

2025

**SUPPORTING STATEMENT**

**0572-0118**

**7 CFR Part 1724 and Part 1738**

**Electric Engineering, Architectural Services, and Design Policies and Procedures  
and  
Rural Broadband Loans, Loan/Grant Combinations, and Loan Guarantees**

A. JUSTIFICATION

**1. Explain the circumstances that make the collection of information necessary.**

The Rural Utilities Service (RUS), an agency of the United States Department of Agriculture (USDA), requests OMB clearance of the reporting requirements relating to 7 CFR Part 1724, Electric Engineering, Architectural Services, and Design Policies and Procedures and 7 CFR Part 1738, Rural Broadband Loans, Loan/Grant Combinations, and Loan Guarantees programs. USDA Rural Development uses these regulations to administer its loans (direct and guaranteed) that will finance, furnish, and improve electric and telecommunications facilities in rural areas. The Administrator of the Rural Utilities Service is authorized to make the grants under the Rural Electrification Act of 1936 (RE Act), 7 U.S.C. 901 et seq., as amended, in Section 4 (7 U.S.C. 904).

On December 20, 2018, Congress passed the Agriculture Improvement Act of 2018, Pub.L.115-334 (2018 Farm Bill) which made even more significant improvements to the program, most notably by furnishing grant assistance to reach the most under served rural areas lacking broadband access. The Agency amended its regulation for the Rural Broadband Program on March 12, 2020, previously referred to as the Rural Broadband Access Loan and Loan Guarantee Program, to implement the 2018 Farm Bill. This package is submitted under a regular clearance as a revision of a currently approved collection.

Loans are for a term of up to 35 years, secured by a first mortgage on the borrower's electric or broadband system and can only be made or guaranteed if there is reasonable assurance the loan and all outstanding loans and obligations of the borrower will be repaid in full within the time agreed. In order to facilitate the programmatic interests of the RE Act, and, in order to assure that all loans made or guaranteed are adequately secured, the agency has established certain standards and specifications for materials, equipment, and construction of electric and broadband systems for materials, equipment, and construction units to help assure appropriate standards and specifications are maintained, loan security is not adversely affected, and loan and loan guarantee funds are used effectively for the intended purposes.

**2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

In 7 CFR 1724, each borrower is required to select a qualified architect to perform certain required architectural services and one or more qualified persons to perform the engineering services involved in the planning, design, and construction management of the system. The agency requires applicants to use a specific form for RUS financed projects.

The contractual form provides standardized contract agreements between the electric or broadband borrower and the engineering or architectural firm providing services to the borrower. The form stipulates the parties to the agreement, contain certain information relating to the approved loan or loan guarantee, and provide detailed contractual obligations and services to be provided and performed relating to construction, project design, construction management, compensation, and related information. The agency's electric and broadband borrowers and their engineering and architectural contractors use this information. The development, preparation, and standardization of forms results in substantial savings to borrowers who would have to develop and prepare their own contractual documents and to the federal government where extensive and costly review by the agency and the Office of General Counsel would be required.

**The applicant submits the following information:**

RUS 211, "Engineering Service Contract for The Design and Construction of a Generating Plant." (Cleared under 0572-0118).

For agency financed electric system facilities, this form must be used for all new generating units and repowering of existing units and is submitted with the application for agency approval.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection.**

RUS is committed to complying with the requirements of the E-Government Act, which requires government agencies in general to provide the public the option of submitting information or transacting business electronically to the maximum extent possible. The forms associated with this collection consist of contract forms used by RUS financed borrowers to contract for services; the agency is not a party to these contracts. Rural Development makes these forms available on the USDA eForms website as fillable forms.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

The required information is available only from individual agency electric or broadband borrowers and relates to specific engineering and/or architectural projects undertaken by a borrower for specific dollar amounts as specified in individual contract service agreements. There is no duplication. The contractual agreements and information required in the agreement represent sound financial and management practices and serve not only to protect financial and business interests of electric and broadband borrowers, but also to protect the agency's security interests in the loan to the borrower.

**5. If the collection of information impacts small businesses or other small entities (item 5 of OMB Form 83-1), describe any methods used to minimize burden.**

All borrowers meet the Small Business Administration criteria for a small business. The burden placed on small business is minimal when considering the Government's need to protect its security on the loans made to the borrowers. However, Rural Development is continually reviewing the information collected to determine what reductions are possible while still effectively administering the agency programs.

**6. Describe the consequences to Federal program or policy activities if the collection is not conducted or conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

The use of this form is required only when a borrower undertakes certain projects, i.e., on an as needed basis. They are required to protect the electric and broadband borrowers financial and business interests as well as protect the Government's loan security interests. Since the form relates to specific projects, the information cannot be collected less frequently.

**7. Explain any special circumstances that would cause an information collection to conduct in a manner:**

**a. Requiring respondent to reporting information more than quarterly.**

There is no requirement to respond more frequently than quarterly.

**b. Requiring written response in less than 30 days.**

There is no requirement for written responses in less than 30 days.

**c. Requiring more than an original and two copies.**

There are no requirements for more than an original and two copies.

**d. Requiring respondent to retain records for more than 3 years.**

There are no requirements for respondents to retain records for more than 3 years.

- e. **In connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study.**

This collection is not a survey.

- f. **Requiring the use of a statistical data classification that has not been reviewed and approved by OMB.**

This collection does not employ statistical sampling.

- g. **Requiring a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use.**

No pledge of confidentiality is required.

- h. **Requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

There is no requirement for submission of trade secrets.

**8. If applicable, identify the date and page number of publications in the Federal Register of the agency's notice soliciting comments on the information collection. Summarize public comments received and describe actions taken by the agency in response to these comments. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, reporting format (if any), and on data elements to be recorded, disclosed, or reported.**

As required by 5 CFR 1320.9(d), the Agency published a 60-day Notice in the *Federal Register* on October 10, 2024 [89 FR 82205]. The Agency did not receive any comments.

RUS maintains close contact with borrowers through general field representatives (GFRs), field accountants and headquarters staff. GFRs have direct personal contact with borrowers in connection with their responsibilities in fulfillment of RUS requirements, including filling out the various forms. Borrowers may consult RUS' GFRs, field accountants, and headquarters' staff regarding comments or suggestions on procedures, forms, regulations, etc.

Additionally, RUS works closely with lending institutions such as the National Rural Utilities Cooperative Finance Corporation and CoBank, a nationwide network of lending institutions and part of the Farm Credit System, which provide supplemental loan funds to borrowers. The agency also works closely with national and statewide associations representing electric borrowers such as: National Rural Electric Cooperative Association; National Association of Development Organizations; Rural Community Assistance Program; and, American Public Power Association, among others.

The agency contacted three individuals to get their comments concerning the use of these contract forms.

- (1). Tri-State Generation and Transmission Associates.  
Westminster, CO
- (2). Utility Systems Engineering  
Centerville, OH
- (3). North Carolina Electric Membership Corporation  
Raleigh, NC

All representatives feel that RUS Form 211 is readily available and does not believe that RUS Form 211 is too burdensome or time consuming. The representatives do not believe that the collection of the data for this form is more than necessary and believes that the instructions for RUS Form 211 are clear and useful. The representatives also do not have any concerns about proprietary information being reported or disclosed by the RUS Electric Program based on the information required for RUS Form 211.

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

Payments or gifts are not provided to respondents.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

No assurances of confidentiality have been provided to respondents. Rural Development (RD) has a SORN entitled “USDA/RD-1 Current or Prospective Procedures or Landowners, Applicants, Borrowers, Grantees, Tenants, and other participants in RD programs.” [84 FR 21315].

**11. Provide additional justification for any question of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private.**

This information collection does not contain questions of a sensitive nature.

**12. Provide estimates of the hour burden of the collection of information.**

The estimated number of burden hours for the collection is 8 hours. There are an estimated 4 annual respondents and all responses require the time of an engineer to complete the responses. The wage rates for the wage category (Occupational Code 17-2070) is selected from the Department of Labor, Bureau of Labor Statistics, May 2023 National Occupational Employment

and Wage Estimates located at [https://www.bls.gov/oes/current/oes\\_nat.htm](https://www.bls.gov/oes/current/oes_nat.htm). The hourly wage is \$57.65 per hour. After calculating employer cost for employee benefits, the total wage rate is \$74.71.<sup>1</sup> A calculation of the cost is shown below and more detailed information concerning total burden hours is shown in the attached spreadsheet.

Regulation	Number of Respondents	Total Annual Responses	Total Man-hours	Wage	Total Costs
7 CFR 1724 And 1738	4	4	8	\$74.71	\$597

RUS estimates the cost to be \$597 to the respondents to comply with this regulation. The cost is based on 4 borrowers providing contract forms to the agency for approval.

**13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.**

a. Total capital and start-up cost component (annualized over its expected useful life)

There are no capital or start-up costs associated with this collection.

b. Total operation and maintenance and purchase of services component.

There are no operations and maintenance, or purchase of services components associated with this collection.

**14. Provide estimates of annualized cost to the Federal Government.**

The estimated annualized cost to the federal government is \$608. The wage rates used to calculate federal cost are taken from the Office of Personnel Management, 2024 General Schedule Tables at [https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/24Tables/html/DCB\\_h.aspx](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/24Tables/html/DCB_h.aspx). The agency estimates that 100 percent of the time required by the federal government is professional time (Grade 13, Step 5) at \$64.06 per hour. With the addition of the cost of benefits<sup>2</sup> the hourly wage is \$87.28. The agency estimates the professional review time for each submittal is approximately 2 hours per response. The total for 4 responses is 8 hours. The agency further estimates that 100 percent of this time is professional time (Grade 13, Step 5).

- Cost to the Federal Government Professional: 8 hours x \$87.28 per hour = \$698.
- Total cost to the Government: \$698.

**15. Explain the reasons for any program changes or adjustments reported in items 13 or 14 of the OMB Form 83-1.**

<sup>1</sup> Employer cost for employee benefits for private industry is 29.6%. See; Bureau of Labor Employer Costs for Employee Compensation – December 2019, <https://www.bls.gov/news.release/pdf/ecec.pdf>.

<sup>2</sup> Cost of total benefits as a percentage of total hourly compensation for federal government employees was calculated by multiplying 36.25% by the hourly OPM wage in accordance with OMB Memorandum M-08 13.

There are no changes in this collection package since the last submission.

**16. For collection of information whose results will be published, outline plans for tabulation and publication.**

There are no plans to publish this information collection.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

RD will display the OMB expiration date on the forms.

**18. Explain each exception to certification statement identified in item 19 on OMB 83-1.**

None requested.

**B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS**

This information collection does not employ statistical methods.