

Supporting Statement
Strategic Economic and Community Development
OMB No. 0570-0068

A. Justification

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

As authorized under the Agricultural Act of 2018 (2018 Farm Bill), the Strategic Economic and Community Development (SECD) program establishes reserved funds through Rural Development programs to fund projects that support the implementation of multijurisdictional and multisectoral strategic community investment plans (Plan). The covered programs for which reserved funds may be established are:

- Agriculture Innovation Center Program
- Business and Industry CARES Act Program
- Business and Industry Guaranteed Loans
- Community Connect Grant
- Community Facility Grants
- Community Facility Guaranteed Loans
- Community Facility Direct Loans
- Delta Health Care Service Grant
- Distance Learning and Telemedicine Loans and Grants
- Electric Infrastructure Loan and Loan Guarantee Program
- Emergency Community Water Assistance Grants
- Energy Efficiency and Conservation Loan Program
- Grants for Rural and Native Alaskan Villages
- High Energy Cost Grants
- Housing Preservation Grants
- Individual Water and Wastewater Grants
- Intermediary Relending Program
- Multi-Family Housing Loan Guarantees
- Multi-Family Housing Direct Loans
- Mutual Self-Help Housing Technical Assistance Grants
- Off-Farm Labor Housing Direct Loans and Grants
- One Percent Loan Program For Distressed Communities
- On-Farm Labor Housing Loans
- Rural Business Development Grants
- Rural Broadband Loans, Loan/Grant Combinations and Loan Guarantees
- Rural Community Development Initiative Grant
- Rural Cooperative Development Grant
- Rural Decentralized Water Systems Grant Program
- Rural Economic Development Loans and Grants
- Rural Energy for America Program Energy Audit and Renewable Energy Development Assistance Grants
- Rural Energy for America Program Renewable Energy Systems and Energy Efficiency

- Improvement Guaranteed Loans and Grants
- Rural Energy for America Technical Assistance Grant Program
- Rural Energy Savings Program
- Rural Housing Site Loans
- Rural Innovation Stronger Economy (RISE) Grants
- Rural Microentrepreneur Assistance Program
- Socially Disadvantaged Groups Grant
- Solid Waste Management Grant
- Telecommunications Infrastructure Loans and Loan Guarantees
- Tribal College Initiative Grants
- Value-Added Producer Grants
- Water and Waste Disposal Loans and Grants
- Water and Waste Disposal Guaranteed Loans
- Water and Waste Disposal Predevelopment Grants
- Water and Waste Disposal Technical Assistance and Training Grants
- Water and Waste Facility Loans and Grants to Alleviate Health Risks for Colonias
- Water and Waste Facility Loans and Grants to Alleviate Health Risks on Tribal Lands
- Rural Energy for America Program

To be eligible for reserved funds, projects must first be eligible for funding under the covered programs. In addition, projects must be carried out in rural areas.

This collection of information is necessary in order for USDA – Rural Development to identify projects eligible for reserved funds under the Section 6401 Program and to prioritize eligible applications. In accordance with the Paperwork Reduction Act of 1995 (P.L. 104-13, 44 U.S.C. Chapter 35), USDA – Rural Development is submitting this information collection package to the Office of Management and Budget (OMB) for review and clearance to implement the Section 6401 Program.

2. Explain how, by whom, and for what purpose the information is to be used.

Applicants will submit information using the application form to describe the project and will attach appropriate letters from jurisdictional authorities indicating the Plan has been adopted and the project implements all or part of Plan objectives. This information will be submitted as part of the application material required for the covered program. USDA – Rural Development will use this information to determine project eligibility for SECD and to score the applications, with higher scoring applications receiving preference for reserved funding according to the award process of the covered program. If the information is not collected, USDA – Rural Development would not be able to fund projects that specifically implement all or part of strategic community investment plans and contribute to regional economic and community development.

USDA – Rural Development, through its Rural Housing Service, Rural Utilities Service, and Rural Business-Cooperative Service Agencies, in Washington, D.C., will be the primary user of the information collected. The information sought by this information collection will be stored in USDA – Rural Development files or computers. Under the Freedom of Information Act, the general public can request some of the data provided by the applicant to USDA – Rural

Development, except data that are proprietary or confidential.

REPORTING REQUIREMENTS – NO FORMS

Measures, Metrics, and Outcomes

Applicants who receive Section 6401 reserved funds are required to submit information on the project's measures, metrics, and outcomes that the awardee would already be submitting to the covered program for program compliance.

REPORTING REQUIREMENTS - FORMS

Form 1980-88 – Strategic Economic and Community Development (Section 6401) . The information collected on the form is used by USDA – Rural Development to determine project eligibility for Section 6401 reserved funding and to score the application. The form requires the applicant to submit the information identified below.

Applicant Information (Block I).

- The applicant's name, telephone number, and email address.
- Checking the applicable box to indicate whether or not the applicant is or includes one of the following: State government; County government; Municipal government; Tribal government; Non-profit; For Profit or Other.

Plan Information (Block II). Each application must include the following information:

- The name of the Plan the Project supports.
- The effective date of the Plan.
- The dates that Plan is in effect.
- Contact information for the entity(ies) approving the Plan, including name(s), telephone number(s), and email address(es).
- A description of the jurisdiction of the Plan.
- If available, a web site address link to the Plan.

Project Information (Block III). Each application must include the following information:

- Project name.
- Sufficient detail to allow USDA – Rural Development to determine whether the project is carried out in a rural area as defined in §1980.1005.
- A letter from the appropriate governing entity(ies) indicating that the Project is consistent with the Plan and the Plan has been adopted.

Scoring Information (Block IV). To enable USDA – Rural Development to score the application, the applicant must provide information on each Plan objective the proposed project directly supports and on the Plan itself.

Scoring the Project (Attachment A). As found in the most current version of the Plan, the applicant must provide the name of each Plan objective that the Project will directly support; a description of each Plan objective; and a description of how the proposed Project directly

supports the objective. The applicant will fill out and include an additional Attachment A for each Plan objective identified as being implemented by the Project.

Scoring the Plan. To enable USDA – Rural Development to score the Plan, the applicant must provide documentation that addresses each of the following five areas:

- The Plan was developed through the participation of multiple stakeholders, including local and regional partners, in the jurisdiction of the Plan.
- The Plan demonstrates an understanding of, and leverages, the applicable region’s assets that could support the Plan.
- The Plan includes investments (monetary or non-monetary) from strategic partners, such as private organizations, cooperatives, other government entities (other than USDA – Rural Development), Indian Tribes and philanthropic organizations.
- The Plan proposes a variety of activities designed to facilitate the vision of a rural community for the future, including considerations for improving and expanding broadband services; and
- The Plan contains clear objectives with performance measures, action steps for implementation and methods to track progress toward achieving the Plan's objectives.

Agency Coordination (Block V). To help ensure coordination among the programs included in this subpart, each application must contain the following, as applicable:

- Identify the program area(s) (e.g., Community Connect, Community Facilities, Rural Business Development Grant, Water and Waste Disposal) from which funds are sought.
- If the applicant is submitting, in the same fiscal year, more than one application for Section 6401 reserved funding, identify each application by providing:
 - The name(s) of the project(s);
 - The program area(s) for which funds are being sought; and
 - The date that each application was submitted to USDA – Rural Development.
- If the applicant has previously submitted one or more applications for reserved funding under this subpart, the applicant must provide, using Attachment B, in the current application, with the following information for each previous application:
 - The date the application was submitted.
 - The name of the project.
 - The program area(s) from which funds were sought; and
 - If the project was selected for funding, the specific program(s) that provided the funding; the date and amount of the award; and whether any portion of the funding came from the funds reserved under this subpart.

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. Also describe any consideration of using information technology to reduce burden.

Section 6401 relies on the covered programs' methods for program administration. Thus, to the extent the covered programs use collection techniques other than the submittal of written material, this program will follow suit.

With regard to the covered programs, USDA – Rural Development has considered the use of improved information technology to reduce the burden on the applicants. The information involved is unique to each particular case. Automating the written narrative portion of the application assists the applicant and USDA – Rural Development because most is completed and submitted electronically .

4. Describe efforts to identify duplication.

USDA – Rural Development anticipates that the application material submitted for the covered program will be able to provide information to determine project eligibility. If similar information is found to be available from another Federal agency, every effort is made to utilize that information as is or in an appropriately modified form for this program.

5. If the collection of information affects small businesses or other small entities, describe the methods used to minimize the burden.

Eligible projects for Section 6401 reserved funds will be the same as those for covered programs and the distribution of businesses applying for the reserved funds are anticipated to be the same as found in the covered programs. Of the estimated 100 applicants, approximately 30 percent are estimated to be small businesses. The information collection required places little or nominal burden on all entities, including these small businesses.

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

Application information is only collected once. If this information is not collected, USDA – Rural Development would not be able to give proper preference to projects seeking reserved funding as required by the authorizing statute.

7. Explain any special circumstances that would cause the collection of information to be conducted in a manner:

- a. Requiring respondents to report information to USDA – Rural Development more often than quarterly.

There are no information collection requirements that require respondents to report more often than quarterly.

- b. Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.

There are no information collection requirements that require less than 30-day response.

- c. Requiring respondents to submit more than an original and two copies of any document.

There are no information requirements that require more than an original and two copies.

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

There are no such requirements.

- e. Not using statistical sampling.

There are no such requirements.

- f. Requiring use of statistical data classification that has not be reviewed and approved by Office of Management and Budget (OMB).

No such requirements exist.

- g. Requiring a pledge of confidentiality that is not supported by authority 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.

There are no such requirements.

- h. Requiring respondents to submit proprietary trade secrets or other confidential information unless USDA – Rural Development can demonstrate that it has instituted procedures to protect the information’s confidentiality to the extent permissible by law.

8. Comments on USDA – Rural Development’s notice in the Federal Register and efforts to consult with persons outside USDA – Rural Development to obtain their views on the availability of data, frequency of collection, the clarity of the instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

A 60-day notice (90 FR 39178) to request comments was published in the Federal Register on 8/14/25. No comments were received.

The program consulted with the following respondents regarding the program requirements and feedback from all three showed that there were no issues nor complaints regarding the instructions or the data elements that are collected.

White River Planning and Development District
4441 Harrison Street
Batesville, AR 72501-9384

Latino Economic Development Center
Higharc, Suite 101, 2831 Blvd
Luis A Ferre, Ponce, PR 00717

Standish Township
399 East Beaver Street
Standish, MI 48658

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

No payments or gifts were provided to respondents, including no remuneration of contractors or grantees.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or USDA – Rural Development policy.

The information collection does not require confidentiality. The Agency published a Privacy Act of 1974; System of Records in the Federal Register on September 6, 2024 ([89 FR 72820](https://www.federalregister.gov/documents/2024/09/06/2024-20068/privacy-act-of-1974-system-of-records); ([federalregister.gov/documents/2024/09/06/2024-20068/privacy-act-of-1974-system-of-records](https://www.federalregister.gov/documents/2024/09/06/2024-20068/privacy-act-of-1974-system-of-records))).

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

The information collected does not contain any questions of a sensitive nature such as sexual behavior, religious beliefs, or other matters commonly considered private.

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

The average annual number of applicants seeking Section 6401 funding is estimated to be 100 applicants. The average annual number of applicants receiving Section 6401 funding is estimated to be 60 awardees. Table 1 presents the estimated number of applicants and awardees by program.

Table 1. Estimated Number of Applicants and Awardees

Program	Number of Respondents/Applicants per Year	Number of Awardees per Year/
Community Facilities Grants	25	20
Community Facilities Loans	5	3
Community Facilities Guaranteed Loans	3	3
Community Connect Grants	6	2
Water and Waste Disposal Loans and Grants	20	11
Water and Waste Disposal Guaranteed Loans	1	1
Rural Business Development Grants	40	20
Total	100	60

The estimated annual burden of this information collection is 580 hours and 160 annual responses. The cost to the public for applying for and receiving Section 6401 reserved funds is estimated to be \$20,300, of which \$14,000 is associated with applying for the funds and \$6,300 is associated with awardees submitting information on measures, outcomes, and other metrics to USDA – Rural Development. In making the cost estimates, an average cost (\$35 per hour) per applicant was estimated based on the individual covered programs’ cost per hour per respondent, which vary program to program, and those values were based on the most recent burden packages for each covered program. Table 2 represents the total estimated annual burden.

Table 2. Estimated Annual Burden

Title	Form No.	Est. No. of Respondents	Reports Filed Annually	Total Annual Responses	Est. No. of Man Hours per Response	Est. Total Man Hours	Wage Class	Total Cost
Reporting Requirements - Forms								
Strategic Economic And Community Development Application For Reserved Funding	1980-88	100	1	100	4	400	\$35	14,000
Reporting Requirements -No Forms								
Submittal of measures,	Written	60	1	60	3	180	\$35	\$6,300

outcomes, and metrics report								
Total		160		160		580	\$35	\$20,300

Estimated burden for completing a single Form 1980-88

While some applicants are expected to submit more than one Form 1980-88 in a given year (because the applicant is applying for the Section 6401 reserved funding under more than one covered program), USDA – Rural Development estimates that the number of hours required to complete a single Form 1980-88 to be approximately 4 hours if the applicant must complete all sections of the form and the applicant’s project supports a single objective of the plan. However, not all applicants are expected to incur the same burden when completing this form because not all aspects of the form are applicable to each applicant or even to each program. Specifically, the variables are:

- If an applicant needs to describe the Plan’s jurisdiction, USDA – Rural Development estimates the burden to be 0.50 hours. Some of the covered programs’ applications already request this information and so not all applicants will incur this burden.
- If the applicant needs to describe how the project meets the definition of “carried out in a rural area,” USDA – Rural Development estimates the burden to be 2.0 hours. As for describing the Plan’s jurisdiction, some of the covered programs’ applications already request this information and so not all applicants will incur this burden.
- If the applicant is submitting multiple applications in the same fiscal year, USDA – Rural Development estimates providing the associated information will take 0.50 hours. Most applicants are unlikely to fall into this category.
- If the applicant had received a previous award under Section 6401, USDA – Rural Development estimates that providing the associated information will take 0.50 hours.
- If an applicant applied for Section 6401 reserved funds previously, USDA – Rural Development estimates that providing the associated information will take 0.50 hours.

13. Provide an estimate for the total annual cost burden to the respondents or recordkeeping resulting from the collection of information.

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

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

The annual cost to the Federal Government to review and score the applications is estimated to be about \$19,200 per fiscal year (see attached spreadsheet). The 2025 OPM General Schedule and Step 5 for all GS levels was used for calculation purposes. Most of the application review and submission work is completed by State Loan Specialists GS-11 at \$34.30/hr. & GS-12 at \$41.11/hr.; State Program Directors GS-13 at \$48.89/hr., with Loan Technicians and clerks GS-7 at \$23.18/hr. & GS-8 at \$25.67/hr. doing most of the computer data entry and typing. The

scoring is performed by USDA - Rural Development Innovation Center (IC) staff (GS-13) at \$48.89/hr. Due to rounding, average rate was determined to be \$35/hr. x 36.25% benefits = \$12.69 round to \$13.00 = \$48/hr.

The 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.

	Number	Hours per item	Rate	Cost
Review and Score Section 6401 Applications	100	4	\$48	\$19,200

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

Due to a decrease in the number of applicants, there was a decrease of 310 annual number of responses and a decrease of 1710 hours of annual burden for this IC.

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

Rural Development has no plans to publish information collected under the provisions of this program.

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 is not seeking approval to not display the OMB expiration date on this form.

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

There are no exceptions to the certification.