

# OneRD Guarantee Loan Initiative

## Background

USDA cut red tape to increase private investment in rural communities across the country by making it easier for lenders to access four flagship Rural Development loan programs. USDA implemented a standard application process for the:

- [Water and Waste Disposal Loan Guarantees Program](#);
- [Community Facilities Guaranteed Loan Program](#);
- [Business and Industry Guaranteed Loan Program](#); and
- [Rural Energy for America Program Loan Guarantees](#).

**These innovative improvements help to create a faster and better customer experience and increase private investment in rural businesses and economic development projects.**

**The improvements are part of a series of regulatory reforms known collectively as the **OneRD Guarantee Loan Initiative**. The changes took effect on **October 1, 2020**.**



## Initiative Benefits

These reforms have helped USDA to:

- Launch a common application and consistent forms for lenders to use across the four loan guarantee programs;
- Issue loan note guarantees to lenders within 48 hours after they provide documentation to prove the requirements of the conditional commitment have been met;
- Provide guarantee percentage and fee requirements for each program to lenders through a single annual notice at the beginning of each fiscal year;
- Allow lenders to obtain approval for a loan guarantee prior to the beginning of construction projects. A one-time fee and other requirements may apply; and
- Provide automatic approval to lenders in good standing who are supervised or created by state or federal regulatory agencies to participate in all four programs. This expands the base of eligible lenders for the four guaranteed loan programs. Non-regulated lenders may seek approval to participate through a single certification process that will be valid for five years.

For additional information, visit [www.rd.usda.gov/onerdguarantee](http://www.rd.usda.gov/onerdguarantee) or contact [OneRDGuarantee@usda.gov](mailto:OneRDGuarantee@usda.gov).

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