

U.S. DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT
Washington, D.C 20250

MANUAL ISSUE No.
WSAL PN 580
DATE
March 31, 2023

PROCEDURE NOTICE

RD HANDBOOK CHANGES

INSERT RD HB-1-3555
(WSAL)

SFH GUARANTEED LOAN PROGRAM TECHNICAL HANDBOOK. This Handbook is partially revised. Specific revisions include:

Chapter 4:

The following updates were made to HB-1-3555, Chapter 4 to clarify lender responsibilities in regard to conflict of interest. In addition, links and email addresses were corrected.

Paragraph 4.2 Operate Responsibly

Added bullet on "Avoid Conflicts of Interest" to ensure that employees do not have multiple roles and sources of income in a single RD transaction.

Paragraph 4.12- Additional Lender Responsibilities

Updated the link to the user guide for the "Electronic Lender Loan Closing System".

Chapter 6:

The following updates were made to HB-1-3555, Chapter 6 to provide clarifications, correct discrepancies within the chapter, and revise for better flow. Additionally, minor grammatical and formatting edits were made to be consistent with other handbook chapter revisions.

Paragraph 6.2C- Reasonable and Customary Expenses Associated with the Purchase of an Existing Dwelling or New Construction

Added "environmental inspections" as an eligible loan cost since not specifically addressed in the handbook but is an allowable expense per 7 CFR 3555.101(b)(6)(iv).

Removed "Seller Concessions" and replaced with "Interested Party Concessions" to clarify that the contributions apply to all interested parties.

Added "repairs" to clarify that those contributions are not included in the 6% seller concession limitation and that those repairs must be held in escrow.

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RD HANDBOOK CHANGES
INSERT RD HB-1-3555
(WSAL)

Chapter 6:

Paragraph 6.2D(2)(c) - Streamlined-assist refinance

Added that "existing borrowers on the current mortgage note must remain on the refinanced loan" to be consistent with information on Attachment 6-A.

Updated to clarify that even though repayment income calculations are no longer required on RD Form 3555-21, the lender is still required to complete annual income calculations to ensure the allowable maximum income limit is not exceeded.

Added additional guidance to clarify that for streamline assist, the documents can be submitted in GUS and included the link to access the job aid for manual file submissions.

Added "Part 1800: General" to Exhibit K, of RD Instruction 440.1 in order to better assist with locating the up-front guarantee fee and annual fee notated in Exhibit K of RD Instruction 440.1 when clicking on the <https://www.rd.usda.gov/resources/directives/instructions> link.

Removed the word "See" and replaced with the word "Refer" to better uniformity in comparison to other chapter handbook revisions.

Removed the word "See" and replaced with the word "Refer" to better uniformity in comparison to other chapter handbook revisions.

Under "Requirements for all Refinance Options", removed the word "original" from bullet number 2 and changed "existing" for word usage consistency in other paragraph sections.

Removed all references to "National Financial and Accounting Operations Center (NFAOC) and replaced with "Servicing and Asset Management Office (Servicing Office)".

REMOVE

Chapter 4 dated 03-09-16:
Pages 4-1 thru 4-8;
Chapter 6 dated 03-09-16:
Pages 6-1 thru 6-10;
Attachment 6-A.

INSERT

Chapter 4 dated 03-09-16:
[Pages 4-1 thru 4-8 revised;](#)
Chapter 6 dated 03-09-16:
[Pages 6-1 thru 6-10 revised,](#)
[Attachment 6-A revised 03-31-23.](#)

FORMS

REPLACEMENT**RD 4280-2**
(WSAL)

RURAL BUSINESS-COOPERATIVE SERVICE FINANCIAL ASSISTANCE AGREEMENT revised 03-23. Prescribed in RD Instruction 4280-B. The Form and FMI are being revised to include BABAA language under paragraph II.A.2 (2. Procurement, Domestic Preference, and Property Standards) and to add drop downs button to the "Program and CFDA Number." The Form and FMI can be located on the eForms website [eForms Home \(usda.gov\)](https://www.usda.gov/eForms).

REMOVE

FMI dated 08-12-21.

INSERT

FMI revised 03-31-23.

RD 4280-3A
(WSAL)

RURAL ENERGY FOR AMERICA PROGRAM APPLICATION FOR RENEWABLE ENERGY SYSTEMS AND ENERGY EFFICIENCY IMPROVEMENT PROJECTS TOTAL PROJECT COSTS OF \$80,000 OR LESS revised 03-23. Prescribed in RD Instruction 4280-B. The Form and FMI are being revised to change - a) update the revised date, b) add in an expiration date, c) revise III to removed CAGE code, update to UEI; d) Added a New IV to capture the name of the Executive Director and others persons that will distribute Federal Funds; e) burden hours were updated in PRA statement to match what was approved in ROCIS, f) V. was updated to remove Letter B, existing C and D to B and C and add in a D to address Tribal entities and projects on Tribal Land; g) VI was updated to address the new Federal grant share, update project information and to reorganize the types of technology into greenhouse gas emission and non-green house gas emission. VI was also numbered from A thru G; h) IX was updated to Environmental Benefits and how the project impacts the added criteria; and i) other confirming changes were made to renumber and to correct references due to changes.

Changes were made based on requirements included in the Inflation Reduction Act of 2022. Scoring criteria was updated and the forms were updated to reflect the information needed to score the REAP applications. The Form and FMI can be located on the eForms website [eForms Home \(usda.gov\)](https://www.usda.gov/eForms).

REMOVE

FMI dated 08-12-21.

INSERT

FMI revised 03-31-23.

(CON)

FORMS**REPLACEMENT****RD 4280-3B**
(WSAL)**RURAL ENERGY FOR AMERICA PROGRAM APPLICATION
FOR RENEWABLE ENERGY SYSTEMS AND ENERGY
EFFICIENCY IMPROVEMENT PROJECTS TOTAL PROJECT**

COSTS OF LESS THAN \$200,000, BUT MORE THAN \$80,000 revised 03-23. Prescribed in RD Instruction 4280-B. The Form and FMI are being revised to change - a) update the revised date, b) add in an expiration date, c) revise III to removed CAGE code, update to UEI; d) Added a New IV to capture the name of the Executive Director and others persons that will distribute Federal Funds; e) burden hours were updated in PRA statement to match what was approved in ROCIS, f) V. was updated to remove Letter B, existing C and D to B and C and add in a D to address Tribal entities and projects on Tribal Land; g) VI was updated to address the new Federal grant share, update project information and to reorganize the types of technology into greenhouse gas emission and non-green house gas emission. VI was also numbered from A thru G; h) IX was updated to Environmental Benefits and how the project impacts the added criteria; and i) other confirming changes were made to renumber and to correct references due to changes.

Changes were made based on requirements included in the Inflation Reduction Act of 2022. Scoring criteria was updated and the forms were updated to reflect the information needed to score the REAP applications. The Form and FMI can be located on the eForms website [eForms Home \(usda.gov\)](https://www.usda.gov/eForms).

REMOVE

FMI dated 08-12-21.

INSERT

FMI revised 03-31-23.

RD 4280-3C
(WSAL)**RURAL ENERGY FOR AMERICA PROGRAM APPLICATION FOR
RENEWABLE ENERGY SYSTEMS AND ENERGY EFFICIENCY
IMPROVEMENT PROJECTS TOTAL PROJECT COSTS OF**

\$200,000 AND GREATER revised 03-23. Prescribed in RD Instruction 4280-B. The Form and FMI are being revised to change - a) update the revised date, b) add in an expiration date, c) revise III to remove CAGE code, update to UEI; d) added in a new IV to capture Executive Director and others that will be accepting or distributing Federal funds; e) burden statement was updated and burden hours were changed to match what was approved in ROCIS, f) V. was updated to remove Letter B, existing C and D to B and C and add in a D to address Tribal entities and projects on Tribal Land; g) VII was updated to address the new Federal grant share, update project information and to reorganize the types of technology into greenhouse gas emission and non-green house gas emission. VI was also numbered from A thru G; and h) X was updated to Environmental Benefits and how the project impacts the added criteria.

Changes were made based on requirements included in the Inflation Reduction Act of 2022. Scoring criteria was updated and the forms were updated to reflect the information needed to score the REAP applications. The Form and FMI can be located on the eForms website [eForms Home \(usda.gov\)](https://www.usda.gov/eForms).

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FMI dated 08-12-21.

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