



Rural Development
U.S. DEPARTMENT OF AGRICULTURE

Equity Action Plan

July 2023



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Contents

- From the Under Secretary 1**
- Introduction 3**
- Accomplishments 5**
 - Rural Partners Network 5
 - Intentional Work with Federally Recognized Tribes 6
 - The ReConnect Loan and Grant Program 7
 - Native Community Development Financial Institution Relending Demonstration Program 8
 - Indigenous Animals Harvesting and Meat Processing Grant Program..... 8
 - Rural Data Gateway 9
 - Figure 1: Sample Rural Data Gateway view 10
- Ongoing Equity Actions..... 10**
 - Advancing Equity in Rural Communities: Our Priority Points Framework 10
 - Creating Opportunities through Rural Engagement 11
 - Regulatory Review to Advance Equity 12
- New Equity Actions 13**
 - Interagency Task Force on Property Appraisal and Valuation Equity 13
 - Public Commitments for Tenant Rights 13
 - Implementation of the Inflation Reduction Act..... 13
- Selected Equity Resources and Information 14**
 - USDA Equity-Related Summary Reports and Guidance 14
 - USDA Rural Development Resources 14
 - Selected Equity-Related Executive Orders and White House Resources 14
- USDA Mission Statement..... 16**
- USDA Equity Action Plan Strategies | April 2022 16**

From the Deputy Under Secretary



Deputy Under Secretary Farah Ahmad

Because we understand a strong community is rooted in its people, USDA Rural Development's Equity Action Plan embodies comprehensive measures meant to promote significant, long-term, systemic change. Working in partnership with rural communities across the country, our equity strategies benefit not only rural and Indigenous people, but also the broader American public. After all – whether through farming and ranching, business, or manufacturing – rural people deliver many of the everyday essentials upon which our country

depends. To do this, we draw on reputable data sources such as the U.S. Census Bureau (information is available at this link: <https://tinyurl.com/3cp3jcp6>) and its American Community Survey (information is available at this link: <https://tinyurl.com/376apz9w>), along with comprehensive, internal datasets.

“Rural America” is not a monolith. Each rural community has its own strengths – and a vision for its future. Our place-based employees often live and work in the same rural communities they serve. Coupled with RD's wide-ranging portfolio of rural resources, it's this unique professional and personal dedication that helps our rural partners determine what economic security and prosperity looks like in **their own** communities.

Using Executive Order 13985 (*Advancing Racial Equity and Support for Underserved Communities Through the Federal Government* – available at this link: <https://tinyurl.com/3ybj7rd5>) and Executive Order 14091 (*Further Advancing Racial Equity and Support for Underserved Communities Through the Federal Government* – available at this link: <https://tinyurl.com/4zf8s786>) as our road maps, RD's focus on underserved communities advances the Biden-Harris administration's directive to deliver federal resources gained from recent, once-in-a-lifetime funding boosts.

By focusing on underserved rural communities, we're:

- Building capacity and targeting investments in rural areas using an innovative, whole-of-government approach with the Rural Partners Network (RPN – information is available at this link: <https://tinyurl.com/34eekzw4>)

- Developing a framework that assigns priority points to applications for projects in communities facing RD program access barriers
- Bringing affordable, high-speed internet connectivity to unserved and underserved rural communities, assuring parity with their urban neighbors
- Ensuring rural communities – especially those disproportionately affected by high energy costs and climate change – can participate in the clean energy revolution
- Decreasing barriers and adapting programs to align with Indigenous perspectives and respect Tribal jurisdiction and traditions

The commitment and resources USDA Rural Development brings to America's rural people and communities are crucial to the success of this nation's economy. When we partner with rural and Indigenous people, we create opportunity and prosperity for them, their families, and for all Americans ...

“Because when rural PEOPLE thrive, all America thrives.”

*- Farah Ahmad
Rural Development Deputy Under Secretary*

Introduction

Rural America is hometown America. For many of us, the notion of “hometown” brings with it a sense of belonging. It’s a place where people know each other, celebrate in times of joy, and help in times of need. It’s this connection to community that makes rural America such a great place to live.

Ensuring parity in opportunity for those who live and work in America’s rural communities is the very heartbeat of USDA RD’s mission. The idea of “rural livability” embraces concepts already familiar to our urban and suburban neighbors. Decent health care, walkable services and amenities, alternative transportation, and affordable housing: these things are important to **all** Americans. For some, access to high-speed internet connectivity, financial opportunity, and a strong sense of community are most vital. For others, it’s infrastructure: improved roads and bridges, a well-thought-out community health center, or modernized electric grids and water systems. These concepts of livability – and the rural people who champion them – help make rural America a place everyone can call home.

We are deeply committed to improving the economy and quality of life in rural America. We offer loans and grants to eligible individuals, businesses, and communities, encouraging homeownership, growth in business and manufacturing, and community well-being. We also partner with private lenders to offer loan guarantees, providing the backing of the federal government to support rural prosperity and growth.

USDA Rural Development comprises three agencies:

- The Rural Business-Cooperative Service (RBCS – information is available at this link: <https://tinyurl.com/2xse3e98>) encompasses business and manufacturing, supports rural economic development and cooperative services, and promotes renewable, sustainable energy.
- The Rural Housing Service (RHS – information is available at this link: <https://tinyurl.com/4w46z53c>) includes Single and Multifamily Housing, along with Community Facilities Programs (information is available at this link: <https://tinyurl.com/tpryadxx>) to build, improve, or expand essential community facilities such as hospitals, town halls, libraries, and buildings and equipment that support first responders.
- The Rural Utilities Service (RUS- information is available at this link: <https://tinyurl.com/mrby8ntf>) champions access to high-speed internet service, helps ensure rural areas have safe drinking water and functional wastewater treatment, supports large-scale electric modernization, and promotes the

member-owned cooperatives. As the lead federal agency tasked with advancing rural prosperity, we have a clear mandate to ensure equity in our programs, policies, and processes. We understand that the opportunity to participate in the economy and to succeed based on ability and effort is foundational to our nation and our economy. Thus, we must identify – and promptly address – equity deficits. We also understand that barriers have persistently disrupted opportunity for many rural Americans, shortchanging millions of talented, innovative people. The result inhibits prosperity, not just for rural people, but for all Americans.

We know federal programs often have burdensome and unrealistic requirements, including complicated processes, inconsistent rule implementation, and delays. We also acknowledge there has been insufficient outreach in some communities, and people without prior knowledge or experience with RD can be unintentionally excluded.

We have developed a framework to address these barriers throughout our mission area. We began with a thorough review of our programs, policies, and processes through discussions with internal staff and external customers. Then, we set out to reduce or remove barriers of access to federal resources through direct investment in underserved communities. We used a data-driven approach paired with stakeholder outreach that ensures we're meeting rural communities where they are. Finally, we dovetailed all of this with capacity-building efforts that connect our rural partners with the private sector and philanthropic organizations to help boost public-private partnerships.

USDA Rural Development has created an innovative, transformational model that advances equity, promotes rural prosperity, and leads a whole-of-government approach to serve historically underserved communities.

Accomplishments

Rural Partners Network

With oversight from the Rural Prosperity Interagency Policy Council, co-led by the White House Domestic Policy Council (available at this link: <https://tinyurl.com/yvpvsevd>) and USDA, Rural Development is proud to lead the Rural Partners Network (RPN – information is available at this link: <https://tinyurl.com/34eekzw4>), first launched in 2022.

Rural communities each have their own strengths and challenges, and finding footing can be difficult. By leveraging federal resources and blending regional assets, rural people and their communities can become more resilient and prosperous.

RPN introduces a new way of doing business: a collaboration among more than 20 federal agencies and regional commissions committed to improving access to government resources, staffing, and tools. Participating agencies designate key points of contact and focus solely on rural strategies.



RPN also puts federal staff on the ground to support designated, economically challenged communities. Known as “Community Liaisons,” these federal employees

provide local leaders with the expertise to navigate federal programs more efficiently and effectively.

This innovative all-of-government program supports:

- A single-entry point to multiple federal agencies
- Dedicated Rural Desk Officers from multiple federal agencies working directly in – and with – rural communities
- Federally hired staff on the ground in RPN Community Networks, helping secure technical assistance and develop local capacity
- A one-stop shop for lessons learned and best practices, collated on the RPN website (Rural.gov)

Currently, RPN is active in 36 rural communities, regions, or Tribes in Alaska, Arizona, Georgia, Kentucky, Mississippi, Nevada, New Mexico, North Carolina, Puerto Rico, West Virginia, and Wisconsin.

Our inaugural RPN Annual Report, *Building Rural Prosperity*, is available at this link: <https://tinyurl.com/ykzne8mv> (PDF).

“By partnering with communities to identify projects that will drive economic growth for generations to come, we create opportunities for everyone to build successful futures in the communities they love.”

–Rural Development Under Secretary Xochitl Torres Small

Intentional Work with Federally Recognized Tribes

We place a high value on our relationships with Tribes, American Indians, and Alaska Natives, collaborating with them to create a brighter future for their families, children, and Tribal communities.

Through respectful and thoughtful Tribal consultation, our RD Tribal Relations team (information is available at this link: <https://tinyurl.com/5fj9dr9h>) champions and coordinates our collaborative work with Tribes, honoring our government-to-government relationships, and working to enhance access to RD programs and services.

We also promote Tribal connection and collaboration with the Rural Partners Network, which lists programs and resources developed exclusively for Tribes, Native Americans, and Alaska Natives (information is available at this link: <https://tinyurl.com/5y94277b>).

Here are some examples of the ways in which Tribes and Alaska Natives are collaborating with us:

The ReConnect Loan and Grant Program

Affordable, high-speed internet access is a modern-day necessity, vital to rural American prosperity. It helps rural people find and use decent, affordable health care, supports education, allows our first responders to act quickly, encourages small business growth, and gives rural manufacturers and agricultural producers broader market access. All of these things help level the playing field in rural and Tribal communities.



Unfortunately, more than 22 percent of Americans in rural areas and nearly 28 percent of those living on Tribal lands lack access to reliable, affordable high-speed internet service.

Getting the people of rural America connected to each other – and the rest of the world – helps build strong communities and empowers them to introduce innovation to the rest

of the country. By expanding high-speed internet infrastructure and service, we fuel long-term economic development in rural and Tribal communities.

First introduced in 2018, ReConnect (information is available at this link: <https://tinyurl.com/36hfy6x4>) provides loans, grants, and loan-grant combinations to bring high-speed internet to rural areas that lack sufficient access. Since its debut, more than \$1 billion has been invested to expand broadband infrastructure in rural areas and on Tribal lands. Funds can be used to offset the cost of construction, improvement, or acquisition of facilities and equipment needed to provide high-speed internet service.

Beginning with the November 2022 Round 3 ReConnect announcement (available at this link: <https://tinyurl.com/y6x42bre>), ReConnect funds are addressing broadband access gaps in all of rural America, including a grant funding category to specifically support Alaska Native Corporations, Tribal Governments, Colonias, Persistent Poverty Areas, and Socially Vulnerable Communities.

Native Community Development Financial Institution Relending Demonstration Program

As part of USDA Rural Development's Single Family Housing Direct loan program (available at this link: <https://tinyurl.com/97wkp6f9>), the Native Community Development Financial Institution (Native CDFI) Relending Demonstration program (information is available at this link: <https://tinyurl.com/mr43rdfa>) is designed to improve homeownership opportunities for Native American Tribes, Alaska Native communities, and Native Hawaiian communities in rural areas.

The program provides mortgage lending capital to Native CDFIs through a 33-year loan at one percent interest, with a three-year payment deferral at loan onset. Using at least 20 percent matching funds provided by Native CDFIs, these demonstration program loans are then passed through to eligible mortgage loan recipients living on Tribal lands.

In 2018 – the program's inaugural year – we provided \$1.8 million, closing 20 loans. In fiscal year 2022, we provided an additional \$4 million to qualified Native CDFI lenders. In 2018 – the program's inaugural year – we provided \$1.6 million, closing 20 loans. In fiscal year 2022, we provided an additional \$960 thousand to qualified Native CDFI lenders to support \$4 million in loan.

Indigenous Animals Harvesting and Meat Processing Grant Program

Administered by USDA's Agricultural Marketing Service with support from Rural Development, the Indigenous Animals Harvesting and Meat Processing Grant program (IAG – information is available at this link: <https://tinyurl.com/58uzkwdf>) supports traditional harvesting methods and community animal protein processing operations.

IAG funds can be used to build or improve facilities, purchase and install equipment, address food insecurity or commercial market gaps, and support Tribal food harvesting and value-added infrastructure using Indigenous informed design principles.

Along with Indigenous species like bison, reindeer, game meat, and seafood, the program can support activities related to meat, poultry, or fish regulated by USDA's Food Safety and Inspection Service (FSIS – available at this link:

<https://tinyurl.com/mryak2va>).

“At USDA, we are committed to strengthening the futures of Native Americans. USDA has helped provide homes for rural people since 1949. This partnership with Native Community Development Financial Institutions continues and strengthens that legacy.”

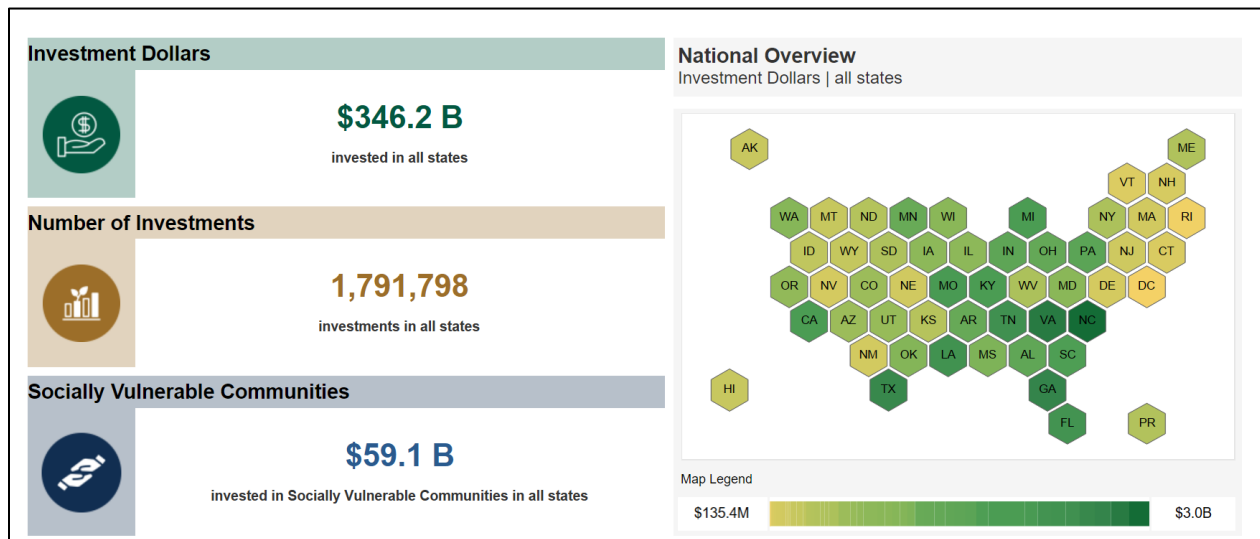
– Rural Development Under Secretary Xochitl Torres Small

Rural Data Gateway

The Rural Data Gateway (available at this link: <https://tinyurl.com/25uxmwa6>) is a new resource designed to make the USDA Rural Development's data for rural projects easier to access. For more than 80 years, USDA RD has financed infrastructure and housing in rural America. In the decades following the Rural Electrification Act of 1936, our modern mission has expanded to encompass loans, grants, and loan guarantees supporting everything from electric school buses to libraries, from high-speed internet service to biofuels, and much more.

The Rural Data Gateway strengthens USDA Rural Development's partnerships with rural people, entrepreneurs, government officials and Congress by making RD's data readily available. Its dashboards significantly expand access to RD financial data with an easy-to-use interface encompassing more than 65 RD programs.

Figure 1: Sample Rural Data Gateway view



“The Biden-Harris Administration knows that transparency is important for a free government. It also drives innovation, accountability, and more equitable outcomes for rural people everywhere. The Rural Data Gateway will highlight places where USDA has expanded access to capital for people in rural communities who need it most. It will demonstrate how Rural Development funds are being used across rural America.”

– Rural Development Under Secretary Xochitl Torres Small

Ongoing Equity Actions

Advancing Equity in Rural Communities: Our Priority Points Framework

To ensure the equitable distribution of federal resources and promote growth and prosperity for all, USDA Rural Development prioritizes projects in three key areas:

- Addressing climate change and environmental justice by reducing climate pollution and increasing climate change resilience
- Advancing racial justice, place-based equity, and opportunity by ensuring all rural residents have access to – and can benefit from – RD programs

- Creating better – and more – market opportunities by improving rural infrastructure and helping rural communities recover economically

We recently revised our Priority Points framework (available at this link: <https://tinyurl.com/3uxk99ud>) to align these priorities with the Biden-Harris administration and USDA’s Strategic Plan. Using this priority point structure, we can assign additional application scoring points to proposed projects in communities that have experienced barriers in accessing our programs.

In fiscal year 2022, our priority points framework led to \$101 million in investments in the Addressing Climate Change and Environmental Justice priority, \$1.872 billion in the Advancing Racial Justice, Place-Based Equity, and Opportunity priority, and \$735 million in the Creating More and Better Markets priority.

Creating Opportunities through Rural Engagement

Our national network of field offices is also actively engaging underserved rural and Tribal communities in every state and U.S. territory to better understand and address the barriers they face in accessing USDA RD programs. With our “Creating Opportunities through Rural Engagement” (CORE) initiative, we assess internal and external data to identify high-need communities that have not participated in our programs in recent years.

Since CORE’s onset, more than 8,000 U.S. Census tracts have been identified as not having participated in RD programming in the last five or more years. By the end of fiscal year 2021, we completed 425 outreach engagements. Because of the steadfast dedication of RD’s state directors and their program and support staff, in fiscal year 2022 we invested \$165.8 million in 395 projects in historically underserved rural communities across 48 states.

As we respectfully listen to – and learn from – these engagements, we also look for innovative ways to connect more rural people to our programs, and to identify new Rural Partners Network communities. We also continue to evaluate and modify cumbersome policies and processes where we can.



Regulatory Review to Advance Equity

USDA Rural Development conducts a twice-yearly review of its regulations to determine how changes to our processes and procedures can help advance equity. As part of this review, for example, we recently published a proposed rule for the Rural Business Development Grant (RBDG – information is available at this link:

<https://tinyurl.com/2p9hkezp>).

In our review, we noticed Tribal governments were not participating in the RBDG program and found this to be a result of policies that did not fully consider strategies Tribal Nations use to build Tribal markets and economies using government instrumentalities. The proposed rule change implements Rural Business-Cooperative Service’s approach to Tribal nations and their Tribal-owned entities, improving Tribal government access to RBDG funding.

New Equity Actions

Interagency Task Force on Property Appraisal and Valuation Equity

USDA is among 13 federal agencies partnering on the Property Appraisal and Valuation Equity (PAVE) interagency task force (available at this link: <https://tinyurl.com/4vtz6yfc>) coordinated by U.S. Housing and Urban Development (HUD – information is available at this link: <https://tinyurl.com/3cscscp7>).

USDA RD's Rural Housing Service (RHS – information is available at this link: <https://tinyurl.com/4w46z53c>) is committed to identifying and rooting out the various forms of bias that occur in residential property valuations and eliminating racial and ethnic bias in home appraisals.

Public Commitments for Tenant Rights

The Biden-Harris administration is promoting fairness for American renters through its January 2023 white paper, *Blueprint for a Renter Bill of Rights* (available at this link: <https://tinyurl.com/46anhca2> - PDF) prepared by the Domestic Policy Council and National Economic Council. USDA RD's Multifamily Housing Program (information is available at this link: <https://tinyurl.com/5csaa3zn>) has provided this blueprint to people living in all RD-financed Multifamily Housing properties and is developing a regulation requiring property owners and landowners to give a 30-day notice before eviction.

Implementation of the Inflation Reduction Act

Last August, Congress passed the Inflation Reduction Act (IRA – information is available at this link: <https://tinyurl.com/548c8tb7>) to help reduce energy costs for families and create thousands of well-paying jobs for rural people. The IRA represents the largest single investment in rural electrification since the passage of the Rural Electrification Act of 1936. Sections 22001 – 22005 of the law provide new loan and grant opportunities and offer unprecedented incentives to expand clean energy, transform rural power production, create jobs, and spur economic growth.

At USDA RD, nearly \$13 billion in IRA programs primarily will be overseen by the Rural Business-Cooperative Service (RBCS – available at this link: <https://tinyurl.com/2xse3e98>) and Rural Utilities Service (RUS – available at this link: <https://tinyurl.com/mrby8ntf>). The program goals are to increase clean energy in rural America and make it significantly more affordable for consumers – especially for energy, distressed, disadvantaged, and Tribal communities – to heat and cool their homes, run their businesses and farms, and power their cars, schools, and hospitals.

For more information on equity at RD, and all of USDA, see usda.gov/equity

Selected Equity Resources and Information

USDA Equity-Related Summary Reports and Guidance

Programmatic Equity at USDA

- Equity Website – available at this link: <https://tinyurl.com/mwbypm7j>
- Equity Accomplishments – available at this link: <https://tinyurl.com/ekafbu6t>
- 2022 Equity Action Plan (February 2022) – available at this link: <https://tinyurl.com/ynuucs2v6>
- 2022 Equity Action Plan Summary (February 2022) – available at this link: <https://tinyurl.com/2byt9c78>
- USDA’s Environmental Justice Scorecard – available at this link: <https://tinyurl.com/bdhc2fxr>
- USDA Advisory Committees – available at this link: <https://tinyurl.com/2s4dv255>
- Get Started! A Guide to USDA Resources for Historically Underserved Farmers and Ranchers (July 2022) – available at this link: <https://tinyurl.com/yzpp93r4>

Equity Commission

- Equity Commission Website – available at this link: <https://tinyurl.com/mr32m25p>
- 2023 Equity Commission Reports and Response – available at this link: <https://tinyurl.com/yvw6vx5d>
- Informe Interino 2023 – disponible en este enlace: <https://tinyurl.com/ycy6pjh6>
- Respuesta al Informe Interino de la Comisión de Equidad del USDA (En Español) (Febrero 2023) – disponible en este enlace: <https://tinyurl.com/4vpa9xkb>

USDA Rural Development Resources

- Rural Data Gateway – available at this link: <https://tinyurl.com/25uxmwa6>
- Rural Partners Network – available at this link: <https://tinyurl.com/34eekzw4>
- USDA Rural Development Success Stories – available at this link: <https://tinyurl.com/4uf5bhym>

Selected Equity-Related Executive Orders and White House Resources

- White House Equity Page – available at this link: <https://tinyurl.com/jkuafuka>
- Executive Order 13985 – *Advancing Racial Equity and Support for Underserved Communities Through the Federal Government* – available at this link: <https://tinyurl.com/3ybj7rd5>
- Executive Order 14091 – *Further Advancing Racial Equity and Support for Underserved Communities Through the Federal Government* – available at this link: <https://tinyurl.com/4zf8s786>
- Executive Order 14096 – *Revitalizing our Nation’s Commitment to Environmental Justice for All* – available at this link: <https://tinyurl.com/3wy3eaju>

- Executive Order 13175, *Consultation and Coordination with Indian Tribal Governments* – available at this link: <https://tinyurl.com/mr3v6wpt>
- Presidential Memorandum on Tribal Consultation and Strengthening Nation-to-Nation Relationships – available at this link: <https://tinyurl.com/dxth5c2m>
- The Path to Achieving Justice40 – available at this link: <https://tinyurl.com/4yhvrnth>

USDA Mission Statement

“To serve all Americans by providing effective, innovative, science-based public policy leadership in agriculture, food and nutrition, natural resource protection and management, rural development, and related issues with a commitment to deliverable equitable and climate-smart opportunities that inspire and help America thrive.”

USDA Equity Action Plan Strategies | April 2022

1. **Reduce barriers to USDA programs and improve support to underserved farmers, ranchers, and landowners.** USDA will take steps to reduce administrative, economical, historical, and other barriers to program access. This includes providing ways for stakeholders to share their experiences, insights, and needs, and incorporating that input into policy development and implementation.
2. **Partner with trusted technical assistance providers** to ensure underserved producers and communities have the additional support they need to access USDA programs. This includes improved assistance and capacity for business planning, market development, financial knowledge, and other technical skills necessary for successful farm or rural business management.
3. **Direct USDA programs to those who need them the most,** including by increasing infrastructure investments that benefit underserved communities.
4. **Expand equitable access to USDA nutrition assistance programs** to ensure that those who qualify are able to participate, and those who participate receive meaningful benefits they can use conveniently and in ways that promote their health and well-being.
5. **Advance equity in federal procurement** by providing underserved and disadvantaged businesses the tools and resources to increase access to funding opportunities and expand their network to develop crucial local, regional, state, and national relationships.
6. **Uphold the general federal trust and treaty responsibilities to Indian Tribes** by removing barriers to accessing USDA programs, incorporating Tribal self-determination principles, and incorporating Indigenous values and perspectives in program design and delivery.
7. **Commit unwaveringly to civil rights** by equipping USDA civil rights offices with the tools, skills, capacity, and processes essential to effectively uphold and enforce civil rights laws and regulations.
8. **Operate with transparency and accountability** by providing information about USDA programs that Congress, stakeholders, and the general public need in order to hold us accountable on our equity plan. To do this, we will collect and account for public feedback.

