

Aug. 8, 1961, 75 Stat. 307. Subtitles A and B of the Act are classified generally to subchapters I (§1922 et seq.) and II (§1941 et seq.), respectively, of this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 1921 of this title and Tables.

#### CODIFICATION

Section was enacted as part of the Agriculture Improvement Act of 2018, and not as part of the Consolidated Farm and Rural Development Act which comprises this chapter.

#### DEFINITION OF “SECRETARY”

“Secretary” as meaning the Secretary of Agriculture, see section 2 of Pub. L. 115-344, set out as a note under section 9001 of this title.

### SUBCHAPTER V—RURAL COMMUNITY ADVANCEMENT PROGRAM

#### § 2009. Definitions

In this subchapter:

##### (1) State

The term “State” means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Federated States of Micronesia.

##### (2) State director

The term “State director” means, with respect to a State, the Director of the Rural Economic and Community Development State Office.

(Pub. L. 87-128, title III, §381A, as added Pub. L. 104-127, title VII, §761, Apr. 4, 1996, 110 Stat. 1139; amended Pub. L. 107-171, title VI, §6020(b)(2), May 13, 2002, 116 Stat. 363.)

#### AMENDMENTS

2002—Pub. L. 107-171 redesignated pars. (2) and (3) as (1) and (2), respectively, and struck out heading and text of former par. (1). Text read as follows: “The terms ‘rural’ and ‘rural area’ mean, subject to section 1926(a)(7) of this title, a city, town, or unincorporated area that has a population of 50,000 inhabitants or less, other than an urbanized area immediately adjacent to a city, town, or unincorporated area that has a population in excess of 50,000 inhabitants.”

#### DEFINITION OF RURAL AREAS FOR CERTAIN BUSINESS AND COMMUNITY FACILITIES PROGRAMS

Pub. L. 106-78, title VII, §730, Oct. 22, 1999, 113 Stat. 1164, provided that: “Notwithstanding section 381A of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009), in fiscal year 2000 and thereafter, the definitions of rural areas for certain business programs administered by the Rural Business-Cooperative Service and the community facilities programs administered by the Rural Housing Service shall be those provided for in statute and regulations prior to the enactment of Public Law 104-127 [Apr. 4, 1996].”

Similar provisions were contained in Pub. L. 105-277, div. A, §101(a) [title VII, §735], Oct. 21, 1998, 112 Stat. 2681, 2681-29, prior to repeal by Pub. L. 107-171, title VI, §6020(b)(3), May 13, 2002, 116 Stat. 363.

#### TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

#### § 2009a. Establishment

The Secretary shall establish a rural community advancement program to provide grants, loans, loan guarantees, and other assistance to meet the rural development needs of local communities in States and federally recognized Indian tribes.

(Pub. L. 87-128, title III, §381B, as added Pub. L. 104-127, title VII, §761, Apr. 4, 1996, 110 Stat. 1139.)

#### § 2009b. National objectives

The national objectives of the program established under this subchapter shall be to—

(1) promote strategic development activities and collaborative efforts by State and local communities, and federally recognized Indian tribes, to maximize the impact of Federal assistance;

(2) optimize the use of resources;

(3) provide assistance in a manner that reflects the complexity of rural needs, including the needs for business development, health care, education, infrastructure, cultural resources, the environment, and housing;

(4) advance activities that empower, and build the capacity of, State and local communities to design unique responses to the special needs of the State and local communities, and federally recognized Indian tribes, for rural development assistance; and

(5) adopt flexible and innovative approaches to solving rural development problems.

(Pub. L. 87-128, title III, §381C, as added Pub. L. 104-127, title VII, §761, Apr. 4, 1996, 110 Stat. 1139.)

#### § 2009c. Strategic plans

##### (a) In general

The Secretary shall direct each of the Directors of Rural Economic and Community Development State Offices to prepare a strategic plan—

(1) for each State for the delivery of assistance under this subchapter in the State; and

(2) for each federally recognized Indian tribe for the delivery of assistance under this subchapter to the Indian tribe.

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

(B) 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).

**(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).

**(f) Allocation among States**

The Secretary shall allocate the amounts in each account specified in subsection (c) 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) 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.