

PROCEDURE NOTICE

RD MANUAL CHANGES

INSERT RD INS 440.1
(WSAL)

**INTEREST RATES, AMORTIZATION,
GUARANTEE FEE, ANNUAL CHARGE, AND
FIXED PERIOD.** This Instruction is
partially revised as follows:

Exhibit B, to update various program rates and the Treasury Judgement Rate effective February 1, 2016.

REMOVE
Exhibit B: Pages 1 & 2 (Rev 83).

INSERT
Exhibit B: Pages 1 & 2 (Rev 84).

INSERT RD INS 1940-M
(WSAL)

**GOVERNMENT WIDE DEBARMENT AND SUSPENSION
(NONPROCUREMENT) AND REQUIREMENTS FOR
DRUG-FREE WORK PLACE.** This Instruction is completely revised to reflect the reference changes from the outdated EPLS to the current SAM.gov site for listings.

REMOVE
Table of Contents;
Pages 1 through 8; and
Exhibit C.

INSERT
Table of Contents revised;
Pages 1 through 8 revised; and
Exhibit C revised 06-02-16.

INSERT RD INS 4280-B
(WSAL)

RURAL ENERGY FOR AMERICA PROGRAM.
This Instruction is partially revised as follows:

Formatting changes applied to several paragraphs;

To update definition of Grant Agreement as name of form has changed to Rural Business-Cooperative Service Financial Assistance Agreement;

To update definition of "Power Purchase Agreement" to provide clarification on typical content of document and on eligible purchasers;

Projects that co-fire with petroleum based products are not eligible;

The definition of "Total Project Costs" is clarified;

(CON)

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(WSAL)

Satisfactory progress for EA/REDA grants defined;

Clarification provided that unfunded combination applications can compete as guaranteed loan only project;

Section added on application funding;

Section added on how renewable energy systems (RES) and energy efficiency improvements (EEI) applications should be recorded in the Guaranteed Loan System (GLS);

Rural Area requirements must be met prior to approving project or issuing Conditional Commitment;

Added link to home energy calculators;

Separated in-eligible project costs and in-eligible projects;

Application writing fees are not eligible;

Encouraged applicants to document applicant and project eligibility using applicable Form RD 4280-3 "Rural Economic Development Grant Agreement";

Remove instructional guidance under section 4280.120(b)(2)(iii). Energy generation projects will receive points if the proposed ERS is intended for production of energy;

Information to be submitted to the National Office upon random review request for REAP obligated and closed grants;

To add information needed for fund request and to add clarification on loan approval and obligation of funds;

Clarified guaranteed loan cost can be incurred pre or post application;

State loan committee, National Office concurrence, and National Office loan committee structure and procedures added;

Clarified when compliance reviews are needed;

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Appendixes G and H are added to clarify the need for project summaries on REAP grants and guaranteed loans; and

Update environmental review cross reference with the publishing of 7 CFR 1970.

REMOVE

Table of Contents;
All Pages;
Appendix D;
Appendix E;
Appendix F;
Guide 1 revised;

INSERT

Table of Contents revised;
Pages 1 thru 119 revised;
Appendix D revised;
Appendix E revised;
Appendix F revised;
Appendixes G and H added; and
Guide 1 revised 06-02-16.

RD HANDBOOK CHANGES

INSERT RD HB-1-3555
(WSAL)

SFH GUARANTEED LOAN PROGRAM TECHNICAL HANDBOOK. This Handbook is partially revised as follows:

Chapter 4:

Paragraph 4.9 Added language to clarify that the Originating Lender is subject to requirements. Added language that the Agency may pursue available legal remedies against the originating lender. Changed timeframe from of consideration from 24 months to 60 months.

Chapter 6:

Paragraph 6.2 C., to add language to clarify when discount points maybe financed;

Paragraph 6.2 D.1., to update language for clarification;

Paragraph 6.2 D.3., Section rewritten to include the streamlined-assist refinance option and clarify conditions for the non-streamlined and streamlined refinance options. To include language to clarify that section 502 direct loan are eligible to refinance. Updated the maximum interest rate language to state it must not exceed the original loan's interest rate. Add language incorporating the streamlined-assist refinance option;

Paragraph 6.2 D (3)(b), to remove reference in regards to environment reviews;

Paragraph 6.3, to clarify language for when loan discount points area an eligible loan purpose. To remove buydown restriction; and

To remove Attachment 6-A, Paragraph 6.2 D (3) will now provide this information.

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INSERT RD HB-1-3555

Appendix 1:

Appendix 1 is partially revised due to the publication

REMOVE

Chapter 4 dated 03-09-16:
Pages 4-1 through 4-9;
Chapter 6 dated 03-09-16:
Pages 6-1 thru 6-13,
Attachment 6-A.
Appendix 1 dated 03-09-16:
Pages 1 thru 8, 13 & 14,
21 & 22, 31 & 32, 45 & 46.

INSERT

Chapter 4 dated 03-09-16:
Pages 4-1 through 4-8;
Chapter 6 dated 03-09-16:
Pages 6-1 thru 6-15 revised.
Appendix 1 dated 03-09-16:
Pages 1 thru 8, 13 & 14,
21 & 22, 31 & 32,
45 & 46 revised 06-02-16.

REPLACEMENT

FORM RD 3555-17
(WSAL)

LOAN NOTE GUARANTEE revised 06-16.
Prescribed in RD Handbook HB-1-3555.
The Forms and FMIs 3555-17 and

3555-17E are revised to due to the publication of the Final Rule date May 3, 2016. Revising the indemnification period from "24 months" to "60 months." This Form and FMI are available on the Rural Development Instructions home page (<http://www.rd.usda.gov/publications/regulations-guidelines>). No paper copy distribution of this form will be made, and it will not be stocked in the warehouse.

REMOVE

FMI dated 12-01-14.

INSERT.

FMI revised 06-02-16.