2025
SUPPORTING STATEMENT
0572-0147

Substantially Underserved Trust Areas (SUTA)

A. Justification

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

The 2008 Farm Bill (Pub. L. 110-246, codified at 7 U.S.C. 906f) authorized the Substantially Underserved Trust Area (SUTA) initiative. The SUTA initiative gives the Secretary of Agriculture certain discretionary authorities relating to financial assistance terms and conditions that can enhance the financing possibilities in areas that are underserved by certain Rural Utilities Service (RUS) electric, water and waste, telecommunications and broadband programs. The SUTA initiative identifies the need for the program and improves the availability of RUS programs to reach trust areas when they are determined by the Secretary of Agriculture (such authority has been delegated to the Administrator of RUS) to be substantially underserved, as set forth in the regulations at 7 CFR part 1700, Subpart D. RUS programs that are affected by this provision include: Rural Electrification Loans and Guaranteed Loans, New ERA and PACE Loans and Grants and High-Cost Energy Grants; Water and Waste Disposal Loans, Guaranteed Loans and Grants; Rural Broadband Loans, Loan/Grant Combinations, and Loan Guarantees; Community Connect Program and Rural eConnectivity Program.

The RUS Electric and Telecommunications programs are authorized by the Rural Electrification Act (RE Act) of 1936 (7 U.S.C. 901, et. seq.). The New ERA Program is authorized under the Inflation Reduction Act of 2022 (Pub. L. 117-169, “IRA”), subtitle C, section 22004, and will be administered by RUS. PACE is authorized under Section 22001 of the Inflation Reduction Act, (IRA) Public Law 117-169 (IRA).The Water and Waste program is authorized by the Consolidated Farm and Rural Development Act (CONACT) (7 U.S.C. 1926). The Powering Affordable Clean Energy (PACE) Program and Empowering Rural America (New ERA) Program were added to this package because SUTA authority was cited in the Notice of Funding Opportunity for both PACE and New ERA and there were applicants that identified as SUTA.

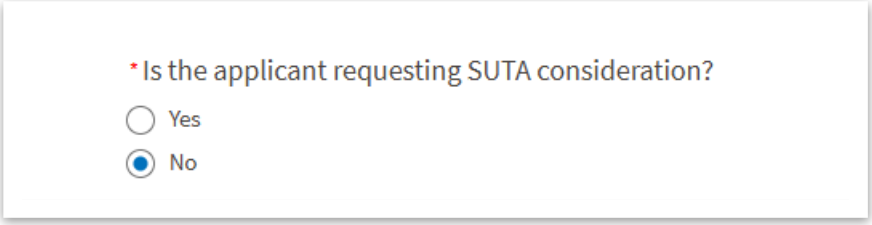
RUS makes direct and guaranteed loans to finance electric, telecommunications, water and waste infrastructure in rural areas. The Electric Program leads in lending to upgrade, expand, maintain, and replace the vast rural American electric infrastructure. The Telecommunications Program makes loans and grants to furnish and improve telecommunications and services in rural areas. The Water and Waste program provides loans, grants and loan guarantees for drinking water, sanitary sewer, solid waste and storm drainage facilities in rural areas and cities and towns of 10,000 or less.

2. <u>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</u>.

Applicants submit the required application package to the program area for which they are seeking funding. The burden for the application package is covered under other packages as follows:

- Electric Program – OMB No. 0572-0032
  - PACE – OMB No. 0572-0519
  - New ERA – OMB No. 0572-0158
- Telecommunications Program – OMB No. 0572-0079
- Rural Broadband Loans, Loan/Grant Combination, and Loan Guarantees OMB No. 0572-0154
- Water and Environmental Program – OMB No. 0572-0121
- Rural eConnectivity Program – OMB No. 0572-0152
- Community Connect Grants – OMB No. 0572-0127
- Water and Environmental Program – OMB No. 0572-0121

Burden specific to this collection, consists of an eligible applicant notifying RUS in writing, at the time of application, except for Telecommunications Program, that it seeks consideration under the requirements of 7 CFR 1700, subpart D, and identifying the discretionary authority it seeks to have applied to its application. Telecommunications Program implemented identification of SUTA consideration within the Intake System as illustrated below:



The written request must include the following:

1. A description of the applicant, documenting eligibility.

2. A description of the community to be served, documenting eligibility.

3. An explanation and documentation of the high need for the benefits of the eligible program, which may include:

(i) Data documenting a lack of service (i.e., no service or unserved areas) or inadequate service in the affected community,

(ii) Data documenting significant health risks 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 service.

(iii) Data documenting economic need in the community, which may include:

(A) Per capita income of the residents in the community, as documented by the U.S. Department of Commerce, Bureau of Economic Analysis,

(B) Local area unemployment and not-employed statistics in the community, as documented by the U.S. Department of Labor, Bureau of Labor Statistics and/or the U.S. Department of the Interior, Bureau of Indian Affairs,

(C) Supplemental Nutrition Assistance Program participation and benefit levels in the community, as documented by the U.S. Department of Agriculture, Economic Research Service,

(D) National School Lunch Program participation and benefit levels in the community, as documented by the U.S. Department of Agriculture, Food and Nutrition Service,

(E) Temporary Assistance for Needy Families Program participation and benefit levels in the community, as documented by the U.S. Department of Health and Human Services, Administration for Children and Families,

(F) Lifeline Assistance and Link-Up America Program participation and benefit levels in the community, as documented by the Federal Communications Commission and the Universal Service Administrative Company,

(G) Examples of economic opportunities which have been or may be lost without improved service.

(H) Data maintained and supplied by Indian tribes or other tribal or jurisdictional entities on "trust land" to the Department of Interior, the Department of Health and Human Services and the Department of Housing and Urban Development that illustrates a high need for the benefits of an eligible program.

4. The impact of the specific authorities sought under this subpart.

The applicant must provide any additional information RUS may consider relevant to the application which is necessary to adequately evaluate the application under this subpart. The information will be used in order to determine eligibility and compare applications for high need to determine priority for funding.

Note: The Agency has made the instructions to forms available on the USDA eForms website at: https://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home.

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 meeting 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.

Applicants will submit the required documentation supporting their SUTA eligibility with their application for loan and grant funds in accordance with the application procedures for each specific agency loan/grant program.

An application intake system was developed in Salesforce for the PACE and New ERA Programs so applicants could indicate whether they were applying for SUTA and upload their supporting documents so that the agency could determine if they were SUTA eligible. In cases where an entity has already filed an application for loan/grant funds with the agency, the applicant could submit the required documents to the applicable program area via electronic mail. All documents required for application are provided on the agency's website for use by applicants. Grant applications may be filed electronically on www.Grants.gov or program application intake system in accordance with directions found in the Funding Announcement for each agency grant program.

RUS General Field Representatives (GFRs), who are located across the United States, will work closely with SUTA eligible applicants in developing loan and grant applications and the required SUTA documentation. The Water and Environmental Program works with eligible applicants and borrowers through the work of circuit riders and other technical assistance providers funded through the Technical Assistance and Training Grant Program.

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.

Each application will be for a new project and new purpose. Therefore, information will be unique and will not be duplicated. Where an existing borrower

requests a new loan, certain organizational information, maintained in RUS files, will not need to be resubmitted.

5. <u>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.</u>

The Agency believes it has minimized the burden on both large and small entities and that the required information is the least needed to determine applicant eligibility and project feasibility per 7 CFR 1700, Subpart D.

Trust area means a community in "trust land" as defined in section 3765 of title 38, United States Code. The term "trust land" means any land that—

(A) is held in trust by the United States for Native Americans,

(B) is subject to restrictions on alienation imposed by the United States on Indian lands (including native Hawaiian homelands),

(C) is owned by a Regional Corporation or a Village Corporation, as such terms are defined in section 3(g) and 3(j) of the Alaska Native Claims Settlement Act, respectively (43 U.S.C. 1602 (g), (j)); or

(D) is on any island in the Pacific Ocean if such land is, by cultural tradition, communally owned land, as determined by the Secretary.

6. <u>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</u>.

The required information is submitted at the time of application and is necessary for RUS to make a prudent loan decision; therefore, this information cannot be submitted less frequently.

7. <u>Explain any special circumstances that would cause an information collection to be conducted in a manner</u>:

a. <u>Requiring respondents to report information more than quarterly</u>.

There is no requirement to respond more than quarterly.

b. <u>Requiring written responses in less than 30 days</u>.

Responses are required at the time of application.

c. <u>Requiring more than an original and two copies</u>.

There is no requirement for more than an original and two copies.

d. Requiring respondents to retain records for more than 3 years.

There is no requirement to retain records for more than 3 years.

e. That is not designed to produce valid and reliable results that can be generalized to the universe of study.

This information collection does not involve statistical information.

f. Requiring use of statistical sampling which has not been reviewed and approved by OMB.

The collection does not require the use of statistical sampling.

g. Requiring a pledge of confidentiality.

There is no requirement for a pledge of confidentiality.

h. Requiring submission of proprietary trade secrets.

There is no requirement for the submission of proprietary 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 1320.8(d), a Notice to request comments was published in the **Federal Register** on October 2, 2025; Docket #: RUS-25-Electric-0200; FR citation: 90 FR 47723. The public was given until December 1, 2025, to submit comments on this collection. Suggestions and comments are always considered by the Agency, and RD remains committed to pursuing further reductions in both the burdens placed upon our borrowers/customers and the total volume of regulations imposed. The Agency did not receive any comments.

The SUTA provisions amended the Rural Electrification Act of 1936 to make funding available to areas that historically have had difficulty receiving federal assistance. RUS in conjunction with the Office of Tribal Relations (OTR), continuously works to identify issues that impact both the Trust areas who seek better access to RUS programs, and the federal agencies who have similar yet sometimes competing interests in these areas. In New Mexico, Mescalero Apache Telecom received a $5.4 million loan to upgrade portions of its system and provide fiber service to approximately 50 percent of

its territory. This is the first loan that RUS made under SUTA provisions of the 2008 Farm Bill. On a regular basis, RUS participates in outreach events and features the SUTA initiative in presentations and is responsive to requests for consultations throughout the year. Over the past five years, a total of three loan applications requesting SUTA consideration have been submitted to the Telecommunications Program.

The Programs contacted prior participants to receive feedback on program applicability. The feedback received is as follows:

Electric Program:

RUS Electric Program GFRs conducted outreach to the Applicants (*see*, table below). We received two responses to the Solicitation of Views. Of the two responses, only the response from Loup Valley Rural Public Power District provided any information. The Navajo Tribal Utility Authority (NTUA) reported that the employee that previously worked on their SUTA submission was no longer with NTUA.

SUTA Awardee Applicants	**Program**	**State**
AEA Kipnuk SUTA	HECG	AK
AVEC Savoonga SUTA	HECG	AK
NAVAJO TRIBAL UTILITY AUTHORITY	PACE	AZ
Kauai Island Utility Cooperative	PACE	HI
CONCORDIA ELECTRIC COOPERATIVE	New ERA	LA
BASIN ELECTRIC POWER COOPERATIVE	New ERA	ND
Loup Valley Rural Public Power District	PACE	NE
HARNEY ELECTRIC COOPERATIVE, INC.	PACE	OR
Yakama Power - Anderson	PACE	WA

Telecommunication Program:

Due to only one application being received for this program during this period, Hopi Telecommunications, Inc. had to be used in consecutive submissions, the other two individuals were Electric participants:

No.	Company	Position
1	Carnegie Telephone Company	General Manager
Response: Estimated total hours remain at approximately 30. With about 25 hours for research, information gathering, and documentation. And an addition 5 hours for management's time.		
2	Loup Valley Rural Public Power District	General Manager
Estimated total hours to be 30. 45 hours for research, information gathering, and SUTA documentation. An additional 5 hours for management meetings, accountant's time, etc.		
3	Gary Stassel Engineering	Principal
Response: Estimated total hours to be 30. About 25 hours for research, information gathering, and SUTA documentation. An additional 5 hours for management meetings, accountant's time, etc. Additionally, as the process becomes more standardized, it should become more efficient, therefore requiring less time to complete.		

Water and Environmental Program:

There is no new information to report. This is due to the Section 306C program, which currently only has grant funding. The program has not yet received any customer applications (under 7 CFR 1700, Subpart D).

9. <u>Explain any decision to provide any payment or gift to respondents, other than re-enumeration of contractors or grantees</u>.

There has been no decision to provide payment or gifts to respondents.

10. <u>Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or Agency policy</u>.

The information collected will be statistically summarized and will not convey a particular person's race/national origin. Persons providing this information are given assurance that the information is used only for monitoring and statistical purposes. RD has no policy, statute or regulation that requires giving assurance of confidentiality. Information is considered confidential and covered under the Privacy

Act. Requests for information must be made under the Freedom of Information Act and will be processed in the usual procedure to protect the confidentiality of any person.

RD has a System of Record Notices (SORN) to cover collection of the information and the systems where the information is stored. Please refer to "Privacy Act of 1974; System of Records" [89 FR 72820] issued on 9/06/2024.

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.

There are no questions of a sensitive nature.

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

Electric Program:

The Electric Program estimates 26 respondents at 30 burden hours per response for a total of 1300 burden hours (*see*, attached spreadsheet). The increase in burden hours reflects the increase in the number of respondents.

The Agency estimates the cost to respondents for the Electric Program will be $3,246.69 annually, computed as follows:

Regulation	Number of Respondents	Total Responses per Person	Hours per Response	Total Burden Hours	Wage Class	Total Costs
7 CFR 1700-D	26	1	30	780	$50.18	$1,948

The cost estimate has been adjusted based on 26 organizations filing a request for this collection cycle. RUS used a median labor rate of $50.18 per hour plus 29.8% in benefits. The primary individual for a respondent would normally be a general manager. Data source: May 2024 National Occupational Employment and Wage Estimates, United States; Bureau of Labor Statistics, http://www.bls.gov/oes/current/oes_nat.htm\.

Management review:

$50.18 wage X 1 response X 30 total burden hours X 1.294 benefits = $1,948.

The number of requests for SUTA consideration per year has been increased to 26 based on activity in the recent fiscal years, and the equation provided in the 2021 submission has been corrected.

The combined burden hours for the Electric Program is 30 hours and the cost to respondents is estimated at: $3,246.69 per respondent. Each respondent is a separate entity, so the total burden is estimated per respondent.

Telecommunications Program:

It is estimated that there are 45 respondents for Telecommunications, at 30 hours per response for a total of 1,350 burden hours (*see*, attached spreadsheet).
The hourly wage was calculated using the BLS May 2019 National Occupational Employment and Wage Estimates for Business and Financial Operations occupations 13-0000. An additional 29.4% in benefits was added to account for benefits and overhead for a total of $48.45/hr (*see*, attached spreadsheet).

The Agency estimates the cost to respondents for the Telecommunications Program will be estimated at $1,881 annually, computed as follows:

Regulation	Number of Respondents	Total Responses per Person	Hours per Response	Total Burden Hours	Wage Class	Total Costs
7 CFR 1700-D	45	1	30	1350	$48.45	$1,881

The cost estimate is based on just 1 organization filing a request. RUS used a labor rate of $48.45 per hour plus 29.4% in benefits. The primary individual for a respondent would normally be a general manager. Data source: May 2019 National Occupational Employment and Wage Estimates, United States; Bureau of Labor Statistics, http://www.bls.gov/oes/current/oes_nat.htm\.

Management review:

$48.45 wage X 1 response X 30 total person hours X 1.294 benefits = $1,881.

Explanation of changes from the 2021 submission of the Supporting Statement:

The number of requests for SUTA consideration per year remains at 1 respondent based on activity in the recent fiscal years, and the equation provided in the 2021 submission has been corrected.

Water and Environmental Program:

There was a very low burden estimate submitted for the Water and Environmental Programs Division of Rural Utilities Service for this information collection due to the Section 306C program, which currently only has grant funding. This program has not yet received any official customer applications under 7 CFR 1700, Subpart D. Therefore, the Water and Environmental Program is reporting an estimate (see, attached spreadsheet) of only 1 respondent and 1 burden hour. The program is allotting a low burden reporting to open the program for applicants to apply.

The hourly wage was calculated using the BLS May 2024 National Occupational Employment and Wage Estimates for Business and Financial Operations occupations 13-0000. An additional 29.8% in benefits was added to account for benefits and overhead for a total of $50.18/hr. (see, attached spreadsheet).

The Agency cost estimate is zero as follows:

Regulation	Number of Respondents	Total Responses per Person	Hours per Response	Total Person Hours	Wage Class	Total Costs
7 CFR 1700-D	1	1	1	1	$50.18	$50.18

13. <u>Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information</u>.

(a) <u>Total capital and start-up cost component (annualized over its expected useful life); and</u>

<u>(b) Total operation and maintenance and purchase of services component.</u>

There are no capital or start-up costs, nor operation and maintenance costs associated with this collection of information.

14. <u>Provide estimates of annualized cost to the Federal Government</u>.

<u>Water and Environmental Program</u>

The Agency cost estimate is as follows:

Regulation	Number of Respondents	Total Person Per Response	Hours per Response	Hourly Wage for staff time	Cost to Federal Government
7 CFR 1700-D	1	1	1	$50.18	$50.18

<u>Telecommunications Program</u>

Cost of total benefits as a percentage of total hourly compensation for Federal Government employees has been calculated by multiplying 36.25% by the hourly OPM wage* in accordance with OMB Memorandum M-08 13. The cost to the Federal Government to collect and evaluate this information is estimated to be approximately $3,376 annually based on the following calculations:

Loan Analyst review of eligibility requests and high need:

Regulation	Number of Respondents	No. of Responses Per Respondent	Hours per Response	Hourly Wage for staff time	Cost to Federal Government
7 CFR 1700-D	45	1	1.3625	$55.07	$3,376

$55.07 wage X 45 responses X 1 total person hours X 1.3625 benefit = $3,376
* 2025 Salary rate for a GS-12, step 5

Electric Program

Cost of total benefits as a percentage of total hourly compensation for Federal Government employees has been calculated by multiplying 36.25% by the hourly OPM wage* in accordance with OMB Memorandum M-08 13. The cost to the Federal Government to collect and evaluate this information is estimated to be approximately annually based on the following calculations:

Loan Analyst and Program Analyst review of eligibility requests and high need:

Regulation	Number of Respondents	No. of Responses Per Respondent	Hours per Response	Hourly Wage for staff time	Cost to Federal Government
7 CFR 1700-D	26	1	1.3625	$48.59	$1721

$48.59 wage X 26 response X 1 total person hours X 1.3625 benefit = $1,721
* 2026 Salary rate for a GS-12, step 1

The combined cost to the Federal Government is estimated at: **$5,097.78.**

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

Electric Program:

This renewal submission increased to 26 from 1 in the previous collection package. This increase is attributable to both an increase in the total number of SUTA applications and the addition of the IRA Programs, PACE and New ERA, to SUTA eligibility and a substantial increase in funding for our Programs.

Telecommunications Program:

This renewal submission increased to 45 from 1 in the previous collection package. This increase is attributable to both increased total number of SUTA applications and the increase in funding for Telecom across the different programs.

Water and Environmental Program:

The Water and Environmental Programs Division reported zero number of responses, respondents, and burden hours, for the SUTA Program. The SUTA program, authorized under the 2008 Farm Bill, provides the Administrator additional flexibilities when lending to Tribes and other communities located in "Trust Lands." The Water and Environmental Programs provides financing to customers located on Trust Land under the Section 306C Program. As a result, there were no applications received from applicants under 7 CFR 1700, Subpart D of the SUTA Program.

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

The agency is required to make annual reports to Congress on (a) the progress of the SUTA initiative, and (b) recommendations for any regulatory or legislative changes that would be appropriate to improve services to substantially underserved trust areas. It is anticipated that the agency will include information in the annual report regarding the number and type of requests that are received.

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.

There are no forms associated with this collection.

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

There are no exceptions to the certification statement.

B. Collection of Information Employing Statistical Methods.

This collection does not involve statistical methods.