

## Rural Utilities Service, USDA

## § 1744.21

PUBLIC ACCOUNTANT REGARDING NOTES TO BE ISSUED PURSUANT TO 7 CFR 1744.30  
APPENDIX E TO SUBPART B OF PART 1744—  
STATEMENT, CERTIFICATION, AND AGREEMENT OF BORROWER'S PRESIDENT OF BOARD OF DIRECTORS REGARDING NOTES TO BE ISSUED PURSUANT TO 7 CFR 1744.30(E)  
APPENDIX F TO SUBPART B OF PART 1744—  
FORM OF SUPPLEMENTAL MORTGAGE

### Subpart C—Advance and Disbursement of Funds

- 1744.60 General.
- 1744.61 [Reserved]
- 1744.62 Introduction.
- 1744.63 The telephone loan budget.
- 1744.64 Budget adjustment.
- 1744.65 The construction fund.
- 1744.66 The financial requirement statement (FRS).
- 1744.67 Temporary excess construction funds.
- 1744.68 Order and method of advances of telephone loan funds.
- 1744.69 [Reserved]

### Subpart D [Reserved]

### Subpart E—Borrower Investments

- 1744.200 General statement.
- 1744.201 Definitions.
- 1744.202 Borrowers may make qualified investments without prior approval of the Administrator.
- 1744.203 Establishing amount of rural development investment.
- 1744.204 Rural development investments that do not meet the ratio requirements.
- 1744.205 Determinations and application of limitations described in §1744.202.
- 1744.206 Effect of subsequent failure to maintain ratios.
- 1744.207 Investment not to jeopardize loan security.
- 1744.208 Rural development investments before November 28, 1990.
- 1744.209 Records.
- 1744.210 Effect of this subpart on RUS loan contract and mortgage.

AUTHORITY: 7 U.S.C. 901 *et seq.*, 1921 *et seq.*, and 6941 *et seq.*

### Subpart A [Reserved]

### Subpart B—Lien Accommodations and Subordination Policy

SOURCE: 51 FR 32430, Sept. 12, 1986, unless otherwise noted. Redesignated at 55 FR 39396, Sept. 27, 1990.

### § 1744.20 General.

(a) Recent changes in the telecommunications industry, including deregulation and technological developments, have caused Rural Utilities Service (RUS) borrowers and other organizations providing telecommunications services to consider undertaking projects that provide new telecommunications services and other telecommunications services not ordinarily financed by RUS. Although some of these services may not be eligible for financing under the Rural Electrification Act of 1936 (RE Act), these services may nevertheless advance RE Act objectives where the borrower obtains financing from private lenders. The borrower's financial strength and the assurance of repayment of outstanding Government debt may be improved as a result of providing such telecommunications services.

(b) To facilitate the financing of new services and other services not ordinarily financed by RUS, RUS is willing to consider accommodating the Government's lien on telecommunications borrowers' systems or accommodating or subordinating the Government's lien on after-acquired property of telecommunications borrowers. To expedite this process, requests for lien accommodations meeting the requirements of §1744.30 will receive automatic approval from RUS.

(c) This subpart establishes RUS policy with respect to all requests for lien accommodations and subordinations for loans from private lenders. For borrowers that do not qualify for automatic lien accommodations in accordance with §1744.30, RUS will consider lien accommodations for RE Act purposes under §1744.40 and non-Act purposes under §1744.50.

[66 FR 41758, Aug. 9, 2001]

### § 1744.21 Definitions.

The following definitions apply to this subpart:

*Administrator* means the Administrator of RUS and includes the Governor of the RTB.

*Advance* means transferring funds from RUS, RTB, or a lender guaranteed