

any other provision of law, for any fiscal year, in the case of a high cost, isolated rural area of the State of Alaska that is not connected to a road system—

“(1) in the case of assistance provided by the Rural Housing Service for single family housing under title V of the Housing Act of 1949 (7 [42] U.S.C. 1471 et seq.), the maximum income level for the assistance shall be 150 percent of the average income level in metropolitan areas of the State;

“(2) in the case of community facility loans and grants provided under paragraphs (1) and (19), respectively, of section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) and assistance provided under programs carried out by the Rural Utilities Service, the maximum income level for the loans, grants, and assistance shall be 150 percent of the average income level in nonmetropolitan areas of the State;

“(3) in the case of a business and industry guaranteed loan made under section 310B(a)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(a)(1)), to the extent permitted under that Act, the Secretary of Agriculture shall—

“(A) guarantee the repayment of 90 percent of the principal and interest due on the loan; and

“(B) charge a loan origination and servicing fee in an amount not to exceed 1 percent of the amount of the loan; and

“(4) in the case of assistance provided under the Rural Community Development Initiative for fiscal year 2001 carried out under the rural community advancement program established under subtitle E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009 et seq.), the median household income level, and the not employed rate, with respect to applicants for assistance under the Initiative shall be scored on a community-by-community basis.”

**TEMPORARY EXPANDED ELIGIBILITY OF CERTAIN TIMBER-DEPENDENT COMMUNITIES IN PACIFIC NORTHWEST FOR LOANS AND GRANTS FROM RURAL DEVELOPMENT ADMINISTRATION**

Pub. L. 103-427, Oct. 31, 1994, 108 Stat. 4373, provided that:

“(a) FINDINGS.—Congress finds the following:

“(1) Timber-dependent communities in the Pacific Northwest have contributed significantly to the economic needs of the United States and have helped ensure an adequate national supply of timber and timber products.

“(2) A significant portion of the timber traditionally harvested in the Pacific Northwest is derived from Federal forest lands, and these forests have played an important role in sustaining local economies.

“(b) EXPANDED ELIGIBILITY.—During the period beginning on the date of the enactment of this Act [Oct. 31, 1994] and ending on September 30, 1998, the terms ‘rural’ and ‘rural area’, as used in the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.), shall include any town, city, or municipality—

“(1) part or all of which lies within 100 miles of the boundary of a national forest covered by the Federal document entitled ‘Forest Plan for a Sustainable Economy and a Sustainable Environment’, dated July 1, 1993;

“(2) that is located in a county in which at least 15 percent of the total primary and secondary labor and proprietor income is derived from forestry, wood products, or forest-related industries such as recreation and tourism; and

“(3) that has a population of not more than 25,000 inhabitants.

“(c) EFFECT ON STATE ALLOTMENTS OF FUNDS.—This section shall not be taken into consideration in allotting funds to the various States for purposes of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.), or otherwise affect or alter the manner under which such funds were allotted to States before the date of the enactment of this Act [Oct. 31, 1994].”

**RURAL WASTEWATER TREATMENT CIRCUIT RIDER PROGRAM**

Pub. L. 101-624, title XXIII, §2324, Nov. 28, 1990, 104 Stat. 4013, directed Secretary to establish national rural wastewater circuit rider grant program that was to be modeled after existing National Rural Water Association Rural Water Circuit Rider Program that received funding from Farmers Home Administration and authorized \$4,000,000 for each fiscal year to carry out such program, prior to repeal by Pub. L. 104-127, title VII, §703, Apr. 4, 1996, 110 Stat. 1108.

**INTEREST RATE RESTRUCTURING FOR CERTAIN BORROWERS**

Pub. L. 100-233, title VI, §615(b)(2), Jan. 6, 1988, 101 Stat. 1682, provided that: “Effective July 29, 1987, the interest rate charged on any loan of \$2,000,000 or more made on such date under section 306 [7 U.S.C. 1926] to any nonprofit corporation shall be the interest rate quoted to such nonprofit corporation by the Farmers Home Administration on June 22, 1987, in the request for obligation of funds made with respect to the loan.”

**LEASE OF CERTAIN ACQUIRED PROPERTY**

Pub. L. 100-233, title VI, §620, Jan. 6, 1988, 101 Stat. 1684, provided that: “Notwithstanding any other provision of law, the Secretary of Agriculture may lease to public or private nonprofit organizations, for a nominal rent, any facilities acquired in connection with the disposition of a loan made by the Secretary under section 306 [7 U.S.C. 1926]. Any such lease shall be for such reasonable period of time as the Secretary determines is appropriate.”

**§ 1926-1. Repealed. Pub. L. 104-127, title VII, § 702, Apr. 4, 1996, 110 Stat. 1108**

Section, Pub. L. 101-624, title XXIII, §2322, Nov. 28, 1990, 104 Stat. 4010; Pub. L. 102-237, title VII, §702(f), Dec. 13, 1991, 105 Stat. 1880; Pub. L. 103-354, title II, §235(b)(6), Oct. 13, 1994, 108 Stat. 3222, related to water and waste facility financing, including provisions relating to authority, limitation, priority, coordination, terms, private sector capital, appropriations, repayment, full use, and replenishment of water and waste facility fund.

**§ 1926a. Emergency and imminent community water assistance grant program**

**(a) In general**

The Secretary shall provide grants in accordance with this section to assist the residents of rural areas and small communities to secure adequate quantities of safe water—

(1) after a significant decline in the quantity or quality of water available from the water supplies of such rural areas and small communities, or when such a decline is imminent; or

(2) when repairs, partial replacement, or significant maintenance efforts on established water systems would remedy—

(A) an acute, or imminent, shortage of quality water; or

(B) a significant decline, or imminent decline, in the quantity or quality of water that is available.

**(b) Priority**

In carrying out subsection (a), the Secretary shall—

(1) give priority to projects described in subsection (a)(1), particularly to projects to address contamination that—

(A) poses a threat to human health or the environment; and

(B) was caused by circumstances beyond the control of the applicant for a grant, including circumstances that occurred over a period of time; and

(2) provide at least 70 percent of all such grants to such projects.

**(c) Eligibility**

To be eligible to obtain a grant under this section, an applicant shall—

(1) be a public or private nonprofit entity; and

(2) in the case of a grant made under subsection (a)(1), demonstrate to the Secretary that the decline referred to in such subsection occurred, or will occur, within 2 years of the date the application was filed for such grant.

**(d) Uses**

**(1) In general**

Grants made under this section may be used—

(A) for waterline extensions from existing systems, laying of new waterlines, repairs, significant maintenance, digging of new wells, equipment replacement, and hook and tap fees;

(B) for any other appropriate purpose associated with developing sources of, treating, storing, or distributing water;

(C) to assist communities in complying with the requirements of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) or the Safe Drinking Water Act (42 U.S.C. 300f et seq.); and

(D) to provide potable water to communities through other means, other than those covered above for not to exceed 120 days when a more permanent solution is not feasible in a shorter time frame. Where drinking water supplies are inadequate due to an event, as determined by the Secretary, including drought, severe weather, or contamination, the Secretary may provide potable water for an additional period of time not to exceed an additional 120 days in order to protect public health.

**(2) Joint proposals**

Nothing in this section shall preclude rural communities from submitting joint proposals for emergency water assistance, subject to the restrictions contained in subsection (e). Such restrictions should be considered in the aggregate, depending on the number of communities involved.

**(e) Restrictions**

**(1) Maximum population and income**

No grant provided under this section shall be used to assist any rural area or community that—

(A) includes any area in any city or town with a population in excess of 10,000 inhabitants according to the most recent decennial census of the United States; or

(B) has a median household income in excess of the State nonmetropolitan median household income.

**(2) Set-aside for smaller communities**

Not less than 50 percent of the funds allocated under this section shall be allocated to

rural communities with populations that do not exceed 3,000 inhabitants.

**(f) Maximum grants**

Grants made under this section may not exceed—

(1) in the case of each grant made under subsection (a)(1), \$1,000,000; and

(2) in the case of each grant made under subsection (a)(2), \$150,000.

**(g) Full funding**

Subject to subsection (e), grants under this section shall be made in an amount equal to 100 percent of the costs of the projects conducted under this section.

**(h) Application**

**(1) Nationally competitive application process**

The Secretary shall develop a nationally competitive application process to award grants under this section. The process shall include criteria for evaluating applications, including population, median household income, and the severity of the decline, or imminent decline, in quantity or quality of water.

**(2) Timing of review of applications**

**(A) Simplified application**

The application process developed by the Secretary under paragraph (1) shall include a simplified application form that will permit expedited consideration of an application for a grant filed under this section.

**(B) Priority review**

In processing applications for any water or waste grant or loan authorized under this chapter, the Secretary shall afford priority processing to an application for a grant under this section to the extent funds will be available for an award on the application at the conclusion of priority processing.

**(C) Timing**

The Secretary shall, to the maximum extent practicable, review and act on an application under this section within 60 days after the date on which the application is submitted to the Secretary.

**(i) Funding**

**(1) Reservation**

**(A) In general**

For each fiscal year, not less than 5 percent and not more than 7 percent of the total amount made available to carry out section 1926(a)(2) of this title for the fiscal year shall be reserved for grants under this section.

**(B) Release**

**(i) In general**

Funds reserved under subparagraph (A) for a fiscal year shall be reserved only until July 1 of the fiscal year.

**(ii) Exception**

Notwithstanding clause (i), in response to an eligible community where the drinking water supplies are inadequate, as determined by the Secretary, due to an

event, including drought, severe weather, or contamination, the Secretary may use funds described in subparagraph (A) from July 1 through September 30 each fiscal year to provide potable water under this section in order to protect public health.

### (2) Authorization of appropriations

In addition to funds made available under paragraph (1), there is authorized to be appropriated to carry out this section \$50,000,000 for each of fiscal years 2019 through 2023.

(Pub. L. 87-128, title III, §306A, as added Pub. L. 101-82, title V, §501(a), Aug. 14, 1989, 103 Stat. 584; amended Pub. L. 104-127, title VII, §742, Apr. 4, 1996, 110 Stat. 1124; Pub. L. 107-171, title VI, §6009, May 13, 2002, 116 Stat. 356; Pub. L. 110-234, title VI, §6008, May 22, 2008, 122 Stat. 1163; Pub. L. 110-246, §4(a), title VI, §6008, June 18, 2008, 122 Stat. 1664, 1924; Pub. L. 113-79, title VI, §6007, Feb. 7, 2014, 128 Stat. 843; Pub. L. 115-334, title VI, §6407(a), Dec. 20, 2018, 132 Stat. 4759.)

### Editorial Notes

#### REFERENCES IN TEXT

The Federal Water Pollution Control Act, referred to in subsec. (d)(1)(C), is act June 30, 1948, ch. 758, as amended generally by Pub. L. 92-500, §2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 (§1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.

The Safe Drinking Water Act, referred to in subsec. (d)(1)(C), is title XIV of act July 1, 1944, as added Dec. 16, 1974, Pub. L. 93-523, §2(a), 88 Stat. 1660, as amended, which is classified generally to subchapter XII (§307f et seq.) of chapter 6A of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 201 of Title 42 and Tables.

This chapter, referred to in subsec. (h)(2)(B), 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.

#### 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

2018—Subsec. (b)(1). Pub. L. 115-334, §6407(a)(1), substituted “, particularly to projects to address contamination that—” for “; and” and added subpars. (A) and (B).

Subsec. (d)(1)(D). Pub. L. 115-334, §6407(a)(2), inserted before period at end “, other than those covered above for not to exceed 120 days when a more permanent solution is not feasible in a shorter time frame. Where drinking water supplies are inadequate due to an event, as determined by the Secretary, including drought, severe weather, or contamination, the Secretary may provide potable water for an additional period of time not to exceed an additional 120 days in order to protect public health”.

Subsec. (e)(1)(B). Pub. L. 115-334, §6407(a)(3), struck out “according to the most recent decennial census of the United States” before period at end.

Subsec. (f)(1). Pub. L. 115-334, §6407(a)(4), substituted “\$1,000,000” for “\$500,000”.

Subsec. (i)(1)(A). Pub. L. 115-334, §6407(a)(5)(A)(i), substituted “5 percent and not more than 7” for “3 nor more than 5”.

Subsec. (i)(1)(B). Pub. L. 115-334, §6407(a)(5)(A)(ii), added subpar. (B) and struck out former subpar. (B). Prior to amendment, text read as follows: “Funds reserved under subparagraph (A) for a fiscal year shall be reserved only until July 1 of the fiscal year.”

Subsec. (i)(2). Pub. L. 115-334, §6407(a)(5)(B), substituted “\$50,000,000 for each of fiscal years 2019 through 2023” for “\$35,000,000 for each of fiscal years 2008 through 2018”.

2014—Subsec. (i)(2). Pub. L. 113-79 substituted “2018” for “2012”.

2008—Subsec. (i)(2). Pub. L. 110-246, §6008, substituted “2008 through 2012” for “2003 through 2007”.

2002—Pub. L. 107-171, §6009(1), inserted “and imminent” before “community water assistance” in section catchline.

Subsec. (a)(1). Pub. L. 107-171, §6009(2)(A), inserted “, or when such a decline is imminent” before semicolon at end.

Subsec. (a)(2)(A). Pub. L. 107-171, §6009(2)(B)(i), substituted “acute, or imminent,” for “acute”.

Subsec. (a)(2)(B). Pub. L. 107-171, §6009(2)(B)(ii), substituted “decline, or imminent decline,” for “decline”.

Subsec. (c)(2). Pub. L. 107-171, §6009(3), substituted “occurred, or will occur,” for “occurred”.

Subsec. (d)(1). Pub. L. 107-171, §6009(4), added par. (1) and struck out heading and text of former par. (1). Text read as follows: “Grants made under this section may be used for waterline extensions from existing systems, laying of new waterlines, repairs, significant maintenance, digging of new wells, equipment replacement, hook and tap fees, and any other appropriate purpose associated with developing sources of, or treating, storing, or distributing water, and to assist communities in complying with the requirements of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) or the Safe Drinking Water Act (42 U.S.C. 300f et seq.)”.

Subsec. (f)(2). Pub. L. 107-171, §6009(5), substituted “\$150,000” for “\$75,000”.

Subsec. (h)(1). Pub. L. 107-171, §6009(6)(A), substituted “decline, or imminent decline,” for “decline” in second sentence.

Subsec. (h)(2). Pub. L. 107-171, §6009(6)(B), added par. (2) and struck out heading and text of former par. (2). Text read as follows: “The Secretary shall make every effort to review and act on applications within 60 days of the date that such applications are submitted.”

Subsec. (i). Pub. L. 107-171, §6009(7), added subsec. (i) and struck out heading and text of former subsec. (i). Text read as follows: “There are authorized to be appropriated to carry out this section \$35,000,000 for each of fiscal years 1996 through 2002.”

1996—Subsec. (e)(1)(A). Pub. L. 104-127, §742(1)(A), substituted “10,000” for “15,000”.

Subsec. (e)(2). Pub. L. 104-127, §742(1)(B), substituted “3,000” for “5,000”.

Subsec. (i). Pub. L. 104-127, §742(2), added subsec. (i) and struck out heading and text of former subsec. (i). Text read as follows: “There are authorized to be appropriated to carry out this section, \$35,000,000 for each of the fiscal years 1990 and 1991, such sums to remain authorized until fully appropriated.”

### Statutory Notes and Related Subsidiaries

#### 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.

#### IMPLEMENTATION

Pub. L. 101-82, title V, §501(b), Aug. 14, 1989, 103 Stat. 585, provided that:

“(1) REGULATIONS.—The Secretary of Agriculture shall publish—

“(A) interim final regulations to carry out section 306A of the Consolidated Farm and Rural Development Act [7 U.S.C. 1926a] (as added by subsection (a) of this section) not later than 45 days after the date of enactment of this Act [Aug. 14, 1989]; and

“(B) final regulations to carry out section 306A of such Act not later than 90 days after the date of enactment of this Act.

“(2) FUNDS.—

“(A) OBLIGATION.—The Secretary shall designate 70 percent of the funds made available for the first fiscal year for which appropriations are made under section 306A(i) of the Consolidated Farm and Rural Development Act not later than 5 months after the date such funds are appropriated.

“(B) RELEASE.—The Secretary may release funds prior to the issuance of final regulations under paragraph (1)(B) for grants under section 306A(a)(1) of the Consolidated Farm and Rural Development Act.”

**§ 1926b. Repealed. Pub. L. 104–127, title VII, § 743, Apr. 4, 1996, 110 Stat. 1125**

Section, Pub. L. 87–128, title III, § 306B, as added Pub. L. 101–624, title XXIII, § 2326(a), Nov. 28, 1990, 104 Stat. 4014, related to emergency community water assistance grant program, including general provisions and provisions relating to priority, eligibility, uses, restrictions, maximum grants, full funding, application, and limitations on authorization of appropriations.

**§ 1926c. Water and waste facility loans and grants to alleviate health risks**

**(a) Loans and grants to persons other than individuals**

**(1) In general**

The Secretary shall make or insure loans and make grants to rural water supply corporations, cooperatives, or similar entities, Indian tribes on Federal and State reservations and other federally recognized Indian tribes, and public agencies, to provide for the conservation, development, use, and control of water (including the extension or improvement of existing water supply systems), and the installation or improvement of drainage or waste disposal facilities and essential community facilities including necessary related equipment. Such loans and grants shall be available only to provide such water and waste facilities and services to communities whose residents face significant health risks, as determined by the Secretary, due to the fact that a significant proportion of the community's residents do not have access to, or are not served by, adequate affordable—

(A) water supply systems; or

(B) waste disposal facilities.

**(2) Certain areas targeted**

**(A) In general**

Loans and grants under paragraph (1) shall be made only if the loan or grant funds will be used primarily to provide water or waste services, or both, to residents of a county—

(i) the per capita income of the residents of which is not more than 70 percent of the national average per capita income, as determined by the Department of Commerce; and

(ii) the unemployment rate of the residents of which is not less than 125 percent of the national average unemployment

rate, as determined by the Bureau of Labor Statistics.

**(B) Exception**

Notwithstanding subparagraph (A), loans and grants under paragraph (1) may also be made if the loan or grant funds will be used primarily to provide water or waste services, or both, to residents of a rural area that was recognized as a colonia as of October 1, 1989.

**(b) Loans and grants to individuals**

**(1) In general**

The Secretary shall make or insure loans and make grants to individuals who reside in a community described in subsection (a)(1) for the purpose of extending water supply and waste disposal systems, connecting the systems to the residences of the individuals, or installing plumbing and fixtures within the residences of the individuals to facilitate the use of the water supply and waste disposal systems. Such loans shall be at a rate of interest no greater than the Federal Financing Bank rate on loans of a similar term at the time such loans are made. The repayment of such loans shall be amortized over the expected life of the water supply or waste disposal system to which the residence of the borrower will be connected.

**(2) Manner in which loans and grants are to be made**

Loans and grants to individuals under paragraph (1) shall be made—

(A) directly to such individuals by the Secretary; or

(B) to such individuals through the rural water supply corporation, cooperative, or similar entity, or public agency, providing such water supply or waste disposal services, pursuant to regulations issued by the Secretary.

**(c) Preference**

The Secretary shall give preference in the awarding of loans and grants—

(1) under subsection (a) to rural water supply corporations, cooperatives, or similar entities, or public agencies, that propose to provide water supply or waste disposal services to the residents of those rural subdivisions commonly referred to as colonias, that are characterized by substandard housing, inadequate roads and drainage, and a lack of adequate water or waste facilities; and

(2) under subsection (b) to individuals who reside in a rural subdivision commonly referred to as a colonia, that is characterized by substandard housing, inadequate roads and drainage, and a lack of adequate water or waste facilities.

**(d) “Cooperative” defined**

For purposes of this section, the term “cooperative” means a cooperative formed specifically for the purpose of the installation, expansion, improvement, or operation of water supply or waste disposal facilities or systems.

**(e) Authorization of appropriations**

**(1) In general**

Subject to paragraph (2), there are authorized to be appropriated—