

## STAKEHOLDER ANNOUNCEMENT

### **USDA Statement on Eligibility of Rural Electric Cooperatives for Small Business Administration Paycheck Protection Program Loans; and USDA Compliance with Presidential Executive Order 13920**

**WASHINGTON, May 19, 2020** – Statement from U.S. Department of Agriculture (USDA) Rural Utilities Service Administrator Chad Rupe:

“The Small Business Administration (SBA) has issued an [interim final rule](#) that clarifies the eligibility of electric cooperatives for the Paycheck Protection Program. Electric cooperatives that are 501(c)(12) eligible are approved to access the program by the SBA. Furthermore, USDA has approved usage of the Paycheck Protection Program provided electric cooperatives notify the Rural Utilities Service (RUS) if they end up using that resource. They do not need pre-approval to do so.

“Secondly, under the leadership of President Trump and U.S. Agriculture Secretary Perdue, USDA will be fully engaged with the new task force created by the President’s [Executive Order 13920](#) designed to protect the U.S. bulk power system. We will use our authorities to set standards and approve purchases. We will leverage our excellent relationships with individual borrowers to support appropriate actions to protect the electric grid. System improvements that enhance grid security on RUS-financed and RUS-eligible electric systems are fully eligible to be considered for financing from USDA Rural Development.”

#

*USDA is an equal opportunity provider, employer and lender.*