

(b) Assistance**(1) In general**

Financial assistance for rural development provided under this subchapter for a State or a federally recognized Indian tribe shall be used only for orderly community development that is consistent with the strategic plan of the State or Indian tribe.

(2) Rural area

Assistance under this subchapter may only be provided in a rural area.

(3) Small communities

In carrying out this subchapter in a State, the Secretary shall give priority to communities with the smallest populations and lowest per capita income.

(c) Review

The Secretary shall review the strategic plan of each State and federally recognized Indian tribe not later than 60 days after receiving the plan, and at least once every 5 years thereafter.

(d) Contents

A strategic plan of a State or federally recognized Indian tribe under this section shall be a plan that—

(1) coordinates economic, human, and community development plans and related activities proposed for an affected area;

(2) provides that the State or federally recognized Indian tribe, as appropriate, and an affected community (including local institutions and organizations that have contributed to the planning process) shall act as full partners in the process of developing and implementing the plan;

(3) identifies goals, methods, and benchmarks for measuring the success of carrying out the plan and how the plan relates to local or regional ecosystems;

(4) in the case of a State, provides for the involvement, in the preparation of the plan, of State, local, private, and public persons, State rural development councils, federally recognized Indian tribes in the State, and community-based organizations;

(5) identifies the amount and source of Federal and non-Federal resources that are available for carrying out the plan; and

(6) includes such other information as may be required by the Secretary.

(Pub. L. 87-128, title III, §381D, as added Pub. L. 104-127, title VII, §761, Apr. 4, 1996, 110 Stat. 1140.)

§ 2009d. Rural Development Trust Fund**(a) Establishment**

There is established in the Treasury of the United States a trust fund which shall be known as the Rural Development Trust Fund (in this subchapter referred to as the “Trust Fund”).

(b) Accounts

There are established in the Trust Fund the following accounts:

(1) The rural community facilities account.

(2) The rural utilities account.

(3) The rural business and cooperative development account.

(4) The federally recognized Indian tribe account.

(c) Deposits into accounts

Notwithstanding any other provision of law, each fiscal year—

(1) all amounts made available to carry out the authorities described in subsection (d)(1) of this section for the fiscal year shall be deposited into the rural community facilities account of the Trust Fund;

(2) all amounts made available to carry out the authorities described in subsection (d)(2) of this section for the fiscal year shall be deposited into the rural utilities account of the Trust Fund; and

(3) all amounts made available to carry out the authorities described in subsection (d)(3) of this section for the fiscal year shall be deposited into the rural business and cooperative development account of the Trust Fund.

(d) Function categories

The function categories described in this subsection are the following:

(1) Rural community facilities

The rural community development category consists of all amounts made available for—

(A) community facility direct and guaranteed loans under section 1926(a)(1) of this title; or

(B) community facility grants under paragraph (19), (20), or (21) of section 1926(a) of this title.

(2) Rural utilities

The rural utilities category consists of all amounts made available for—

(A) water or waste disposal grants or direct or guaranteed loans under paragraph (1) or (2) of section 1926(a) of this title;

(B) rural water or wastewater technical assistance and training grants under section 1926(a)(14) of this title;

(C) emergency community water assistance grants under section 1926a of this title; or

(D) solid waste management grants under section 1932(b) of this title.

(3) Rural business and cooperative development

The rural business and cooperative development category consists of all amounts made available for—

(A) rural business opportunity grants under section 1926(a)(11)(A) of this title;

(B) business and industry direct and guaranteed loans under section 1932(a)(2)(A) of this title; or

(C) rural business enterprise grants or rural educational network grants under section 1932(c) of this title.

(e) Federally recognized Indian tribe account**(1) Transfers into account**

Each fiscal year, the Secretary shall transfer to the federally recognized Indian tribe account of the Trust Fund 3 percent of the amount deposited into the Trust Fund for the fiscal year under subsection (d) of this section.

(2) Use of funds

The Secretary shall make available to federally recognized Indian tribes the amounts in

the federally recognized Indian tribe account for use pursuant to any authority described in subsection (d) of this section.

(f) Allocation among States

The Secretary shall allocate the amounts in each account specified in subsection (c) of this section among the States in a fair, reasonable, and appropriate manner that takes into consideration rural population, levels of income, unemployment, and other relevant factors, as determined by the Secretary.

(g) Availability of funds allocated for States

The Secretary shall make available to each State the total amount allocated for the State under subsection (f) of this section that remains after applying section 2009f of this title.

(Pub. L. 87-128, title III, §381E, as added Pub. L. 104-127, title VII, §761, Apr. 4, 1996, 110 Stat. 1140; amended Pub. L. 105-86, title III, Nov. 18, 1997, 111 Stat. 2094; Pub. L. 106-472, title III, §§304(b), 305(b), Nov. 9, 2000, 114 Stat. 2071; Pub. L. 107-171, title VI, §6026(a), May 13, 2002, 116 Stat. 372; Pub. L. 110-234, title VI, §6012(b)(4), May 22, 2008, 122 Stat. 1165; Pub. L. 110-246, §4(a), title VI, §6012(b)(4), June 18, 2008, 122 Stat. 1664, 1927.)

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

AMENDMENTS

2008—Subsec. (d)(3)(B). Pub. L. 110-246, §6012(b)(4), substituted “1932(a)(2)(A)” for “1932(a)(1)”.

2002—Subsec. (b)(4), (5). Pub. L. 107-171, §6026(a)(1), redesignated par. (5) as (4) and struck out former par. (4) which read as follows: “The national reserve account.”

Subsec. (e). Pub. L. 107-171, §6026(a)(2), (3), redesignated subsec. (f) as (e) and struck out heading and text of former subsec. (e) which related to national reserve account.

Subsec. (f). Pub. L. 107-171, §6026(a)(3), redesignated subsec. (g) as (f). Former subsec. (f) redesignated (e).

Subsecs. (g), (h). Pub. L. 107-171, §6026(a)(3), (4), redesignated subsec. (h) as (g) and substituted “subsection (f) of this section” for “subsection (g) of this section”. Former subsec. (g) redesignated (f).

2000—Subsec. (d)(1)(B). Pub. L. 106-472, §305(b), substituted “paragraph (19), (20), or (21)” for “paragraph (19) or (20)”.

Pub. L. 106-472, §304(b), substituted “paragraph (19) or (20) of section 1926(a)” for “section 1926(a)(19)”.

1997—Subsec. (d)(3)(B). Pub. L. 105-86 inserted “direct and” after “business and industry”.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment 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 an Effective Date note under section 8701 of this title.

TRANSFER OF ACCOUNT BALANCES

Pub. L. 112-55, div. A, title VII, §747, Nov. 18, 2011, 125 Stat. 590, provided that: “For 2012 and subsequent fiscal years—

“(1) Any balances to carry out a housing demonstration program to provide revolving loans for the preservation of low-income multi-family housing projects as authorized in Public Law 108-447 and Public Law 109-97 and a demonstration program for the preservation and revitalization of the section 515 multi-family rental housing properties as authorized

by Public Law 109-97 and Public Law 110-5 shall be transferred to and merged with the ‘Rural Housing Service, Multi-family Housing Revitalization Program Account’;

“(2) Any prior balances in the Rural Development, Rural Community Advancement Program account for programs authorized by section 306 [7 U.S.C. 1926] and described in section 381E(d)(1) [7 U.S.C. 2009d(d)(1)] of such Act [probably means title III of Pub. L. 87-128, known as the Consolidated Farm and Rural Development Act, which is classified principally to this chapter] be transferred and merged with the ‘Rural Community Facilities Program Account’ and any other prior balances from the Rural Development, Rural Community Advancement Program account that the Secretary determines are appropriate to transfer;

“(3) Any prior balances in the Rural Development, Rural Community Advancement Program account for programs authorized by sections 306 and 310B [7 U.S.C. 1926, 1932] and described in sections 310B(f) and 381E(d)(3) of such Act be transferred and merged with the ‘Rural Business Program Account’ and any other prior balances from the Rural Development, Rural Community Advancement Program account that the Secretary determines are appropriate to transfer; and

“(4) Any prior balances in the Rural Development, Rural Community Advancement Program account for programs authorized by sections 306, 306A, 306C, 306D, 306E, and 310B [7 U.S.C. 1926, 1926a, 1926c, 1926d, 1926e, 1932] and described in sections 306C(a)(2), 306D, 306E, and 381E(d)(2) of such Act be transferred to and merged with the ‘Rural Water and Waste Disposal Program Account’ and any other prior balances from the Rural Development, Rural Community Advancement Program account that the Secretary determines are appropriate to transfer.”

§ 2009e. Transfers of funds

(a) General authority

Subject to subsection (b) of this section, the State Director¹ of any State may, during any fiscal year, transfer from each account specified in section 2009d(c) of this title a total of not more than 25 percent of the amount in the account that is allocated for the State for the fiscal year to any other account in which amounts are allocated for the State for the fiscal year.

(b) Limitation

Except as provided in subsection (c) of this section, a transfer otherwise authorized by subsection (a) of this section to be made during a fiscal year may not be made to the extent that the sum of the amount to be transferred and all amounts so transferred by State directors under subsection (a) of this section during the fiscal year exceeds 10 percent of the total amount made available to carry out the authorities described in section 2009d(d) of this title for the fiscal year.

(c) Exceptions

Subsections (a) and (b) of this section shall not apply to a transfer of funds by a State director if the State director certifies to the Secretary that—

(1) there is an approved application for a project in the function category to which the funds are to be transferred but funds are not available for the project in the function category; and

(2)(A) there is no such approved application in the function category from which the funds are to be transferred; or

¹ So in original. Probably should not be capitalized.