



BILLING CODE: 3410-XV

DEPARTMENT OF AGRICULTURE

Rural Housing Service

Notice to Implement a Guarantee Systems User Fee for Lender Use of the Single Family Housing Section 502 Guaranteed Loan Program Automated Systems

AGENCY: Rural Housing Service, USDA.

ACTION: Notice.

SUMMARY: The Housing Opportunity Through Modernization Act of 2016 was signed into law on July 29, 2016. It created Section 502(i) in the Housing Act of 1949, later amended by Section 758 of the Consolidated Appropriations Act, 2018, which permits the Secretary to assess and collect a guarantee underwriting user fee (also known as a technology fee) from lenders for their use of the Rural Housing Service's (Agency's) automated guaranteed loan systems. The collection of the fee will enable the Agency to fund future information technology enhancements needed to improve program delivery and reduce burden to the public. The fee amount will be published in the Single Family Housing Guaranteed Loan Program (SFHGLP) Handbook HB-1-3555, available at <https://www.rd.usda.gov/publications/regulations-guidelines/handbooks>.

The fee will not exceed \$50 per loan, and constitutes a reasonable and customary cost that is an authorized loan purpose in accordance with the Guaranteed Rural Housing

Program. The primary method of collecting the fee will be through the Agency's Lender Loan Closing (LLC) system when a loan goes to closing.

DATES: Written or e-mail comments on the proposed rule must be received on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** to be assured for consideration.

ADDRESSES: You may submit comments on this proposed rule by any one of the following methods:

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments electronically.
- Mail: Submit written comments via the U.S. Postal Service to the Branch Chief, Regulations and Paperwork Management Branch, U.S. Department of Agriculture, STOP 0742, 1400 Independence Ave, SW., Washington, DC 20250-0742.
- Hand Delivery/Courier: Submit written comments via Federal Express mail, or other courier service requiring a street address to the Branch Chief, Regulations and Paperwork Management Branch, U.S. Department of Agriculture, 1400 Independence Ave, SW., Washington, DC 20250-0742.

All written comments will be available for public inspection during regular work hours at 1400 Independence Ave, SW., Washington, DC 20250-0742.

FOR FURTHER INFORMATION CONTACT: Kate Jensen, Finance and Loan Analyst, Single Family Housing Guaranteed Loan Division, STOP 0784, Room 2250, USDA Rural Development, South Agriculture Building, 1400 Independence Avenue SW., Washington, DC 20250-0784, telephone: (503) 894-2382, email is kate.jensen@wdc.usda.gov .

SUPPLEMENTARY INFORMATION:

The estimated time required for technological development and user acceptance testing is one year from the start of development. The Agency does not plan to collect a technology fee during the first year of the project, and technology fee collections are not expected prior to the first quarter of fiscal year 2019. Presently the estimated amount of the guarantee loan systems user fee is \$25 with an expected implementation date of January 2, 2019. The Agency will advise lenders in advance of the implementation date of the actual amount of the guarantee loan systems user fee, along with all pertinent development and operational details.

The use of the LLC is currently voluntary and lenders submit more than 98 percent of loan closings through that channel. In order to effectively serve the public and keep pace with modern lending practices, the Agency must have ready access to funding for the maintenance and enhancement of automated systems required for the secure and efficient delivery of the single family housing loan programs. The system improvement will also enhance the Agency's ability to effectively monitor the processing, underwriting, and closing of all guaranteed loans and protect the investment of the public.

Non-Discrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) Mail: U.S. Department of Agriculture

Office of the Assistant Secretary for Civil Rights

1400 Independence Avenue, SW

Washington, D.C. 20250-9410;

(2) Fax: (202) 690-7442; or

(3) Email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.

Dated: July 9, 2018.

Joel C. Baxley,

Administrator,

Rural Housing Service.

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