

2014—Subsec. (e), Pub. L. 113-79 substituted “2018” for “2012”.

### Statutory Notes and Related Subsidiaries

#### EFFECTIVE DATE

Enactment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as a note under section 8701 of this title.

### § 2008v. Strategic economic and community development

#### (a) In general

In the case of any program under this chapter or administered by the Secretary, acting through the rural development mission area, as determined by the Secretary (referred to in this section as a “covered program”), the Secretary shall give priority to an application for a project that, as determined and approved by the Secretary—

- (1) meets the applicable eligibility requirements of this chapter or the other applicable authorizing law;
- (2) will be carried out in a rural area; and
- (3) supports the implementation of a strategic community investment plan described in subsection (d) on a multisectoral and multi-jurisdictional basis, to include considerations for improving and expanding broadband services as needed.

#### (b) Reserve

##### (1) In general

Subject to paragraph (2), the Secretary shall reserve not more than 15 percent of the funds made available for a fiscal year for covered programs for projects that support the implementation of a strategic community investment plan described in subsection (d) on a multisectoral and multijurisdictional basis.

##### (2) Period

Any funds reserved under paragraph (1) shall only be reserved for the 1-year period beginning on the date on which the funds were first made available, as determined by the Secretary.

#### (c) Approved applications

##### (1) In general

Subject to paragraph (2), any applicant who submitted an application under a covered program that was approved before the date of enactment of this section<sup>1</sup> may amend the application to qualify for the funds reserved under subsection (b).

##### (2) Rural utilities

Any applicant who submitted an application under paragraph (2), (14), or (24) of section 1926(a) of this title, or section 1926a or 1932(b) of this title, that was approved by the Secretary before the date of enactment of this section<sup>1</sup> shall be eligible for the funds reserved under subsection (b)—

- (A) on the same basis as an application submitted under this section; and

(B) until September 30, 2019.

#### (d) Strategic community investment plans

##### (1) In general

The Secretary shall provide assistance to rural communities in developing strategic community investment plans.

##### (2) Plans

A strategic community investment plan described in paragraph (1) shall include—

- (A) a variety of activities designed to facilitate the vision of a rural community for the future, including considerations for improving and expanding broadband services as needed;
- (B) participation by multiple stakeholders, including local and regional partners;
- (C) leverage of applicable regional resources;
- (D) investment from strategic partners, such as—
  - (i) private organizations;
  - (ii) cooperatives;
  - (iii) other government entities;
  - (iv) Indian Tribes; and
  - (v) philanthropic organizations;
- (E) clear objectives with the ability to establish measurable performance metrics;
- (F) action steps for implementation; and
- (G) any other elements necessary to ensure that the plan results in a comprehensive and strategic approach to rural economic development, as determined by the Secretary.

##### (3) Coordination

The Secretary shall coordinate with Indian Tribes and local, State, regional, and Federal partners to develop strategic community investment plans under this subsection.

##### (4) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection \$5,000,000 for each of fiscal years 2019 through 2023, to remain available until expended.

(Pub. L. 87-128, title III, § 379H, as added Pub. L. 113-79, title VI, § 6025, Feb. 7, 2014, 128 Stat. 848; amended Pub. L. 115-334, title VI, § 6401, Dec. 20, 2018, 132 Stat. 4756.)

#### Editorial Notes

##### REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this title”, meaning title III of Pub. L. 87-128, Aug. 8, 1961, 75 Stat. 307, known as the Consolidated Farm and Rural Development Act, which is classified principally to this chapter. For complete classification of title III to the Code, see Short Title note set out under section 1921 of this title and Tables.

The date of enactment of this section, referred to in subsec. (c), probably means the date of enactment of Pub. L. 113-79, which enacted this section and which was approved Feb. 7, 2014.

##### AMENDMENTS

2018—Pub. L. 115-334 amended section generally. Prior to amendment, section related to strategic economic and community development.

### § 2008w. Rural Innovation Stronger Economy Grant Program

#### (a) Definitions

In this section:

<sup>1</sup> See References in Text note below.

**(1) Eligible entity**

The term “eligible entity” means a rural jobs accelerator partnership established after December 20, 2018, that—

(A) organizes key community and regional stakeholders into a working group that—

(i) focuses on the shared goals and needs of the industry clusters that are objectively identified as existing, emerging, or declining;

(ii) represents a region defined by the partnership in accordance with subparagraph (B);

(iii) includes 1 or more representatives of—

(I) an institution of higher education (as defined in section 1001 of title 20);

(II) a private entity; or

(III) a government entity; and

(iv) has, as a lead applicant—

(I) a District Organization (as defined in section 300.3 of title 13, Code of Federal Regulations (or a successor regulation));

(II) an Indian tribe (as defined in section 5304 of title 25), or a consortium of Indian tribes;

(III) a State or a political subdivision of a State, including a special purpose unit of a State or local government engaged in economic development activities, or a consortium of political subdivisions;

(IV) an institution of higher education (as defined in section 1001 of title 20) or a consortium of institutions of higher education; or

(V) a public or private nonprofit organization; and

(B) subject to approval by the Secretary, may—

(i) serve a region that is—

(I) a single jurisdiction; or

(II) if the region is a rural area, multi-jurisdictional; and

(ii) define the region that the partnership represents, if the region—

(I) is large enough to contain critical elements of the industry cluster prioritized by the partnership;

(II) is small enough to enable close collaboration among members of the partnership;

(III) includes a majority of communities that are located in—

(aa) a nonmetropolitan area that qualifies as a low-income community (as defined in section 45D(e) of title 26); and

(bb) an area that has access to or has a plan to achieve broadband service (within the meaning of title VI of the Rural Electrification Act of 1936 (7 U.S.C. 950bb et seq.)); and

(IV)(aa) has a population of 50,000 or fewer inhabitants; or

(bb) for a region with a population of more than 50,000 inhabitants, is the subject of a positive determination by the

Secretary with respect to a rural-in-character petition, including such a petition submitted concurrently with the application of the partnership for a grant under this section.

**(2) Industry cluster**

The term “industry cluster” means a broadly defined network of interconnected firms and supporting institutions in related industries that accelerate innovation, business formation, and job creation by taking advantage of assets and strengths of a region in the business environment.

**(3) High-wage job**

The term “high-wage job” means a job that provides a wage that is greater than the median wage for the applicable region, as determined by the Secretary.

**(4) Jobs accelerator**

The term “jobs accelerator” means 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 subsection (d)(1)(B).

**(5) Small and disadvantaged business**

The term “small and disadvantaged business” has the meaning given the term “small business concern owned and controlled by socially and economically disadvantaged individuals” in section 637(d)(3)(C) of title 15.

**(b) Establishment****(1) In general**

The Secretary shall establish a grant program under which the Secretary shall award grants, on a competitive basis, to eligible entities to establish jobs accelerators, including related programming, that—

(A) improve the ability of distressed rural communities to create high-wage jobs, accelerate the formation of new businesses with high-growth potential, and strengthen regional economies, including by helping to build capacity in the applicable region to achieve those goals; and

(B) help rural communities identify and maximize local assets and connect to regional opportunities, networks, and industry clusters that demonstrate high growth potential.

**(2) Cost-sharing****(A) In general**

The Federal share of the cost of any activity carried out using a grant made under paragraph (1) shall be not greater than 80 percent.

**(B) In-kind contributions**

The non-Federal share of the total cost of any activity carried out using a grant made under paragraph (1) may be in the form of donations or in-kind contributions of goods or services fairly valued.

**(3) Selection criteria**

In selecting eligible entities to receive grants under paragraph (1), the Secretary shall consider—

(A) the commitment of participating core stakeholders in the jobs accelerator partnership, including a demonstration that—

(i) investment organizations, including venture development organizations, venture capital firms, revolving loan funders, angel investment groups, community lenders, community development financial institutions, rural business investment companies, small business investment companies (as defined in section 662 of title 15), philanthropic organizations, and other institutions focused on expanding access to capital, are committed partners in the jobs accelerator partnership and willing to potentially invest in projects emerging from the jobs accelerator; and

(ii) institutions of higher education, applied research institutions, workforce development entities, and community-based organizations are willing to partner with the jobs accelerator to provide workers with skills relevant to the industry cluster needs of the region, with an emphasis on the use of on-the-job training, registered apprenticeships, customized training, classroom occupational training, or incumbent worker training;

(B) the ability of the eligible entity to provide the non-Federal share as required under paragraph (2);

(C) the identification of a targeted industry cluster;

(D) the ability of the partnership to link rural communities to markets, networks, industry clusters, and other regional opportunities and assets;

(E) other grants or loans of the Secretary and other Federal agencies that the jobs accelerator would be able to leverage; and

(F) prospects for the proposed center and related programming to have sustainability beyond the full maximum length of assistance under this subsection, including the maximum number of renewals.

**(4) Grant term and renewals**

**(A) Term**

The initial term of a grant under paragraph (1) shall be 4 years.

**(B) Renewal**

The Secretary may extend the term of a grant under paragraph (1) for an additional period of not longer than 2 years if the Secretary is satisfied, using the evaluation under subsection (e)(2), that the grant recipient has successfully established a jobs accelerator and related programming.

**(5) Geographic distribution**

To the maximum extent practicable, the Secretary shall provide grants under paragraph (1) for jobs accelerators and related programming in not fewer than 25 States at any time.

**(c) Grant amount**

A grant awarded under subsection (b) may be in an amount equal to—

- (1) not less than \$500,000; and
- (2) not more than \$2,000,000.

**(d) Use of funds**

**(1) In general**

Subject to paragraph (2), funds from a grant awarded under subsection (b) may be used—

(A) to construct, purchase, or equip a building to serve as an innovation center;

(B) to support programs to be carried out at, or in direct partnership with, the jobs accelerator that support the objectives of the jobs accelerator, including—

(i) linking rural communities and entrepreneurs to markets, networks, industry clusters, and other regional opportunities to support high-wage job creation, new business formation, business expansion, and economic growth;

(ii) integrating small businesses into a supply chain;

(iii) creating or expanding commercialization activities for new business formation;

(iv) identifying and building assets in rural communities that are crucial to supporting regional economies;

(v) facilitating the repatriation of high-wage jobs to the United States;

(vi) supporting the deployment of innovative processes, technologies, and products;

(vii) enhancing the capacity of small businesses in regional industry clusters, including small and disadvantaged businesses;

(viii) increasing United States exports and business interaction with international buyers and suppliers;

(ix) developing the skills and expertise of local workforces, entrepreneurs, and institutional partners to meet the needs of employers and prepare workers for high-wage jobs in the identified industry clusters, including the upskilling of incumbent workers;

(x) ensuring rural communities have the capacity and ability to carry out projects relating to housing, community facilities, infrastructure, or community and economic development to support regional industry cluster growth; or

(xi) any other activities that the Secretary may determine to be appropriate.

**(2) Requirement**

**(A) In general**

Subject to subparagraph (B), not more than 10 percent of a grant awarded under subsection (b) shall be used for indirect costs associated with administering the grant.

**(B) Increase**

The Secretary may increase the percentage described in subparagraph (A) on a case-by-case basis.

**(e) Annual activity report and evaluation**

Not later than 1 year after receiving a grant under this section, and annually thereafter for the duration of the grant, an eligible entity shall—

- (1) report to the Secretary on the activities funded with the grant; and

(2)(A) evaluate the progress that the eligible entity has made toward the strategic objectives identified in the application for the grant; and

(B) measure that progress using performance measures during the project period, which may include—

- (i) high-wage jobs created;
- (ii) high-wage jobs retained;
- (iii) private investment leveraged;
- (iv) businesses improved;
- (v) new business formations;
- (vi) new products or services commercialized;
- (vii) improvement of the value of existing products or services under development;
- (viii) regional collaboration, as measured by such metrics as—

(I) the number of organizations actively engaged in the industry cluster;

(II) the number of symposia held by the industry cluster, including organizations that are not located in the immediate region defined by the partnership; and

(III) the number of further cooperative agreements;

(ix) the number of education and training activities relating to innovation;

(x) the number of jobs relocated from outside of the United States to the region;

(xi) the amount and number of new equity investments in industry cluster firms;

(xii) the amount and number of new loans to industry cluster firms;

(xiii) the dollar increase in exports resulting from the project activities;

(xiv) the percentage of employees for which training was provided;

(xv) improvement in sales of participating businesses;

(xvi) improvement in wages paid at participating businesses;

(xvii) improvement in income of participating workers; or

(xviii) any other measure the Secretary determines to be appropriate.

#### (f) Authorization of appropriations

There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2019 through 2023.

(Pub. L. 87-128, title III, § 379I, as added Pub. L. 115-334, title VI, § 6424, Dec. 20, 2018, 132 Stat. 4765.)

#### Editorial Notes

##### REFERENCES IN TEXT

The Rural Electrification Act of 1936, referred to in subsec. (a)(1)(B)(ii)(III)(bb), is act May 20, 1936, ch. 432, 49 Stat. 1363. Title VI of the Act is classified generally to subchapter VI (§950bb et seq.) of chapter 31 of this title. For complete classification of this Act to the Code, see section 901 of this title and Tables.

#### § 2008x. Reporting

##### (a) Definition of farm loan

In this section, the term “farm loan” means—

- (1) a farm ownership loan under subtitle A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922 et seq.); and

(2) an operating loan under subtitle B of that Act (7 U.S.C. 1941 et seq.).

##### (b) Reports

###### (1) Preparation

For each fiscal year, the Secretary shall prepare a report that includes—

(A) aggregate data based on a review of each outstanding farm loan made or guaranteed by the Secretary describing, for the United States and for each State and county in the United States—

(i) the age of the recipient producer;

(ii) the duration that the recipient producer has engaged in agricultural production;

(iii) the size of the farm or ranch of the recipient producer;

(iv) the race, ethnicity, and gender of the recipient producer;

(v) the agricultural commodity or commodities, or type of enterprise, for which the loan was secured;

(vi) the amount of the farm loan made or guaranteed;

(vii) the type of the farm loan made or guaranteed; and

(viii) the default rate of the farm loan made or guaranteed;

(B) for each State and county in the United States, data demonstrating the number of outstanding farm loans made or guaranteed, according to loan size cohort; and

(C) an assessment of actual loans made or guaranteed as measured against target participation rates for beginning and socially disadvantaged farmers, broken down by State, as described in sections 346(b)(2) and 355 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)(2), 2003).

###### (2) Submission of report

The report described in paragraph (1) shall be—

(A) submitted—

(i) to—

(I) the Committee on Agriculture of the House of Representatives;

(II) the Committee on Appropriations of the House of Representatives;

(III) the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

(IV) the Committee on Appropriations of the Senate; and

(ii) not later than December 30, 2019, and annually thereafter; and

(B) made publicly available not later than 90 days after the date described in subparagraph (A)(ii).

##### (c) Comprehensive review

###### (1) In general

Not later than 4 years after December 20, 2018 (and every 5 years thereafter), the Secretary shall—

(A) prepare a comprehensive review of all reports submitted under subsection (b)(2);

(B) identify trends within data outlined in subsection (b)(1), including the extent to