

April 2020

OMB NO. 0570-0069

7 CFR Parts 4279 and 4287

Business and Industry (B&I) Guaranteed Loan Program and Servicing Regulations

Justification for Non-Substantive Change

The Rural Business Cooperative Service (RBCS) received funding and authority through Division B, Title I of the **CARES Act** to provide for additional funds for use under the Business & Industry (B&I) Guaranteed Loan Program. In accordance with the CARES Act, the purposes of the additional B&I funding is to prevent, prepare for and respond to the effects of the pandemic. It is the Agency's intent that guaranteed loan funds will be primarily for working capital loan purposes to support business operations and facilities in rural areas. SBA's Paycheck Protection Program's funding is depleted, and this funding is the only source to fill the gap for our Rural Businesses that are severely impacted due to the economic impacts of COVID19. This critical funding will allow Rural Businesses to get bridge funding for operating expenses to allow them to stay open at this time.

The Agency estimates that approximately 500 applicants will request a B&I CARES Act Guaranteed Loan. This will result in an additional 500 responses and burden hours.