

## 2020 USDA EXPLANATORY NOTES – RURAL BUSINESS-COOPERATIVE SERVICE

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**AGENCY-WIDE****PURPOSE STATEMENT**

USDA Rural Development's (RD) Business and Cooperative Programs provide loans, loan guarantees, grants, and payments designed to increase economic opportunity in rural America.

Business and Industry Guaranteed Loan Program – Authorized by section 310B of the Consolidated Farm and Rural Development Act, 7 U.S.C 1921. The guaranteed loan program supports financing for business and industrial acquisition, construction, conversion, enlargement, repair or modernization outside a town or city with a population of less than 50,000. Loan funds are used to finance the purchase and development of land, easements, rights-of-way, buildings, equipment, facilities, machinery, infrastructure, supplies and materials. Loan funds also pay startup costs and supply working capital. Sole proprietors, as well as public, private, or cooperative organizations, Indian tribes, and corporations are eligible. The loan guarantee percentage drops from a maximum of 80 percent for loans of up to \$5 million to 60 percent for loans between \$10 million and \$40 million. The aggregate loan amount available to any one borrower under this program is limited to \$25 million. An exception to the limit is for cooperative organizations when the facility is located in a rural area and the facility provides value-added processing of an agricultural commodity. The maximum amount in such cases is \$40 million and must be approved by the Secretary.

Rural Business Development Grants (RBDG) – The Agricultural Act of 2014, P.L. 113-79, consolidated the rural business enterprise grant and rural business opportunity grant programs under the RBDG. This grant program is designed to benefit small and emerging private businesses and cooperatives in rural areas by providing grant and technical assistance for economic and community development. This grant program will assist a wide range of recipients, including economic development organizations, business and community intermediaries, universities, and Indian tribes. This program will award funding where grantees encourage private sector growth.

Intermediary Relending Program (IRP) – Authorized by section 1323, Food Security Act of 1985. Revolving loan programs, such as the IRP, address the lack of available credit and financial market conditions, which exist in many rural communities, especially for smaller entities, service businesses and start-up activities. These conditions often limit the ability of rural economies to create jobs, enhance amenities, and increase incomes to enable rural families to prosper.

Rural Economic Development Loans and Grants (REDLG) – Authorized by section 313 Rural Electrification Act of 1936, as amended, 7 U.S.C. 940C. This program provides zero-interest loans and small grants to electric and telephone utilities eligible for financing through the RD utilities programs, which in turn use the funding to promote sustainable rural economic development and job creation projects and to capitalize revolving loan funds for economic development and job creation purposes.

Rural Business Investment Program (RBIP) – Authorized by section 6029 of the Farm Security and Rural Development Investments Act of 2002, P.L. 107-171 and reauthorized under the Agricultural Act of 2014, P.L. 113-79. RBIP is designed to promote economic development and create wealth and job opportunities among individuals living in rural areas and help meet the equity capital investment needs primarily of smaller enterprises located in such areas. Under the RBIP, for-profit Rural Business Investment Companies (RBIC) make venture capital investments in rural areas with the objectives of fostering economic development in such areas and returning maximum profits to the RBIC's investors.

Rural Energy for America Program (REAP) – Authorized by section 9007 of the 2002 Farm Bill, P.L. 107-171, as amended by the 2008 Farm Bill, P.L. 110-246, and the Agricultural Act of 2014, P.L. 113-79. Section 9007 guaranteed loan and grant programs help farmers, ranchers and rural small businesses purchase and install renewable energy systems and make energy efficiency improvements. Renewable energy projects benefit agricultural producers and rural small businesses with new and sustainable, income streams; reduced reliance on fossil fuels; and an improved environment. Energy efficiency projects also reduce the cost of production and business operations. Grants may also be used for energy audits.

Biobased Market Program—Authorized by Section 9002 of the Farm Security and Rural Development Investments Act of 2002, P.L. 107-171 and reauthorized under the Agricultural Act of 2014, P.L. 113-79. The purpose of the Biobased Market Program is to increase the purchase and use of biobased products to spur economic development, create new jobs and provide new markets for farm commodities. The two major parts of the program are: mandatory purchasing requirements for federal agencies and their contractors; and, a voluntary "BioPreferred" labeling initiative for producers for biobased products. The increased development, purchase, and use of biobased products

reduces our nation's reliance on petroleum, increases the use of renewable agricultural resources, and contributes to reducing adverse environmental and health impacts.

Rural Cooperative Development Grants (RCDG) – Authorized by section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(e)). RCDGs improve the economic condition of rural areas by promoting a range of cooperative development activities. Grants are made to nonprofit corporations and institutions of higher education to operate centers for cooperative development. The centers address rural economic problems in two ways. First, a center brings together expertise in cooperative development and cooperative business operations that would otherwise be more difficult to obtain. Second, these experts in cooperative development facilitate new cooperative businesses and improve the operations of existing cooperatives through technical assistance and educational programs.

Value-Added Producer Grant (VAPG) – Authorized by section 213 of the Agricultural Risk Protection Act of 2000, P.L. 106-224, as amended. Value-added agricultural market development grants enable producers of agricultural commodities to participate in the economic returns found in the value-added market. Grants may be used to develop business plans and strategies for creating marketing opportunities. Grants may also be used for feasibility studies and to provide capital to establish alliances or business ventures allowing producers to compete better in domestic and international markets.

Small Socially-Disadvantaged Producers Grants – Authorized by section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(e)). Grants to assist small, minority agricultural producers in rural areas provide funding for cooperative development centers, cooperatives or associations of cooperatives whose primary focus is to provide assistance to such producers, and whose governing board and/or membership is comprised of at least 75 percent socially disadvantaged members. Grants may be used for developing business plans, conducting feasibility studies, or developing marketing plans for farmers, ranchers, loggers, agricultural harvesters, and fishermen.

Cooperative Research Agreements – Authorized by the Cooperative Marketing Act of 1926, (7 U.S.C. 453). Cooperative agreements are used to encourage research on critical issues vital to the development and sustainability of cooperatives as a means of improving the quality of life in America's rural communities. Research proposals are solicited from institutions of higher education or nonprofit organizations interested in applying for competitively awarded cooperative agreements for research related to agricultural and nonagricultural cooperatives serving rural communities.

Cooperative Education and Research Program – Authorized by the Cooperative Marketing Act of 1926, (7 U.S.C. 453). The cooperative program conducts applied research on practical issues and problems facing cooperatives and disseminates information to farmers and the general public on dealing with these issues. A range of educational activities and materials are developed to increase public awareness of cooperative strategies that can increase rural economic activity. Research findings are disseminated through a range of publications, such as the Rural Cooperatives magazine, the Internet, and participation in a variety of research and professional organization events.

Technical Assistance to Cooperatives Program – Authorized by the Cooperative Marketing Act of 1926, (7 U.S.C. 453). The cooperative program is authorized to provide advice and assistance to existing cooperatives and groups of farmers contemplating the formation of cooperatives. Technical assistance is provided through a network of staff at the national and State offices. Technical assistance studies are provided at the request of a cooperative or steering committee at no fee and may cover a range of business operational, organizational, financial, or developmental topics and problems. Resources to support these important activities are provided from the general salaries and expense account appropriated to RD.

Appropriate Technology Transfer for Rural Areas (ATTRA) Program – Authorized by section 310(c) of the Consolidated Farm and Rural Development Act of 2008. ATTRA provides information to farmers and other rural users on a variety of sustainable agricultural practices that include both crop and livestock operations. The program encourages agricultural producers to adopt sustainable agricultural practices, which allow them to maintain or improve profits, produce high quality food and reduce adverse impacts to the environment.

Rural Microentrepreneur Assistance Program – Authorized under Section 379E(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008s). The purpose of the program is to support the development and ongoing success of rural microentrepreneurs and microenterprises. Direct loans and grants are provided to microentrepreneurs development organizations with the skills necessary to establish new rural microenterprises and continuing technical and financial assistance related to the successful operation of rural microenterprises.

Biorefinery Assistance Program – Reauthorized under Title IX of the Agricultural Act of 2014, P.L. 113-79. The purpose of the section is to assist in the development of new and emerging technologies for the production/manufacture of advanced biofuels, renewable chemicals, and biobased products. The program will increase energy independence, promote resource conservation, diversify markets for agricultural and forestry products, create jobs, and enhance economic development in rural economies.

Repowering Assistance Program – Reauthorized under Title IX of the Agricultural Act of 2014, P.L. 113-79, the program provides financial incentives to biorefineries in existence on June 18, 2008, to replace the use of fossil fuels used to produce heat or power at their facilities by installing new systems that use renewable biomass, or to produce new energy from renewable biomass. This program has been repealed in the 2018 Farm Bill.

Bioenergy For Advanced Biofuels Program – Reauthorized under Title IX of the Agricultural Act of 2014, P.L. 113-79, the program makes payments to eligible producers to support and ensure an expanding production of advanced biofuels. Advanced biofuels are defined as “fuel derived from renewable biomass other than corn kernel starch” in the 2008 Farm Bill. To receive a payment, an eligible producer shall enter into a contract with the Secretary of Agriculture for production of advanced biofuels.

RD programs are administered by the three agencies representing RD: Housing and Community Facilities, Utilities, Business and Cooperative Development. RD headquarters is located in Washington, D.C. As of September 30, 2017, there were 4,470 permanent full-time employees, including 1,448 in the headquarters and 3,025 in the field offices.

**OIG and GAO Reports**

*Table RBS-1. In-Progress OIG Reports*

ID	Title
34601-006-AT	Intermediary Relending Program (2010), 1 open recommendation: Rural Business-Cooperative Service (RBS) completed all corrective actions related to this recommendation. On March 29, 2018, RBS submitted our corrective action documents to the RD Office of the Chief Risk Office and the Office of the Chief Financial Officer for review.

*Table RBS-2. In-Progress GAO Reports*

ID	Title
Job Code 102486	Dairy Cooperatives and the Structure of the U.S. Dairy Market: RBS and the Agricultural Marketing Service provided GAO with U.S. Dairy Market and Dairy Cooperative statistics.

**ACCOUNT 1: RURAL BUSINESS PROGRAMS ACCOUNT**

**APPROPRIATIONS LANGUAGE**

The appropriations language follows (new language underscored; deleted matter enclosed in brackets):

For the cost of loan guarantees for the rural business development programs authorized by section 310B and described in subsections (a), (f), and (g) of section 310B of the Consolidated Farm and Rural Development Act, \$20,500,000, to remain available until expended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That sections 381E-H and section 381N of the Consolidated Farm and Rural Development Act shall not apply to the funds made available under this heading.

In addition, for administrative expenses necessary to carry out the guaranteed loan program, \$7,035,000 shall be paid to the appropriation for "Rural Development, Salaries and Expenses". In addition, for administrative expenses necessary to carry out the guaranteed loan program, \$7,035,000 shall be paid to the appropriations for "Rural Development, Salaries and Expenses."

**LEAD-OFF TABULAR STATEMENT**

*Table RBS-3. Lead-Off Tabular Statement*

Item	Loan Level	Budget Authority	Administrative Expenses
2019 Annualized Continuing Resolution .....	\$919,753,694	\$77,342,000	\$0
Change in Appropriation.....	+ 80,246,306	-56,842,000	+ 7,035,000
Budget Estimate, 2020 .....	<u>1,000,000,000</u>	<u>20,500,000</u>	<u>7,035,000</u>

**PROJECT STATEMENT****Table RBS-4. Project Statement ((Program Level-PL, Budget Authority-BA) thousands of dollars)**

Item	2017 Actual PL	2017 Actual BA	2018 Actual PL	2018 Actual BA	2019 Estimate PL	2019 Estimate BA	Inc. or Dec. PL	Chg Key	Inc. or Dec. BA	Chg Key	2020 Budget PL	2020 Budget BA
Discretionary Appropriations:												
Business and industry guaranteed loans .....	\$916,768	\$35,319	\$919,754	\$37,342	\$919,754	\$37,342	+\$80,246	(1)	-\$16,842	(4)	\$1,000,000	\$20,500
Rural business development grants (RBDG)....	19,500	19,500	29,500	29,500	29,500	29,500	-29,500	(2)	-29,500		-	-
RBDG native American tribes.....	3,750	3,750	3,750	3,750	3,750	3,750	-3,750	(2)	-3,750		-	-
RBDG technical assistance transportation.....	500	500	500	500	500	500	-500	(2)	-500		-	-
RBDG native American tribes transportation...	250	250	250	250	250	250	-250	(2)	-250		-	-
DRA & ARC grants .....	6,000	6,000	6,000	6,000	6,000	6,000	-6,000	(3)	-6,000		-	-
Administrative Expenses <sup>a</sup> .....	-	-	-	-	-	-	-		+7,035		-	7,035
Subtotal .....	946,768	65,319	959,754	77,342	959,754	77,342	40,246		-49,807		1,000,000	27,535
Total Adjusted Approp.....	946,768	65,319	959,754	77,342	959,754	77,342	40,246		-49,807		1,000,000	27,535
Sequestration .....	-	-	-	-	-	-	-		-		-	-
Total Appropriation.....	946,768	65,319	959,754	77,342	959,754	77,342	40,246		-49,807		1,000,000	27,535
Recoveries, Other (Net).....	194,676	14,220	198,378	13,185	304,593	9,237	+13,480		-1,737		318,073	7,500
Bal. Available, SOY.....	559,360	26,975	317,791	20,956	433,730	20,042	+694,591		+8,443		1,128,321	28,485
Total Available.....	1,700,804	106,514	1,475,922	111,483	1,698,076	106,621	748,318		-43,101		2,446,394	63,520
Rescinded Balances <sup>b</sup> .....	-768	-768	-	-	-	-	-		-		-	-
Transferred Balances <sup>c</sup> .....	-	-	-338	-230	-	-	-		-		-	-
Bal. Available, EOY.....	-252,594	-20,956	-210,682	-20,042	-307,828	-28,485	-1,016,614		-5,000		-1,324,443	-33,485
Total Obligations.....	1,447,442	84,790	1,264,902	91,211	1,390,248	78,136	-268,297		-48,101		1,121,951	30,035

<sup>a</sup> In 2020, \$7,035,000 is requested and will be paid to the Rural Development Salaries and Expenses account. Justifications for the administrative expenses can be found in the Rural Development Salaries and Expenses Account.

<sup>b</sup> Rescission of unobligated balances pursuant to GP 758 and GP 759 of the Consolidated Appropriations Act, 2017, P.L. 115-31, dated May 5, 2017.

<sup>c</sup> A transfer of unobligated balances in the amount of \$230,156.21, pursuant to section 702 of Public Law 111-80, to the Rural Development Disaster Assistance Fund, Treasury Symbol 12X0405.

The numbered justifications items are keyed to the Change Key (Chg Key) column on the Project Statement.

**JUSTIFICATIONS****Rural Business Programs**

- (1) An increase of \$80,246,000 in funding for the rural business and industry guaranteed loans program (\$919,754,000 available in 2019).

Base funds for the program will continue to create/save jobs. This increase in program level will create and save approximately 10,857 jobs and assist 433 businesses.

The rural business and industry (B&I) guaranteed loan program promotes the creation of rural businesses to secure start-up capital, finance business expansion, and create jobs, which helps to diversify the rural economy and supporting such sectors as local and regional food and the bioenergy/bioeconomy. This investment provides increased employment opportunities for rural communities and upgrades community infrastructure to improve the quality of life for rural residents. This program is instrumental for improving the livelihood of rural residents.

Continuation and expansion of this program is critical because:

- It provides capital to enable rural businesses to participate in the global economy.
- It provides loan guarantees to private sector financial institutions to improve, develop, or finance business, industry, and employment; and to improve the economic and environmental climate in rural communities.

This program supports the USDA Strategic Goal 4: facilitate rural prosperity and economic development by financing businesses and innovators supportive of the full life cycle of infrastructure development and economic development thru job creation. This program also supports several priorities in the report from the Task Force on Agriculture and Rural Prosperity, chaired by Secretary Perdue, including: ensuring well-trained and productive workforce, and access to capital so businesses are well-equipped to support design, material, construction, operations, and maintenance of various infrastructure types. Rural communities and the agricultural sector depend on functioning infrastructure – without it, it would be challenging to have people, goods, and services move between rural communities and cities. The private sector owns and operates a vast majority of the Nation’s critical infrastructure. We have an extraordinary opportunity to relieve the pressure being placed on our rural and agricultural communities by ensuring a sustainable capital infrastructure to the private sector to assist in advancing infrastructure development while also building wealth and driving local economies. Lenders, community banks, and other financial institutions are also key partners in unlocking opportunities for businesses - together with USDA, we can establish a new model for infrastructure investment.

The Business and Industry program enables local community banks to support rural businesses and promote creation and expansion of businesses and economic prosperity in rural communities. It is estimated that the program in 2018 will assist 391 businesses and will create or save 14,633 jobs. The program also has demonstrated success in helping businesses continue operating, with 73 percent of businesses receiving a guaranteed loan still operating 5 years after the loan is made.

Small community banks, credit unions, and other eligible lenders who predominantly serve agricultural and rural communities would not be able to lend and increase access to capital for rural businesses without support from USDA through a loan guarantee. The program serves two primary purposes. Loan guarantees enable lenders with limited capital to increase their access to capital through secondary markets and expand lending to rural businesses. The program also enables community banks to serve rural businesses they could not otherwise serve due to loan limit and other portfolio restrictions. The program encourages capital be made available in hard to reach areas, which enables borrowers from agricultural or small towns to access affordable loan terms.

- (2) A decrease of \$34,000,000 for rural business development grants (\$34,000,000 available in 2019).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is not requested.

- (3) A decrease of \$6,000,000 for Delta Regional Authority and Appalachian Regional Commission grants (\$6,000,000 available in 2019).

These programs have been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for these programs is not requested.

- (4) A decrease of \$16,842,000 for the rural business and industry guaranteed loan subsidy (\$37,342,000 available in 2019).

This decrease is due to a change in the subsidy rate for the program in 2020. The key drivers of the subsidy rate decrease are updates to the recovery assumption and the update to the discount rates. The \$20.5 million in budget authority supports \$1 billion in program level.

**GEOGRAPHIC BREAKDOWN OF OBLIGATIONS***Table RBS-5. Rural Business and Industry Guaranteed Loans Geographic Breakdown of Obligations (thousands of dollars)*

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Alabama.....	\$2,437	\$14,243	-	-
Alaska.....	12,959	21,200	-	-
Arizona.....	56,223	26,663	-	-
Arkansas.....	2,215	19,879	-	-
California.....	66,875	45,874	-	-
Colorado.....	19,964	23,826	-	-
Florida.....	179,364	72,763	-	-
Georgia.....	25,384	20,298	-	-
Guam.....	2,900	-	-	-
Idaho.....	40,107	41,426	-	-
Illinois.....	14,638	20,211	-	-
Indiana.....	15,609	19,242	-	-
Iowa.....	40,533	22,007	-	-
Kansas.....	11,679	10,195	-	-
Kentucky.....	48,132	15,700	-	-
Louisiana.....	111,795	109,634	-	-
Maryland.....	9,270	960	-	-
Michigan.....	29,427	17,592	-	-
Minnesota.....	18,151	16,696	-	-
Mississippi.....	18,743	11,000	-	-
Missouri.....	59,215	58,027	-	-
Montana.....	8,743	6,432	-	-
Nebraska.....	3,763	4,674	-	-
Nevada.....	15,254	6,891	-	-
New Hampshire.....	25,000	-	-	-
New Jersey.....	-	1,420	-	-
New Mexico.....	13,022	12,916	-	-
New York.....	33,991	18,847	-	-
North Carolina.....	87,644	116,014	-	-
North Dakota.....	4,220	6,999	-	-
Ohio.....	39,303	20,636	-	-
Oklahoma.....	17,562	15,869	-	-
Oregon.....	99,420	38,284	-	-
Pennsylvania.....	19,770	24,284	-	-
Puerto Rico.....	118	2,284	-	-
South Carolina.....	58,284	59,728	-	-
South Dakota.....	-	8,200	-	-
Tennessee.....	52,937	20,821	-	-
Texas.....	37,313	106,049	-	-
Utah.....	24,911	14,272	-	-
Vermont.....	3,160	4,100	-	-
Virgin Islands.....	16,920	8,100	-	-
Virginia.....	9,244	22,215	-	-
Washington.....	15,659	15,308	-	-
West Virginia.....	13,813	10,748	-	-
Wisconsin.....	29,631	54,398	-	-
Wyoming.....	693	36,435	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$1,343,276	\$1,121,951
Obligations.....	1,415,994	1,223,359	1,343,276	1,121,951

<sup>a</sup> Totals cannot be distributed at this time for 2019 and 2020.

**Table RBS-6. Rural Business Development Grants Business Enterprise Grants Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Alabama .....	\$701	\$1,080	-	-
Alaska .....	125	262	-	-
Arizona.....	290	438	-	-
Arkansas.....	452	688	-	-
California .....	694	1,134	-	-
Colorado.....	218	325	-	-
Connecticut .....	152	199	-	-
Delaware .....	107	115	-	-
Florida.....	634	954	-	-
Georgia.....	839	1,303	-	-
Hawaii.....	84	105	-	-
Idaho .....	175	246	-	-
Illinois .....	410	882	-	-
Indiana .....	503	703	-	-
Iowa .....	271	261	-	-
Kansas.....	236	300	-	-
Kentucky.....	678	1,177	-	-
Louisiana.....	479	730	-	-
Maine .....	280	377	-	-
Maryland.....	230	299	-	-
Massachusetts.....	179	242	-	-
Michigan .....	783	1,100	-	-
Minnesota.....	355	571	-	-
Mississippi .....	653	998	-	-
Missouri .....	564	954	-	-
Montana .....	192	310	-	-
Nebraska .....	149	327	-	-
Nevada .....	109	148	-	-
New Hampshire.....	181	230	-	-
New Jersey .....	171	207	-	-
New Mexico.....	223	326	-	-
New York.....	1,206	1,571	-	-
North Carolina.....	866	1,447	-	-
North Dakota.....	628	545	-	-
Ohio .....	683	1,052	-	-
Oklahoma.....	440	663	-	-
Oregon .....	257	371	-	-
Pennsylvania .....	684	1,099	-	-
Puerto Rico.....	217	350	-	-
Rhode Island .....	86	98	-	-
South Carolina.....	652	1,016	-	-
South Dakota.....	166	588	-	-
Tennessee.....	791	1,102	-	-
Texas .....	866	1,054	-	-
Utah.....	130	161	-	-
Vermont .....	1,164	1,248	-	-
Virgin Islands.....	-	50	-	-
Virginia .....	562	844	-	-
Washington .....	383	554	-	-
West Virginia .....	381	654	-	-
Wisconsin.....	428	626	-	-
Wyoming.....	133	141	-	-
Other Countries.....	64	-	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$31,725	-
Obligations .....	21,903	32,223	31,725	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**Table RBS-7. Rural Business Development Grants Business Opportunity Grants Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Alabama .....	\$66	\$99	-	-
Alaska .....	20	-	-	-
Arizona.....	33	40	-	-
Arkansas.....	38	45	-	-
Colorado.....	25	20	-	-
Delaware .....	-	19	-	-
Georgia.....	76	82	-	-
Hawaii.....	17	17	-	-
Idaho .....	24	30	-	-
Illinois .....	30	40	-	-
Indiana .....	17	68	-	-
Iowa .....	31	32	-	-
Kansas .....	-	30	-	-
Kentucky.....	63	40	-	-
Maine .....	16	41	-	-
Maryland.....	-	30	-	-
Michigan .....	24	101	-	-
Minnesota.....	38	-	-	-
Missouri .....	54	80	-	-
Montana .....	5	30	-	-
Nebraska .....	20	-	-	-
New Hampshire.....	22	27	-	-
New Jersey .....	-	25	-	-
New Mexico.....	28	37	-	-
New York.....	25	77	-	-
North Carolina.....	78	119	-	-
North Dakota.....	60	72	-	-
Ohio .....	64	62	-	-
Oregon .....	30	40	-	-
Pennsylvania .....	58	29	-	-
Puerto Rico.....	27	-	-	-
South Carolina.....	24	86	-	-
Tennessee.....	-	101	-	-
Texas .....	78	66	-	-
Vermont .....	46	48	-	-
Virginia .....	50	80	-	-
West Virginia.....	-	51	-	-
Wisconsin.....	39	61	-	-
Wyoming.....	-	15	-	-
Obligations .....	1,226	1,838	-	-

**Table RBS-8. Rural Business Development Grants Business Native American Enterprise Grants Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Alaska .....	\$90	-	-	-
Arizona.....	534	\$811	-	-
California .....	44	50	-	-
Idaho .....	42	-	-	-
Minnesota.....	30	-	-	-
Nebraska .....	747	1,390	-	-
Nevada .....	92	99	-	-
New Mexico.....	39	67	-	-
Oklahoma.....	892	250	-	-
Oregon .....	100	248	-	-
Rhode Island .....	99	-	-	-
South Dakota.....	182	-	-	-
Tennessee.....	-	72	-	-
Utah.....	88	-	-	-
Washington .....	274	169	-	-
Wisconsin.....	69	68	-	-
Wyoming.....	-	423	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$4,899	-
Obligations .....	3,322	3,648	4,899	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**Table RBS-9. Rural Business Development Grants Business Native American Enterprise Grants Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Arizona.....	-	\$275	-	-
Minnesota.....	\$143	-	-	-
Nebraska .....	-	100	-	-
Nevada .....	-	55	-	-
North Dakota.....	-	59	-	-
Oklahoma.....	246	94	-	-
South Dakota.....	150	-	-	-
Obligations .....	539	583	-	-

**Table RBS-10. Rural Business Development Grants Technical Assistance Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Maryland.....	\$500	\$250	\$750	-
Obligations <sup>a</sup> .....	500	250	750	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**Table RBS-11. Delta Regional Authority and Appalachian Regional Commission Grants Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Kentucky .....	-	\$3,000	-	-
Mississippi .....	\$2,979	-	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$9,598	-
Obligations .....	2,979	3,000	9,598	-

<sup>b</sup> Totals cannot be distributed at this time for 2019.

**CLASSIFICATION BY OBJECTS**

**Table RBS-12 Classification by Objects (thousands of dollars)**

Item No.	Item	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
	Other Objects:				
25.3	Other goods and services from Federal sources .....	-	-	-	\$7,035
41.0	Grants, subsidies, and contributions .....	\$84,790	\$91,211	\$78,136	23,000
	Total, Other Objects .....	84,790	91,211	78,136	30,035
99.9	Total, new obligations .....	84,790	91,211	78,136	30,035

**ACCOUNT 2: INTERMEDIARY RELENDING PROGRAM**

**LEAD-OFF TABULAR STATEMENT**

*Table RBS-13. Lead-Off Tabular Statement*

<b>Item</b>	<b>Program Level</b>	<b>Budget Authority</b>	<b>Administrative Expenses</b>
2019 Annualized Continuing Resolution .....	\$18,887,000	\$4,157,000	\$4,468,000
Change in Appropriation.....	-18,887,000	-4,157,000	-4,468,000
Budget Estimate, 2020 .....	-	-	-

**PROJECT STATEMENT**

*Table RBS-14. Project Statement ((Program Level-PL, Budget Authority-BA) thousands of dollars)*

Item	2017 Actual PL	2017 Actual BA	2018 Actual PL	2018 Actual BA	2019 Estimate PL	2019 Estimate BA	Inc. or Dec. PL	Chg Key	Inc. or Dec. BA	Chg Key	2020 Budget PL	2020 Budget BA
Discretionary Appropriations:												
Intermediary Relending Program..	\$18,889	\$5,476	\$18,887	\$4,361	\$18,887	\$4,157	-\$18,887	(1)	-\$4,157	(2)	-	-
Administrative Expenses <sup>a</sup> .....	-	4,468	-	4,468	-	4,468	-		-4,468		-	-
Subtotal.....	18,889	9,944	18,887	8,829	18,887	8,625	-18,887		-8,625		-	-
Total Adjusted Approp .....	18,889	9,944	18,887	8,829	18,887	8,625	-18,887		-8,625		-	-
Total Appropriation .....	18,889	9,944	18,887	8,829	18,887	8,625	-18,887		-8,625		-	-
Total Available .....	18,889	9,944	18,887	8,829	18,887	8,625	-18,887		-8,625		-	-
Total Obligations .....	18,889	9,944	18,887	8,829	18,887	8,625	-18,887		-8,625		-	-

<sup>a</sup> In 2017, 2018 and 2019, funding of \$4,468,000 was appropriated and transferred to the Rural Development Salaries and Expenses account.

The numbered justifications items are keyed to the Change Key (Chg Key) column on the Project Statement.

**JUSTIFICATIONS****Intermediary Relending Program**

- (1)
- A decrease of \$18,887,000 for the intermediary relending loan program (\$18,887,000 available in 2019).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated. Further, applicants can access the private market to obtain financing for projects funded under this authority.

- (2)
- A decrease of \$4,157,000 for the intermediary relending program loan subsidy (\$4,157,000 available in 2019).

The termination of the intermediary relending program results in a decrease of subsidy needed to support the operation of the program.

**GEOGRAPHIC BREAKDOWN OF OBLIGATIONS***Table RBS-15. Intermediary Relending Program Geographic Breakdown of Obligations (thousands of dollars)*

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Arkansas.....	\$1,000	-	-	-
California .....	1,000	\$2,702	-	-
Colorado.....	250	1,000	-	-
Georgia.....	-	603	-	-
Idaho .....	-	1,900	-	-
Illinois .....	-	1,900	-	-
Indiana .....	-	500	-	-
Iowa .....	1,000	-	-	-
Maryland.....	-	282	-	-
Massachusetts.....	1,000	-	-	-
Minnesota.....	956	-	-	-
Montana .....	1,250	1,850	-	-
Nebraska .....	300	400	-	-
Nevada .....	500	1,000	-	-
North Carolina.....	750	1,750	-	-
Ohio .....	500	-	-	-
Oklahoma.....	-	750	-	-
Oregon .....	750	-	-	-
Pennsylvania .....	300	1,250	-	-
Puerto Rico.....	1,000	-	-	-
South Dakota.....	4,308	1,750	-	-
Vermont .....	2,600	1,250	-	-
Washington .....	780	-	-	-
Wisconsin.....	145	-	-	-
Wyoming.....	500	-	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$18,887	-
Obligations.....	18,889	18,887	18,887	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**CLASSIFICATION BY OBJECTS***Table RBS-16. Classification by Objects (thousands of dollars)*

Item No.	Item	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
25.3	Other goods and services from Federal sources.....	\$4,468	\$4,468	\$4,468	-
41.0	Grants, subsidies, and contributions .....	5,476	4,361	4,157	-
	Total, Other Objects.....	9,944	8,829	8,625	-
99.9	Total, new obligations.....	9,944	8,829	8,625	-

**ACCOUNT 3: RURAL ECONOMIC DEVELOPMENT DIRECT LOANS****PROJECT STATEMENT****Table RBS-17. Project Statement ((Program Level-PL, Budget Authority-BA) thousands of dollars)**

Item	2017 Actual PL	2017 Actual BA	2018 Actual PL	2018 Actual BA	2019 Estimate PL	2019 Estimate BA	Inc. or Dec. PL	Chg Key	Inc. or Dec. BA	Chg Key	2020 Budget PL	2020 Budget BA
Discretionary Appropriations:												
RED direct loans.....	-	-	-	-	-	-	-	-	-	-	-	-
Recoveries, Other (Net) .....	\$6,265	\$891	\$8,235	\$379	\$4,884	\$652	-\$2,363		-\$129		\$2,521	\$523
Bal. Available, SOY .....	3,056	443	13,428	1,735	1,711	228	+2,180		+425		3,891	653
Total Available .....	9,321	1,335	21,662	2,114	6,595	880	-183		296		6,412	1,176
Bal. Available, EOY .....	-12,132	-1,735	-7,065	-228	-4,891	-653	-1,521		-523		-6,412	-1,176
Offsetting collections paid from												
RED grants account <sup>a,b</sup> .....	41,417	5,894	42,030	5,430	40,850	5,454	-40,850	(1)	-5,454	(2)	-	-
Total Obligations .....	38,605	5,494	56,627	7,316	42,554	5,681	-42,554		-5,681		-	-

<sup>a</sup> Program is funded by the interest on the cushion of credit account.

<sup>b</sup> Budget Authority includes \$301,172 from temporary 2016 sequestration funds.

The numbered justifications items are keyed to the Change Key (Chg Key) column on the Project Statement.

**JUSTIFICATIONS****Rural Economic Development Loans**

- (1)
- A decrease of \$40,850,000 for the rural economic development loans (\$40,850,000 available in 2019).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated. Further, applicants can access the private market to obtain financing for projects funded under this authority.

- (2)
- A decrease of \$5,454,000 for the rural economic development loans subsidy (\$5,454,000 available in 2019).

Funding for this program is terminated and there is no need for budget authority to support program operations.

**PROPOSED LEGISLATION****Rural Economic Development Loans**

Proposal: Eliminate the statutory authority of the program and rescind the mandatory funds.

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated. Further, applicants can access the private market to obtain financing for projects funded under this authority. The mandatory funding provisions for the Rural Economic Development loan program are only for fiscal years 2022 and 2023. There is not any mandatory funding in fiscal year 2020 and no impact on the 2020 budget due to rescinding the mandatory funds.

**Table RBS-18. Change in Funding Due to Additional Private Investment (thousands of dollars)**

Item	2020	2021	2022	2023	2024	10 Year Total
Budget Authority.....	\$0	\$0	\$5,000	\$5,000	\$0	\$10,000
Outlays.....	\$0	\$0	-\$1,000	\$5,000	\$4,000	-\$10,000

**GEOGRAPHIC BREAKDOWN OF OBLIGATIONS****Table RBS-19. Rural Economic Development Direct Loans Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Alabama.....	\$1,000	\$1,000	-	-
Arizona.....	-	375	-	-
Georgia.....	-	2,000	-	-
Illinois.....	1,716	11,750	-	-
Iowa.....	10,000	13,641	-	-
Kansas.....	1,602	1,000	-	-
Kentucky.....	1,000	5,750	-	-
Minnesota.....	2,000	300	-	-
Missouri.....	3,450	2,250	-	-
Nevada.....	-	1,000	-	-
New Mexico.....	1,000	475	-	-
North Carolina.....	6,748	8,052	-	-
North Dakota.....	1,250	2,000	-	-
South Carolina.....	1,000	-	-	-
South Dakota.....	4,984	2,780	-	-
Tennessee.....	2,105	2,360	-	-
Texas.....	-	1,000	-	-
Virginia.....	750	-	-	-
Wisconsin.....	-	895	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$42,554	-
Obligations.....	38,605	56,627	42,554	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**CLASSIFICATION BY OBJECTS**

*Table RBS-20. Classification by Objects (thousands of dollars)*

<b>Item No.</b>	<b>Item</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Estimate</b>	<b>2020 Budget</b>
	Other Objects:				
41.0	Grants, subsidies, and contributions.....	\$5,494	\$7,316	\$5,681	-
	Total, Other Objects.....	5,494	7,316	5,681	-
99.9	Total, new obligations.....	5,494	7,316	5,681	-

**ACCOUNT 4: RURAL ECONOMIC DEVELOPMENT GRANTS****LEAD-OFF TABULAR STATEMENT****Table RBS-21. Lead-Off Tabular Statement**

On basis of Funding	Amount
Budget Estimate, 2020 .....	-
2019 Annualized Continuing Resolution .....	\$10,000,000
Change in Funding .....	-10,000,000

**PROJECT STATEMENT****Table RBS-22. Project Statement (thousands of dollars)**

Item	2017 Actual	2018 Actual	2019 Estimate	Inc. or Dec.	Chg Key	2020 Budget
Total Adjusted Approp	-	-	-	-		-
Rsc, Trns, Other (Net) .....	-\$132,000	-	-	-		-
Sequestration .....	-	-	-	-		-
Total Appropriation .....	-132,000	-	-	-		-
Transfers In:						
Liq. Account, Cushion of Credit <sup>a</sup> .....	186,195	\$205,324	\$210,000	+\$6,000		\$216,000
electric underwriter loan fees .....	15,643	17,360	17,534	-877		16,657
Subtotal .....	201,838	222,684	227,534	+5,123		232,657
Rescission .....	-132,000	-	-	-		-
Sequestration .....	-	-1,044	-980	+980		-
Temporary Sequestration <sup>b</sup> .....	-1,104	-	-	-		-
Sequestration recovered .....	1,117	-	-	-		-
Recoveries, Other (Net) .....	1,043	549	350	-172		178
Bal. Available, SOY .....	184,573	240,301	446,681	+211,450		658,131
Total Available .....	255,466	462,491	673,585	+217,382		890,967
Bal. Available, EOY .....	-240,301	-446,681	-658,131	-232,835		-890,967
Offsetting collections paid to						
RED program account .....	-5,894	-5,810	-5,454	+5,454		-
Total Obligations .....	9,272	10,000	10,000	-10,000	(1)	-

<sup>a</sup> Amounts represent earnings generated by the interest differential on voluntary cushion of credit payments made by Rural Utilities Service borrowers.

<sup>b</sup> Amounts represent temporary sequestration of the rural economic development loan subsidy and rural economic development grant funding.

The numbered justifications items are keyed to the Change Key (Chg Key) column on the Project Statement.

**JUSTIFICATIONS****Rural Economic Development Grants**

- (1) A decrease of \$10,000,000 for rural economic development grants (\$10,000,000 available in 2019).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal agencies, hence, funding for this program is terminated.

**GEOGRAPHIC BREAKDOWN OF OBLIGATIONS**

*Table RBS-23. Rural Economic Development Grants Geographic Breakdown of Obligations (thousands of dollars)*

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Arizona.....	-	\$182	-	-
Illinois .....	\$300	300	-	-
Iowa .....	3300	3,000	-	-
Minnesota.....	600	-	-	-
Missouri .....	-	1,073	-	-
Nebraska .....	890	738	-	-
North Carolina.....	2,982	3,467	-	-
Ohio .....	-	137	-	-
Oregon .....	-	300	-	-
South Dakota.....	1200	503	-	-
Wisconsin.....	-	300	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$10,000	-
Obligations.....	9,272	10,000	10,000	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**CLASSIFICATION BY OBJECTS**

*Table RBS-24. Classification by Objects (thousands of dollars)*

Item No.	Item	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
	Other Objects:				
41.0	Grants, subsidies, and contributions .....	\$9,272	\$10,000	\$10,000	-
	Total, Other Objects.....	9,272	10,000	10,000	-
99.9	Total, new obligations .....	9,272	10,000	10,000	-

**ACCOUNT 5: RURAL MICROENTERPRISE INVESTMENT PROGRAM ACCOUNT****PROJECT STATEMENT****Table RBS-25. Project Statement ((Program Level-PL, Budget Authority-BA) thousands of dollars)**

Item	2017 Actual PL	2017 Actual BA	2018 Actual PL	2018 Actual BA	2019 Estimate PL	2019 Estimate BA	Inc. or Dec. PL	Chg Key	Inc. or Dec. BA	Chg Key	2020 Budget PL	2020 Budget BA
Mandatory Appropriations:												
Microenterprise Loans <sup>a</sup> .....	\$5,631	\$698	\$7,019	\$701	-	-	-	-	-	-	-	-
Microenterprise Grants <sup>a</sup> .....	2,095	2,095	2,102	2,102	-	-	-	-	-	-	-	-
Subtotal.....	7,726	2,793	9,121	2,802	-	-	-	-	-	-	-	-
Total Adjusted Approp .....	7,726	2,793	9,121	2,802	-	-	-	-	-	-	-	-
Rsc, Trns, Other (Net).....	-8,298	-3,000	-9,765	-3,000	-	-	-	-	-	-	-	-
Sequestration .....	573	207	644	198	-	-	-	-	-	-	-	-
Total Appropriation .....	-	-	-	-	-	-	-	-	-	-	-	-
Transfers In:												
Commodity Credit Corporation ....	8,298	3,000	9,765	3,000	-	-	-	-	-	-	-	-
Sequestration .....	-573	-207	-644	-198	-	-	-	-	-	-	-	-
Recoveries, Other (Net) .....	2,763	320	3,976	796	\$2,401	\$500	-\$345	-	-\$60	-	\$2,056	\$440
Bal. Available, SOY .....	1,305	567	1,579	320	3,147	796	-624	-	-290	-	2,522	506
Total Available .....	11,794	3,680	14,676	3,918	5,547	1,296	-970	-	-350	-	4,578	946
Bal. Available, EOY .....	-1,306	-320	-6,355	-796	-2,429	-506	-2,149	-	-440	-	-4,578	-946
Total Obligations .....	10,488	3,360	8,321	3,122	3,119	790	-3,119	-	-790	-	-	-

<sup>a</sup> Mandatory funding provided by section 6023 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$3,000,000 each year from 2014 through 2018, to remain available until expended.

**GEOGRAPHIC BREAKDOWN OF OBLIGATIONS****Table RBS-26. Mandatory Rural Microentrepreneur Assistance Program Direct Loans Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Arizona.....	\$500	-	-	-
Arkansas.....	500	-	-	-
California .....	1,400	\$875	-	-
Colorado.....	-	950	-	-
Florida.....	-	500	-	-
Illinois .....	-	500	-	-
Maine .....	-	500	-	-
Maryland.....	1,000	-	-	-
Montana .....	250	200	-	-
Nebraska .....	500	-	-	-
Nevada .....	-	500	-	-
New Hampshire.....	150	-	-	-
North Carolina.....	900	750	-	-
Oregon .....	688	-	-	-
Pennsylvania .....	-	500	-	-
South Carolina.....	450	500	-	-
Tennessee.....	400	-	-	-
Vermont .....	1,400	-	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$2,574	-
Obligations.....	8,138	5,775	2,574	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**Table RBS-27. Mandatory Rural Microentrepreneur Assistance Program Grants Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Arizona.....	\$133	\$34	-	-
Arkansas.....	65	-	-	-
California .....	227	164	-	-
Colorado.....	-	238	-	-
Delaware .....	28	27	-	-
Florida.....	-	105	-	-
Georgia.....	-	3	-	-
Idaho .....	46	39	-	-
Illinois .....	34	52	-	-
Kansas .....	12	-	-	-
Kentucky.....	31	30	-	-
Maine .....	196	187	-	-
Maryland.....	108	155	-	-
Massachusetts.....	80	105	-	-
Michigan .....	35	40	-	-
Minnesota.....	53	63	-	-
Montana .....	45	72	-	-
Nebraska .....	114	181	-	-
Nevada .....	26	-	-	-
New Hampshire.....	38	-	-	-
New Jersey .....	-	54	-	-
North Carolina.....	197	243	-	-
North Dakota.....	22	19	-	-
Ohio .....	20	43	-	-

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Oklahoma.....	-	56	-	-
Oregon.....	147	34	-	-
Pennsylvania.....	27	127	-	-
South Carolina.....	43	185	-	-
South Dakota.....	85	66	-	-
Tennessee.....	100	-	-	-
Vermont.....	280	-	-	-
Washington.....	60	49	-	-
West Virginia.....	-	55	-	-
Wisconsin.....	99	119	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$545	-
Obligations.....	2,351	2,546	545	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**CLASSIFICATION BY OBJECTS**

*Table RBS-28. Classification by Objects (thousands of dollars)*

Item No.	Item	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
	Other Objects:				
41.0	Grants, subsidies, and contributions.....	\$3,360	\$3,122	\$790	-
	Total, Other Objects.....	3,360	3,122	790	-
99.9	Total, new obligations.....	3,360	3,122	790	-

**ACCOUNT 6: BIOREFINERY ASSISTANCE PROGRAM ACCOUNT****PROJECT STATEMENT****Table RBS-29. Project Statement ((Program Level-PL, Budget Authority-BA) thousands of dollars)**

Item	2017 Actual PL	2017 Actual BA	2018 Actual PL	2018 Actual BA	2019 Estimate PL	2019 Estimate BA	Inc. or Dec. PL	Chg Key	Inc. or Dec. BA	Chg Key	2020 Budget PL	2020 Budget BA
Mandatory Appropriations:												
Guaranteed biorefinery loans <sup>a b</sup> .....	-	-	-	-	-	-	-	-	-	-	-	-
Transfers In:												
Commodity Credit Corporation .....	-	-	\$110,186	\$23,403	-	-	-	-	-	-	-	-
Commodity Credit Corporation .....	-	-	92,279	19,600	\$407,166	\$50,000	-\$256,654		-\$25,000		\$150,512	\$25,000
Total.....	-	-	202,465	43,003	407,166	50,000	-256,654		-25,000		150,512	25,000
Discretionary block on S&E funds <sup>c</sup> .	-\$111,247	-\$23,150	-	-	-	-	-	-	-	-	-	-
Recoveries, Other (Net) .....	-	-	1,243,722	170,763	-	-	-	-	-	-	-	-
Bal. Available, SOY .....	705,218	174,150	431,411	91,632	2,142,708	263,125	-501,823		+9,426		1,640,885	272,551
Total Available .....	593,972	151,000	1,877,598	305,398	2,549,874	313,125	-758,477		-15,574		1,791,396	297,551
Bal. Available, EOY .....	-272,392	-91,632	-1,697,594	-263,125	-2,219,467	-272,551	+669,943		+15,175		-1,549,524	-257,376
Total Obligations .....	321,580	59,368	180,004	42,274	330,407	40,574	-88,535		-399		241,872	40,175

<sup>a</sup> Mandatory funding provided by section 9003 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$100,000,000 for 2014, and \$50,000,000 for both 2015 and 2016, to remain available until expended.

<sup>b</sup> Mandatory funding provided by section 9003 of the Agriculture Improvement Act of 2018, Public Law 115-334, dated December 20, 2018. The Act provides funds from the Commodity Credit Corporation of \$50,000,000 for 2019 and \$25,000,000 2020, to remain available until expended.

<sup>c</sup> Consolidated Appropriations Act, 2017, PL 115-31, dated May 5, 2017, GP 714(4) blocks S&E to be spent to run the program in excess of \$151,000,000 of the funding available for the program for 2017.

**GEOGRAPHIC BREAKDOWN OF OBLIGATIONS**

*Table RBS-30. Mandatory Guaranteed Biorefinery Loans Geographic Breakdown of Obligations (thousands of dollars)*

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Florida.....	-	\$42,740	-	-
Georgia.....	-	4,564	-	-
Nevada .....	\$310,580	-	-	-
Oregon .....	11,000	-	-	-
Texas .....	-	132,700	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$330,407	\$241,872
Obligations .....	321,580	180,004	330,407	241,872

<sup>a</sup> Totals cannot be distributed at this time for 2019 and 2020.

**CLASSIFICATION BY OBJECTS**

*Table RBS-31. Classification by Objects (thousands of dollars)*

Item No.	Item	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
41.0	Grants, subsidies, and contributions.....	\$59,368	\$42,274	\$40,574	\$40,175
	Total, Other Objects.....	59,368	42,274	40,574	40,175
99.9	Total, new obligations.....	59,368	42,274	40,574	40,175

**ACCOUNT 7: ENERGY ASSISTANCE PAYMENTS****PROJECT STATEMENT****Table RBS-32. Project Statement (thousands of dollars)**

Item	2017 Actual	2018 Actual	2019 Estimate	Inc. or Dec.	Chg Key	2020 Budget
Mandatory Appropriations:						
Bioenergy program for advanced biofuel payments <sup>a,b</sup> .....	\$13,965	\$14,010	\$7,000	-		\$7,000
Biobased Markets Program <sup>c</sup> .....	-	-	3,000	-		3,000
Subtotal.....	13,965	14,010	10,000	-		10,000
Total Adjusted Approp.....	13,965	14,010	10,000	-		10,000
Rsc, Trns, Other (Net).....	-15,000	-15,000	-10,000	-		-10,000
Sequestration.....	1,035	990	-	-		-
Total Appropriation.....	-	-	-	-		-
Transfers In:						
Commodity Credit Corporation.....	15,000	15,000	10,000	-		10,000
Sequestration.....	-1,035	-990	-	-		-
Recoveries, Other (Net).....	3,057	5	-	-		-
Bal. Available, SOY.....	11,208	14,440	10,376	-\$3,284		7,092
Total Available.....	28,230	28,454	20,376	-3,284		17,092
Bal. Available, EOY.....	-14,440	-10,376	-7,092	+2,500		-4,592
Total Obligations.....	13,791	18,079	13,284	-784		12,500

<sup>a</sup> Mandatory funding provided by section 9005 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$15,000,000 for 2014 through 2018, to remain available until expended.

<sup>b</sup> Mandatory funding provided by section 9005 of the Agriculture Improvement Act of 2018, Public Law 115-334, dated December 20, 2018. The Act provides funds from the Commodity Credit Corporation of \$7,000,000 for 2019 through 2023, to remain available until expended.

<sup>c</sup> Mandatory funding provided by section 9002 of the Agriculture Improvement Act of 2018, Public Law 115-334, dated December 20, 2018. The Act provides funds from the Commodity Credit Corporation of \$3,000,000 for 2019 through 2023.

**GEOGRAPHIC BREAKDOWN OF OBLIGATIONS***Table RBS-33. Mandatory Repowering Assistance Grants Breakdown of Obligations (thousands of dollars)*

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Minnesota.....	-	\$4,000	-	-
Obligations.....	-	4,000	-	-

*Table RBS-34. Mandatory Bioenergy Program for Advanced Biofuels Payments Breakdown of Obligations (thousands of dollars)*

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Alabama.....	\$30	\$73	-	-
Alaska.....	0	0	-	-
Arkansas.....	233	216	-	-
California.....	748	1,122	-	-
Connecticut.....	252	546	-	-
Florida.....	28	72	-	-
Georgia.....	79	96	-	-
Hawaii.....	146	64	-	-
Idaho.....	18	30	-	-
Illinois.....	550	723	-	-
Indiana.....	469	504	-	-
Iowa.....	1,906	2,052	-	-
Kansas.....	521	407	-	-
Kentucky.....	275	1,042	-	-
Maine.....	9	7	-	-
Massachusetts.....	214	289	-	-
Michigan.....	47	51	-	-
Minnesota.....	934	\$483	-	-
Mississippi.....	67	56	-	-
Missouri.....	1,295	390	-	-
Montana.....	0	-	-	-
Nebraska.....	1,047	746	-	-
New Hampshire.....	17	5	-	-
New Jersey.....	1	-	-	-
New York.....	8	2	-	-
North Carolina.....	9	5	-	-
Ohio.....	295	1,023	-	-
Oklahoma.....	523	903	-	-
Oregon.....	182	150	-	-
Pennsylvania.....	781	200	-	-
Rhode Island.....	186	250	-	-
South Dakota.....	0	-	-	-
Tennessee.....	106	98	-	-
Texas.....	2,645	2,230	-	-
Vermont.....	3	3	-	-
Virginia.....	131	181	-	-
Washington.....	10	16	-	-
West Virginia.....	5	5	-	-
Wisconsin.....	22	40	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$12,784	\$7,000
Obligations.....	13,791	14,079	12,784	7,000

<sup>a</sup> Totals cannot be distributed at this time for 2019 or 2020.

**Table RBS-35. Mandatory Biobased Markets Program Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Distribution Unknown <sup>a</sup> .....	-	-	\$500	\$5,500
Obligations .....	-	-	500	5,500

<sup>a</sup> Totals cannot be distributed at this time for 2019 and 2020.

**CLASSIFICATION BY OBJECTS**

**Table RBS-36. Classification by Objects (thousands of dollars)**

Item No.	Item	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
	Other Objects:				
41.0	Grants, subsidies, and contributions.....	\$13,791	\$18,079	\$13,284	\$12,500
	Total, Other Objects.....	13,791	18,079	13,284	12,500
99.9	Total, new obligations.....	13,791	18,079	13,284	12,500

**ACCOUNT 8: RURAL ENERGY FOR AMERICA PROGRAM**

**LEAD-OFF TABULAR STATEMENT**

*Table RBS-37. Lead-Off Tabular Statement*

<b>Item</b>	<b>Program Level</b>	<b>Budget Authority</b>
2019 Annualized Continuing Resolution .....	\$6,569,507	\$293,000
Change in Appropriation.....	-6,569,507	-293,000
Budget Estimate, 2020 .....	-	-

**PROJECT STATEMENT****Table RBS-38. Project Statement ((Program Level-PL, Budget Authority-BA) thousands of dollars)**

Item	2017 Actual PL	2017 Actual BA	2018 Actual PL	2018 Actual BA	2019 Estimate PL	2019 Estimate BA	Inc. or Dec. PL	Chg Key	Inc. or Dec. BA	Chg Key	2020 Budget PL	2020 Budget BA
Discretionary Appropriations:												
Guaranteed renewable energy loans <sup>a</sup> .....	\$7,586	\$352	\$7,571	\$293	\$6,570	\$293	-\$6,570	(1)	-\$293	(2)	-	-
Mandatory Appropriations:.....												
Guaranteed renewable energy loans <sup>a,b</sup> .....	300,970	13,965	494,755	19,147	309,476	13,803	+22,111		-2,098		\$331,586	\$11,705
Renewable energy grants <sup>b</sup> .....	30,723	30,723	25,685	25,685	31,221	31,221	+5,074		+5,074		36,295	36,295
Renewable energy audits and tech. assistance <sup>b</sup> .....	1,862	1,862	1,868	1,868	1,876	1,876	+124		+124		2,000	2,000
Subtotal.....	333,555	46,550	522,308	46,700	342,573	46,900	27,308		3,100		369,881	50,000
Total Adjusted Approp.....	341,141	46,902	529,879	46,993	349,143	47,193	20,739		2,807		369,881	50,000
Rsc, Trns, Other (Net).....	-358,276	-50,000	-559,216	-50,000	-365,217	-50,000	-4,665		-		-369,881	-50,000
Sequestration.....	24,721	3,450	36,908	3,300	22,643	3,100	-22,643		-3,100		-	-
Total Appropriation.....	7,586	352	7,571	293	6,570	293	-6,570		-293		-	-
Transfers In:												
Commodity Credit Corporation (CCC).....	358,276	50,000	559,216	50,000	365,217	50,000	+4,665		-		369,881	50,000
Sequestration.....	-24,721	-3,450	-36,908	-3,300	-22,643	-3,100	+22,643		+3,100		-	-
Recoveries, Other (Net).....	32,966	11,109	43,566	8,564	27,402	6,516	+2,428		-653		29,830	5,863
Bal. Available, SOY.....	102,555	9,465	77,925	12,700	197,737	15,693	-150,387		-8,675		47,349	7,018
Total Available.....	476,663	67,476	651,369	68,257	574,281	69,402	-127,220		-6,521		447,061	62,881
Lapsing Balances.....	-244	-11	-334	-13	-	-	-		-		-	-
Bal. Available, EOY.....	-66,842	-12,700	-335,199	-15,693	-38,632	-7,018	-4,559		-2,224		-43,190	-9,242
Total Obligations.....	409,576	54,765	315,837	52,551	535,650	62,384	-131,779		-8,745		403,871	53,639

<sup>a</sup> The subsidy rate is based on a guarantee fee of 1% and an annual fee of .25%.

<sup>b</sup> Includes mandatory funding provided by section 9007 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$50 million for all years beginning in 2014. The funds are to remain available until expended.

The numbered justifications items are keyed to the Change Key (Chg Key) column on the Project Statement.

**JUSTIFICATIONS****Rural Energy for America Program**

- (1)
- A decrease of \$6,570,000 for REAP guaranteed loans (\$6,570,000 available in 2019).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated. Further, applicants can access the private market to obtain financing for projects funded under this authority.

- (2)
- A decrease of \$293,000 for Rural Energy for America Program guaranteed loan subsidy (\$293,000 available in 2019).

Funding for this program is terminated and there is no need for budget authority to support program operations.

**PROPOSED LEGISLATION****Rural Energy for America Program**

Proposal: Eliminate the statutory authority of the program and rescind the mandatory funds.

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated. Further, applicants can access the private market to obtain financing for projects funded under this authority.

**Table RBS-39. Change in Funding Due to Additional Private Investment (thousands of dollars)**

Item	2020	2021	2022	10 Year Total
Budget Authority.....	-\$50,000	-\$50,000	-\$50,000	-\$500,000
Outlays .....	-\$32,000	-\$44,000	-\$48,000	-\$474,000

**GEOGRAPHIC BREAKDOWN OF OBLIGATIONS****Table RBS-40. Discretionary Rural Energy for America Program Guaranteed Loans Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Massachusetts.....	\$1,212	\$1,313	-	-
New York.....	2,641	5,925	-	-
North Carolina.....	3,400	-	-	-
Tennessee.....	89	-	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$6,570	-
Obligations .....	7,342	7,238	6,570	-

<sup>a</sup> Totals cannot be distributed at this time for 2019 and 2020.

**Table RBS-41. Mandatory Rural Energy for America Program Guaranteed Loans Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Arizona.....	\$883	-	-	-
California .....	5,000	\$6,937	-	-
Connecticut .....	-	1,113	-	-
Florida.....	-	6,252	-	-
Idaho .....	1,119	-	-	-
Kentucky.....	97	96	-	-
Maryland.....	5,329	-	-	-
Massachusetts.....	5,049	3,253	-	-
Minnesota.....	-	46,886	-	-
Missouri .....	5,000	50	-	-
Montana .....	-	1,987	-	-
Nevada .....	-	41	-	-
New Jersey .....	-	351	-	-
New Mexico.....	2,347	-	-	-
New York.....	-	2,700	-	-
North Carolina.....	170,100	107,421	-	-
Ohio .....	4,250	2,975	-	-
Oregon .....	51,851	48,200	-	-
Pennsylvania .....	-	5,000	-	-
South Carolina.....	64,909	21,000	-	-
Texas.....	33,700	8,937	-	-
Utah.....	15,000	-	-	-
Virgin Islands.....	-	3,250	-	-
West Virginia .....	100	200	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$488,789	\$360,907
Obligations.....	364,734	266,648	488,789	360,907

<sup>a</sup> Totals cannot be distributed at this time for 2019 and 2020.

**Table RBS-42. Mandatory Rural Energy for America Program Grants Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Alabama .....	\$918	\$928	-	-
Alaska .....	398	472	-	-
Arizona.....	623	575	-	-
Arkansas.....	444	698	-	-
California .....	1,774	1,242	-	-
Colorado.....	545	798	-	-
Connecticut .....	495	486	-	-
Delaware .....	457	694	-	-
Florida.....	745	833	-	-
Georgia.....	1,028	1,149	-	-
Guam.....	20	250	-	-
Hawaii .....	491	491	-	-
Idaho .....	538	651	-	-
Illinois .....	689	749	-	-
Indiana .....	1,215	1,357	-	-
Iowa .....	852	923	-	-
Kansas.....	574	589	-	-
Kentucky.....	910	903	-	-
Louisiana.....	769	595	-	-
Maine .....	592	588	-	-
Maryland.....	548	274	-	-
Massachusetts.....	516	515	-	-
Michigan .....	929	970	-	-
Minnesota.....	1,499	2,306	-	-
Mississippi .....	821	685	-	-
Missouri .....	862	867	-	-
Montana .....	543	524	-	-
Nebraska .....	508	1,559	-	-
Nevada .....	359	365	-	-
New Hampshire.....	528	516	-	-
New Jersey .....	494	492	-	-
New Mexico.....	567	414	-	-
New York.....	873	894	-	-
North Carolina.....	785	1,224	-	-
North Dakota.....	464	459	-	-
Ohio .....	910	894	-	-
Oklahoma.....	218	589	-	-
Oregon .....	579	631	-	-
Pennsylvania .....	898	899	-	-
Puerto Rico.....	572	794	-	-
Rhode Island .....	342	376	-	-
South Carolina.....	843	764	-	-
South Dakota.....	503	998	-	-
Tennessee.....	931	930	-	-
Texas .....	1,230	1,266	-	-
Utah.....	468	454	-	-
Vermont .....	535	489	-	-
Virgin Islands.....	17	-	-	-
Virginia .....	811	1,488	-	-
Washington .....	638	645	-	-
West Virginia .....	654	657	-	-
Wisconsin.....	721	733	-	-
Wyoming.....	395	442	-	-
Other Countries.....	3	-	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$38,415	\$40,964
Obligations .....	35,638	40,084	38,415	40,964

<sup>a</sup> Totals cannot be distributed at this time for 2019 and 2020.

**Table RBS-43. Mandatory Rural Energy for America Program Energy Audits and Technical Assistance Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Alabama .....	\$46	\$98	-	-
Alaska .....	86	160	-	-
California .....	-	75	-	-
Colorado.....	30	-	-	-
Connecticut .....	-	45	-	-
Georgia.....	100	-	-	-
Kansas .....	100	-	-	-
Kentucky.....	76	75	-	-
Louisiana.....	-	100	-	-
Maine .....	100	64	-	-
Massachusetts.....	75	-	-	-
Michigan .....	159	-	-	-
Minnesota.....	100	100	-	-
Missouri .....	100	-	-	-
Nevada .....	69	100	-	-
New Hampshire.....	193	-	-	-
New Mexico.....	99	-	-	-
North Carolina.....	100	99	-	-
Ohio .....	-	50	-	-
Oregon .....	-	200	-	-
Pennsylvania .....	169	99	-	-
Rhode Island .....	-	42	-	-
South Carolina.....	-	100	-	-
Tennessee.....	69	100	-	-
Vermont .....	-	60	-	-
Virginia .....	91	-	-	-
Washington .....	100	100	-	-
West Virginia.....	-	100	-	-
Wyoming.....	-	100	-	-
Other Countries.....	-	-	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$1,876	\$2,000
Obligations.....	1,862	1,868	1,876	2,000

<sup>a</sup>. Totals cannot be distributed at this time for 2019 or 2020.

### **CLASSIFICATION BY OBJECTS**

**Table RBS-44. Classification by Objects (thousands of dollars)**

Item No.	Item	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Other Objects:					
41.0	Grants, subsidies, and contributions .....	\$54,765	\$52,551	\$62,384	\$53,639
	Total, Other Objects .....	54,765	52,551	62,384	53,639
99.9	Total, new obligations .....	54,765	52,551	62,384	53,639

**ACCOUNT 9: RURAL COOPERATIVE DEVELOPMENT GRANTS**

**LEAD-OFF TABULAR STATEMENT**

*Table RBS-45. Lead-Off Tabular Statement*

<b>Item</b>	<b>Amount</b>
2019 Annualized Continuing Resolution .....	\$27,550,000
Change in Appropriation .....	-27,550,000
Budget Estimate, 2020 .....	-

**PROJECT STATEMENT****Table RBS-46. Project Statement (thousands of dollars)**

Item	2017 Actual	2018 Actual	2019 Estimate	Inc. or Dec.	Chg Key	2020 Budget
Discretionary Appropriations:						
Rural cooperative development grants.....	\$5,800	\$5,800	\$5,800	-\$5,800	(1)	-
Appropriate technology transfer for rural areas agreements .....	2,750	2,750	2,750	-2,750	(2)	-
Grants to assist minority producers.....	3,000	3,000	3,000	-3,000	(3)	-
VAPG Ag marketing development grants .....	11,250	11,250	11,250	-11,250	(4)	-
Agricultural marketing resource center grants .....	750	750	750	-750	(4)	-
VAPG beginning & socially disadvantaged farmers & ranchers .....	1,500	1,500	1,500	-1,500	(4)	-
VAPG marketing development mid-tier chains .....	1,500	1,500	1,500	-1,500	(4)	-
Agriculture Innovation Demonstration Grants.....	-	1,000	1,000	-1,000	(4)	-
Subtotal.....	26,550	27,550	27,550	-27,550		-
Mandatory Appropriations:						
Local Agriculture Market Program VAPG <sup>a</sup> .....	-	-	17,500	-		\$17,500
Local Agriculture Market Program VAPG Admin <sup>a</sup> .....	-	-	1,520	-		1,520
Subtotal.....	-	-	19,020	-		19,020
Total Adjusted Approp .....	26,550	27,550	46,570	-27,550		19,020
Rsc, Trns, Other (Net).....	-	-	-19,020	-		-19,020
Total Appropriation .....	26,550	27,550	27,550	-27,550		-
Transfers In:						
Commodity Credit Corporation .....	-	-	19,020	-		19,020
Total.....	-	-	19,020	-		19,020
Recoveries, Other (Net) .....	3,002	3,742	1,775	-875		900
Bal. Available, SOY .....	12,360	24,326	7,829	+10,151		17,980
Total Available .....	41,912	55,618	56,174	-18,274		37,900
Rescinded Balances <sup>b</sup> .....	-22	-	-	-		-
Bal. Available, EOY .....	-24,326	-7,829	-17,980	+7,100		-10,880
Total Obligations .....	17,563	47,789	38,194	-11,174		27,020

<sup>a</sup> Mandatory funding provided by section 10102 of the Agriculture Improvement Act of 2018, Public Law 115-334, dated December 20, 2018. The Act provides funds from the Commodity Credit Corporation of \$50,000,000 for all years beginning in 2019, to remain available until expended. The funds are provided to the Local Agriculture Market Program of which the Value-Added Producer Grant Program receives 35 percent and will receive 35 percent of the 8 percent for administrative expenses.

<sup>b</sup> Rescission of unobligated balances pursuant to GP 758 and GP 759 of the Consolidated Appropriations Act, 2017, P.L. 115-31, dated May 5, 2017.

The numbered justifications items are keyed to the Change Key (Chg Key) column on the Project Statement.

**JUSTIFICATIONS****Rural Cooperative Development Grants**

- (1)
- A decrease of \$5,800,000 for rural cooperative development grants (\$5,800,000 available in 2019).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal agencies, hence, funding for this program is terminated.

- (2)
- A decrease of \$2,750,000 for appropriate technology transfer for rural areas agreements (\$2,750,000 available in 2019).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal agencies, hence, funding for this program is terminated.

- (3)
- A decrease of \$3,000,000 for grants to socially disadvantaged group grants (\$3,000,000 available in 2019).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal agencies, hence, funding for this program is terminated.

- (4)
- A decrease of \$16,000,000 for value added producer grants (\$16,000,000 available in 2019).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal agencies, hence, funding for this program is terminated.

**GEOGRAPHIC BREAKDOWN OF OBLIGATIONS***Table RBS-47. Rural Cooperative Development Grants Geographic Breakdown of Obligations (thousands of dollars)*

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Alabama .....	\$200	\$200	-	-
Alaska .....	-	178	-	-
California .....	400	400	-	-
Colorado.....	200	200	-	-
Hawaii .....	200	200	-	-
Illinois .....	200	200	-	-
Indiana .....	200	200	-	-
Kentucky.....	200	200	-	-
Massachusetts.....	200	200	-	-
Minnesota.....	600	402	-	-
Mississippi .....	200	200	-	-
Montana .....	399	400	-	-
Nebraska .....	200	200	-	-
North Carolina.....	200	300	-	-
North Dakota.....	-	200	-	-
Ohio .....	400	319	-	-
Oregon .....	200	-	-	-
Pennsylvania .....	200	200	-	-
South Dakota.....	200	200	-	-
Texas .....	200	200	-	-
Virginia .....	400	400	-	-
Washington .....	400	400	-	-
Wisconsin.....	400	400	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$5,800	-
Obligations.....	5,799	5,800	5,800	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

*Table RBS-48. Appropriate Technology Transfer Grants Geographic Breakdown of Obligations (thousands of dollars)*

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Montana .....	\$2,750	\$2,750	\$2,750	-
Obligations.....	2,750	2,750	2,750	-

**Table RBS-49. Grants to Assist Minority Producers Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Alabama .....	-	\$174	-	-
Arizona .....	\$175	-	-	-
California .....	350	350	-	-
Georgia .....	-	175	-	-
Hawaii .....	348	175	-	-
Kentucky .....	175	-	-	-
Maryland .....	175	-	-	-
Massachusetts .....	175	175	-	-
Minnesota .....	175	82	-	-
Mississippi .....	350	175	-	-
New Mexico .....	-	275	-	-
Oklahoma .....	137	156	-	-
Oregon .....	175	-	-	-
Puerto Rico .....	89	175	-	-
South Carolina .....	326	328	-	-
Texas .....	-	175	-	-
Virginia .....	175	175	-	-
Washington .....	175	236	-	-
Wisconsin .....	-	175	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$3,000	-
Obligations .....	3,000	3,000	3,000	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**Table RBS-50. Value-Added Agricultural Product Marketing Development Grants - Discretionary Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Alabama .....	-	\$129	-	-
Alaska .....	-	175	-	-
Arizona .....	-	369	-	-
Arkansas .....	-	106	-	-
California .....	-	1,693	-	-
Colorado .....	-	300	-	-
Connecticut .....	-	75	-	-
Delaware .....	-	50	-	-
Florida .....	-	250	-	-
Georgia .....	\$2,000	1,780	-	-
Hawaii .....	-	5	-	-
Idaho .....	-	246	-	-
Illinois .....	-	90	-	-
Indiana .....	-	48	-	-
Iowa .....	-	361	-	-
Kansas .....	50	24	-	-
Kentucky .....	-	1,631	-	-
Louisiana .....	-	250	-	-
Maine .....	-	254	-	-
Maryland .....	-	550	-	-
Massachusetts .....	-	154	-	-
Michigan .....	-	46	-	-
Minnesota .....	-	248	-	-
Mississippi .....	-	250	-	-
Missouri .....	-	370	-	-
Montana .....	-	30	-	-
Nebraska .....	-	1,012	-	-
Nevada .....	-	50	-	-
New Hampshire .....	-	182	-	-
New Mexico .....	-	643	-	-
New York .....	-	1,539	-	-
North Carolina .....	-	1,018	-	-
Ohio .....	-	148	-	-
Oklahoma .....	-	50	-	-
Oregon .....	-	1,692	-	-

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Pennsylvania .....	250	70	-	-
Puerto Rico.....	-	1,500	-	-
South Carolina.....	-	1,830	-	-
South Dakota.....	-	500	-	-
Tennessee.....	-	512	-	-
Texas.....	250	755	-	-
Virginia.....	-	1,535	-	-
Washington.....	-	2,048	-	-
Wisconsin.....	-	325	-	-
Other Countries.....	-	3	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$15,550	-
Obligations.....	2,550	24,892	15,550	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**Table RBS-51. Value-Added Agricultural Marketing Resource Center Grants - Discretionary Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Iowa.....	\$1,130	-	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$1,500	-
Obligations.....	1,130	-	1,500	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**Table RBS-52. Value-Added Agricultural Product Market Development Grants - Beginners and Socially Disadvantaged Farmers and Ranchers – Discretionary Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
California.....	-	\$264	-	-
Nebraska.....	-	41	-	-
New Mexico.....	-	5	-	-
North Carolina.....	-	250	-	-
Oregon.....	-	250	-	-
Puerto Rico.....	-	250	-	-
South Carolina.....	-	300	-	-
Washington.....	-	94	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$1,454	-
Obligations.....	-	1,454	1,454	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**Table RBS-53. Value-Added Agricultural Product Market Development Grants - Mid-Tier Chains – Discretionary Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Massachusetts.....	-	\$249	-	-
Oregon.....	-	250	-	-
Tennessee.....	-	30	-	-
Virginia.....	-	250	-	-
Wisconsin.....	-	250	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$1,029	-
Obligations.....	-	1,029	1,029	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**Table RBS-54. Value-Added Agricultural Product Marketing Development Grants – Mandatory Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Arizona.....	-	\$65	-	-
Colorado.....	-	118	-	-
Hawaii.....	-	150	-	-
Illinois.....	-	703	-	-
Indiana.....	-	29	-	-
Iowa.....	-	608	-	-
Kansas.....	-	602	-	-
Maine.....	-	507	-	-
Michigan.....	-	49	-	-
Minnesota.....	-	75	-	-
Missouri.....	-	49	-	-
Montana.....	-	16	-	-
New Hampshire.....	-	247	-	-
New Jersey.....	-	449	-	-
New York.....	-	797	-	-
Oklahoma.....	-	20	-	-
Pennsylvania.....	-	310	-	-
Vermont.....	-	500	-	-
Virginia.....	-	2,034	-	-
Wisconsin.....	-	1,538	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$1,591	-
Obligations.....	-	8,864	1,591	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**Table RBS-55. Value-Added Agricultural Marketing Resource Center Grants – Mandatory Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Iowa.....	\$2,334	-	-	-
Obligations.....	2,334	-	-	-

**CLASSIFICATION BY OBJECTS****Table RBS-56 Classification by Objects (thousands of dollars)**

Item No.	Item	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Other Objects:					
25	Other contractual services.....	-	-	\$1,520	\$1,520
41.0	Grants, subsidies, and contributions.....	\$17,563	\$47,789	36,674	25,500
	Total, Other Objects.....	17,563	47,789	38,194	27,020
99.9	Total, new obligations.....	17,563	47,789	38,194	27,020

**ACCOUNT 10: HEALTHY FOODS FINANCING INITIATIVE****LEAD-OFF TABULAR STATEMENT****Table RBS-57. Lead-Off Tabular Statement**

Item	Amount
2019 Annualized Continuing Resolution .....	\$1,000,000
Change in Appropriation .....	-1,000,000
Budget Estimate, 2020 .....	-

**PROJECT STATEMENT****Table RBS-58. Project Statement (thousands of dollars)**

Item	2017 Actual	2018 Actual	2019 Estimate	Inc. or Dec.	Chg Key	2020 Budget
Discretionary Appropriations:						
Healthy Foods Financing Initiative ..	\$1,000	\$1,000	\$1,000	-\$1,000	(1)	-
Total Adjusted Approp.....	1,000	1,000	1,000	-1,000		-
Total Appropriation.....	1,000	1,000	1,000	-1,000		-
Bal. Available, SOY.....	-	1,000	-	-		-
Total Available.....	1,000	2,000	1,000	-1,000		-
Bal. Available, EOY .....	-1,000	-	-	-		-
Total Obligations.....	-	2,000	1,000	-1,000		-

The numbered justifications items are keyed to the Change Key (Chg Key) column on the Project Statement.

**JUSTIFICATIONS**

- (1) A decrease of \$1,000,000,000 for healthy foods financing initiative (\$1,000,000 available in 2019).

This program is not requested in the budget.

**GEOGRAPHIC BREAKDOWN OF OBLIGATIONS****Table RBS-59. Healthy Foods Financing Initiative Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Pennsylvania .....	-	\$2,000	-	-
Distribution Unknown <sup>a</sup> .....	-	-	\$1,000	-
Obligations.....	-	2,000	1,000	-

<sup>a</sup> Totals cannot be distributed at this time for 2019.

**CLASSIFICATION BY OBJECTS****Table RBS-60. Classification by Objects (thousands of dollars)**

Item No.	Item	2017 Actual	2018 Actual	2019 Estimate	2020 Budget
Other Objects:					
41.0	Grants, subsidies, and contributions .....	-	\$2,000	\$1,000	-
	Total, Other Objects .....	-	2,000	1,000	-
99.9	Total, new obligations .....	-	2,000	1,000	-

## ***STATUS OF PROGRAMS***

The Rural Business-Cooperative Service (RBS) programs provide direct loans, loan guarantees, grants, technical assistance and payments designed to increase economic opportunity in rural America. Rural Development (RD) State and field office staffs work collaboratively with political and business leaders to leverage RD resources.

RBS promotes economic development by supporting loan guarantees to businesses through banks, credit unions and community-managed lending pools. RBS offers technical assistance and information to help agricultural producers and cooperatives get started and improve the effectiveness of their operations. RBS programs are committed to helping improve the economy and quality of life in rural America. Through these programs, we touch rural America in many ways.

## **BUSINESS AND INDUSTRY (B&I) GUARANTEED LOAN PROGRAM**

### ***Current Activities***

The B&I Guaranteed Loan Program is one of the major tools that RD employs to facilitate business growth in rural areas. The B&I Guaranteed Loan Program provides funding through small or regional scale lenders to ensure rural communities have access to capital. In 2018, RD issued 346 B&I loan guarantees totaling \$1.2 billion assisting 420 rural businesses and creating or saving 11,401 jobs.

### ***Selected Examples of Recent Progress***

In Louisiana, Rural Development provided a \$25 million guaranteed loan to Vidalia Industrial Facilities, LLC. B&I loan funds will be used for the acquisition of a manufacturing facility and purchase of equipment that will be used to produce denim. The \$53 million project also leverages working capital loan guarantee funds from the Small Business Administration, economic incentives from the City of Vidalia, and equity from local investors. The project is expected to create 330 jobs in a city with a poverty rate of 26.5 percent according to the most recent Census Bureau data.

## **RURAL ENERGY FOR AMERICA PROGRAM (REAP)**

### ***Current Activities***

In 2018, REAP funded 1,390 projects totaling \$315.58 million (\$41.83 million in grants and \$273.75 million in loan guarantees) with \$65.85 million in budget authority from mandatory funding. Mandatory funds of \$1.87 million supported 22 grants for the REAP's Energy Audit and Renewable Energy Development Assistance Program. The remaining \$63.98 million of mandatory funds supported 1,368 Renewable Energy System and Energy Efficiency Improvement projects with \$39.96 million in grants and \$273.75 million in loan guarantees. When operational, the 2018 REAP projects are expected to generate/save approximately 1.4 million megawatt hours (MWh) and produce 116.3 million gallons of advanced biofuel annually. REAP's \$65.85 million in budget authority assisted 1,889 businesses leveraging total project cost of over \$1.04 billion.

## **INTERMEDIARY RELENDING PROGRAM (IRP)**

### ***Current Activities***

The IRP lends money to economic development intermediaries (non-profits and public bodies) who re-lend it to rural businesses (ultimate recipients) that might not otherwise be able to obtain such financing. In 2018, IRP issued 28 loans totaling \$18.9 million to intermediaries to establish revolving loan funds to assist 642 businesses and to create or save 14,449 jobs.

### ***Selected Examples of Recent Progress***

Johnston's Cabinetry borrowed \$70,000 from the fund for business construction. It is a small business by SBA standards and is owned by an American Indian male. This loan has created and saved 6 jobs in Crescent City, CA.

Panhandle Area Council, Incorporated received an IRP loan for \$500,000 in the first quarter of FY 2018. Rural Development funds are being used to provide low-interest loans for business and community development in Boundary, Bonner, Kootenai, Shoshone, and Benewah Counties.

American Eagle Properties, LLC borrowed \$133,000 from the fund to purchase and develop real estate. This loan has created and saved eight jobs in Rathdrum, ID.

Global Navigation Sciences, Incorporated borrowed \$150,000 from the fund for startup costs and working capital. It is anticipated that this loan will create and save four jobs in Hayden, ID.

**RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM (RMAP)*****Current Activities***

The RMAP program supports the development and ongoing success of rural microentrepreneurs and microenterprises that consist of 10 or less employees. Direct loans and technical assistance grants are made to select Microenterprise Development Organizations, through a competitive grant program specified in regulation. In 2018, a total of \$5.8 million in loans was obligated to 14 RMAP applicants. The \$2.5 million in RMAP grants was provided to 72 applicants to support the development and ongoing success of rural microentrepreneurs and microenterprises. The FY 18 projects will assist 586 businesses and to create or save 1,349 jobs.

***Selected Examples of Recent Progress***

Pennsylvania – JARI Growth Fund, Inc. - \$500,000 Loan and \$100,000 Grant.

This Rural Development Investment will be used to support the development and ongoing success of rural microentrepreneurs and microenterprises. Loan funds will help provide JARI Growth Fund, Inc. with the capital to establish a revolving loan fund to help make microloans for microenterprise startups and growth within a 6-county region of southwestern PA. Technical Assistance grant funds will provide training and technical assistance to microloan borrowers and micro entrepreneurs.

South Carolina – Williamsburg County Development Corporation (WCDC) - \$500,000 Loan and \$100,000 Grant

WCDC will utilize RMAP grant and loan funds to improve economic potential and future of Williamsburg County citizens by increasing the number of persons participating in business. WCDC goal is to foster and promote understanding of microenterprises in Williamsburg County through increased business educational opportunities.

**RURAL ECONOMIC DEVELOPMENT LOAN AND GRANT (REDLG) PROGRAM*****Current Activities***

The REDLG program provides zero-interest loans to local utilities which, in turn, relend the funds to local businesses (ultimate recipients) for projects that will create and retain employment in rural areas. The program funds business start-up, expansion, business incubators, education and training facilities and equipment, community development assistance, health care and other projects that support rural economic development.

In 2018, REDLG issued 55 loans totaling \$56.6 million, creating or saving 3,334 jobs. In addition, 38 grants totaling \$10 million were made to qualifying utilities, assisting 46 businesses and creating or saving 862 jobs.

***Selected Examples of Recent Progress***

In Iowa, Chariton Valley Electric Cooperative received a \$2 million RED-Loan and a \$300,000 RED-Grant to be loaned to the Centerville Community School District to assist with the expansion and renovation of the Lakeview Elementary building, to enable students to attend one modern learn center that will also include ethernet connection. In a joint effort, In Missouri, Northeast Missouri Power Cooperative also received a RED-Grant to assist with the expansion and renovation of the building. The project created three new jobs.

**RURAL BUSINESS DEVELOPMENT GRANT (RBDG) PROGRAM*****Current Activities***

RBDG provides grants to support towns, communities, State agencies, etc. in providing targeted technical assistance, training, and other activities leading to the development or expansion of small and emerging private businesses in rural areas that have fewer than 50 employees and less than \$1 million in gross revenues.

Programmatic activities are separated into enterprise or opportunity type grant activities. RBDG awarded 573 grants totaling \$40 million.

These grants assisted 4,242 businesses in creating or saving 11,860 jobs.

***Selected Examples of Recent Progress***

In South Dakota, Thunder Valley CDC received a \$200,000 grant that was used to establish a business incubator facility that focused on two goals with regards to new/emerging businesses on the Pine Ridge Indian Reservation. First, identify, train and provide technical assistance to existing and prospective rural entrepreneurs and managers and second, work to establish business support centers and assist in the creation of new rural businesses. Project created 17 new jobs.

**VALUE ADDED PRODUCER GRANT (VAPG) PROGRAM*****Current Activities***

The VAPG program helps agricultural producers grow their businesses by turning raw commodities into value added products, expanding marketing opportunities and developing new uses for existing products. In 2018, the VAPG Program funded 249 grants for a total of \$34.8 million. These grants created or saved 1,060 jobs.

***Selected Examples of Recent Progress***

Growing Acres Farm in Hardin, Tennessee received a \$50,000 planning grant to obtain a feasibility study to determine end market opportunities for processed grain sorghum. Growing Acres, an independent producer in Harding County, Tennessee is leading the Tennessee Valley Farmers, a coalition of 36 farmers, in identifying new opportunities from producing value-added grain sorghum products such as granola and other health food products.

Pine Hill Timer in Meriwether, Georgia received a \$250,000 working capital grant funds support marketing, and administrative costs to convert raw timber biomass into wood chips and market the final value-added product as a renewable energy fuel in the region. Incorporated in 2010, Pine Hill Timber Co. is a small logging operation based in Greenville, Georgia that produces fuel wood chips from timber biomass to generate renewable energy in the Southeast.

**AGRICULTURAL MARKETING RESOURCE CENTER (AGMRC)*****Current Activities***

AgMRC provides funding to maintain electronic national information on value added agriculture for producers, processors and service providers. In addition to supporting the VAPG program, AgMRC provides a wealth of information on commodities and products including: agriculture-tourism, aquaculture, energy, forestry, fiber, grains and seeds. Additionally, AgMRC provides prospective value-added producers with resources and information on markets and industries as well as tools to assist with developing feasibility studies and business plans. Through its website, AgMRC offers tips and information for agricultural producers looking to start a business, how to get prepared, and strategies and analysis for developing a successful business. The funds awarded provide the resources, research and other support, to maintain the AgMRC website. Funding for 2018 was approximately \$750,000, with 4,000 unique visits per day supporting over 100 different commodities and products.

**RURAL COOPERATIVE DEVELOPMENT GRANT*****Current Activities***

These centers work with and support new cooperative businesses. RCDG are awarded to non-profit groups and higher education institutions. The recipients will use the funds to operate centers to develop or expand rural businesses, especially cooperatives and mutually-owned businesses. The funding can be used to conduct feasibility studies, create and implement business plans, offer technical assistance, establish low-interest loans, and help rural businesses develop new markets for their products and services. In 2018 these centers assisted more than 907 small businesses and cooperatives created and/or saved more than 1,096 jobs. In 2018, grants totaling approximately \$5.8 million were made to 31 centers.

***Selected Examples of Recent Progress***

The University of Wisconsin – Madison received a \$199,866 grant that will support technical assistance to co-ops in rural areas of Wisconsin and Minnesota. The primary objective is to improve economic conditions of rural areas through co-op development in the following areas: providing training and resources to develop new coops; foster an environment to development ventures in food systems, housing, childcare, and healthcare; increase use of coop development as a tool in succession planning; and improve performance of established coops through training and education on coop governance, finance and management. Funding is projected to serve 65 groups, 118 businesses, and 265 co-ops.

**APPROPRIATE TECHNOLOGY TRANSFER TO RURAL AMERICA (ATTRA)*****Current Activities***

The ATTRA program, also called the National Sustainable Agriculture Information Service, provides sustainable agriculture information to those engaged in or serving commercial agriculture, such as farmers, ranchers, extension agents, farm organizations, and farm-based businesses. In 2018, \$2.75 million was obligated to fund ATTRA.

***Selected Examples of Recent Progress***

ATTRA is managed by the National Center for Appropriate Technology (NCAT). NCAT has published information on a wide variety of topics related to organic production and certification ranging from field crops to livestock,

including pest management, soil and fertility, greenhouse management and the organic certification and inspection process. All of which can be found on the NCAT website.

This partnership continues to support the mission of Rural Development at many levels. For example, to support veteran and beginning farmers, in FY2018 the NCAT and ATTRA staff hosted four “Armed-To-Farm” workshops designed to assist returning veterans venture into agricultural operations in rural America. NCAT staff also participated in the Farmer Veteran Coalition (FVC) Stakeholders Conference in Kansas City. NCAT received approximately 28,000 inquiries from ATTRA clients for technical information and provided materials and technical assistance to 35,000 individuals in 2018. Additionally, NCAT co-sponsored the Sustainable Agriculture Research and Education (SARE) Conference in St. Louis, Missouri in April 2018.

### **SOCIALLY-DISADVANTAGED PRODUCER GRANT (SDPG) PROGRAM**

#### ***Current Activities***

The SDPG program provides technical assistance grants to socially-disadvantaged groups (cooperatives, groups of cooperatives, and cooperative development centers) for the purpose of developing cooperatives. In 2018, the SDPG program awarded \$3 million in grants to 20 organizations that assisted 393 businesses and 446 farmers.

#### ***Selected Examples of Recent Progress***

Tuskegee University was awarded a \$74,371 grant to provide technical assistance to socially disadvantaged farmers in Macon and Dallas County Alabama and Macon County Georgia. Funds will be used to increase socially disadvantaged cooperatives and groups engaged in agritourism and provide them with entrepreneurial skills to develop agritourism enterprises.

The Cherokee Nation of Oklahoma received a \$156,047 grant to develop, implement, and administer technical assistance to socially disadvantaged cooperatives in 14 rural Oklahoma counties. Funds will be used to broaden the current scope of training. The multi-faceted and comprehensive approach will impact 35 cooperatives and cooperative members.