MEMORANDUM OF UNDERSTANDING

AMONG THE U.S. DEPARTMENT OF AGRICULTURE

RURAL HOUSING SERVICE,

AND

RURAL BUSINESS-COOPERATIVE SERVICE,

AND

NATURAL RESOURCES CONSERVATION SERVICE

This Memorandum of Understanding (MOU) is entered into between the Rural Housing Service (RHS), the Rural Business-Cooperative Service (RBS), and the Natural Resources Conservation Service (NRCS).

Purpose:

The Natural Resources Conservation Service (NRCS), Rural Housing Service (RHS), and Rural Business-Cooperative Service (RBS) are agencies of the United States Department of Agriculture (USDA). These agencies have a common objective of providing services to USDA program participants in an effective and efficient manner.

The purpose of this Memorandum of Understanding (MOU) is to encourage cooperation and to outline how the agencies will work together. Effective cooperation among the agencies will improve their respective abilities to provide services to USDA program participants, as well as significantly advance individual agency missions. This MOU reaffirms the desire for close working relationships among the NRCS, RHS, and RBS. This MOU supercedes the MOU of April 25, 1984, among RHS, RBS, and NRCS but the MOU of April 25, 1984 remains in effect among NRCS, the Rural Utilities Services, and the Farm Service Agency.

A. Background:

USDA provides a variety of services to people, communities, state and local governments, and other Federal agencies. NRCS, RHS, and RBS help program participants achieve sustainable rural development; acquire safe, affordable housing; and improve the quality of life while wisely conserving and managing natural resources.

1. NRCS provides leadership and administers programs to help landowners and land users conserve, improve, and sustain natural resources and the environment, while enabling the United States to continue as a world producer of food and fiber. Based on voluntary cooperation, NRCS provides educational, technical, and financial assistance to land users, communities, tribal governments, units of state and local governments and other Federal agencies.

NRCS programs provide for: (1) conservation, protection, restoration, and wise use of natural resources; (2) reduction in upstream flood damages; (3) reduction of agricultural-related pollution; (4) assistance to all people, including historically underserved farmers and ranchers, American Indians, Alaskan Natives, women, and people with disabilities; (5) development of resource data for use by private landusers, tribal governments, local and state governments, Federal agencies, and others; (6) sustainability of rural communities and agricultural enterprises; and (7) coordination of USDA dam safety activities under the National Dam Safety Program Act.

2. RHS provides loan, loan guarantee, and grant programs designed to enhance the quality of life for rural people through the creation of sustainable communities where people can live, work, and prosper. RHS does this by building partnerships and investing financial and technical resources to help rural Americans live in decent, affordable housing; and by developing essential community facilities in rural areas and towns providing health care, public safety, and other public service needs.

Major RHS programs include: (1) Home Ownership Loans, which help low and very-low income households purchase, construct, repair, or relocate homes; (2) Home Improvement and Repair Loans and Grants, which enable very-low-income homeowners to remove health and safety hazards from their homes and to make homes accessible for people with disabilities; (3) Rural Rental Housing Loans, which finance construction of rental housing for low and moderate income households, and cooperative housing for the elderly and disabled; and (4) Community Facilities Loans and Grants, which help construct, enlarge, extend, or otherwise improve essential community facilities, such as fire stations, flood control dams, water supply dams and systems, hospitals and clinics, industrial parks, libraries, and other community facilities. Details on each of these programs are available from Rural Development State and local offices.

3. RBS provides loan, loan guarantee, and grant programs designed to enhance the quality of life for rural Americans by offering leadership in building competitive businesses and sustainable cooperatives that can prosper in the global marketplace. RBS does this by investing its financial resources and technical assistance in businesses, cooperatives, and communities; and by building partnerships that leverage public, private, and cooperative resources to stimulate rural economic activity.

Major RBS programs include: (1) the Business Programs, which help fund projects that create or preserve quality jobs and promote a clean rural environment. The financial resources of RBS Business Programs are often leveraged with those of other public and private credit source lenders to meet business and credit needs in under-served areas; and (2) the Cooperative Services Program, which helps rural residents form new cooperative businesses and improve the operations of existing cooperatives (user-owned businesses), through the provision of technical assistance, performance of cooperative-related research, and production of information products to promote public understanding of cooperatives. Details on each of these programs are available from Rural Development State and local offices.

4. RHS and RBS loan, loan guarantee, and grant programs are administered through the USDA Rural Development's network of State and local offices. A Rural Development State Director administers the RHS and RBS programs in each state.

B. Responsibilities:

Opportunities for cooperative efforts include: identifying important farmlands, jurisdictional wetlands, floodprone areas, dam safety, prime forestlands, cultural and historic resources; conducting environmental reviews; developing conservation and natural resource management plans; developing mitigation measures; identifying erosion hazards, limitations of soils, and impacts on land for use as building sites; and implementing applicable laws, executive orders, regulations, policies, and agreements.

1. It is agreed by the Natural Resources Conservation Service that:

a) The NRCS State Conservationist will furnish the Rural Development State Director with information and data on hand, such as soil surveys, list of important farmland soils, list of hydric soils, and vegetative information for use in preparing environmental documents.

b) The NRCS will, upon receipt of a Farmland Conversion Impact Rating Form (AD-1006) from RBS or RHS, provide information about important farmlands and assess the impact of conversion on farmland, as required by the Farmland Protection Policy Act.

c) NRCS offices will provide to Rural Development staff available public information concerning wetlands and wetland determinations. As staff priorities allow, NRCS will provide certified wetland determinations on an individual request basis.

d) NRCS will assist RHS and RBS at the National level as requested and as resources are available, to comply with the National Dam Safety Program Act and to implement the Federal Guidelines for dam safety into RHS and RBS activities.

e) The NRCS State Conservationist may provide technical and administrative review assistance on RHS and RBS financed dams as requested by the Rural Development State Director.

2. It is agreed by Rural Business-Cooperative Service and Rural Housing Service that:

a) RHS and RBS will encourage applicants and borrowers to inventory their natural resources, and plan and implement conservation and protection measures as part of the Rural Development financial assistance process.

b) The Rural Development State Director will participate in the USDA State Technical Committee.

c) The Rural Development State Director will provide appropriate information on inventory-sized dams financed by RHS and RBS to the NRCS State Conservationist for inclusion in NRCS updates to the National Inventory of Dams. All NRCS dam inventory data will be available to RHS and RBS.

3. It is mutually agreed that:

a) The Chief of the NRCS and the Administrators of RBS and RHS, or designees, will work together to facilitate implementation of this MOU and to develop, maintain, and improve cooperative efforts.

b) The Chief of the NRCS and the Administrators of RBS and RHS, or designees, will share training schedules, and will provide training to employees on a space available or reimbursable basis at NRCS and Rural Development training sessions.

c) The NRCS State Conservationist and the Rural Development State Director will make available to each other all information on NRCS assisted and RHS or RBS financed joint projects.

d) This MOU will become effective on the date of the last signature and continue in full force and effect for a period of 5 years, at which time it may be reaffirmed. This MOU may be renegotiated, amended, extended, or modified by a written amendment to this MOU through an exchange of correspondence between authorized officials of all signatory parties. A signatory party may terminate its involvement in this MOU with a 30-day written notice of termination served upon the other signatory parties at any time.

e) NRCS, RBS, and RHS will review this MOU at least yearly at the National level to determine if changes are needed to meet new laws, regulations, or policies.

f) The NRCS State Conservationist and Rural Development State Director of each state, territory, or area will review this MOU at least yearly to assess accomplishments and to determine cooperative efforts needed in the future.

g) This MOU permits the development, where necessary and appropriate, of separate supplemental agreements and reimbursement agreements, between the NRCS State Conservationist and the Rural Development State Director. Such agreements may be used when authority for the assistance requested is authorized by law. For example: (1) a supplemental agreement may be developed for a particular project (assistance by the Rural Development State Environmental Coordinator in an NRCS sponsored watershed project); or (2) an agreement may be developed to cover one or more special types of assistance needed over a period of time and with an unusual degree of frequency (research by NRCS of the cultural resources database or site visits for wetland determinations), so long as such assistance is authorized by law. Neither supplemental nor reimbursement agreements will be used for the normal and routine cooperative efforts between NRCS, RHS, and RBS described in Sections B.1, B.2, and B.3.a) through f), and Sections B.3.i) and B.3.m) of this MOU.

h) This MOU is not a funding obligation document. Any endeavor involving reimbursement or contribution of funds between the signatory parties will be handled in accordance with applicable laws, regulations, and procedures. Such endeavors will be documented in separate agreements, contracts, or leases made in writing by the representatives of the parties and shall be independently authorized by appropriate statutory authority. Reimbursement or transfer of funds between the signatory parties will be handled at the state level, and will be based on work performed and will be renewed, if necessary, on an annual basis.

i) The NRCS State Conservationist and the Rural Development State Director of each state, territory, or area will jointly prepare and submit an implementation report to the head of each Agency by October 30, 1999, and October 30, 2000. The report should include recommendations for improvement of the MOU, reimbursement amounts, and briefly summarize the status of cooperative efforts to implement the MOU, both in terms of progress and problems. After 2000, implementation reports should be forwarded at least every two years for as long as the MOU is in effect.

j) NRCS, RHS, and RBS will make an affirmative effort to ensure that no participant is discriminated against who receives a benefit or service through the programs and activities administered under this MOU by the agencies. As a condition of this MOU, all programs and activities conducted under this MOU will be in compliance with the nondiscrimination provisions contained in Titles VI and VII of the Civil Rights Act of 1964, as amended; the Civil Right Restoration Act of 1987 (Public Law 100-259); and other nondiscrimination statutes; namely, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, and the Age Discrimination Act of 1975, and in accordance with the regulations of the Secretary of Agriculture (7CFR-15, Subparts A&B), which provide that no person in the United States shall, on the grounds of race, color, national origin, age, sex, religion, marital status, or handicap be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving federal financial assistance from the Department of Agriculture or any agency thereof.

k) None of the provisions of this MOU shall affect any program activity carried out by NRCS, RBS, or RHS, except as specified herein.

l) Nothing in this MOU shall obligate NRCS, RHS, and RBS to expend appropriations or to enter into any contract or other obligations.

m) The signatory agencies will provide general information to clients about services and assistance available from each agency. Each agency will refer clients to the appropriate cooperating agency office and will notify that office of the referral.

C. APPROVED:

2/11/99

Pearlie S. Reed **Date**
Chief
Natural Resources Conservation Service

2/16/99

Jan E. Shadburn **Date**
Administrator
Rural Housing Service

2/18/99

Dayton J. Watkins **Date**
Administrator
Rural Business-Cooperative Service