



Rural Development

Office of the Administrator

Rural Business–Cooperative
Service

1400 Independence Ave, SW
Room 5803-S
Washington, DC 20250

TO: State Directors, Rural Development
ATTN: Business Programs Directors
SUBJECT: Rural Business-Cooperative Service
Appeal Process

Purpose:

The purpose of this Unnumbered Letter is to provide guidance regarding the appeal process and to clarify the roles and responsibilities for field offices and National Office staff.

Background:

The Rural Business-Cooperative Service (RBCS) administers various financial and technical assistance programs to numerous entities and during the fiscal year decisions are made on applications for assistance. Some decisions result in an unfavorable or adverse action for the applicant.

When an applicant is affected by an adverse decision, RBCS must follow the procedures outlined in the mission area regulation at [7 CFR 1900, Subpart B](#), “Adverse Decisions and Administrative Appeals” and the National Appeals Division (NAD) regulation at [7 CFR 11, Subpart A](#), “National Appeal Division Rules of Procedures.”

The NAD regulation acknowledges that the appeals procedures may not be used to seek review of statutes or USDA regulations issued under Federal Law. The [7 CFR 1900.56](#) provides examples of decisions that are non-appealable. It is important to note that all adverse decisions are considered reviewable by NAD. NAD will make the final determination as to whether an unfavorable decision is appealable or not.

NAD reports directly to the Secretary and operates independently of the direction or control of any agency within USDA. Any applicant who disagrees with a RBCS decision can file an appeal with NAD and obtain a hearing.

EXPIRATION DATE:
April 30, 2025

FILING INSTRUCTIONS:
Community/Business Programs

The field offices are responsible for communicating decisions to applicants including adverse actions for programs that are state-allocated and Nationally-competed. The National Office is responsible for communicating decisions to applicants for programs that are administered solely by National Office. When requested, National Office program leads can counsel field offices in the appeal process.

Implementation:

National Office will continue to handle appeals for the Agriculture Innovation Center Program, Higher Blends Infrastructure Incentive Program, Meat and Poultry Processing Expansion Program – Phase Two Program, the Biorefinery, Renewable Chemical and Biobased Product Manufacturing Assistance Program (9003), and the Fertilizer Production Expansion Program. For the Food Supply Chain Guaranteed Loan Program, the Business and Industry Guaranteed Loan Program, and the Rural Energy for America Program, when the cumulative indebtedness exceeds a State’s delegated authority, the National Office representative and the State Office representative(s) on the Review Team will handle the appeal.

Field offices will continue to handle appeals for all other programs administered by RBCS.

Adverse letters must offer three options to the applicant: informal meeting, mediation, and appeal. The applicant can select one or all the options as outlined in the NAD and mission area regulations. Template letters for adverse decisions can be found on the respective program page on The Beacon, RBCS’ SharePoint site [Program Directory \(sharepoint.com\)](#). These pages also list contact information for the National Office program leads. If an applicant selects mediation, the appropriate program lead(s) at the National Office should be notified.

If you have questions or need additional guidance in the appeal process, please contact the appropriate program lead(s) as identified on the respective program Beacon page.

Sincerely,

Betsy Dirksen Londrigan
Administrator
Rural Business-Cooperative Service