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Rural Development Provisions in the 2018 Farm Bill (P.L. 115-334)

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SUMMARY

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Rural Development Provisions in the 2018 Farm Bill (P.L. 115-334)

The U.S. Department of Agriculture's (USDA) Rural Development agency (RD) administers programs to support rural infrastructure and economic development. This includes programs focused on rural housing, rural business development, rural water and energy infrastructure, and, more recently, rural broadband deployment. Congress considers reauthorizing these programs in periodic omnibus farm bills. In December 2018, President Trump signed the 2018 farm bill (Agriculture Improvement Act of 2018, P.L. 115-334) into law. This legislation reauthorizes and amends RD programs, establishes new rural development programs and initiatives, and repeals other programs.

Economic trends and social issues prevalent in rural America during the drafting of a farm bill typically influence the law's rural development provisions. Issues that influenced the rural development provisions of the 2018 farm bill include:

- rural population decline;
- the changing nature of rural employment, especially the decline in agriculture and manufacturing employment;
- rural health challenges, including an increasing number of rural hospital closures and increasing rates of drug overdose deaths related to opioids;
- aging rural infrastructure and a lack of access to broadband internet in rural areas; and
- a shift among some scholars and policymakers toward regional approaches to rural economic development.

The 2018 farm bill establishes new rural development programs and initiatives. Among the new provisions, the law directs USDA to temporarily prioritize funding under certain rural development programs for projects that address substance use disorder. It also authorizes USDA to make similar temporary prioritizations in the future, to respond to public health disruptions in rural areas. P.L. 115-334 also establishes a new rural broadband program to finance *middle mile infrastructure*—infrastructure that connects a local network to the internet backbone. The law also authorizes a new grant program to support high-wage jobs and new businesses in rural areas. P.L. 115-334 directs USDA to establish Tribal Promise Zones, which are to receive priority consideration for certain federal grant programs. Other new rural development provisions relate to broadband deployment, precision agriculture, and rural community development.

P.L. 115-334 reauthorizes and amends a number of existing rural development programs. It adds a grant component to the Rural Broadband Access Loan Program and increases the authorization of appropriations from $25 million to $350 million per year for FY2019-FY2023. To be eligible for newly authorized grants, at least 90% of households in a service area must lack access to sufficient broadband service. The law also amends eligibility criteria for program loans, raising the percentage of households in an eligible service area that must lack access to sufficient broadband service from 15% to 50% of households. P.L. 115-334 codifies the Community Connect Grant Program and authorizes appropriations of $50 million per year for FY2019-FY2023. It also increases the authorizations of appropriations for the Emergency and Imminent Community Water Assistance Program, the Rural Decentralized Water Systems Program (formerly the Household Well Water Systems Program), and water and wastewater technical assistance and training programs. The law also amends the Cushion of Credit Program to terminate deposit authority and incrementally reduce the interest rate that accrues to borrowers.

P.L. 115-334 amends certain definitions of *rural* used to determine eligibility for RD programs. It amends the definition of *rural* for certain housing and broadband programs to exclude incarcerated populations and the first 1,500 people residing on a military base. It also increases to 50,000 the maximum population of communities eligible for guaranteed loans under the Community Facilities and Water and Waste Disposal programs. The law reestablishes the position of Under Secretary of Agriculture for Rural Development as a permanent position within USDA, subject to Senate confirmation. USDA had eliminated the position in 2017 and replaced it with the Assistant to the Secretary for Rural Development, a position that did not require Senate confirmation. The 2018 farm bill also repeals the Rural Telephone Bank and grants to rural broadcasting systems, among other programs.

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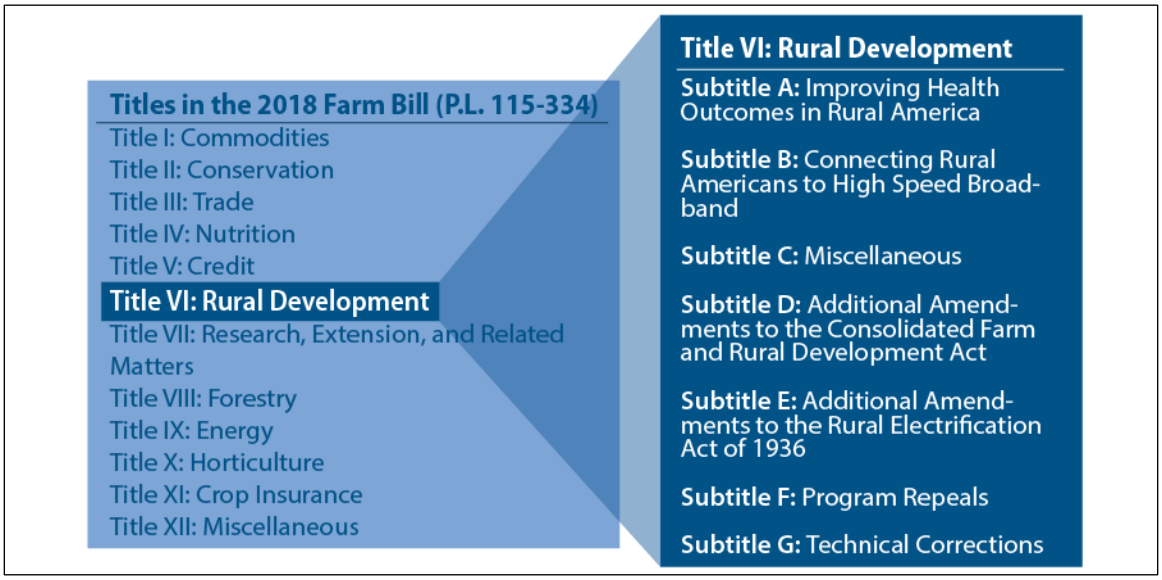
Introduction

While periodic, omnibus farm bills focus on agricultural and food policy, they also contain provisions addressing rural community and economic development.[1] The U.S. Department of Agriculture (USDA), through its Rural Development agency (RD), administers a broad portfolio of programs focused on rural housing, rural infrastructure, and rural business and employment. Congress considers reauthorizing and amending many of these programs in periodic farm bills. The most recent is the Agriculture Improvement Act of 2018 (2018 farm bill, P.L. 115-334).[2] The 2018 farm bill generally authorizes programs and funding levels for the period FY2019-FY2023, though some provisions apply to different periods, such as FY2019-FY2025.

Since 1973, farm bills have included a title dedicated to rural development. The Rural Development title (Title VI) of the 2018 farm bill generally addresses (1) rural infrastructure, including housing, electrical generation and transmission, water and wastewater, and more recently, broadband deployment; (2) rural economic development; and (3) rural business creation and expansion. The Miscellaneous title (Title XII) also includes certain rural development provisions related to RD personnel, federal task forces or working groups, and other federal rural development programs. Programs authorized in other titles of P.L. 115-334 may benefit rural areas, especially rural areas with economies reliant on agriculture. However, most rural development provisions in the Rural Development and Miscellaneous titles specifically target rural areas.

Figure 1. The Rural Development Title of the 2018 Farm Bill



Source: CRS.

A number of issues influenced the rural development provisions of the 2018 farm bill. Many rural communities have experienced decreasing populations over the last decade. In addition, some rural residents struggle to access employment opportunities, especially in high-wage jobs. The

[1] For an overview of the farm bill, see CRS Report RS22131, *What Is the Farm Bill?*, by Renée Johnson and Jim Monke.

[2] For further detail on all titles of the 2018 farm bill, see CRS Report R45525, *The 2018 Farm Bill (P.L. 115-334): Summary and Side-by-Side Comparison*, coordinated by Mark A. McMinimy.

ongoing opioid crisis and an increasing number of rural hospital closures have raised concerns about the health of rural residents. Aging infrastructure, such as electric or drinking water infrastructure, also presents a challenge to some rural communities. The *digital divide*—lower rates of broadband access in rural areas compared to urban areas—has raised concerns that rural residents may be less able to access opportunities and services such as distance learning, telemedicine, and e-commerce. In addition, policymakers and scholars have increasingly examined regional approaches to rural economic development rather than approaches focused on individual communities.

The 2018 farm bill includes new provisions and programs related to rural broadband deployment, health care, and community development. The law also reauthorizes and amends existing programs related to broadband deployment, other rural infrastructure, and community development. P.L. 115-334 amends multiple definitions of *rural* used to determine eligibility for RD programs. The law also amends programs that address regional approaches to rural economic development. Further, P.L. 115-334 repeals some rural development programs and makes technical corrections to statutory language authorizing other programs.

This report provides a brief overview of federal rural development programs. It then analyzes issues that influenced the development of rural development provisions in the 2018 farm bill. Next, the report details new rural development programs and entities created and changes made to existing rural development programs, in P.L. 115-334. The **Appendix** provides a side-by-side comparison of each provision in the Rural Development title, as well as each rural development provision in the Miscellaneous title, of the 2018 farm bill with prior law.

Federal Rural Development Programs

The Rural Development Policy Act of 1980 (P.L. 96-355) named USDA as the lead federal agency for rural development. RD is the mission area within USDA responsible for rural infrastructure and economic development assistance. Three agencies comprise RD: the Rural Business-Cooperative Service, the Rural Housing Service, and the Rural Utilities Service (RUS). RD programs are largely loan and grant programs that assist communities with small populations to finance development projects.[3]

Many RD programs have statutory authority in the Consolidated Farm and Rural Development Act of 1972 (the ConAct, P.L. 87-128) or the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.). RD programs typically rely on annual appropriations for funding, but omnibus farm bills also authorize mandatory funding for some RD programs. The most recent of these, the 2018 farm bill, reauthorizes or amends existing RD programs and authorizes new RD programs by amending the ConAct, the Rural Electrification Act, or other authorizing legislation. The 2018 farm bill also authorizes some rural development programs or entities administered outside USDA. For example, the law authorizes the Federal Communications Commission (FCC) to establish a new task force on precision agriculture connectivity. It also reauthorizes federal regional commissions, such as the Appalachian Regional Commission.[4]

[3] For more information on RD programs, see CRS Report RL31837, *An Overview of USDA Rural Development Programs*, by Tadlock Cowan.

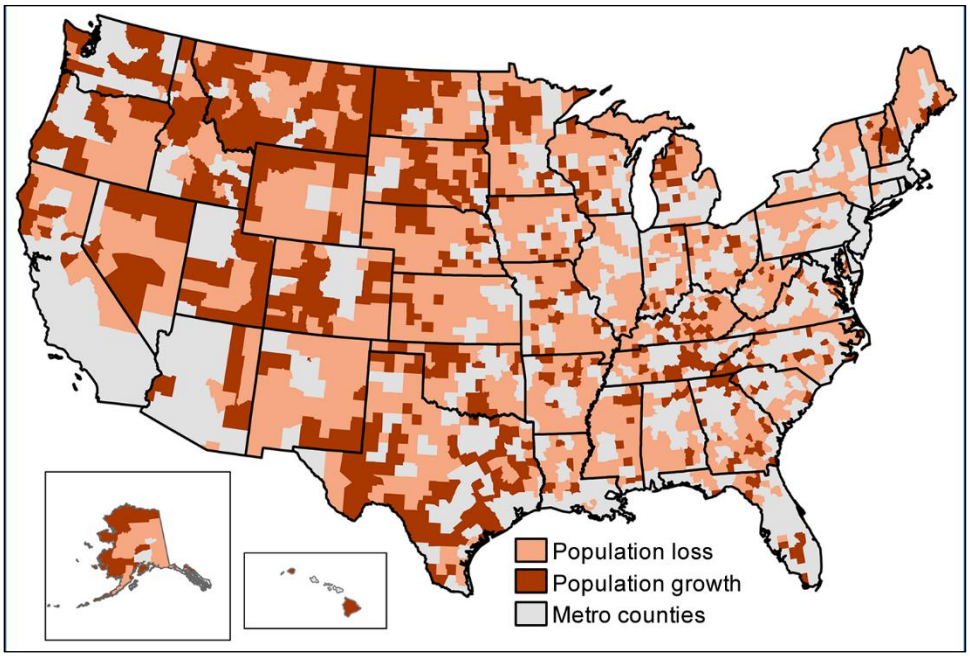
[4] Federal regional commissions or authorities are entities that finance infrastructure, workforce development, environmental, and other economic development initiatives in their respective service areas. Their leadership typically includes both federal and state representatives. For more information on regional commissions, see CRS In Focus IF11140, *Federal Regional Commissions and Authorities: Overview of Structure and Activities*, by Michael H. Cecire.

Issues Influencing the 2018 Farm Bill's Rural Development Provisions

A number of economic and social issues in rural America influenced the rural development provisions of the 2018 farm bill. Rural policy issues that influenced the 2018 farm bill include:

- rural population decline;
- rural underemployment;
- rural health issues, including the ongoing opioid crisis and an increasing rate of hospital closures in rural areas;
- aging rural infrastructure and a lack of access to broadband internet in rural areas; and
- a shift among some scholars and policymakers towards supporting regional approaches to rural economic development.

Figure 2. Nonmetropolitan Population Change, 2010-2017



Source: USDA Economic Research Service.

Notes: For this figure, *nonmetropolitan counties* are all counties other than those containing a city with a population of 50,000 or greater or counties adjacent to, and having a high degree of social and economic integration with, a county containing a city with a population of 50,000 or greater.

Between 2010 and 2017, the number of people living in nonmetropolitan counties declined by approximately 223,000.[5] Additionally, over 1,300 nonmetropolitan counties experienced

[5] John Cromartie, *Population and Migration*, USDA Economic Research Service (ERS), updated August 20, 2019, https://www.ers.usda.gov/topics/rural-economy-population/population-migration/. *Nonmetropolitan counties* are all counties other than those containing a city with a population of 50,000 or greater, or adjacent to, and having a high degree of social and economic integration with, a county containing a city with a population of 50,000 or greater.

population loss (**Figure 2**). While the overall U.S. rural population declined, rates of population change varied among rural areas. Populations declined in many rural counties dependent on agriculture and manufacturing, while populations increased in many rural counties dependent on recreation.[6] Population decline results from a combination of out-migration, declining birth rates, and increased mortality. Research has attributed rural out-migration to many factors, including lack of employment opportunities and less access to education, health care, and cultural amenities.[7] Congress sought to address rural population decline in the 2018 farm bill through rural infrastructure, business development, and community development.

Historically, agriculture and rural policy were closely linked due to the high percentage of rural Americans employed in agriculture. This link has weakened due to the changing nature of rural employment. In 2017, the agriculture sector accounted for 5.6% of rural[8] jobs, down from 6.8% in 2001.[9] In addition, USDA estimates that approximately 80% of total farm household income in 2019 will come from off-farm activities.[10] Manufacturing has also been an important source of employment in rural areas, being responsible for a larger share of jobs in rural counties than in urban counties.[11] In 2017, manufacturing employed 10.8% of the rural workforce, declining from 14.1% in 2001.[12] Congress sought to address rural employment in the 2018 farm bill through entrepreneurship, business development, broadband deployment, and access to credit.

Rural health issues also influenced the 2018 farm bill's rural development provisions. Policymakers continue to look for solutions to address the opioid epidemic that began in the 1990s. Though this epidemic has affected urban, suburban, and rural areas, the drug overdose death rate in rural areas increased at a faster rate than in urban areas between 1990 and 2015.[13] In addition, many scholars and interest groups have asserted that the federal government's approach to mitigating the opioid crisis in rural areas should differ from the strategy for urban areas.[14]

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[6] Cromartie, *Population and Migration*; ERS uses County Typology Codes to divide U.S. counties into seven categories based on economic dependence. The six nonmetropolitan categories include farming-dependent, mining-dependent, manufacturing-dependent, federal and state government-dependent, recreation-dependent, and nonspecialized. For more information, see ERS, "County Typology Codes: Description and Maps," https://www.ers.usda.gov/data-products/county-typology-codes/descriptions-and-maps/.

[7] See, for example, Nina Elkadi, "Keeping Rural America Alive," *Harvard Political Review*, October 13, 2018, https://harvardpolitics.com/united-states/keeping-rural-america-alive/; John Cromartie, Christiane Von Reichert, and Ryan Arthun, *Factors Affecting Former Residents' Returning to Rural Communities*, ERS, May 2015, https://www.ers.usda.gov/publications/pub-details/?pubid=45364.

[8] For the purposes of this data, *rural* means the *nonmetropolitan* portion of the United States. See footnote 5.

[9] U.S. Department of Commerce, Bureau of Economic Analysis, Regional Data, Table CAEMP25N *Total Full-Time and Part-Time Employment by NAICS Industry*, 2017, https://apps.bea.gov/iTable/iTable.cfm?reqid=70&step=1&isuri=1.

[10] See "Average Farm Household Income," in CRS Report R46132, *U.S. Farm Income Outlook: November 2019 Forecast*, by Randy Schnepf.

[11] Sarah A. Low, *Rural Manufacturing at a Glance, 2017 Edition*, ERS, August 2017, https://www.ers.usda.gov/publications/pub-details/?pubid=84757.

[12] Bureau of Economic Analysis, *Total Full-Time and Part-Time Employment by NAICS Industry*.

[13] Centers for Disease Control and Prevention, "CDC Reports Rising Rates of Drug Overdose Deaths in Rural Areas," October 19, 2017, https://www.cdc.gov/media/releases/2017/p1019-rural-overdose-deaths.html.

[14] See, for example, Shannon Monnat and Khary Rigg, "The Opioid Crisis in Rural and Small Town America," University of New Hampshire, June 19, 2018, https://carsey.unh.edu/publication/opioid-rural-smalltown-us; Pew Charitable Trusts, "Opioid Use Disorder: Challenges and Opportunities in Rural Communities," February 7, 2019, https://www.pewtrusts.org/en/research-and-analysis/fact-sheets/2019/02/opioid-use-disorder-challenges-and-opportunities-in-rural-communities; American Farm Bureau Federation, "Rural Opioid Epidemic," https://www.fb.org/issues/other/rural-opioid-epidemic/.

While federal, state, and local governments have addressed the epidemic, drug overdose rates remain high.[15] In addition, a rise in the number of rural hospital closures has increased concerns about access to health care in rural areas. According to the U.S. Government Accountability Office (GAO), 64 rural hospitals closed between 2013 and 2017, more than twice as many as during the previous five-year period.[16] These hospital closures will likely result in rural residents having to travel greater distances for emergency medical care. In the 2018 farm bill, Congress included provisions related to refinancing of rural hospital debt, funding for opioid abuse prevention and treatment, and coordination of federal rural health efforts.

Aging infrastructure continues to be a concern for rural areas. According to GAO, "many rural communities face significant challenges in financing the costs of replacing or upgrading aging and obsolete drinking water and wastewater infrastructure."[17] Because communities typically pay for drinking water infrastructure through rates charged to users, more sparsely populated communities have difficulty financing major infrastructure construction or upgrades. Some rural communities also lack the resources to assess infrastructure needs. Similar challenges exist to upgrading and maintaining rural housing and electricity infrastructure. The 2018 farm bill includes provisions related to rural infrastructure loan and grant programs, technical assistance for infrastructure planning, and prioritizing water infrastructure funding to address a public health crisis.

Additionally, scholars and policymakers have asserted that access to broadband internet is important for economic and community development in rural areas.[18] According to the most recent FCC deployment data, as of December 2017, 26% of Americans in rural areas and 32% of Americans on tribal lands lack access to broadband at speeds of at least 25 megabits per second (Mbps) download and 3 Mbps upload. In comparison, 1.7% of Americans in urban areas lack access to broadband at 25/3 Mbps.[19] The 2018 farm law includes provisions related to broadband deployment, federal program coordination, and the use of broadband for precision agriculture.

Some scholars and policymakers increasingly support a regional approach to rural economic development.[20] Rather than focus on individual towns or communities, which may compete for

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[15] For more information on the opioid epidemic and the federal government's response to it, see CRS Report R45790, *The Opioid Epidemic: Supply Control and Criminal Justice Policy—Frequently Asked Questions*, by Lisa N. Sacco et al.; and CRS Report R45423, *Public Health and Other Related Provisions in P.L 115-271, the SUPPORT for Patients and Communities Act*, coordinated by Elayne J. Heisler and Johnathan H. Duff.

[16] GAO, *Rural Hospital Closures: Number and Characteristics of Affected Hospitals and Contributing Factors*, GAO-18-634, August 2018, https://www.gao.gov/products/GAO-18-634.

[17] GAO, *Rural Water Infrastructure: Federal Agencies Provide Funding but Could Increase Coordination to Help Communities*, GAO-15-450T, February 27, 2015, https://www.gao.gov/products/GAO-15-450T.

[18] See, for example, American Broadband Initiative, *Milestones Report*, February 2019, https://www.usda.gov/sites/default/files/documents/American%20Broadband%20Initiative%20Milestones%20Report_Feb_2019.pdf; Roberto Gallardo et al., *Broadband's Impact: A Brief Literature Review*, Purdue University Center for Regional Development, January 2018, https://www.pcrd.purdue.edu/files/media/Broadbands-Impact-Final.pdf/.

[19] FCC, *2019 Broadband Deployment Report*, p. 21, https://docs.fcc.gov/public/attachments/FCC-19-44A1.pdf. The FCC sets minimum broadband speeds that serve as a benchmark to measure broadband access. In 2015, the FCC set its minimum broadband benchmark speed at 25/3 Mbps.

[20] See for example Thomas J. Vilsack, "United States Rural Policy: Increasing Opportunities and Improving the Quality of Life of Rural Communities," in *OECD Regional Outlook 2016* (Paris: OECD Publishing, 2016), pp. 267-279, https://www.oecd-ilibrary.org/urban-rural-and-regional-development/oecd-regional-outlook-2019_9789264312838-en; U.S. Congress, Senate Committee on Agriculture, Nutrition, and Forestry, *The Importance of Regional Strategies in Rural Economic Development*, 113th Cong., 2nd sess., May 1, 2014, S. Hrg. 113-557 (Washington, DC: GPO, 2005); Aspen Institute, "Regional Economic Success," https://www.aspeninstitute.org/programs/community-strategies-group/regional-economic-success/.

jobs and residents, a regional approach draws on the strengths and opportunities of different localities within a region and involves coordination across communities. The 2018 farm bill contained provisions related to federal regional commissions, technical assistance for regional planning, and prioritizing projects that support a strategic community development plan.

Rural Development Provisions in the Agriculture Improvement Act of 2018 (P.L. 115-334)

This section summarizes the rural development provisions in the 2018 farm bill. It provides an overview of new rural development provisions. It also summarizes provisions that reauthorize or amend federal statutes related to existing rural development programs and requirements.[21] In addition to amending programs, the farm bill authorizes programs to receive mandatory or discretionary funding. Congress controls the level of discretionary funding through the subsequent enactment of annual appropriations. Congress controls the level of mandatory funding outside of the appropriations process based on payments made as a direct consequence of statutory requirements. Most RD programs rely on discretionary funding.[22]

New Provisions in the 2018 Farm Bill

Section 6101 directs USDA to set aside at least 20% of annual funds appropriated for the Distance Learning and Telemedicine Program for FY2019-FY2025 for telemedicine projects that provide substance use disorder treatment services. It also directs USDA to prioritize funding for Community Facilities Direct Loans and Grants and Rural Health and Safety Education Grants for projects that provide substance use disorder treatment, education, and prevention. The provision also authorizes the Secretary of Agriculture to **temporarily prioritize assistance under certain RD programs** to help rural communities respond to a significant *public health disruption*.[23]

Section 6202 of the 2018 farm bill authorizes a new rural broadband deployment program to fund **middle mile infrastructure**. *Middle mile infrastructure* is infrastructure that does not connect directly to an end user (such as a business or household) but rather connects a local network to the larger internet backbone. The provision authorizes $10 million per year for loans and grants for FY2019-FY2023, subject to annual appropriations.

Section 6208 adds a new section to the Rural Electrification Act that addresses **environmental reviews** for rural broadband programs. The new language authorizes USDA to obligate, but not disburse, loan or grant funds before the completion of an environmental, historical, or other review. The funds may be obligated if USDA determines that a subsequent review will be adequate and easily accomplished. Section 6213 authorizes USDA to use **existing regulations** for the Rural Broadband Access and Community Connect programs for up to one year until USDA issues a final rule implementing the 2018 farm bill changes.[24]

[21] For a list of rural development provisions in the 2018 farm bill, see the **Appendix**.

[22] Congress typically provides discretionary funding for RD programs in annual Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations laws.

[23] Section 6101 defines *public health disruption* as "an unanticipated increase in mortality or morbidity in rural communities, when compared to non-rural communities, caused by identifiable events, actions, or behavioral trends, which can be remediated by the programs of the Rural Development mission area."

[24] In February 2019, USDA published a Funding Opportunity Announcement for the Community Connect Program, which incorporated changes made in the 2018 farm bill. See USDA, Grants Notice, Community Connect Grant

Section 6212 establishes procedures for **federal broadband program coordination**. It directs the National Telecommunications and Information Administration (NTIA) at the U.S. Department of Commerce to assist USDA with verifying applicant eligibility for USDA rural broadband programs. The provision also directs USDA and the FCC to coordinate before providing broadband assistance to prevent duplication. It requires USDA, NTIA, and the FCC to submit a report to Congress within one year of the farm bill's enactment on how to best coordinate federal broadband programs and activities.

Section 6214 establishes a **Broadband Integration Working Group** to conduct a survey of all current federal assistance for broadband deployment. The provision also directs the working group to make recommendations to address regulatory barriers and incentivize investment in broadband deployment and adoption. The working group includes numerous federal agencies. The administrator of RUS, Assistant Secretary for Communications and Information at the Department of Commerce, director of the National Economic Council, and director of the Office of Science and Technology Policy at the White House co-chair the working group. Section 12511 directs the FCC to establish a **task force on precision agriculture**. Duties of the task force include identifying and measuring current gaps in broadband internet access on agricultural land and making policy recommendations to promote broadband deployment on unserved agricultural land.

Section 6419 authorizes USDA to make grants to eligible entities to **provide technical assistance and training** to support applications **for Rural Business-Cooperative Service programs**. Eligible entities may use grants to assist communities in planning for business and economic development needs, identifying public and private financing options, and preparing applications and materials to request financial assistance. The law authorizes appropriations of $5 million per year for the program for FY2019-FY2023. Section 6302 directs USDA to provide **technical assistance to tribal entities** to improve the entities' access to RD programs. The provision requires technical assistance to address the unique challenges faced by tribal governments, producers, businesses, and tribally designated housing entities in accessing RD programs.

Section 12510 directs USDA to establish **Tribal Promise Zones** that are to receive priority consideration for federal grant programs and initiatives. Criteria for Tribal Promise Zones include unemployment rates, poverty rates, vacancy rates, household income, and the effectiveness of a competitiveness plan submitted by nominating entities. Prior to the 2018 farm bill's enactment, the federal government had designated certain tribal areas as Tribal Promise Zones under an existing Promise Zones initiative at the Department of Housing and Urban Development (HUD).[25] Section 12510 directs the Secretary of Agriculture to re-designate any previously designated Tribal Promise Zone.

Section 6424 establishes a new **Rural Innovation Stronger Economy Grant Program** to establish job accelerators in rural regions.[26] Grant awards may be between $500,000 and $2

Program, RDRUS-CC-2019, February 12, 2019, at https://www.grants.gov/web/grants/search-grants.html. In November 2019, USDA stated that they expected to publish an updated rule for the Rural Broadband Access Program by winter 2019. See Testimony of Chad Rupe, Rural Utilities Service Administrator, in U.S. Congress, Committee on Agriculture, *Implementation of the 2018 Farm Bill: Rural Development and Energy Programs*, hearings, 116th Cong., 1st sess., November 7, 2019, at https://www.agriculture.senate.gov/download/testimony/testimony_rupe-11719. As of February 18, 2020, USDA had not yet published an updated rule for the program.

[25] For more information on the Promise Zones initiative at HUD, see HUD, "Promise Zones Overview," https://www.hudexchange.info/programs/promise-zones/promise-zones-overview/.

[26] The statute defines *jobs accelerator* as "a jobs accelerator center or program located in or serving a low-income rural community that may provide co-working space, in-demand skills training, entrepreneurship support, and any other services described in [7 U.S.C. §2008w] subsection (d)(1)(B)." See 7 U.S.C. §2008w.

million, and applicants must provide at least 20% of project funds. Eligible applicants may use funds for a variety of purposes, including linking rural communities and entrepreneurs to markets, facilitating the repatriation of high-wage jobs to the United States, and identifying and building assets in rural communities. The provision authorizes annual appropriations of $10 million per year for FY2019-FY2023.

Section 6306 creates a **Council on Rural Community Innovation and Economic Development**, comprised of various executive branch departments and agencies, to coordinate federal engagement with rural stakeholders and make recommendations to streamline and leverage federal investments in rural areas. The provision also establishes a Rural Smart Communities Working Group and a Jobs Accelerator Working Group within the council.

Section 6103 authorizes USDA to use loans or loan guarantees under certain rural business or infrastructure programs to **refinance rural hospital debt**. Congress permits USDA to assist a rural hospital with refinancing debt if "the assistance would help preserve access to a health service in a rural community, meaningfully improve the financial position of the hospital, and otherwise meet the financial feasibility and adequacy of security requirements of the Rural Development Agency."[27] Section 12409 directs USDA to establish a **Rural Health Liaison** who would integrate rural health activities across USDA, coordinate with the Secretary of Health and Human Services, and provide technical assistance to USDA outreach, extension, and county offices.[28]

Other Major Provisions

Broadband and Telecommunications

Section 6201 reauthorizes and makes a number of amendments to the **Rural Broadband Access Program** (also known as the Farm Bill Loan Program):

- Increases authorized funding for the program from $25 million to $350 million per year for the period FY2019-FY2023.[29]
- Authorizes 3%-5% of annual program funding for technical assistance and training to applicants applying to provide broadband service to communities that lack broadband at speeds of at least 10/1 Mbps.
- Adds a grant component to the program to the existing direct and guaranteed loan components. To be eligible for a grant, at least 90% of households in the *proposed service area*—the area in which an applicant proposes to deploy broadband—must lack access to broadband at minimum speeds. Applicants must provide matching funds of 25%-75% of the project cost, depending on the population density of the proposed service area.

[27] 7 U.S.C. §1990a.

[28] In February 2020, RD designated Betty-Ann Bryce to serve as USDA's Rural Health Liaison. See RD, "USDA Rural Development Designates Rural Health Liaison," February 14, 2020, https://www.rd.usda.gov/sites/default/files/USDA_RD_Rural_Health_Liaison2142020.pdf.

[29] The increase in authorized funding is due in part to the 2018 farm bill authorizing the program to provide grants, whereas previously the program was authorized to only provide loans. Because loan recipients repay loans to RD, Congress appropriates a loan subsidy to fund RD loan programs. This loan subsidy supports a larger loan level. For example, in FY2019 Congress appropriated a $5.8 million loan subsidy for the program, which supported a loan level of approximately $29.9 million. However, since grants are not repaid to RD, Congress appropriates total grant funding.

- Amends the eligibility criteria for loans to require at least 50% of households in proposed service areas to lack access to broadband service at minimum speeds. Under prior law, this threshold was 15% of households.
- Increases the minimum acceptable broadband speeds for the program from 4/1 Mbps to 25/3 Mbps. These minimum speeds determine both eligibility criteria and buildout requirements. USDA uses the minimum speeds to determine whether areas lack sufficient broadband service and are therefore eligible for program funding (see above two bullet points). USDA also requires all loan or grant recipients to provide broadband service that meets the minimum speeds.[30]
- Directs USDA to prioritize applications that serve communities with a population of fewer than 10,000 residents; serve communities experiencing out-migration; provide broadband to cropland and ranchland for use in precision agriculture; and were developed with, and received funding from, community stakeholders, among other prioritization criteria.
- Increases the maximum time to complete buildout of broadband infrastructure to five years. Under prior law, the maximum buildout time was three years from when USDA made assistance available.
- Directs USDA to establish *broadband buildout requirements*—the level of internet service an applicant must provide for the duration of a project agreement. Section 6201 also directs USDA to project minimum acceptable service standards for projects with agreements of 5-10, 11-15, 16-20, and more than 20 years. Applicants must demonstrate the ability to furnish or improve service in order to meet the broadband buildout requirements. The conference report contains language further explaining congressional intent.[31]
- Authorizes USDA to provide payment assistance for certain loan and grant recipients. This includes reduced interest rates or allowing borrowers to defer payments.
- Directs USDA to charge fees to lenders in amounts that reduce the cost of subsidies for guaranteed loans but are not a barrier to program participation.
- Moves certain provisions regarding notice requirements, default and deobligation, and service area assessment to other sections of the Rural

[30] Under current and prior law, Congress directs the Secretary of Agriculture to review the minimum acceptable level of broadband service for the program at least once every two years (7 U.S.C. §950bb). The Secretary may adjust the minimum broadband speeds through a notice published in the *Federal Register*. Although prior law stated that the minimum acceptable broadband speeds were 4/1 Mbps, USDA had increased the minimum speeds to 25/3 Mbps in Notices of Solicitation of Applications (NOSAs). For example, see the FY2019 NOSA for the Rural Broadband Access Program at https://www.govinfo.gov/content/pkg/FR-2018-11-15/pdf/2018-24860.pdf or the FY2018 NOSA for the program at https://www.gpo.gov/fdsys/pkg/FR-2018-03-28/pdf/2018-06175.pdf.

[31] U.S. Congress, Conference Committee, *Agriculture Improvement Act of 2018*, conference report to accompany H.R. 2, 115th Cong., 2nd sess., H.Rept. 115-1072 (Washington, DC, GPO, 2018), pp. 654-655. "While protecting project areas provided assistance from a competing USDA-assisted project is essential for program integrity, such protections can result in a lack of further investment in rural broadband systems and rural residents receiving levels of service which degrade relative to expectations over time. In establishing the broadband buildout speeds, the Managers intend the Secretary establish requirements for applicants to build systems capable of providing higher quality broadband service as the term of assistance lengthens, to help ensure that USDA-financed broadband systems are able to meet the connectivity needs of rural residents for the entirety of the length of time such system is protected from overbuilding under USDA's broadband programs."

Electrification Act and makes amendments to these relocated provisions.[32] These provisions still apply to the Rural Broadband Access Program. Section 6201 also removes language regarding paperwork reduction, the preapplication process, and the number of application evaluation periods per year.

Section 6102 reauthorizes the **Distance Learning and Telemedicine Program** through FY2023 and increases the authorization for annual appropriations from $75 million to $82 million per year. Section 6204 codifies the **Community Connect Program** and authorizes funding of $50 million per year for FY2019-FY2023. Previously, Congress had authorized the program in annual Agriculture appropriations bills.

Section 6203 reauthorizes the **Rural Gigabit Network Pilot Program** and renames it the **Innovative Broadband Advancement Program**. Congress authorizes USDA to provide loans or grants to decrease the cost of broadband deployment and increase broadband speeds. Eligible applicants must agree to complete project buildout within five years and increase broadband speeds to at least the minimum broadband buildout requirements established for the Rural Broadband Access Program. Congress authorizes appropriations of $10 million per year for FY2019-FY2023.

Section 6205 establishes criteria for **outdated broadband systems**. Beginning October 1, 2020, USDA must consider any portion of a service territory that is subject to an outstanding USDA grant agreement to be unserved if broadband speeds in that portion of a service territory are less than 10/1 Mbps. The provision includes an exception for broadband service providers that have constructed, or begun to construct, broadband facilities that meet the minimum speeds for the Rural Broadband Access Program. As mentioned earlier in this section, Section 6201 set minimum broadband speeds for the Rural Broadband Access Program at 25/3 Mbps.

Section 6207 creates a new section of the Rural Electrification Act that addresses **public notices, service area assessments, and reporting requirements** under USDA rural broadband programs. The provision includes both new language and language moved from other sections of the Rural Electrification Act. It moves language related to public notice requirements, service area assessments, and reporting from the section of the Rural Electrification Act that authorizes the Rural Broadband Access Program to this newly created section. Moving this language makes it applicable to certain other programs authorized in the Rural Electrification Act in addition to the Rural Broadband Access Program.

Section 6207 also makes the following amendments:

- Directs USDA to publish information on applications and funding awards for rural broadband programs in a searchable database on the RUS website. The database must be available to the public.
- Gives internet service providers at least 45 days to respond to a public notice of application, in contrast to at least 15 days under prior law. Providers may submit information on any broadband service the provider currently offers in the area identified in an application. This information helps USDA determine whether a proposed area meets program eligibility requirements.
- Exempts from certain Freedom of Information Act requirements information submitted by internet service providers in response to public notices.

[32] The Rural Electrification Act of 1936, as amended, provides statutory authority for rural electrification, telephone, and broadband programs. For more information, see "Major Authorizing Legislation for USDA Rural Development Programs" in CRS Report RL31837, *An Overview of USDA Rural Development Programs*, by Tadlock Cowan.

- Includes language regarding assessing unserved communities for Rural Broadband Access Program eligibility. Under the program, USDA gives priority to *unserved communities*—communities that lack residential broadband service at speeds of at least 10/1 Mbps. Section 6207 directs USDA to coordinate with the FCC and NTIA, obtain data from any other relevant source, and perform site-specific testing to verify that communities given priority are eligible for program funding.
- Requires loan or grant recipients to report annually to USDA, rather than semiannually as under prior law. The provision also adds reporting requirements for middle mile projects. It directs USDA to submit a single report to Congress each year detailing assistance provided under all USDA rural broadband loan and grant programs.
- Authorizes not less than 3% and not more than 5% of funding appropriated for certain rural broadband programs be set aside for oversight, reporting, and accountability measures.

Section 6210 authorizes recipients of certain RD loans, loan guarantees, or grants authorized by the Rural Electrification Act or the ConAct to use up to 10% of the award amount for **rural broadband infrastructure projects**. Recipients can use funding only for projects in areas that lack broadband service at speeds of at least 25/3 Mbps. The provision also directs USDA not to provide funding if it would result in competitive harm to another recipient of RD loans or grants.

Section 6206 moves language regarding **default and deobligation** from the section authorizing the Rural Broadband Access Program to a new section of the Rural Electrification Act. It also authorizes USDA to establish a deferral period of not shorter than the project buildout period in order to support the financial feasibility of a project.

Section 6209 moves existing language regarding **refinancing telecommunications loans** to a new section of the Rural Electrification Act and amends this language. Prior law allowed a loan recipient to use any USDA telecommunications loan to refinance another USDA telecommunications loan if refinancing would support broadband deployment in rural areas. The amended language allows a loan recipient to refinance any outstanding loan that would have been used for an eligible telecommunications purpose under the Rural Electrification Act.

Sections 6211 and 6502 of P.L. 115-334 amend Section 922 of the Rural Electrification Act, which authorizes USDA to make loans for **rural telephone service**. Section 6211 authorizes telephone loans to be used to refinance other loans authorized by the Rural Electrification Act. It removes the limit that 40% or less of the telephone loan may be used to refinance other loans. Section 6502 removes the word *rural* from the section title of the Rural Electrification Act, amending it to read, "Loans for telephone service." Section 6502 also removes the requirement for loan applicants to submit to USDA a certificate of convenience from a state regulatory body.

Rural Infrastructure

Section 6403 amends the **Water and Wastewater Revolving Loan Fund Program**. It increases the maximum project award amount from $100,000 to $200,000 and decreases the authorization of annual appropriations from $30 million to $15 million per year for FY2019-FY2023. Section 6404 amends the **Rural Water and Wastewater Technical Assistance Program**. It increases the authorization of annual appropriations to between 3%-5% of annual appropriations for Water and Waste Disposal Grants, as opposed to 1%-3% under prior law. It also amends eligible projects to include addressing the long-term sustainability of water and wastewater systems and contamination of drinking and surface water.

Section 6405 reauthorizes the Rural Water and Wastewater Circuit Rider Program. It also increases the authorization of annual appropriations from $20 million to $25 million per year for FY2019-FY2023. Section 6408 reauthorizes **grants for water systems for rural and Native villages in Alaska**. It amends the eligible grant recipients to include Native villages, as defined in the Alaska Native Claims Settlement Act, and consortiums formed pursuant to the Department of Interior and Related Agencies Appropriations Act, 1998 (P.L. 105-83). Section 6408 authorizes USDA to set aside up to 2% of annual program funds for consortiums to provide training and technical assistance for water and waste disposal operation and management.

Section 6409 reauthorizes and amends the **Household Well Water Systems Grant Program**. It also authorizes subgrants, as well as previously authorized subloans. It limits subloans and subgrants to a maximum of $15,000 for each water well system or decentralized wastewater system. Section 6409 amends the definition of *eligible individual* to include one whose household incomes does not exceed 60% of the median nonmetropolitan household income for the state or territory. It also increases the authorization of annual appropriations from $5 million to $20 million per year for FY2019-FY2023.

Section 6407 reauthorizes the **Emergency and Imminent Community Water Assistance Grant Program**. The law funds this program through both a set-aside of Rural Water and Wastewater Grant funding and a standalone appropriation. Section 6407 increases the set-aside from 3%-5% to 5%-7% of annual Rural Water and Wastewater Grant funding. It also increases the authorization for the standalone appropriation from $35 million to $50 million per year for FY2019-FY2023. This provision also directs USDA to prioritize projects that address water contamination posing a threat to human health or the environment. It increases the maximum grant amount from $500,000 to $1 million for projects that respond to a significant decline in water quality or quantity.

Section 6407 also establishes an **Interagency Task Force on Rural Water Quality** to examine drinking water and surface water contamination in rural communities, particularly those in close proximity to active or decommissioned military installations in the United States. The task force must be composed of representatives from certain federal agencies and state and community stakeholders. The task force is to submit a report to relevant committees and make recommendations to address water contamination issues.

Section 6303 amends the **Rural Energy Savings Program** to authorize financing of off-grid and renewable energy storage systems. It also directs USDA to streamline borrower accounting requirements and to publish an annual report on the program. It increases the maximum interest rate for program loans from 3% to 5%. It also directs USDA to exclude any debt incurred under the program in the calculation of a borrower's eligibility for other loans made under the Rural Electrification Act. The provision also reauthorizes annual appropriations of $75 million per year for FY2019-FY2023.

Section 6501 authorizes USDA to **refinance electric and telephone loans** made by RUS. It also directs USDA to enter into a memorandum of understanding with the Department of Energy, under which the Department of Energy will provide technical assistance to USDA on making electric and telephone loans. Section 6505 reauthorizes USDA's ability to **guarantee payments on bonds and notes issued for electrification or telephone purposes**. It amends the purpose of bond or note guarantees to be for financing utility infrastructure. It also adds terms for bond or note guarantees, including a 30-year maximum length. Section 6505 removes the prohibition on guarantees for bonds or notes that will finance electricity generation. It also directs USDA to continue carrying out specified sections of the Rural Electrification Act until the full implementation of any new regulations required by the 2018 farm bill.

Section 6506 reauthorizes the use of certain telecommunications loans for **expansion of 911 access**. It also amends the eligible loan purposes to include multiuse emergency communications networks that provide critical transportation-related information services. Section 6507 authorizes USDA to make or guarantee electric loans for **cybersecurity and grid security improvements**. Section 6418 authorizes USDA to **collect loan fees for certain loans authorized by the ConAct** in such amounts as to bring down the costs of loan subsidies. It also specifies that loan fees shall be consistent with current practices in the marketplace and shall not act as a barrier to participation in the loan programs.

The 2018 farm bill also reauthorizes additional programs through FY2023. Section 6406 reauthorizes Tribal College and University Essential Community Facilities Grants, Section 6410 reauthorizes Solid Waste Management Grants, and Section 6412 reauthorizes grants for National Oceanic and Atmospheric Administration Weather Radio Transmitters.

Business and Community Development

Section 6422 reauthorizes the **Rural Microentrepreneur Assistance Program** through FY2023. It eliminates mandatory funding for the program (previously $3 million per year) and decreases the authorization of appropriations from $40 million to $20 million per year for FY2019-FY2023. It also adds a minimum grant amount of 20% of the total outstanding balance of microloans made by the intermediary, subject to availability of funding. Section 6412 reauthorizes the **Rural Cooperative Development Grant Program** through FY2023. It also directs academic institutions conducting research under the program to include economic census data in their research on the economic impacts of cooperatives.

Section 6427 reauthorizes appropriations of $20 million per year for the **Rural Business Investment Program** through FY2023. Section 6426 amends the program by revising the definitions of *development venture capital* and *equity capital*. The provision also removes the $500 maximum amount for fees, replacing it with language authorizing USDA to charge "such fees as the Secretary [of Agriculture] considers appropriate, so long as those fees are proportionally equal for each rural business investment company." It also prohibits rural business investment companies from investing in entities that are not otherwise eligible for Farm Credit System financing if a Farm Credit System institution holds more than 50% of the shares of the investment company. Under prior law, this threshold was 25%. Section 6426 also prohibits USDA from requiring that an entity applying to be a rural business investment company provide investment or capital beyond the requirements listed in statute.

Section 6416 reauthorizes appropriations of $25 million per year through FY2023 for the **Intermediary Relending Program**. The provision also sets a maximum loan amount that an intermediary may make for a project at the lesser of $400,000 or 50% of the loan made by USDA to the intermediary. It adds criteria for evaluating applications, directs USDA to establish a schedule for the return of equity contributions, and directs USDA to reduce the administrative requirements on intermediaries.

Section 6503 amends the **Cushion of Credit Program** to terminate all deposit authority into cushion of credit accounts effective December 20, 2018. It reduces the interest rate for borrowers from 5% per year to 4% per year for FY2021 and then to the applicable one-year Treasury rate thereafter. The provision allows a borrower to reduce the cushion of credit account balance in order to prepay loans made or guaranteed under the Rural Electrification Act. Borrowers may make these prepayments through September 2020. The provision prohibits collection of prepayment premiums from borrowers. Section 6503 also authorizes such sums as necessary from the U.S. Treasury to cover any loan modification costs.

Section 6504 reauthorizes and amends the **Rural Economic Development Loan and Grant Program**. It moves language regarding the program from the section of the Rural Electrification Act authorizing the Cushion of Credit Program to a new section of the act. Section 6504 authorizes annual appropriations of $10 million per year for FY2019-FY2023. It also provides for mandatory funding, financed through the Commodity Credit Corporation, of $5 million per year for FY2022 and FY2023.[33]

Section 12608 reauthorizes the **Rural Emergency Medical Service Training and Equipment Assistance Program** and authorizes annual appropriations of such sums as necessary for FY2019-FY2023.[34] It amends eligibility to include only emergency medical service agencies operated by a local or tribal government and tax-exempt emergency medical services agencies. It also amends eligible grant activities to include public education concerning first aid, illness prevention, and emergency preparedness. The provision amends prioritization criteria and decreases the matching requirement for grants from 25% to 10% of the grant amount. It also amends the definition of *emergency medical services* to include medical care delivered outside of a medical facility under emergency conditions resulting from a natural disaster.

The 2018 farm bill also reauthorizes the following programs through FY2023. Section 6411 reauthorizes Rural Business Development Grants, Section 6413 reauthorizes Loans for Locally or Regionally Produced Agricultural Food Products, Section 6414 reauthorizes the Appropriate Technology Transfer for Rural Areas Program, and Section 6423 reauthorizes Delta Health Care Services Grants.

Definition of *Rural*

The 2018 farm bill includes three provisions that amend the definition of *rural* for certain RD programs. USDA uses population thresholds to determine whether an area is *rural* for the purposes of RD programs. Rural population thresholds vary across RD programs. Section 6301 amends the ConAct to direct USDA to exclude individuals incarcerated on a long-term or regional basis and the first 1,500 individuals residing on a military base when **determining whether an area is a *rural area* for certain RD programs**. It also amends the Rural Electrification Act and the Food, Agriculture, Conservation, and Trade Act of 1990 to exclude the same populations when **determining whether an area is a *rural area* for certain RD broadband programs**.

Section 6305 amends the **definitions of *rural* and *rural area* in the Housing Act of 1949**. The amended definition allows any area classified as *rural* or a *rural area* prior to 1990 to remain so until the next decennial census, if the area has a population between 10,000 and 35,000 and has "a serious lack of mortgage credit for lower and moderate-income families."[35] Section 6402 amends the **definition of *rural* for determining eligibility for guaranteed loans** under the Water and Waste Disposal and the Community Facilities programs. It increases the population threshold for guaranteed loans to 50,000 or fewer. Under prior law, the population thresholds were 10,000 or fewer for Water and Waste Disposal Guaranteed Loans and 20,000 or fewer for Community Facilities Guaranteed Loans. Section 6402 also directs USDA to prioritize guaranteed loan

[33] The Commodity Credit Corporation is a government-owned financial institution, overseen by USDA, that procures commodities, processes financial transactions, and finances domestic and international programs to support U.S. agriculture. For more information, see CRS Report R44606, *The Commodity Credit Corporation: In Brief*, by Megan Stubbs.

[34] The U.S. Department of Health and Human Services administers the program. Federal statute directs the Secretary of Agriculture to act through the Health Resources and Services Administration to administer the program (42 U.S.C. §254c-15).

[35] 42 U.S.C. §1490.

applications for areas with a population of 10,000 or fewer for the Water and Waste Disposal Program and 20,000 or fewer for the Community Facilities Program. The population thresholds for grant and direct loan eligibility remain unchanged at 10,000 or fewer for the Water and Waste Disposal Program and 20,000 or fewer for the Community Facilities Program.

Regional Development

Section 6401 amends the **Strategic Economic and Community Development** provision of the ConAct. This provision allows USDA to prioritize funding under certain RD programs for projects that support multijurisdictional strategic community development plans. Section 6401 expands the provision to apply to all RD programs as determined by the Secretary of Agriculture. It increases the portion of funding USDA may reserve for projects under this section from 10% to 15% of program funding made available for a fiscal year. Section 6401 also authorizes annual appropriations of $5 million for FY2019-FY2023 for technical assistance to rural communities in developing strategic community investment plans.

Sections 6425 and 6304 reauthorize and amend federal regional commissions and authorities.[36] Section 6425 reauthorizes the **Delta Regional Authority** through October 1, 2023. It also reauthorizes annual appropriations of $30 million per year for the authority for FY2019-FY2023. Section 6304 reauthorizes three **federal regional commissions**—the Southeast Crescent Regional Commission, the Southwest Border Regional Commission, and the Northern Border Regional Commission—and increases authorized appropriations for each commission from $30 million to $33 million per year through FY2023. Federal statute directs the commissions to set aside 40% of grant funding in a given fiscal year for certain eligible activities, including transportation, telecommunications, or other public infrastructure. Section 6304 adds promoting development of renewable and alternative energy sources as an eligible activity for set-aside funding. The 2018 farm bill did not reauthorize the **Northern Great Plains Regional Authority**.

Section 6304 also authorizes a new **State Capacity Building Grant Program** for the **Northern Border Regional Commission**. Congress authorizes the commission to provide grants to Maine, New Hampshire, New York, or Vermont for economic development activities. An eligible state must submit to the commission an annual work plan that includes the purpose of the grant. Section 6304 authorizes appropriations of $5 million per year for FY2019-FY2023 for the grant program.

Section 6415 reauthorizes the **Rural Economic Area Partnership (REAP) Program** through FY2023. USDA has established REAP Zones to address critical issues related to economic growth, employment, and isolation. REAP Zones typically consist of multiple counties within a state and receive technical assistance and funding from USDA for strategic planning and community development activities.[37] Section 6420 reauthorizes the **National Rural Development Partnership** through FY2023. This partnership, coordinated by USDA, includes state rural development councils and a national coordinating committee. State rural development councils facilitate collaboration among local government, private sector, and nonprofit entities in planning and implementing programs related to rural development. The national coordinating committee oversees and provides support for state rural development council activities.

[36] For further information on regional commissions and authorities, see CRS Report R45997, *Federal Regional Commissions and Authorities: Structural Features and Function*, by Michael H. Cecire.

[37] For more information on the program and REAP Zones, see USDA, *Rural Economic Area Partnership Program*, https://www.rd.usda.gov/programs-services/businesses/rural-economic-area-partnership-program-reap-zones.

Other Provisions

Section 12407 amends the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (P.L. 103-354) to reestablish the **Under Secretary of Agriculture for Rural Development** as a permanent position within USDA. USDA eliminated the Under Secretary position in a 2017 reorganization, replacing it with an Assistant to the Secretary for Rural Development who reported directly to the Secretary of Agriculture and was not a Senate-confirmed position.[38] The Under Secretary position reports to the Deputy Secretary of Agriculture and requires Senate confirmation.

USDA asserted that the 2017 reorganization "recognizes and promotes the importance of rural development by placing it under the direct oversight of the Secretary." However, some stakeholder organizations opposed eliminating the Under Secretary position.[39] For example, a letter to the House and Senate Agriculture Appropriations subcommittees signed by 578 organizations stated that RD "needs the time and attention of a management team led by an Under Secretary who is empowered to direct and administer rural development programs and field staff."[40]

Section 6417 grants the Secretary of Agriculture and the Secretary's designees access to certain information from the Department of Health and Human Services in order to **verify income for individuals participating in certain Rural Housing Service programs**. Prior law granted the HUD Secretary access to certain information to verify income of participants for certain HUD housing programs. Section 6417 allows the Secretary of Agriculture and the Secretary's designees access to the same information, subject to the same requirements, as the HUD Secretary.

Sections 6601 through 6603 repeal certain rural development programs. Section 6602 repeals the Rural Telephone Bank. Section 6603 repeals all sections of the Launching our Communities' Access to Local Television Act of 2000 (Title X of H.R. 5548, as enacted by Section 1(a)(2) of P.L. 106-553) except Section 1008 of the act.[41] Section 6601 of the 2018 farm bill repeals the following programs, which were previously authorized in the ConAct or the Rural Electrification Act:

- Multijurisdictional regional planning organizations (Section 306(a)(23) of the ConAct),
- Grants to broadcasting systems (Section 310B(f) of the ConAct),
- Rural telework organizations (Section 379 of the ConAct),
- Historical barn preservation (Section 379A of the ConAct),
- Grants to train farm workers in new technologies and to train farm workers in specialized skills necessary for high-value crops (Section 379C of the ConAct),

[38] For further information on USDA's 2017 reorganization, see USDA, "Reorganizing USDA," May 2017, https://www.usda.gov/our-agency/reorganizing-usda.

[39] Austin Igleheart and Arthur Scott, "Senate Agriculture Leaders Ask White House to Quickly Nominate New USDA Under Secretary for Rural Development," National Association of Counties, May 7, 2019, https://www.naco.org/blog/senate-agriculture-leaders-ask-white-house-quickly-nominate-new-usda-under-secretary-rural.

[40] National Rural Housing Coalition, "Rural Development Reorganization and Budget Sign on Letter," June 12, 2017, https://sustainableagriculture.net/wp-content/uploads/2017/06/Rural-Development-Reorganization-and-Budget-Sign-on-Letter-FINAL-SENATE.pdf.

[41] This law established a loan guarantee program to finance local television in unserved and underserved areas. Section 1008 of the act made a technical amendment to the Communications Act of 1934.

- Grants to the Delta Regional Agricultural Economic Development Program (Section 379D of the ConAct),
- Grants for expansion of employment opportunities for individuals with disabilities in rural areas (Section 379F of the ConAct),
- Regional rural collaborative investment program (Subtitle I of the ConAct),
- Certain electric and telephone loans (Section 314 of the Rural Electrification Act), and
- The National Center for Rural Telecommunications Assessment (Section 602 of the Rural Electrification Act).

Technical Corrections

Sections 6701 and 6702 make technical corrections to the ConAct and Rural Electrification Act. Section 6701 amends the ConAct to correct the reference to the definition of *Indian tribe* for the Community Facilities Loan and Grant Program. It also clarifies the eligible activities for Rural Business Development Grants. Further, Section 6701 amends the ConAct to include Alabama as a participating state in the Delta Regional Authority. Congress initially made this amendment in the Consolidated Appropriations Act, 2001 (P.L. 106-554, §1(a)(4)). However, the amendment did not take effect at the time because it referred to the incorrect authorizing legislation.[42] Section 6701 of the 2018 farm bill directs the correction to take effect as if included in P.L. 106-554. Section 6702 corrects misspellings in the Rural Electrification Act.

[42] See "Amendments," 7 U.S.C. §2009aa.

Appendix. Comparison of Rural Development Provisions in Titles VI and XII of the 2018 Farm Bill (P.L. 115-334) with Prior Law

Table A-1. Title VI Subtitle A—Improving Health Outcomes in Rural America

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
Project prioritization. Authorizes the Secretary to coordinate a nationwide rural development program using the services of executive branch departments and agencies. **(7 U.S.C. §2204a-2204b)**	Directs the Secretary to give priority for Community Facilities Loans and Grants and Rural Health and Safety Education Grants to projects for substance use disorder education, treatment, and prevention. Authorizes no less than 20% of annual Distance Learning and Telemedicine Program funds for projects that provide substance use disorder treatments services. Makes the prioritizations and set-aside for FY2019-FY2025. Authorizes the Secretary to reprioritize certain loan and grant programs to assist rural communities in responding to a significant public health disruption. Also limits the duration of project prioritizations and defines *public health disruption* for the purposes of this section. **(§6101)**
Telemedicine and distance learning services in rural areas. Provides grants to rural hospitals, clinics, schools, and libraries to develop and improve their telecommunications infrastructure. Authorizes annual appropriations of $75 million for FY2014-FY2018. **(7 U.S.C. §950aaa et seq.)**	Authorizes annual appropriations of $82 million per year for FY2019-FY2023 for the Distance Learning and Telemedicine Program. **(§6102)**
Farmers Home Administration. Defines the powers and duties of the Secretary regarding agricultural credit. **(7 U.S.C. §1981)**	Amends to authorize the refinancing of a debt obligation of a rural hospital as an eligible loan or loan guarantee purpose for certain USDA Rural Development programs if the assistance would help preserve access to a health service in a rural area and improve the financial position of the hospital. **(§6103)**

Source: Compiled by CRS.

Notes: Secretary = the Secretary of Agriculture, unless otherwise specified.

Table A-2. Title VI Subtitle B—Connecting Rural America to High Speed Broadband

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
Access to broadband telecommunications services in rural areas. Title VI of the Rural Electrification Act of 1936. States that the Secretary "shall make or	Amends Section 601 to add a grant component to the Rural Broadband Access Program, authorize USDA to use 3%-5% of annual program funding to provide

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
guarantee" loans to provide funds for the costs of the construction, improvement, and acquisition of facilities and equipment for broadband service in rural areas. Eligible applicants agree to complete buildout of the broadband service by not later than three years after the initial date on which proceeds from the loan made or guaranteed under this section are made available. Authorizes appropriations of $25 million each year for FY2008-FY2018 for loan and loan guarantees to provide access to broadband in rural areas. **(7 U.S.C. §950bb et seq.)**	technical assistance and training, and increase annual authorized funding from $25 million to $350 million per year for FY2019-FY2023. Amends eligibility criteria to require 50% of households (for loans) and 90% of households (for grants) in a proposed service area to lack access to broadband service at minimum speeds. Increases the minimum acceptable broadband speeds from 4 megabits per second (Mbps) download and 1 Mbps upload (4/1 Mbps) to 25/3 Mbps. Amends certain prioritization criteria and amends the maximum buildout period from three years to five years. Directs the Secretary to establish broadband buildout requirements for projects of varying lengths. Authorizes the Secretary to collect fees that reduce the cost of subsidies for guaranteed loans and to provide payment assistance for certain loan and grant recipients. **(§6201)**
No comparable provision.	**Middle mile broadband infrastructure.** Amends Section 602 of the Rural Electrification Act to authorize loans and grants for development of *middle mile broadband infrastructure*, defined as infrastructure that does not directly connect to end user locations. At least 75% of interconnection points of an eligible project must serve rural areas, and the project must be capable of meeting broadband buildout requirements of the Rural Broadband Access Program. Requires a matching contribution of 20% for grants. Authorizes appropriations of $10 million per year for FY2018-FY2023. **(§6202)**
Rural Gigabit Network Pilot Program. Authorizes a rural, ultra-high-speed gigabit pilot program to finance projects that provide broadband service of 1 gigabit per second download to rural areas. Authorizes appropriations of $10 million annually for FY2014-FY2018. **(7 U.S.C. §950bb-2)**	Renames the Rural Gigabit Network Pilot Program the Innovative Broadband Advancement Program. Amends the purposes of loans and grants to finance innovative broadband technologies or methods of broadband deployment that significantly decrease the costs of deployment and provide substantially faster broadband speeds. Gives priority to projects involving multiple entities and projects that would provide service to the greatest number of rural residents at or above minimum broadband speeds. Reauthorizes appropriations of $10 million per year for FY2019-FY2023. **(§6203)**
No comparable provision.	**Community Connect Grant Program**. Codifies the Community Connect Program, previously a pilot program, in statute. Defines *eligible service area* as an area where current broadband service is less than 10/1 Mbps. Establishes criteria for eligible projects and matching requirements. Requires grant recipients to use a portion of the grant funding to provide free broadband access to community centers. Authorizes annual appropriations of $50 million per year for FY2019-FY2023. **(§6204)**

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
No comparable provision.	**Outdated broadband systems.** Directs the Secretary to consider any portion of a broadband service area subject to an outstanding grant agreement *unserved* if broadband service is not at least 10/1 Mbps. Includes an exception for a broadband provider that has constructed, or begun to construct, infrastructure that meets USDA's minimum acceptable standards. Establishes an effective date for this provision of October 1, 2020. **(§6205)**
Default and Deobligation. Authorizes the Secretary to establish written procedures for default and deobligation for all Rural Utilities Service (RUS) broadband programs. **(7 U.S.C. §950bb(d)(9))**	Moves language regarding default and deobligation to a new section of the Rural Electrification Act. Adds language authorizing the Secretary to establish a deferral period no shorter than the buildout period for a project in order to support financial feasibility and long-term sustainability of the project. **(§6206)**
Public notice, assessments, and reporting requirements. Directs the Secretary to publish a fully searchable database on the RUS website, including a notice of each application for USDA broadband programs and a notice of each entity receiving assistance under a USDA broadband program. Directs the Secretary to require any recipient of USDA broadband program assistance to submit a semiannual report for three years after the completion of the project. Requires the Secretary to give broadband service providers an opportunity to submit information concerning broadband services that providers offer in the areas described in an application for USDA broadband assistance. Requires the RUS administrator to submit an annual report to Congress on participation in the Rural Broadband Access Loan and Loan Guarantee Program. **(7 U.S.C. §950bb(d))**	Moves language regarding public notice, service area assessments, and reporting requirements to a new section of the Rural Electrification Act. Makes these requirements applicable to all USDA broadband programs authorized by the Rural Electrification Act, rather than just the Rural Broadband Access Program. Amends public notice requirements to specify that the searchable database must be available to the public. Exempts information submitted to the Secretary by internet service providers from Freedom of Information Act requirements. Adds reporting requirements for retail broadband improvement and middle mile projects. Requires a recipient of assistance under a USDA broadband program to provide precise geolocation information that indicates the location of new broadband service being provided or upgraded within the service area. Directs the Secretary to submit an annual report to Congress describing participation in broadband assistance programs. Authorizes 3%-5% of annual funding for USDA rural broadband programs to be used for oversight and reporting. **(§6207)**
No comparable provision.	**Environmental reviews.** Authorizes the Secretary to obligate but not disburse loan or grant funds before the completion of an environmental, historical, or other review if the Secretary determines that a subsequent site-specific review shall be adequate and easily accomplished. **(§6208)**
Refinancing of broadband loans. Section 601(i) of the Rural Electrification Act of 1936 states that the proceeds of any loan made or guaranteed by the Secretary may be used by the loan recipient to refinance an outstanding obligation on another telecommunications loan made under this section. **(7 U.S.C. §950bb(i))**	Moves language regarding refinancing to a new section of the Rural Electrification Act. Amends to permit refinancing of telecommunications loans other than those made under the Rural Electrification Act. **(§6209)**
No comparable provision.	**Smart utility authority for broadband**. Amends the ConAct to permit any recipient of a loan or grant from RD to use up to 10% of the amount provided to

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
	construct broadband infrastructure in areas not served by minimum acceptable standards of broadband service. Directs the Secretary not to provide funding under this provision if the funding will result in competitive harm to any grant, loan, or loan guarantee provided under the Rural Electrification Act. **(§6210)**
Refinancing of telephone loans. Under Section 201 of the Rural Electrification Act of 1936, the Secretary is authorized and empowered to make loans for the purpose of refinancing outstanding indebtedness of persons providing telephone service in rural areas. Such refinancing shall not constitute more than 40% of any loan made under this section. **(7 U.S.C. §922)**	Amends to include other eligible telecommunication loans (e.g., broadband) and removes the limit that refinancing may not constitute more than 40% of any loan. **(§6211)**
No comparable provision.	**Federal broadband program coordination.** Directs the Secretary to coordinate with the Assistant Secretary of the National Telecommunications and Information Administration (NTIA) for assessment and mapping capabilities. Directs USDA and the Federal Communications Commission (FCC) to coordinate before making a broadband award. Directs USDA, NTIA, and the FCC to submit a joint report to congressional committees on how to best coordinate federally supported broadband programs. **(§6212)**
No comparable provision.	**Effective date.** Requires that the Secretary issue final rules within one year of enactment for the Rural Broadband Access Program and Community Connect Program. Directs the Secretary to use existing regulations until the Secretary issues a final rule. **(§6213)**
No comparable provision.	**Rural Broadband Integration Working Group.** Establishes a Rural Broadband Integration Working Group to identify and assess regulatory barriers to broadband deployment and opportunities to promote broadband adoption and competition. Designates the RUS administrator, the Assistant Secretary for Communications and Information at the Department of Commerce, the director of the National Economic Council, and the director of the Office of Science and Technology Policy as working group co-chairs. **(§6214)**

Source: Compiled by CRS.

Notes: Secretary = the Secretary of Agriculture, unless otherwise specified; ConAct = Consolidated Farm and Rural Development Act of 1972 (P.L. 87-128).

Table A-3. Title VI Subtitle C—Miscellaneous

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
Definitions of *rural* and *rural area*. The ConAct defines *rural* and *rural area* as any area other than a city or town with a population of 50,000 or greater and any urbanized area contiguous or adjacent to such a city or town. **(7 U.S.C. §1991(a)(13))** The Rural Electrification Act defines *rural area* as any area other than an area described in clause (i) or (ii) of 7 U.S.C. §1991(a)(13)(A) and a city, town, or incorporated area with a population of greater than 20,000. **(7 U.S.C. §950bb)**	Amends the ConAct to exclude the following populations when determining whether an area is *rural*: individuals incarcerated on a long-term basis and the first 1,500 individuals who reside in housing located on a military base. Amends the Rural Electrification Act and the Food, Agriculture, Conservation, and Trade Act of 1990 to make the same exclusions made in the ConAct for determining whether an area is a *rural area*. **(§6301)**
Native American Housing Assistance and Self-Determination Act of 1996. Authorizes the Secretary of Housing and Urban Development (HUD) to make grants on behalf on Indian tribes to carry out affordable housing activities. **(25 U.S.C. §4103)**	**Establishment of technical services.** Directs the Secretary of Agriculture, in coordination with the USDA Office of Tribal Relations, to establish a technical assistance program to improve access by tribal entities to RD programs. The technical assistance program shall address the unique challenge of tribal governments, tribal producers, tribal businesses, tribal business entities, and tribally designated housing entities in accessing RD assistance. **(§6302)**
Rural Energy Savings Program. Authorizes the Secretary to provide loans to rural consumers to implement energy efficiency measures. Authorizes annual appropriations of $75 million for FY2014-FY2018. **(7 U.S.C. §8107a)**	Amends Section 6407 of the Farm Security and Rural Investment Act to allow financing of off-grid and renewable energy and energy storage systems. Directs the Secretary to streamline borrower accounting requirements and publish an annual report on the program. Increases the maximum interest rate for loans under this section from 3% to 5%. Directs the Secretary not to include any debt incurred under this section in the calculation of a borrower's eligibility for other loans made under the Rural Electrification Act. Reauthorizes annual appropriations of $75 million per year through FY2023. **(§6303)**

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
Regional economic and infrastructure development commissions. Authorizes three federal regional commissions: a Northern Border Regional Commission, a Southeast Crescent Regional Commission, and a Southwest Border Regional Commission. These commissions develop regional development plans and then make infrastructure loans and grants to eligible entities in their respective regions. **(40 U.S.C. §15101 et seq.)** Authorizes annual appropriations of $30 million to each of the commissions. Not more than 10% of appropriated funds to any commission can be used for administrative expenses. **(40 U.S.C. §15751(b))**	Reauthorizes the commissions through FY2023. Increases the authorization for annual appropriations from $30 million to $33 million per year for each commission for FY2019-FY2023. Amends the purpose of commission grants to include growing the capacity for successful community economic development in its region and attracting businesses to the region from outside the United States. Amends to add a succession plan for commissions in the event both the federal cochairperson and alternate federal cochairperson are unable to perform the functions and duties of the office. Further amends the regions included in the Northern Border Regional Commission to include additional counties in New Hampshire, New York, and Vermont. Directs the Northern Border Regional Commission to establish a State Capacity Building Grant Program to provide grants to commission states for certain economic development activities. Authorizes annual appropriations for the program of $5 million per year for FY2019-FY2023. **(§6304)**
Definition of rural area for purposes of the Housing Act of 1949. *Rural* and *rural area* are defined as any area so defined between 1990 and 2010 to remain so classified until receipt of the 2020 decennial census. The provision also caps the eligible rural population threshold at 35,000 residents or fewer for areas that are rural in character and have a serious lack of mortgage credit for lower and moderate-income families. **(42 U.S.C. §1490)**	Amends the definitions of *rural* and *rural area* to include any area so defined between 1990 and 2020 if the area has a population between 10,000 and 35,000, is rural in character, and has "a serious lack of mortgage credit for lower and moderate-income families." Directs these areas to remain so classified until receipt of the 2030 decennial census. **(§6305)**
No comparable provision.	**Council on Rural Community Innovation and Economic Development.** Establishes a Council on Rural Community Innovation and Economic Development to succeed the Interagency Task Force on Agriculture and Rural Prosperity. The council is to be comprised of the heads of certain executive branch departments and agencies and chaired by the Secretary of Agriculture. Directs the council to coordinate federal investments in, promote economic prosperity and quality of life in, and use innovation to resolve local and regional challenges in rural communities. Directs the Secretary to provide funding and administrative support for the council within existing appropriations. Establishes a Rural Smart Communities Working Group and a Jobs Accelerator Working Group within the council. **(§6306)**

Source: Compiled by CRS.

Notes: ConAct = Consolidated Farm and Rural Development Act of 1972 (P.L. 87-128); Secretary = the Secretary of Agriculture, unless otherwise specified.

Table A-4. Title VI Subtitle D—Additional Amendments to the Consolidated Farm and Rural Development Act

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
Strategic Economic and Community Development. Authorizes the Secretary to prioritize applications for rural projects that support strategic community and economic development plans on a multijurisdictional basis. Authorizes the Secretary to reserve up to 10% of the appropriations for Community Facilities, Water and Waste Disposal, Business and Industry Loan Guarantees, and Rural Business Development Grants for projects serving strategic community and regional plans. **(7 U.S.C. §2008v)**	Amends the ConAct to make this provision applicable to any program authorized by the ConAct or administered by RD. Directs the Secretary to reserve not more than 15% of funds available in a fiscal year for such projects. Also authorizes USDA to provide technical assistance to communities in developing strategic community investment plans. Authorizes annual appropriations of $5 million per year for FY2019-FY2023 for technical assistance. **(§6401)**
***Rural* definitions**. Defines *rural* and *rural area* as any area other than an area with a city or town of 50,000 or greater and the contiguous and adjacent urbanized area to such a city or town. For the Water and Waste Disposal Program, the population threshold is 10,000. For the Community Facilities Program, the population threshold is 20,000, **(7 U.S.C. §1991(a)(13)**	Amends the ConAct to increase the population threshold to 50,000 for determining eligibility for guaranteed loans under the Community Facilities Program and the Water and Waste Disposal Program. Directs USDA to prioritize guaranteed loan applications for areas with a population of 20,000 or fewer for Community Facilities Guaranteed Loans and 10,000 or fewer for Water and Waste Disposal guaranteed loans. The population thresholds for grants and direct loans remain 20,000 for the Community Facilities Program and 10,000 for the Water and Waste Disposal Program. **(§6402)**
Water and wastewater revolving loan fund. Authorizes grants to nonprofit entities to capitalize revolving loan funds to support water and wastewater projects in rural areas. Authorizes $30 million in grants annually for FY2008-FY2018, subject to annual appropriations. **(7 U.S.C. §1926(a)(2)(B))**	Raises the maximum amount of project financing from $100,000 to $200,000. Authorizes appropriations of $15 million per year for FY2019-FY2023. **(§6403)**
Rural water and wastewater technical assistance and training programs. Provides grants to private nonprofit organizations to provide technical assistance to rural water systems. Authorizes annual appropriations of not less than 1% and not more than 3% of funds appropriated for water, waste disposal, and wastewater facility grants. **(7 U.S.C. §1926(a)(14))**	Adds as eligible grant purposes under this section enhancing the long-term sustainability of rural water and waste systems and addressing drinking water and surface water contamination. Increases the funding set-aside to not less than 3% and not more than 5% of annual funds for water, waste disposal, and wastewater facility grants. **(§6404)**
Rural Water and Wastewater Circuit Rider Program. Provides funding to support technical assistance to rural water systems. Authorizes funding of $20 million annually in FY2014 and each fiscal year thereafter. **(7 U.S.C. §1926(a)(22))**	Authorizes appropriations of $25 million per year for FY2019-FY2023. **(§6405)**
Tribal college and university essential community facilities. Provides grant funding to tribal colleges or universities to develop specific tribal college or university essential community facilities. Authorizes annual appropriations of $10 million for FY2008-FY2018. **(7 U.S.C. §1926(a)(25))**	Reauthorizes the program, including appropriations of $10 million per year for FY2019-FY2023. **(§6406)**

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
Emergency and Imminent Community Water Assistance Program. Provides assistance to water systems in rural communities of 10,000 or fewer where there is a threat to potable water supplies. Authorizes 3%-5% of annual Water and Waste Disposal Grant funding to be reserved for grants under this section In addition to set-aside funds, authorizes annual appropriations of $35 million for FY2008-FY2018. **(7 U.S.C. §1926a)**	Increases the maximum loan amount for certain projects from $500,000 to $1 million. Increases set-aside funds to 5%-7% of annual Water and Waste Disposal Grant funding and increases the additional authorization of appropriations to $50 million per year for FY2019-FY2023. Set-aside funds shall be reserved only until July 1 of the relevant fiscal year. Provides selection criteria for projects addressing contamination that poses a threat to human health or the environment. Limits the length of a grant to provide potable water to communities to 120 days with the possibility to extend for an additional 120 days. Instructs the Secretary to create an Interagency Task Force on Rural Water Quality within 90 days of the bill's enactment. **(§6407)**
Grants for water systems for rural and Native villages in Alaska. Finances projects to improve sanitation and potable water in rural Alaska. Authorizes appropriations of $30 million annually for FY2008-FY2018. **(7 U.S.C. §1926d)**	Amends the definition of *Alaska and Native villages* to use definitions in P.L. 105-83 and 43 U.S.C. 1602. Reauthorizes appropriations of $30 million per year for FY2019-FY2023. **(§6408)**
Household water well systems. Provides funding to third-party organizations with expertise in residential water well systems to construct, refurbish, and service individually owned household water well systems in rural areas. Defines *eligible subloan recipient* as one whose household has a combined income of 100% or less of the median nonmetropolitan household income for the state or territory. Authorizes annual appropriations of $5 million for FY2014-FY2018. **(7 U.S.C. §1926e)**	Renames the section *Rural Decentralized Water Systems*. Authorizes the intermediary to make subgrants as well as subloans. Amends the definition of *eligible individual* to include one whose combined household incomes does not exceed 60% of the median nonmetropolitan household income for the state or territory. Limits subloans and subgrants to a maximum of $15,000 for each water well system or decentralized wastewater system. Increases the authorization of appropriations to $20 million per year for FY2019-FY2023. **(§6409)**
Solid waste management grants. Provides grant assistance for communities to establish or improve solid waste management facilities. Authorizes annual appropriations of $10 million for FY2008-FY2018. **(7 U.S.C. §1932(b))**	Reauthorizes the program, including appropriations of $10 million per year, for FY2019-FY2023. **(§6410)**
Rural business development grants. Provides grants in rural areas for business opportunities and business enterprises that finance small and emerging private enterprises. Authorizes annual appropriations of $65 million for FY2014-FY2018. **(7 U.S.C. §1932(c))**	Reauthorizes the program, including appropriations of $65 million per year, for FY2019-FY2023. **(§6411)**
Rural cooperative development grants. Authorizes grants to nonprofit entities to establish and operate rural cooperative development centers to facilitate rural job creation through the development of new rural cooperatives, value-added processing, and businesses. Authorizes annual appropriations of $40 million for FY2014-FY2018. **(7 U.S.C. §1932(e)(5))**	Amends to direct that academic institutions conducting research through agreements under this program include economic census data in their research on the economic impacts of cooperatives. Reauthorizes appropriations of $40 million per year through FY2023. **(§6412)**

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
Locally or regionally produced agricultural food products. Provides funding to increase domestic consumption of locally and regionally produced agricultural products and to provide affordable food products in underserved rural and urban areas. Reserves not less than 5% of the funds of the Business and Industry Loan Guarantee Program for support of locally and regionally produced food. Requires an annual report to Congress on the program. **(7 U.S.C. §1932(g)(9))**	Reauthorizes the program through FY2023. **(§6413)**
Appropriate technology transfer for rural areas. Provides grants to agricultural assistance institutions (e.g., universities) to provide information to agricultural producers on energy conservation and diversification. Authorizes annual appropriations of $5 million for FY2008-FY2018. **(7 U.S.C. §1932(i)(4))**	Reauthorizes the program, including appropriations of $5 million per year, for FY2019-FY2023. **(§6414)**
Rural Economic Area Partnership. Assists communities dealing with geographic and economic isolation, low-density population, historical dependence on agribusiness, out-migration, and economic upheaval to develop strategies for revitalization. **(7 U.S.C. §1932(j))**	Reauthorizes the program through FY2023. **(§6415)**
Intermediary Relending Program. Provides direct loans at 1% interest to intermediaries to finance business facilities and community development projects in rural areas. An intermediary may use the loan to establish or finance a revolving loan fund. Revolving loan funds provide financial assistance to ultimate recipients for community development projects, establishment of new businesses, or expansion of existing businesses. Authorizes annual appropriations of $25 million for FY2014-FY2018. **(7 U.S.C. §1936b(e))**	Limits the maximum amount of a loan made by an intermediary to the lesser of $400,000 or 50% of the loan from USDA to the intermediary. Requires the Secretary to establish a schedule for return of equity consistent with the amortization schedules of the portfolio of loans made or guaranteed. Reauthorizes appropriations of $25 million per year through FY2023. **(§6416)**
ConAct. Outlines powers of the Secretary, including authority to make loans and grants, and to enter into partnerships and cooperative agreements, among other powers. **(7 U.S.C. §1981 et seq.)**	Amends Section 331 of the ConAct to grant the Secretary and the Secretary's designees the same access to information, and subject them to the same requirements, as the Secretary of HUD. The Secretary and designees may use this information to verify incomes of individuals participating in certain rural housing programs. **(§6417)**
Special conditions and limitations on loans. Establishes various conditions for recipients of certain RD loans. **(7 U.S.C. §1983)**	Authorizes the Secretary to collect loan fees for certain insured or guaranteed loans in such amounts as to bring down the costs of loan subsidies. States that the fees shall be consistent with current practices in the marketplace and shall not act as a barrier to participation in the programs. **(§6418)**

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
No comparable provision.	**Rural Business-Cooperative Service programs technical assistance and training.** Authorizes the Secretary to make grants to a variety of entities for the purpose of providing or obtaining technical assistance and training to support applications for Rural Business-Cooperative Service programs. Establishes eligible grant purposes including assisting communities in identifying economic development needs, identifying financing resources, preparing reports and surveys, and preparing applications for financial assistance. Authorizes appropriations of $5 million per year for FY2019-FY2023. **(§6419)**
National Rural Development Partnership. A state-federal rural economic development coordinating entity operating through State Rural Development Councils and a National Rural Development Coordinating Committee. Authorizes annual appropriations of $10 million for FY2014-FY2018. **(7 U.S.C. §2008m)**	Reauthorizes appropriations of $10 million per year for FY2019-FY2023**. (§6420)**
Grants for NOAA weather radio transmitters. Provides grant funding to public and nonprofit entities for the federal share of the cost of acquiring radio transmitters to increase coverage in rural areas by the all-hazards weather radio broadcast system of the National Oceanic and Atmospheric Administration (NOAA). Authorizes annual appropriations of $1 million for FY2014-FY2018. **(7 U.S.C. §2008p)**	Reauthorizes appropriations of $1 million per year for FY2019-FY2023. **(§6421)**
Rural Microentrepreneur Assistance Program. Provides grant support to third-party entities that assist rural entrepreneurs in establishing microenterprises in rural areas. Authorizes annual appropriations of $40 million in discretionary spending for FY2009-FY2018 and $3 million annually in mandatory spending for FY2014-FY2018. **(7 U.S.C. §2008s)**	Reauthorizes the program through FY2023. Eliminates mandatory funding and decreases the authorization for discretionary appropriations from $40 million to $20 million per year for FY2019-FY2023. Adds a minimum grant amount of 20% of the total outstanding balance of microloans made by the intermediary. **(§6422)**
Health care services. Addresses unmet health needs in the Mississippi Delta region through grants awarded to health care services and health care education programs. Authorizes annual appropriations of $3 million for FY2008-FY2018. **(7 U.S.C. §2008u)**	Reauthorizes the program, including appropriations of $3 million per year, for FY2019-FY2023. **(§6423)**

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
ConAct. Outlines powers of the Secretary, including the authority to make loans and grants and to enter into partnerships and cooperative agreements, among other powers. **(7 U.S.C. §1926 et seq.)**	**Rural Innovation Stronger Economy Grant Program.** Amends Subtitle D of the ConAct to establish a new grant program for a rural *jobs accelerator* partnership. The partnership will represent a region and include one or more representatives of a higher education institution, a private entity, or a government entity. The program will award grants to entities to establish job accelerators to improve the ability of distressed rural communities to create high-wage jobs, accelerate the formation of new businesses, identify and maximize local assets, and connect to regional opportunities. Directs the Secretary to provide grants for job accelerators in not fewer than 25 states at a time. Establishes a matching requirement of 20% of the project cost. Eligible grant purposes include constructing or equipping a building to serve as an innovation center, linking small businesses into a supply chain, and other job development and business innovation purposes. Establishes a minimum grant amount of $500,000 and a maximum grant amount of $2 million. Limits indirect costs to no more than 10% of the grant amount. Establishes grant terms of up to four years, with the possibility of a two-year renewal. Authorizes appropriations of $10 million per year for FY2019-FY2023. **(§6424)**
Delta Regional Authority. Authorizes a federal regional planning and development entity that provides loan and grant support for economic development projects in rural counties in the Mississippi Delta area. Authorizes annual appropriations of $30 million for FY2008-FY2018. **(7 U.S.C. §2009aa et seq.)**	Reauthorizes the program, including appropriations of $30 million per year, for FY2019-FY2023. **(§6425)**
Rural Business Investment Program. Modeled on the Small Business Administration's Small Business Investment Companies, the Rural Business Investment Program provides funding to help capitalize Rural Business Companies that, in turn, provide loans to rural businesses. Authorizes annual appropriations of $20 million for FY2014-FY2018. **(7 U.S.C. §2009cc et seq.)**	Strikes the term *venture capital* and replaces it with *equity capital*, defined as common or preferred stock or a similar instrument, including subordinated debt with equity features. Removes language limiting fees to $500 and replaces it with language stating, "such fees as the Secretary considers appropriate." Limits rural business investment companies from investing in entities that are not otherwise eligible for Farm Credit System financing if a Farm Credit System institution holds more than 50% of the share of the rural business investment company. Under prior law, this threshold was 25%. Prohibits the Secretary from requiring an entity applying to become a certified rural business investment company to provide investment or capital beyond the requirements in statute. **(§6426)** Reauthorizes the program, including appropriations of $20 million per year, for FY2019-FY2023. **(§6427)**

Source: Compiled by CRS.

Notes: Secretary = the Secretary of Agriculture, unless otherwise specified; ConAct = Consolidated Farm and Rural Development Act of 1972 (P.L. 87-128).

Table A-5. Title VI Subtitle E—Additional Amendments to the Rural Electrification Act of 1936

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
General authority of the Secretary of Agriculture. Authorizes the Secretary to make loans for rural electrification and for furnishing and improving electric and telephone service. Also authorizes the Secretary to makes loans to assist electric borrowers to implement demand-side management, energy efficiency and conservation programs, and on-grid and off-grid renewable energy systems. **(7 U.S.C. §902).**	Amends to authorize the Secretary to refinance electric and telephone loans made by USDA's Rural Utilities Service. Authorizes the Secretary to enter into a memorandum of understanding with the Secretary of Energy under which the Secretary of Energy will provide technical assistance to USDA on rural electric and telephone loan programs. **(§6501)**
Loans for rural telephone service. Authorizes the Secretary to make loans to persons or entities providing, or that may provide, telephone service in rural areas. **(7 U.S.C. §922)**	Amends to make technical changes. **(§6502)**
Cushion of Credit Payments Program. Authorizes *cushion of credit* accounts for electric cooperative borrowers who may voluntarily prepay on their loans. The payments earn 5% interest for the borrowers. Total deposits in these accounts and the average interest rates certificates of outstanding beneficial ownership accrue to the Rural Economic Development subaccount. The Secretary may use funds in the Rural Economic Development subaccount to support grants and 0% interest loans to RUS borrowers for economic development projects in RUS borrowers' communities. **(7 U.S.C. §940c)**	Amends to terminate deposit authority into cushion of credit accounts after December 20, 2018. Changes a borrower's interest rate to 4% per year in FY2021 and thereafter to the one-year Treasury rate. Further amends to allow a borrower to reduce the cushion of credit account balance in order to prepay loans made or guaranteed under the Rural Electrification Act until September 30, 2020. Prohibits the collection of premiums on prepayments. Provides mandatory funding from Treasury of such sums as necessary to cover any loan modification costs. Removes language regarding loans and grants made with funds in the Rural Economic Development subaccount. **(§6503)**
Rural Economic Development Loan and Grant Program. Authorizes the Secretary to establish a Rural Economic Development subaccount within the Rural Electrification and Telephone Revolving Fund. The Secretary may use funds in the Rural Economic Development subaccount to support grants and 0% interest loans to RUS borrowers for economic development projects in RUS borrowers' communities. **(7 U.S.C. §940c(b)(2))**	Amends to re-designate the language regarding the Rural Economic Development Loan and Grant Program into a new section of the Rural Electrification Act. Authorizes appropriations of $10 million per year for FY2019-FY2023 and provides mandatory funding of $5 million per year, financed by the Commodity Credit Corporation, for FY2022-FY2023. Under prior law, USDA financed Rural Economic Development Loans and Grants through the Cushion of Credit Program's Rural Economic Development subaccount. **(§6504)**
Guarantees for bonds and notes issued for electrification or telephone purposes. Section 313 of the Rural Electrification Act of 1936 provides for federal guarantees for bonds and notes that finance rural electrification and telephone infrastructure. States that a lender receiving a guarantee on a bond or note shall pay a fee to the Secretary. **(7 U.S.C. §940c-1(f))**	Amends the purpose of bond or note guarantees to financing utility infrastructure. Adds terms for guarantees, including a 30-year maximum length. Removes the prohibition on guarantees for bonds or notes that will finance electricity generation. Directs the Secretary to continue the program until the implementation of any necessary regulations. **(§6505)**
Expansion of 911 access. Authorizes expanding the emergency telephone service of 911 in rural areas by using any funds otherwise made available for telephone loans for each of FY2008-FY2013. **(7 U.S.C. §940e)**	Reauthorizes the program through FY2023. Amends eligible grant purposes to include financing emergency communications networks that provide "critical transportation-related information services" and to remove language authorizing commercial information services as an eligible grant purpose. **(§6506)**

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
Rural electrification and telephone revolving fund. Authorizes a fund in the U.S. Treasury consisting of bonds, notes, and obligations made under the Rural Electrification Act of 1936. **(7 U.S.C. §931 et seq.)**	Amends Title III of the Rural Electrification Act to permit the Secretary to make loan guarantees for cybersecurity and grid security improvements. **(§6507)**

Source: Compiled by CRS.

Notes: Secretary = the Secretary of Agriculture, unless otherwise specified.

Table A-6. Title VI Subtitle F—Program Repeals

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
Elimination of unfunded programs. The following programs of the ConAct, as amended, no longer receive funding: • Multijurisdictional regional planning organizations (Section 306(a)(23) of ConAct), • Grants to broadcasting systems (Section 310B(f) of ConAct), • Rural telework organizations (Section 379 of ConAct), • Historical barn preservation (Section 379A of ConAct), • Grants to train farm workers in new technologies and specialized skills necessary for higher value crops (Section 379C of ConAct), • Grants to Delta Region Agricultural Economic Development Program (Section 379D of ConAct), • Grants for expansion of employment opportunities for individuals with disabilities in rural areas (Section 379F of ConAct), • Regional rural collaborative investment program (Subtitle I of ConAct). The following programs of the Rural Electrification Act of 1936 no longer receive funding: • Certain electric and telephone loans (Section 314 of the Rural Electrification Act). **(7 U.S.C. 1926 et seq.)**	Eliminates unfunded programs. **(§6601)**
Rural Telephone Bank. Establishes the Rural Telephone Bank with a general purpose of securing funds and making loans to support a telephone bank in rural areas. **(7 U.S.C. §941-950b)**	Repeals the Rural Telephone Bank. Makes conforming amendments to language referencing the Rural Telephone Bank in other sections of statute. **(§6602)**

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
Launching Our Communities' Access to Local Television Act of 2000. Facilitates access to signals of local television stations for unserved and underserved areas by providing loans and loan guarantees. Authorizes such sums as necessary. **(**P.L. 106-553**)**	Strikes Sections 1001-1007 and 1009-1012. Redesignates Section 1008 as Section 1001 and renames the heading of the newly designated Section 1001 to read *Title X—Satellite Carrier Retransmission Eligibility*. **(§6603)**

Source: Compiled by CRS.

Notes: ConAct = Consolidated Farm and Rural Development Act of 1972 (P.L. 87-128).

Table A-7. Title VI Subtitle G—Technical Corrections

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
ConAct. Outlines powers of the Secretary, including the authority to make loans and grants and to enter into partnerships and cooperative agreements, among other powers. **(7 U.S.C. §1926 et seq.)**	Amends the ConAct to include Alabama as a participating state in the Delta Regional Authority. Makes technical corrections related to various provisions of the ConAct, as amended. **(§6701)**
Rural Electrification Act. Authorizes the Secretary to make loans and grants for eligible electric and telecommunications purposes, among other powers. **(7 U.S.C. §901 et seq.)**	Provides technical corrections related to various provisions of the Rural Electrification Act, as amended. **(§6702)**

Source: Compiled by CRS.

Notes: ConAct = Consolidated Farm and Rural Development Act of 1972 (P.L. 87-128); Secretary = the Secretary of Agriculture.

Table A-8. Selected Rural Development Provisions from Title XII (Miscellaneous Title)

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
Under Secretary of Agriculture for Rural Development. Authorizes the Secretary to establish an Under Secretary of Agriculture for Rural Development under the Department of Agriculture Reorganization Act of 1994. **(7 U.S.C. §6941)** The May 2017 USDA reorganization replaced the Under Secretary of Agriculture for Rural Development with an Assistant to the Secretary for Rural Development.	Requires USDA to re-establish the position of Under Secretary of Agriculture for Rural Development. **(§12407)**

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
Rural Utilities Service. Establishes the Rural Utilities Service (RUS) under the Department of Agriculture Reorganization Act of 1994. Directs an administrator to head RUS. Requires the President to appoint a RUS administrator and sets a maximum compensation rate for the RUS administrator. **(7 U.S.C. §6942)**	Amends compensation for the RUS administrator. The base pay is not to exceed the maximum amount of compensation payable to a member of the Senior Executive Service under 5 U.S.C. §5382.
Executive schedule pay rates. Establishes pay rates for federal employees in the Executive Schedule. **(5 U.S.C. §5315)**	Removes the RUS administrator from Level IV Executive Schedule (5 U.S.C. §5315).
Acquisition of existing systems in rural communities with high energy costs. Authorizes the RUS Administrator to use authorities provided in the Rural Electrification Act to finance acquisition of existing electricity systems serving high-cost rural areas. **(7 U.S.C. §918b)**	Amends Section 748 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002, to specify that the Secretary of Agriculture, acting through the RUS administrator, shall use authorities provided in the Rural Electrification Act to finance acquisition of existing electricity systems serving high-cost rural areas. Prior law directed the RUS administrator to use authorities provided in the Rural Electrification Act and did not mention the Secretary. **(§12408)**
Department of Agriculture Reorganization Act of 1994. Authorizes the Secretary to streamline, reorganize, and manage USDA programs and activities**. (7 U.S.C. §6941 et seq.)**	Requires USDA to establish the position of **rural health liaison**. The liaison is to (l) consult with the Secretary of Health and Human Services and coordinate USDA's role in rural health; (2) integrate USDA rural health strategic planning and activities; (3) improve communications within USDA and other federal agencies; (4) advocate for rural health care and infrastructure needs; (5) provide stakeholders with relevant information on USDA programs for rural health; (6) maintain communication with public health, medical, occupational safety, and other stakeholders on current and upcoming issues; (7) consult on programs, pilot projects, research, and training; (8) provide expertise on rural health to support the Secretary as chair of the Council on Rural Community Innovation and Economic Development, and (9) provide technical assistance and guidance to USDA outreach, extension, and county offices. **(§12409)**

Prior Law	Enacted 2018 Farm Bill (P.L. 115-334)
Native American Housing Assistance and Self-Determination Act of 1996. Authorizes the Secretary of Housing and Urban Development to make grants on behalf on Indian tribes to carry out affordable housing activities. **(25 U.S.C. §4103)**	**Tribal Promise Zones.** Authorizes the Secretary, after consultation with other departments, to designate "Tribal Promise Zones" nominated by one or more Indian tribes. Designations of Tribal Promise Zones are to occur before January 1, 2020. Designation as a Promise Zone is for the purpose of priority consideration in federal grant programs upon execution of the Tribal Promise Zone agreement with the Secretary. Designation as a Tribal Zone requires a competitiveness plan to address the needs of the nominated zone to attract investment and jobs and improve educational opportunities, demonstrate collaboration across a wide range of stakeholders, outline a strategy that connects the nominated zone to drivers of regional economic growth, and propose a strategy for focusing on increased access to high quality affordable housing and improved public safety. From the list of nominated sites, the Secretary shall designate Tribal Promise Zones based on the effectiveness of the competitiveness plan, unemployment rates, poverty rates, vacancy rates, crime rates, and other factors determined by the Secretary. Tribal Zone designation will terminate after 10 years or the date of revocation of such designation. **(§12510)**
No comparable provision.	**Precision agriculture connectivity.** States congressional findings on precision agriculture. Authorizes the establishment of a task force by the Federal Communications Commission for reviewing the connectivity and technology needs of precision agriculture. The task force will collaborate with USDA and public and private stakeholders in the agriculture and technology fields to identify gaps in the availability of broadband across agricultural land and to develop policy recommendations. Directs relevant entities carry out this section with existing appropriations. **(§12511)**
Rural Emergency Medical Services Training and Equipment Assistance Program. Authorizes grants to eligible entities to provide for improved emergency medical services in rural areas under Section 330J of the Public Health Service Act (42 U.S.C. §201 et seq.) An entity shall use amounts received under a grant made under subsection (a) either directly or through grants to emergency medical service squads that are located in, or serve residents of, a nonmetropolitan statistical area, an area designated as a rural area by any law or regulation of a state, or a rural census tract of a metropolitan statistical area (as determined under the most recent Goldsmith Modification, originally published in a notice of availability of funds in the *Federal Register* on February 27, 1992, 57 *Fed. Reg.* 6725). Authorizes such sums as necessary for FY2002-FY2006. **(42 U.S.C. §254c-15)**	Reauthorizes and amends the program to add a new section, "Supporting and Improving Rural EMS Needs Act of 2018." Eligible grant recipients are emergency medical services agencies operated by a local or tribal government, including fire-based and non-fire-based. Funds may be used to train emergency medical service personnel to obtain and maintain licenses and certifications, conduct courses that qualify graduates to serve in an emergency medical services agency, acquire emergency medical services equipment, and recruit and retain emergency medical services personnel, among other eligible uses. Grants cannot exceed $200,000 and require a 10% match from the recipient. Defines eligible rural areas. Authorizes annual funding of such sums as necessary for FY2019-FY2023. **(§12608)**

Source: Compiled by CRS.

Notes: This table summarizes selected rural development provisions in the Miscellaneous Title (Title XII) of the 2018 farm bill (P.L. 115-334). Title VI (Rural Development) of the 2018 farm bill includes most of the law's rural development provisions. However, Title XII also contains some rural development provisions, such as provisions related to RD staff, precision agriculture connectivity, and rural emergency medical services. For a complete summary of provisions in Title XII of the 2018 farm bill, see CRS Report R45525, *The 2018 Farm Bill (P.L. 115-334): Summary and Side-by-Side Comparison*, coordinated by Mark A. McMinimy. Secretary = the Secretary of Agriculture, unless otherwise specified.

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