

November 20, 2008

TO: State Director, Rural Development
Hilo, Hawaii

State Director, Rural Development
San Juan, Puerto Rico

ATTN: Business Programs Directors

SUBJECT: Business and Industry Guaranteed Loan Program
Farm Bill Rural Area Definition

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to implement a provision of the 2008 Farm Bill as it relates to the rural area definition for the Business and Industry Guaranteed Loan Program, the Rural Business Enterprise Grant Program, and the Rural Business Opportunity Grant Program for the State of Hawaii and the Commonwealth of Puerto Rico. The Agency is also adopting the 2008 Farm Bill rural area definition at 7 U.S.C. 1991(a)(13)(A) for the Rural Energy for America Program (formerly the Renewable Energy System and Energy Efficiency Improvements Guaranteed Loan and Grant Program) and the Rural Economic Development Loan and Grant Programs for the State of Hawaii and the Commonwealth of Puerto Rico.

COMPARISON WITH PREVIOUS AN:

There has been no previous AN on this subject.

IMPLEMENTATION RESPONSIBILITIES:

Section 6018 of the 2008 Farm Bill, subparagraph (G), states: “Notwithstanding any other provision of this paragraph, within the areas of the County of Honolulu, Hawaii, and the Commonwealth of Puerto Rico, the Secretary may designate any part of the areas as a rural area if the Secretary determines that the part is not urban in character, other than any area included in the Honolulu Census Designated Place or the San Juan Census Designated Place.”

EXPIRATION DATE:
November 30, 2009

FILING INSTRUCTIONS:
Preceding RD Instructions 1942-G, 4279-B,
4280-A, 4280-B, and 4284-G

For the State of Hawaii, all areas within the State are considered rural and eligible for Business Programs assistance, except for the Honolulu Census Designated Place (CDP) within the County of Honolulu.

For the Commonwealth of Puerto Rico, the island is considered rural and eligible for Business Programs assistance, except for the San Juan CDP and any other CDP with greater than 50,000 inhabitants. CDPs with greater than 50,000 inhabitants, other than the San Juan CDP, may be determined to be eligible if they are “not urban in character.” Any such requests must be forwarded to the National Office, Business and Industry Division, with supporting documentation as to why the area is “not urban in character” for review, analysis, and decision by the Administrator, Business and Cooperative Programs.

If you have any questions, please contact the Business and Industry Division at (202) 690-4103 or the Specialty Lenders Division at (202) 720-1400.

(Signed by Ben Anderson)

BEN ANDERSON
Administrator
Business and Cooperative Programs