DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service

7 CFR Part 4280

[Docket Number: RBS–20–BUSINESS–0044]

RIN 0570–AB02

Rural Microentrepreneur Assistance Program

AGENCY: Rural Business-Cooperative Service, Department of Agriculture (USDA).

ACTION: Final rule; confirmation.

SUMMARY: The Rural Business-Cooperative Service, a Rural Development agency of USDA, hereinafter referred to as “RBCS” or “the Agency,” published in the Federal Register on May 14, 2021, a final rule with request for comments. This document presents the opportunity for the Agency to provide its responses to the public comments received on the final rule and to confirm the final rule as published.

DATES: October 4, 2021.

FOR FURTHER INFORMATION CONTACT: David Chestnut, Program Management Division, U.S. Department of Agriculture, 1400 Independence Avenue SW, Washington, DC 20250–3201; telephone: (202) 692–5233; email: david.chestnut@usda.gov.

SUPPLEMENTARY INFORMATION: RBCS published a final rule with request for comments in the Federal Register on May 14, 2021, at 86 FR 26348. The final rule modified the interim rule with comment published in the Federal Register on May 28, 2010 (75 FR 30114), as amended by the correcting amendments published in the Federal Register on July 19, 2010 (75 FR 41695), and incorporated amendments to the Consolidated Farm and Rural Development Act (ConAct) made by the Agriculture Improvement Act of 2018 (2018 Farm Bill). The Agency implemented other changes to make the Rural Microentrepreneur Assistance Program (RMAP) run more efficiently, be more user-friendly and be more consistent with other RBCS programs.

Within the preamble to the final rule, the Agency addressed each of the 29 public comments that were received on the interim rule. RBCS carefully reviewed each of the comments and modified the regulation based on analysis of the responsive comments received as well as program delivery experience. The final rule allowed the Agency to: (a) Implement changes required by the 2018 Farm Bill, (b) address comments received after publication of the interim rule, and (c) implement the final regulation.

Due to the length of time that transpired between the publication of the interim rule and the final rule, the Agency invited comments from the public on the provisions outlined in the final rule. The comment period on the final rule closed July 13, 2021. Comments were received from four respondents. The comments provided and Agency responses are as follows:

Agency Response: The Agency disagrees with the release of its lien position in the revolving loan funds. The accounts serve as collateral for the Agency loan to the MDO, which is a debt obligation of the MDO and protects the Agency in cases of default by the MDO. The Agency disagrees with the commenter that MDOs are unable to use earnings from RMAP loans to help cover operating costs. This may dissuade some MDOs from utilizing the RMAP program, and we have heard at least one MDO identify this as the reason they left the program.

Agency Response: The Agency agrees with the comment that RMAP loan amounts need to increase. The Agency agrees with the commenter that USDA should relinquish its first lien position on all funds in the Rural Microentrepreneur revolving fund for at least 25 percent of the total outstanding balance of microloans made by MDOs. The Agency clarified the annual grant process at § 4280.313(a)(1) to enact this change. The previous regulation did not have a minimum threshold percentage for the replenishment of an MDO’s technical assistance funds.

Comment: “USDA should relinquish its first lien position on all funds in the Rural Microentrepreneur revolving fund except those derived from the Rural Microenterprise loan itself. We recommend that USDA implement a process by which MDOs can request a drawdown of accumulated interest earnings within the Rural Microenterprise Revolving Fund (RMRF). The collateral provided to USDA by the cash in the RMRF, the loans outstanding, and the cash in the Loan Loss Reserve Fund (LLRF), should be adequate to protect USDA from losses. MDOs typically use the interest earnings from microloans to help cover costs of operating programs. Because USDA maintains a first lien position on all assets in the RMRF and does not provide a process by which MDOs can request a drawdown of accumulated earnings, MDOs are unable to use earnings from RMAP loans to help cover operating costs. This may dissuade some MDOs from utilizing the RMAP program, and we have heard at least one MDO identify this as the reason they left the program.”
technical assistance grant for the following fiscal year on June 30 of the prior fiscal year. USDA then subtracts the unspent balance from the prior year award from the new award. USDA is making this calculation 9 months into a 12-month grant contract. An MDO seeking to use their technical assistance award to support staff to provide continuous technical assistance to clients over a 12-month period receives a penalty for having 3 months of funds remaining when there are 3 months remaining in the contract. We recommend that USDA instead calculate the grant based on the loans outstanding on June 30 with regard for funds remaining in the prior year grant. USDA already requires grant spending to take place within the 12-month contract period, so there is no need to calculate the remaining balance at the end of 9 months from the grant for the following year.

Agency Response: The Agency has a consistent process for the calculation of an MDO annual grant with its annual June 30 calculation date. An MDO can use their grant funds in each month of the year, thus the 9-month comment for use of the funds is not relevant. The annual grant award calculation must include the amount of any unused/remaining technical assistance funds from prior years to ensure that the total amount of awarded and available grant funds to an MDO does not exceed the 25 percent maximum amount.

Comment: "§ 4280.313(a)(1). We support this change. Technical assistance needs are ongoing. According to the Aspen Institute, the business owners who participate in technical assistance and training have higher rates of business survival, revenue growth, and employment growth than those who do not. Of the new business owners who receive technical assistance, 84 percent will still be operating their business five years later. The median revenue of these businesses will grow by 60 percent. Our ability to make ongoing technical assistance available can be the difference between business failure and success.”

Agency Response: Thank you for the comment.

Comment: “Rural Microentrepreneur Assistance Program—Seeking clarification on eligibility of microbusiness as it relates to location. Rural areas are growing and microbusinesses are expanding. Please provide feedback on the following scenarios. 1. Owners of business live in a rural area and business in located in an urban area. Business has a location in an urban area and is expanding to a rural area and owners live in an urban area. Is there language to clarify eligibility?”

Agency Response: The eligible rural area determination is made by where the project is located and where the RMAP funds will be used. Businesses located in an urbanized area are not eligible to receive funding from this Rural Development program. A business located in an urbanized area that is expanding to a rural area may use RMAP funds only for the project and expenses in the rural area location. The location of the business owner has no impact on the project eligibility. The Agency did not receive any significant adverse comments during the public comment period on the final rule, and therefore confirms the rule without change.

Karama Neal, Administrator, Rural Business-Cooperative Service.

DEPARTMENT OF TRANSPORTATION

14 CFR Part 25

[No Docket No. FAA–2021–0894; Special Conditions No. 25–791–SC]

Special Conditions: Boeing Commercial Airplanes Model 777–9 Airplane; Operation Without Normal Electrical Power

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Final special conditions; request for comments.

SUMMARY: These special conditions are issued for the Boeing Commercial Airplanes (Boeing) Model 777–9 series airplane. This airplane will have a novel or unusual design feature when compared to the state of technology envisioned in the airworthiness standards for transport category airplanes. This design feature is electrical and electronic systems that perform critical functions, the loss of which could be catastrophic to the airplane. The applicable airworthiness regulations do not contain adequate or appropriate safety standards for this design feature. These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to that established by the existing airworthiness standards.

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Karama Neal, Administrator, Rural Business-Cooperative Service.

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Final special conditions; request for comments.

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Federal Aviation Administration

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