural Prosperity in the Business and Industry Guaranteed Loan Program

### **PURPOSE**

Executive Order 13790 entitled “Promoting Agriculture and Rural Prosperity in America” (82 FR 20237) was issued on April 25, 2017. This Executive Order established an Interagency Task Force on Agriculture and Rural Prosperity to promote agriculture, economic development, job growth, infrastructure improvements, technological innovation, energy security, and quality of life in rural America. The Report to the President of the United States from the Task Force on Agriculture and Rural Prosperity (Report) was issued on January 8, 2018. The Report can be found at <https://www.agri-pulse.com/ext/resources/pdfs/potus-task-force-report-51.pdf>. There are five Calls to Action identified in the Report: Achieving e-Connectivity for Rural America; Improving Quality of Life; Supporting a Rural Workforce; Harnessing Technological Innovation; and Economic Development. For each of these identified Call to Actions, there are outlined Objectives and Recommended Actions.

This unnumbered letter provides guidance on how to implement lending priorities in the Business and Industry (B&I) Guaranteed Loan to support the Objectives and Recommended Actions outlined in the Report.

### **IMPLEMENTATION RESPONSIBILITIES**

Consistent with the Report and the existing regulatory framework for the B&I Guaranteed Loan Program found at 7 CFR Part 4279, State Director Points and Administrator Points for the B&I Guaranteed Loan Program should be utilized to support funding for the following types of projects:

**EXPIRATION DATE:**  
March 31, 2019

**FILING INSTRUCTIONS:**  
Community/Business Programs

- Projects that support and create reliable and affordable high-speed internet connectivity through financing equipment such as distance learning and telemedicine, and health information technology, as well as internal and external wiring and publicly available wi-fi capability.
- Projects that support and manufacture commercially available unmanned technologies.
- Projects that support and increase agriculture, forestry, food production, innovative farm technology, agritourism, biotechnology and sustainable forest management. Examples include: grocery stores, distributors, value-chain actors, and educational/training facilities.
- Projects that advance energy security by boosting production of energy from natural gas, oil, coal, nuclear, and/or renewables.
- Projects that increase “Made in America” outputs in agriculture, manufacturing, forestry, and mining. Projects can include infrastructure, distribution, and value-chain participants.
- Projects that advance the quality of life via modern utilities, efficient transportation, access to medical services, including those for the treatment of and recovery from opioid addiction, and improved safety and education.
- Projects that advance career training and development, including apprenticeship opportunities, to provide rural communities, organizations, and businesses a skilled workforce such as technical colleges, business incubators, and vocational technical schools.

The Agency should support these goals by using flexibilities permitted in the program regulations. For example, 7 CFR 4279.166(b) outlines the priority point system for applications for the B & I Guaranteed Loan Program. Paragraph 4279.166(b)(5) grants State Directors authority to add up to 10 points to an application’s score:

- to account for Statewide distribution of funds, natural disasters or economic emergency conditions, community economic development strategies, State strategic plans, fundamental structural changes in a community's economic base, or projects that will fulfill an Agency initiative.

The Administrator has similar authority to add points to an application's score under the same paragraph if an application is considered at the National Office. The Administrator:

- may assign up to an additional 10 points to account for geographic distribution of funds, emergency conditions caused by economic problems or natural disasters, or projects that will fulfill an Agency initiative.

State Directors and the Administrator should use their authority to support the Report goals noted above.

In addressing the Calls to Action in the Report, continue to take a close look at your statutory and regulatory requirements regarding rurality, project eligibility, borrower eligibility, financial feasibility and security for each loan application. Compliance with these requirements and guidelines is necessary to protect the integrity of the B & I Guaranteed Loan Program and ensure consistency in its implementation.

If you have any questions, please contact Kristi Kubista-Hovis, Acting Deputy Administrator, Business Programs, 202-720-7287.