

Notices

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This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Rural Utilities Service

Rural Broadband Access Loans and Loan Guarantees Program

AGENCY: Rural Utilities Service, USDA.

ACTION: Notice of Solicitation of Applications (NOSA).

SUMMARY: The Rural Utilities Service (RUS), an agency of the United States Department of Agriculture (USDA), announces that it is accepting applications for fiscal year (FY) 2017 for the Rural Broadband Access Loan and Loan Guarantee program (the Broadband Program). There will be two application windows for FY 2017.

In addition to announcing the application windows, RUS announces the minimum and maximum amounts for broadband loans for FY 2017.

DATES: Unless otherwise extended by a notice of funds availability, applications for the first application window under this NOSA must be submitted from March 1, 2017, through March 31, 2017, and for the second application window from September 1, 2017, through September 30, 2017. Applications can only be submitted through the Agency's online application system during the periods specified above; however, applicants may begin working on their applications in the online system as outlined below.

FOR FURTHER INFORMATION CONTACT: For further information contact Shawn Arner, Deputy Assistant Administrator, Loan Originations and Approval Division, Rural Utilities Service, Room 2844, STOP 1597, 1400 Independence Avenue SW., Washington, DC 20250-1597, Telephone: (202) 720-0800, or email: Shawn.Arner@wdc.usda.gov.

SUPPLEMENTARY INFORMATION:

General Information

The Rural Broadband Access Loan and Loan Guarantee Program (the

"Broadband Program") is authorized by the Rural Electrification Act (7 U.S.C. 901 *et seq.*), as amended by the Agricultural Act of 2014 (Pub. L. 113-79) also referred to as the 2014 Farm Bill.

During FY 2017, loans will be made available for the construction, improvement, and acquisition of facilities and equipment to provide service at the broadband lending speed for eligible rural areas. Applications are subject to the requirements of 7 CFR 1738.

Application Assistance

Since the implementation of the requirements of the 2014 Farm Bill, RUS has held two application windows. After reviewing the applications for eligibility, RUS has determined that there is considerable misunderstanding of the revised requirements for the Broadband Program. Under the two previous windows, once an application was submitted, RUS could not contact an applicant for additional information and the application had to be evaluated on the information that was submitted. If incorrect or inadequate information was submitted or a regulatory requirement was not met, an applicant did not have the ability to adjust its application and RUS was forced to reject it as incomplete or inadequate. In order to break with the pattern of wide scale applications that do not meet the regulation's requirements, RUS will place additional emphasis on providing assistance to applicants with submitting complete applications. As a result, RUS will open pre-application periods, in which National Office staff as well as the General Field Representative assigned to the project will be able to review the draft application, provide detailed comments, and identify when an application is not meeting eligibility requirements for funding. The online application system will allow RUS staff to assist an applicant with completing every part of an application as it is being developed.

The first pre-application window will open on January 9, 2017, and application assistance will be available until the application is formally submitted for consideration by the applicant, but no later than midnight, Eastern Time, on March 24, 2017. Once the application is formally submitted, RUS will be unable to provide

additional assistance with completing the application and will begin reviewing the application for conformance with the broadband regulation with respect to eligibility and technical and financial feasibility. In addition, once an application is formally submitted through the online system, the applicant can no longer submit supporting information. For assistance with an application, please contact Shawn Arner, Deputy Assistant Administrator, Loan Originations and Approval Division, Rural Utilities Service, Room 2844, STOP 1597, 1400 Independence Avenue SW., Washington, DC 20250-1597, Telephone: (202) 720-0800, or email: Shawn.Arner@wdc.usda.gov. If an application is ultimately found to be incomplete or inadequate for funding after it is formally submitted, a detailed explanation will be provided to the applicant at least thirty days prior to the opening of the second window of FY 2017 for formally submitting applications.

The second pre-application window will open on July 1, 2017, and application assistance will be available until the application is formally submitted for consideration by the applicant, but not later than midnight, Eastern Time, on September 22, 2017. As with the first pre-application window, once an application is formally submitted, RUS will be unable to provide additional assistance with completing the application and will begin reviewing the application for conformance with the broadband regulation with respect to eligibility and technical and financial feasibility. In addition, once an application is formally submitted through the online system, the applicant can no longer submit supporting information. Please contact Shawn Arner at the above contact information if you would like assistance with your application. If an application is ultimately found to be incomplete or inadequate, a detailed explanation will be provided to the applicant.

To further assist in the preparation of applications, an application guide is available online at: <http://www.rd.usda.gov/programs-services/farm-bill-broadband-loans-loan-guarantees>. Application guides may also be requested from the RUS contact listed in the **FOR FURTHER INFORMATION CONTACT** section of this notice.

Application requirements: All requirements for submission of an application under the Broadband Program are subject to 7 CFR 1738.

Application Materials/Submission: Applications must be submitted through the Agency's online application system located at <http://www.rd.usda.gov/programs-services/rd-apply>. All materials required for completing an application are included in the online system.

Items of Special Emphasis: The following items have been overlooked or inadequately addressed in a number of applications received in the last two application cycles. They are highlighted below to help ensure that future applications do not have the same deficiencies.

- *Calculation of Additional Cash Requirement 7 CFR 1738.208:* Certain applications may need to satisfy an additional cash requirement even though they have addressed the equity requirement covered in 7 CFR 1738.207 (an element of a complete application in accordance with 7 CFR 1738.202(c)). If an applicant is either a start-up operation or has not demonstrated positive cash flow from operations for the two years prior to the submission date of the application, then the applicant must submit adjusted financial projections in which projected revenues are decreased by 50 percent for each year of the five-year forecast period, unless revenues are based on documented binding commitments which would preclude such a drop. If the adjusted financial projections show an inadequate cash balance at the end of any year during the five-year forecast period, the amount of cash necessary to eliminate that cash insufficiency is the Additional Cash Requirement for the application.

- *Equity requirement 7 CFR 1738.207:* If an applicant has equity at the time of application equal to less than 10 percent of the requested loan amount, then the applicant must submit either an investor commitment or a commitment to issue a general obligation bond, along with a legal opinion demonstrating that the applicant has the authority to issue such a bond in an amount sufficient to meet the equity requirement (this second option is available to State, Tribal and local government applicants only). If an applicant submits more than one application, then the equity requirement will be calculated based on the sum of the requested loan amounts, as if all applications will be successful.

- *Market survey (7 CFR 1738.209):* If a market survey is required, the survey must have been completed within 6

months of the application submission date.

- *Methodology and Assumptions included with Financial Information (7 CFR 1738.211):* The narrative explaining the methodology and assumptions used to develop the financial projections for the five-year forecast period (7 CFR 1738.211(b)(2)) and the adjusted financial projections, if applicable (7 CFR 1738.208(a)(2)), must adequately address every category in the pro-forma financial statements. This narrative should include a discussion of any historical trends or anomalies and their impact on the forecast(s). The applicant should not only include any calculations or percentage changes in the assumptions but also discuss the reasons for choosing any multipliers or percentage increases/decreases for the forecast.

- *Audited Financial Statements vs. Unaudited Financial Statements plus Tax Returns (7 CFR 1738.211(a)(1)–(3)):* Audited financial statements submitted in compliance with 7 CFR 1738.211(a)(1)–(3) must be audited and certified by an independent certified public accountant (CPA) and include an opinion, balance sheet, income statement, statement of changes in financial position, and notes to the financial statements. Compilations or reviews are considered unaudited financial statements, even if a CPA was involved in their preparation or presentation. If an applicant submits unaudited statements, tax returns for the relevant years are also required. Start-up entities must provide, at a minimum, an opening balance sheet dated within 30 days of the final submission of all application material.

Minimum and Maximum Loan Amounts

Loans under this authority will not be made for less than \$100,000. The maximum loan amount that will be considered for FY 2017 is \$10,000,000.

Required Definitions for Broadband Program Regulation

The regulation for the Broadband Program requires that certain definitions affecting eligibility be revised and published from time to time by the agency in the **Federal Register**. For the purposes of this NOSA, the agency is revising the definition of Broadband Service, such that for applications submitted under these two windows, existing Broadband Service shall mean the minimum rate-of-data transmission of ten megabits downstream and one megabit upstream for both mobile and fixed service. With respect to the Broadband Lending Speed, the rate at

which applicants must propose to offer new broadband service is a minimum bandwidth of ten megabits downstream and one megabit upstream for mobile service and twenty-five megabits downstream and three megabits upstream for fixed service to the customer.

Priority for Approving Loan Applications

Applications for FY 2017 will be accepted from March 1, 2017, through March 30, 2017, for the first application window and from September 1, 2017, through September 30, 2017, for the second application window. Although review of applications will start when they are submitted for each window, all applications submitted for the first application period will be evaluated and ranked together based on the percentage of unserved households in the proposed funded service area. Likewise, all applications submitted for the second window will be evaluated and ranked together based on the percentage of unserved households in the proposed funded service area. Subject to available funding, eligible applications that propose to serve the highest percentage of unserved households will receive funding offers before other eligible applications that have been submitted. The amount available for each window will be published on the Agency Web page once the annual appropriation process has been completed.

Applications will not be accepted after September 30, 2017, until a new funding window has been opened with the publication of an additional NOSA in the **Federal Register**.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995, the information collection requirements associated with Broadband loans, as covered in this NOSA, have been approved by the Office of Management and Budget (OMB) under OMB Control Number 0572–0130.

USDA Non-Discrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political

beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) *Mail*: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue SW., Washington, DC 20250-9410;
 - (2) *Fax*: (202) 690-7442; or
 - (3) *Email*: program.intake@usda.gov.
- USDA is an equal opportunity provider, employer, and lender.

Dated: November 21, 2016.

Brandon McBride,
Administrator, Rural Utilities Service.

[FR Doc. 2017-00137 Filed 1-6-17; 8:45 am]

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DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-1-2017]

Foreign-Trade Zone (FTZ) 221—Mesa, Arizona; Notification of Proposed Production Activity; Apple Inc. (Data Server Cabinets); Mesa, Arizona

The City of Mesa Office of Economic Development, grantee of FTZ 221, submitted a notification of proposed production activity to the FTZ Board on behalf of Apple Inc. (Apple), located in Mesa, Arizona. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on December 27, 2016.

Apple already has authority to produce certain components for

consumer electronics within Subzone 221A. The current request would add finished products and foreign status materials/components to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status materials/components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Apple from customs duty payments on the foreign-status materials/components used in export production. On its domestic sales, Apple would be able to choose the duty rate during customs entry procedures that applies to finished server assembly cabinets (duty-free) for the foreign-status materials/components noted below and in the existing scope of authority. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The materials/components sourced from abroad include: Tape; plastic boxes; polyethylene bags; plastic bags; plastic packing; plastic washers; rubber washers; rubber spacers; steel screw hooks; steel screws; steel nuts; steel standoff; steel spring washers; steel washers, not spring/lock type; steel rivets; steel cotter pins; steel springs; steel springs, of wire; steel baffles; copper washers; copper boss; copper nuts; nickel fasteners; aluminum screws; aluminum hooks; metal hinges; metal brackets; fans; fan blades, fan unit housings; servers; input/output units; storage units; smart cables; card readers; server housing/enclosures; printed circuit board assemblies; electric motors; transformers; static converters; inductors; magnets; lithium batteries; lithium polymer batteries; routers and network switches; microphones; CDs, software; solid state drives; semiconductor media; monitors; capacitors; fuses; circuit breakers; power strips; relays; switches; electrical connectors; optical fiber cable connectors; terminals; power strips with rack mounts; diodes; transistors; thyristors; LEDs; electronic integrated circuits; infrared LED strips; data server cables; copper and power cables; cables; optical fiber cables; metal furniture; and, server rack rails (duty rate ranges from duty-free to 8.6%).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is February 21, 2017.

A copy of the notification will be available for public inspection at the

Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue NW., Washington, DC 20230-0002, and in the "Reading Room" section of the Board's Web site, which is accessible via www.trade.gov/ftz.

For further information, contact Elizabeth Whiteman at Elizabeth.Whiteman@trade.gov or (202) 482-0473.

Dated: January 3, 2017.

Andrew McGilvray,
Executive Secretary.

[FR Doc. 2017-00144 Filed 1-6-17; 8:45 am]

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DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-62-2016]

Foreign-Trade Zone (FTZ) 20—Newport News, Virginia; Authorization of Production Activity; Canon Virginia, Inc.; Subzone 20D (Toner Cartridges); Newport News, Virginia

On September 2, 2016, Canon Virginia, Inc., submitted a notification of proposed production activity to the Foreign-Trade Zones (FTZ) Board for its facility within Subzone 20D, in Newport News, Virginia.

The notification was processed in accordance with the regulations of the FTZ Board (15 CFR part 400), including notice in the **Federal Register** inviting public comment (81 FR 64870, September 21, 2016). The FTZ Board has determined that no further review of the activity is warranted at this time. The production activity described in the notification is authorized, subject to the FTZ Act and the Board's regulations, including Section 400.14.

Dated: January 3, 2017.

Andrew McGilvray,
Executive Secretary.

[FR Doc. 2017-00147 Filed 1-6-17; 8:45 am]

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DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-02-2017]

Foreign-Trade Zone (FTZ) 44—Morris County, New Jersey; Notification of Proposed Production Activity; AGFA Corporation (Aluminum Digital Printing Plates); Branchburg, New Jersey

AGFA Corporation (AGFA) submitted a notification of proposed production