

STAKEHOLDER ANNOUNCEMENT

USDA Publishes Notice on Farm Bill Changes to Rural Population Limits and Other Eligibility Rules for Several Guaranteed Loan Programs

WASHINGTON, Oct. 3, 2019 – U.S. Department of Agriculture (USDA) Deputy Under Secretary for Rural Development Donald “DJ” LaVoy today announced that in accordance with the provisions of the Agriculture Improvement Act of 2018 (the Farm Bill), USDA is changing rural population limits, fees and funding priorities for some loan guarantee programs administered through the Rural Housing Service and the Rural Utilities Service.

USDA will increase the rural population eligibility limit to 50,000 residents for the [Community Facilities Guaranteed Loan Program](#) and the [Water and Waste Disposal Loan Program](#).

For fiscal year 2020, projects financed through the Community Facilities Guaranteed Loan Program will receive priority in rural areas of 20,000 or fewer residents. Projects financed through the Water and Waste Disposal Guaranteed Loan Program will receive priority in rural areas of 10,000 or fewer residents.

USDA will increase the Community Facilities Guaranteed Loan Program’s one-time guarantee fee from 1 percent to 1.5 percent. The Agency also will establish an annual renewal fee of 0.5 percent of the loan’s principal balance each year. There are no changes to the Water Waste Disposal Guaranteed Loan Program fee rates.

These changes are effective Dec. 2, 2019. However, applications for Community Facilities or Water and Waste Disposal loan guarantees for projects serving rural areas with populations up to 50,000 may be filed with the Agency starting today. The Agency will not act on any applications received under this notice until the effective date. For additional information, see page 52869 of the Oct. 3, 2019, [Federal Register](#).

USDA encourages applications that will support recommendations made in the [Report to the President of the United States from the Task Force on Agriculture and Rural Prosperity](#) (PDF, 5.4 MB). Applicants are encouraged to consider projects that provide measurable results in helping rural communities build robust and sustainable economies through investments in infrastructure, partnerships and innovation. Key strategies include:

- Achieving e-Connectivity for Rural America
- Developing the Rural Economy
- Harnessing Technical Innovation
- Supporting a Rural Workforce
- Improving Quality of Life

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