

The Food, Conservation and Energy Act of 2008

Title VI – Rural Development

- **SUPPORTS MARKETING LOCALLY PRODUCED AGRICULTURAL PRODUCTS:** The aggregation and wholesaling of locally grown food is specified as a priority for the Business and Industry Loan Guarantee Program. Support to marketing locally produced agricultural products is also made an allowable use for the Value Added Product Market Development Grant Program
- **REDUCES BACKLOG OF UNFUNDED PENDING RURAL DEVELOPMENT WATER AND WASTEWATER LOAN AND GRANT APPLICATIONS:** The bill provides \$120 million in mandatory funding for pending qualified applications already processed by USDA for water and waste disposal grants and loans. Lower interest rates for many water and waste water loans are made permanent.
- **EXPANDS BROADBAND SERVICE IN RURAL AREAS:** Businesses, farms and families in rural areas continue to lack broadband. The bill shifts assistance toward areas with no or very limited service. Generally, to be eligible for assistance, no more than one-quarter of the population in the area can have existing broadband service or service to the area is provided by no more than one incumbent broadband supplier. Additionally, an area receiving assistance can have no more than three incumbent providers. The bill simplifies application requirements for the program, reducing the cost of applying for a loan.
- **CREATES A NEW RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM:** A rural microentrepreneur assistance program is established to provide loans and grants to Microenterprise Development Organizations (MDOs) to support the development and proven success of rural microenterprises. The funds will also provide the resources for small, long-term loans of up to \$50,000 for new and growing rural microenterprises. The program includes grants to MDOs for marketing, management and other technical assistance to USDA loan seekers and recipients. \$15 million in mandatory funding is provided for the program.
- **REESTABLISHES THE NORTHERN GREAT PLAINS REGIONAL AUTHORITY AND EXTENDS THE DELTA REGIONAL AUTHORITY:** Established in the Farm Security and Rural Investment Act of 2002, the Northern Great Plains Regional Authority (NGPRA) is a federal-state partnership currently authorized to serve a five state region including the states of Iowa, Minnesota, Nebraska, North Dakota, and South Dakota. NGPRA is an intergovernmental partnership designed to facilitate increased coordination and collaboration in a region that has experienced a severe drop in the rate of job creation, business development, economic stability, and population growth. In addition, counties in the State of Missouri which are not currently part of other regional planning authorities are included under the authority.

The Delta Regional Authority works to improve life for the residents of 240 counties and parishes in parts of the eight states under the authority: Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee. Led by a federal co-chairman appointed by the president and the governors of the eight states, the DRA fosters partnerships throughout the region as it attempts to improve the Delta economy. The authorization of the DRA is extended to October 1, 2012.

- **NEW REGIONAL PLANNING AUTHORITIES:** The bill establishes the Northern Border Regional Economic Development Commission, the Southeast Crescent Regional Commission and the Southwest Border Regional Commission. The goal of these Commissions is to serve communities by leveraging public and private sector resources that are focused on basic business development and job skills services, infrastructure development and transportation improvements. These authorities will allocate supplemental federal assistance for local development projects.

The region of the Southeast Crescent Regional Commission is defined as consisting of all counties of the States of Virginia, North Carolina, South Carolina, Georgia, Alabama, Mississippi, and Florida not already served by the Appalachian Regional Commission or the Delta Regional Authority.

The region of the Southwest Border Regional Commission is defined to include counties in the following states: Arizona, California, New Mexico, and Texas.

The region of the Northern Border Regional Commission is defined to include counties in the following states: Maine, New Hampshire, New York, and Vermont.

- **AUTHORIZES A NEW RURAL COLLABORATIVE INVESTMENT PROGRAM:** The new initiative creates a national framework to address the relative rural disadvantage in federal funding commitments for economic development and community resources. The program builds an innovative approach to enhance regional rural competitiveness in a global economy, by better aligning public, private and philanthropic investments in rural America. It provides great flexibility for rural regions to leverage their use of federal funds, and builds innovative, inclusive, and asset-based strategies which drive RCIP investments, designed to improve the competitiveness of rural regions and the quality of life of their citizens.
- **EXPANDS THE FARM LABOR HOUSING PROGRAM:** This program, which provides low interest loans or grants for the construction and improvement of housing for farm labor, is expanded to assist housing for low-income employees in agricultural processing
- **REFORMS THE DEFINITION OF RURAL:** The bill clarifies the definition of areas that are not eligible for USDA rural programs in the vicinity cities of more than 50,000. The U.S. Census-determined urbanized area around cities of over 50,000 people is considered as urban for more programs. But, some geographically narrow corridors of high population, often along a highway are excluded from being considered urban. The Secretary may broaden the category of area considered urban to cover areas that have become urban based on housing units per square mile through a rule making process.