

2022 USDA EXPLANATORY NOTES – RURAL BUSINESS-COOPERATIVE SERVICE

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PURPOSE STATEMENT

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

All the programs administered RBCS support USDA Strategic Goal 4: Facilitate rural prosperity and economic development; Objective 4.1: Expand rural business opportunity and rural quality of life with access to capital; improved infrastructure; broadband access and connectivity; and support for workforce availability.

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.

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.

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.

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.

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.

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 non-profit 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.

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 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.

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.

Rural Innovation Stronger Economy (RISE) Program – Authorized by Section 6424 of the Agriculture Improvement Act of 2018, P.L. 115-334, to make grants available to help eligible entities establish jobs accelerators and Innovation Centers to support the rural workforce by helping rural communities identify and maximize local assets and connect to regional opportunities, networks, and industry clusters.

Local Agriculture Market Program (LAMP) – Authorized by Section 10102 of the Agriculture Improvement Act of 2018, P.L. 115-334, to combine and streamline two existing local and

regional food system programs, the Farmers Market and Local Food Promotion Program and Value-Added Producers Grant Program.

RD is comprised of three programs: Housing and Community Facilities, Utilities, and Business and Cooperative Development. RD’s headquarters is located in Washington, DC. As of September 30, 2020, there were 4,441 permanent full-time employees, 529 in the headquarters office and 3,912 in the field offices.

OIG AND GAO REPORTS

Table RBCS-1. In-Progress GAO Reports

ID	Title
JC 104021	Economic Development Subsidies

ACCOUNT 1: RURAL BUSINESS PROGRAMS**APPROPRIATIONS LANGUAGE**

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

Rural Business Account Program (including transfers of funds)

For the cost of loan guarantees and grants, for the rural business development programs authorized by section 310B and described in subsections (a), (c), (f) and (g) of section 310B of the Consolidated Farm and Rural Development Act, [~~\$56,400,000~~] \$81,150,000 to remain available until expended: *Provided*, That of the amount appropriated under this heading, not to exceed \$500,000 shall be made available for one grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development and \$9,000,000 shall be for grants to the Delta Regional Authority (7 U.S.C. 2009aa et seq.), the Northern Border Regional Commission (40 U.S.C. 15101 et seq.), and the Appalachian Regional Commission (40 U.S.C. 14101 et seq.) for any Rural Community Advancement Program purpose as described in section 381E(d) of the Consolidated Farm and Rural Development Act, of which not more than 5 percent may be used for administrative expenses: *Provided further*, That \$4,000,000 of the amount appropriated under this heading shall be for business grants to benefit Federally Recognized Native American Tribes, including \$250,000 for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: *Provided further*, That of the amount appropriated under this heading, [not to exceed \$2,000,000 shall be for Rural Business Development Grants in rural coastal communities, with priority given to National Scenic Areas that were devastated by wildfires that are in need of economic development assistance, to support innovation and job growth:] \$5,000,000 shall be for the Rural Innovation Stronger Economy Grant Program (7 U.S.C. 2008w): *Provided further*, That sections 381E–H and 381N of the Consolidated Farm and Rural Development Act are not applicable to funds made available under this heading.

Change Description

The first change (line 16 to 20 of paragraph 1) removes the reference and funding for the Rural Business Developments grants in coastal communities

The second change (lines 20 and 22 of paragraph 1) adds a reference and funding for the Rural Innovation Stronger Economy Grant Program.

LEAD-OFF TABULAR STATEMENT

Table RBCS-2. Lead-Off Tabular Statement (In dollars)

Item	Grants	Loan Level	Subsidy
2021 Enacted	\$51,000,000	\$912,281,000	\$10,400,000
Change in Appropriation	0	+ 587,719,000	+ 19,750,000
Budget Estimate, 2022	<u>51,000,000</u>	<u>1,500,000,000</u>	<u>30,150,000</u>

PROJECT STATEMENT

Table RBCS-3. Project Statement Appropriations (thousands of dollars)

Item	2019		2020		2021		Inc. or Dec.	BA	Chg Key	2022	
	Actual	BA	Actual	BA	Enacted	BA				Budget	BA
Discretionary Appropriations:											
Business and industry (B&I) guaranteed loans 80%...	\$950,000	\$22,040	\$1,000,000	\$20,500	\$912,281	\$10,400	+\$587,719	+19,750	(1),(5)	\$1,500,000	\$30,150
Rural Business Development Grants (RBDG).....	30,500	30,500	32,500	32,500	30,500	30,500	+2,000	+2,000	(2)	32,500	32,500
RBDG native American tribes.....	3,750	3,750	3,750	3,750	3,750	3,750	-	-	(2)	3,750	3,750
RBDG technical assistance transportation.....	500	500	500	500	500	500	-	-	(2)	500	500
RBDG native American tribes transportation.....	250	250	250	250	250	250	-	-	(2)	250	250
RBDG coastal communities.....	-	-	-	-	2,000	2,000	-2,000	-2,000	(2)	-	-
Delta regional authority grants.....	8,000	8,000	9,000	9,000	9,000	9,000	-	-	(3)	9,000	9,000
Rural Innovation Stronger Economy (RISE) grants....	-	-	5,000	5,000	5,000	5,000	-	-	(4)	5,000	5,000
Subtotal.....	993,000	65,040	1,051,000	71,500	963,281	61,400	+587,719	+19,750		1,551,000	81,150
Supplemental Appropriations:											
B&I CARES Act.....	-	-	951,435	19,885	-	-	-	-		-	-
B&I CARES Act Administrative expenses.....	-	-	615	615	-	-	-	-		-	-
Subtotal.....	-	-	952,050	20,500	-	-	-	-		-	-
Total Adjusted Approp.....	993,000	65,040	2,003,050	92,000	963,281	61,400	587,719	19,750	-	1,551,000	81,150
Total Appropriation.....	993,000	65,040	2,003,050	92,000	963,281	61,400	587,719	19,750	-	1,551,000	81,150
Recoveries, Other	261,187	9,945	248,322	8,213	339,108	6,254	-155,666	-578		183,442	5,676
Bal. Available, SOY.....	433,729	20,042	376,169	14,680	1,036,418	27,571	-799,705	-17,364		236,713	10,207
Total Available.....	1,687,916	95,027	2,627,542	114,893	2,338,807	95,225	-367,652	1,808	-	1,971,155	97,033
Bal. Available, EOY.....	-333,235	-14,680	-914,818	-27,571	-413,116	-10,207	142,954	2,646		-270,162	-7,561
Total Obligations.....	1,354,682	80,347	1,712,723	87,323	1,925,691	85,018	-224,698	+4,454		1,700,993	89,472

Table RBCS-4. Project Statement Obligations (thousands of dollars)

Item	2019 Actual	BA	2020 Actual	BA	2021 Enacted	BA	Inc. or Dec.	BA	2022 Budget	BA
Discretionary Obligations:										
Business and industry (B&I) guaranteed loans 80%...	1,304,601	30,267	1,333,343	27,318	1,346,387	15,349	+298,190	+17,707	1,644,577	33,056
Rural Business Development Grants (RBDG).....	32,746	32,746	35,518	35,518	33,147	33,147	+1,287	+1,287	34,434	34,434
RBDG native American tribes.....	4,523	4,523	4,887	4,887	4,454	4,454	-222	-222	4,232	4,232
RBDG technical assistance transportation.....	956	956	500	500	500	500	-	-	500	500
RBDG native American tribes transportation.....	500	500	-	-	500	500	-250	-250	250	250
RBDG coastal communities.....	-	-	-	-	2,000	2,000	-	-	-	-
Delta regional authority grants.....	11,355	11,355	11,667	11,667	9,000	9,000	-	-	9,000	9,000
Rural Innovation Stronger Economy (RISE) grants.....	-	-	-	-	7,000	7,000	+1,000	+1,000	8,000	8,000
Subtotal Disc oblig.....	1,354,682	80,347	1,385,915	79,890	1,402,988	71,950	+298,005	+17,522	1,700,993	89,472
Supplemental Obligations:										
B&I CARES Act.....	-	-	326,193	6,817	522,703	13,068	-	-	-	-
B&I CARES Act Administration.....	-	-	615	615	-	-	-	-	-	-
Subtotal Supp Oblig.....	-	-	326,808	7,432	522,703	13,068	-522,703	-13,068	-	-
Total Obligations.....	1,354,682	80,347	1,712,723	87,323	1,925,691	85,018	-224,698	4,454	1,700,993	89,472
Balances Available, EOY:										
Business and industry (B&I) guaranteed loans 80%...	326,121	7,566	280,829	5,757	407,555	4,646	-139,568	+740	267,987	5,386
Rural Business Development Grants (RBDG).....	3,270	3,270	2,793	2,793	2,079	2,079	-193	-193	1,886	1,886
RBDG native American tribes.....	1,178	1,178	704	704	482	482	-193	-193	289	289
RBDG native American tribes transportation.....	-	-	250	250	0	0	-	-	0	0
Delta regional authority grants.....	2,667	2,667	-	-	-	-	-	-	-	-
Rural Innovation Stronger Economy (RISE) grants.....	-	-	5,000	5,000	3,000	3,000	-3,000	-3,000	-	-
B&I CARES Act.....	-	-	625,242	13,068	-	-	-	-	-	-
Total Bal. Available, EOY.....	333,235	14,680	914,818	27,571	413,116	10,207	-142,954	-2,646	270,162	7,561
Total Available.....	1,687,916	95,027	2,627,542	114,893	2,338,807	95,225	-367,652	1,808	1,971,155	97,033
Recoveries, Other.....	-261,187	-9,945	-248,322	-8,213	-339,108	-6,254	+155,666	+578	-183,442	-5,676
Bal. Available, SOY.....	-433,729	-20,042	-376,169	-14,680	-1,036,418	-27,571	+799,705	+17,364	-236,713	-10,207
Total Appropriation.....	993,000	65,040	2,003,050	92,000	963,281	61,400	587,719	19,750	1,551,000	81,150

Rural Business Programs

All the programs administered by the RBCS support USDA Strategic Goal 4: Facilitate Rural Development and Economic Prosperity. RBCS programs support the Administration position on providing environmental justice for Disadvantage and Energy communities by providing economic opportunities.

The numbers and letters of the following listing relates to values in the Change Key column of the Project Statement:

- (1) An increase of \$587,719,000 for the rural business and industry guaranteed loans program (\$912,281,000 available in 2021).

For FY 2022, the funding for this program includes two sets of priorities: 1) continuing servicing the borrowers that can afford a 3 percent guaranteed fee; and, 2) provide an opportunity to distressed communities that will only be charged a 1 percent guaranteed fee. Rural Development (RD) has standardized underwriting across the mission area for loan guarantees. The GB&I program, Rural Energy for America Program (REAP), Community Facilities guaranteed, and Water and Waste disposal loan guarantee program regulations are consolidated into one regulation that came into effect on Oct 2020. The OneRD regulation enables RD to make program enhancements in a standardized and consistent way to improve underwriting standards, and revise fee structures, assuming certain borrowers will receive 1 or 3 percent upfront fee.

RD's experience in serving rural communities coupled with feedback and discussions with lenders, borrowers, and other stakeholders supports that the B&I program addresses the needs of rural businesses and lenders serving rural communities from two points:

1. Not all rural markets and market segments are equally served. In some rural communities, and for some borrowers, the range of available financial services and institutions is too few to ensure an efficient allocation of resources.
2. Rural businesses and rural community banks face barriers accessing capital.

Small business loans reported under the Community Reinvestment Act (CRA) indicate that the supply of credit is lower in rural areas than in urban areas—per capita values of small business loans between 2000 and 2015 were smaller in rural than urban counties. In 2000, the per capita loan amount for urban counties was \$1,006, compared to \$760 for rural counties. Loan amounts generally increased for urban counties until 2007, with a downward tick in 2005—before declining in 2009 to the lowest reported levels during that period. Loan amounts for rural counties followed a similar pattern, but per capita loan amounts lagged the urban amounts and continued to stagnate after the Great Recession.¹

There are two groupings of lenders active in the GB&I program. One group is highly active in the program and has focused on guaranteed loans and sale of loans on the secondary market to expand their access to capital. The second grouping are local lenders using the program for

¹ Anil Rupasingha, John Pender, and Seth Wiggins. USDA's Value-Added Producer Grant Program and Its Effect on Business Survival and Growth, ERR-248, U.S. Department of Agriculture, Economic Research Service, May 2018.

credit enhancements and aiding the borrowers' access to capital. The top-10 B&I lenders by loan volume in FY 2020 provided over \$474 million in loans, 36 percent of total loan volume. The remaining 64 percent of loan volume were loans made by 168 other lenders.

Continuation 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.

Over the last five years the B&I Guaranteed program has obligated over \$5.7 billion through approximately 1,600 guaranteed loans to businesses, public bodies, cooperatives, and other vital community partners across the Nation. In that time, the top three funded states have been Louisiana with \$514 million, followed by Florida with \$443 million and North Carolina with \$398 million. These funds are used to improve the quality of life in rural America by encouraging the establishment and capital growth of rural businesses and cooperatives, which ultimately increases the availability, stability, and quality of jobs in rural America. The agency also strives to expand economic and trade opportunities for agricultural producers and other rural residents and build leveraging partnerships with State, local, and private conglomerates to expand the total amount of resources provided to rural areas. The three largest investment segments have been \$87 million for manufacturing, \$40 million towards wholesale trade, and \$33 million obligated toward the real estate rental and leasing sector. This program is instrumental in providing opportunities for distressed and Energy communities so that they can improved their standard of living and find new jobs when coal-centric economy is diminishing.

The program has a five-year increasing trend in obligations, going from \$1.06 billion obligated in 2016 to \$1.24 billion obligated in 2020. The increased funding request of \$588 million in 2022 reflects this trend.

(2) No change for rural business development grants (\$37,000,000 available in 2021).

Continuing the Rural Business Development Grant funding level at \$37 million reflects a continued commitment to assistance for small business in rural areas with high demand. Small means that the business has fewer than 50 new workers and less than \$1 million in gross revenue. This program has increased total obligations from \$2 million in 2018 to around \$20 million as of 2020. Over 300 grants have been made during that period. This program is instrumental in helping to develop job potential in socially disadvantaged communities with need to help these communities to thrive and improve their economic standards and reduce/eliminate inequalities. Funding for this program assists in establishing business support centers, provide funds for job training and leadership development, and finance or develop small and emerging businesses in rural areas. The program also finances technical assistance (salaries and expenses) which specifically helps to improve human capital in low-capacity areas.

(3) No change for Delta Regional Authority and Appalachian Regional Commission grants (\$9,000,000 available in 2021).

The 2022 budget is requesting \$9 million to support the agency's partnership with the Delta, Appalachia, and Northern Border Regional Commissions. The funding will be provided to the three Regional Commissions who serve 8 States in the lower Mississippi Delta region, the 13 Appalachian, and 4 Northern Border Regional States. Grant funds are used to advance the economic vitality of these communities through the practical application of innovative ideas and strategies that foster inclusive communities, achieve sustained, long-term economic development, and produce meaningful opportunities for all traditionally underserved people in these areas. Projects are targeted to the Strategic Goals of improved workforce competitiveness, strengthened infrastructure, and increased community capacity.

(4) No change for Rural Innovation Stronger Economy (RISE) grants (\$5,000,000 available in 2021).

Section 6424 of the 2018 Farm Bill provided authorized grants funding for rural job growth by expanding opportunity for job accelerator partnerships by facilitating the creation of a working group with key community partners and stakeholders that understand the type of industry clusters that are declining, emerging or existing in rural areas. Funding used for construction or purchase are limited to buildings that will serve as innovation centers for jobs accelerator. Equipment purchases must be necessary to support the functions of the jobs accelerator. The RISE program is designed to provide financial assistance to support job accelerator partnerships that improve the ability of distressed rural communities to create high wage jobs, accelerate the formation of new businesses, and help rural communities identify and maximize local assets. For building communities, this type of grants will allow RD to target funding for developing sustainable communities that will thrive economically, particularly energy communities.

(5) An increase of \$19,750,000 in rural business and industry guaranteed loans program budget authority (\$10,400,000 available in 2021).

The increase in budget authority is due to an increase in subsidy rate from 2021 and an increase in estimated loan obligations. This is the necessary level of budget authority to support the loan level requested.

PROPOSED LEGISLATION: AMERICAN JOBS PLAN MANDATORY PROPOSAL

Program: Rural Business Program account

Proposal

As part of the American Jobs Plan, the 2022 Budget proposes to invest in the Guaranteed Business and Industry loan program by infusing \$500 million in the Rural Business Program account. Funding will be used for loans as authorized.

Rationale

Manufacturing Credit Programs. The American Jobs Plan invests \$500 million in the Guaranteed Business and Industry loan program housed in the Rural Business Program account. This program provides funding for manufacturing, hospitality, broadband and renewable energy projects. This program revitalizes the economy and creates/saves good paying jobs.

Goal

The Proposal will create jobs and help revitalize rural economies.

Table RBCS-5. American Jobs Plan (millions of dollars)

Item	2020	2021	2022		10 Year Total
Budget Authority (millions)	-	-	\$500		\$500
Outlays (millions)	-	-	\$220		\$500

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS***Table RBCS-6. Business and Industry Guaranteed Loans Geographic Breakdown of Obligations (thousands of dollars)***

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Alabama	\$19,144	\$52,200	-	-
Alaska	4,840	20,963	-	-
Arizona	34,669	68,239	-	-
Arkansas	3,242	30,235	-	-
California	63,944	26,632	-	-
Colorado	4,200	26,780	-	-
Connecticut	15,000	-	-	-
Delaware	2,300	-	-	-
Florida	37,033	78,553	-	-
Georgia	47,674	51,745	-	-
Hawaii	13,500	-	-	-
Idaho	23,534	25,688	-	-
Illinois	12,223	53,797	-	-
Indiana	7,960	-	-	-
Iowa	16,123	22,973	-	-
Kansas	28,331	10,306	-	-
Kentucky	47,790	47,800	-	-
Louisiana	109,327	160,251	-	-
Maine	1,496	-	-	-
Maryland	19,000	-	-	-
Massachusetts	1,100	4,314	-	-
Michigan	42,517	21,688	-	-
Minnesota	34,901	4,302	-	-
Mississippi	27,279	12,345	-	-
Missouri	41,985	54,548	-	-
Montana	10,000	46,450	-	-
Nebraska	9,855	5,450	-	-
Nevada	3,990	-	-	-
New Mexico	14,861	27,301	-	-
New York	31,063	13,752	-	-
North Carolina	62,671	101,003	-	-
North Dakota	5,642	-	-	-
Ohio	36,991	7,328	-	-
Oklahoma	63,520	32,709	-	-
Oregon	33,621	37,022	-	-
Pennsylvania	25,725	37,436	-	-
Puerto Rico	4,644	6,390	-	-
Rhode Island	9,500	-	-	-
South Carolina	49,801	60,542	-	-
South Dakota	12,442	-	-	-
Tennessee	39,085	12,250	-	-
Texas	70,291	67,530	-	-
Utah	28,132	28,320	-	-
Virgin Islands	18,200	9,500	-	-
Virginia	2,500	11,431	-	-
Washington	29,873	6,364	-	-
West Virginia	36,473	29,692	-	-
Wisconsin	39,415	7,725	-	-
Wyoming	7,199	11,791	-	-
Distribution Unknown	-	-	\$1,346,387	\$1,644,577
Obligations	1,304,601	1,333,343	1,346,387	1,644,577

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

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Alabama	\$1,430	\$1,174	-	-
Alaska	181	27	-	-
American Samoa	64	-	-	-
Arizona	498	535	-	-
Arkansas	698	452	-	-
California	987	1,239	-	-
Colorado	333	348	-	-
Connecticut	193	200	-	-
Delaware	132	135	-	-
Florida	821	967	-	-
Georgia	1,317	1,383	-	-
Hawaii	121	269	-	-
Idaho	266	276	-	-
Illinois	750	1,063	-	-
Indiana	729	963	-	-
Iowa	304	443	-	-
Kansas	320	335	-	-
Kentucky	1,085	1,231	-	-
Louisiana	717	754	-	-
Maine	397	511	-	-
Maryland	315	328	-	-
Massachusetts	232	269	-	-
Michigan	1,121	1,239	-	-
Minnesota	546	670	-	-
Mississippi	951	997	-	-
Missouri	1,051	1,069	-	-
Montana	263	287	-	-
Nebraska	222	231	-	-
Nevada	110	162	-	-
New Hampshire	257	235	-	-
New Jersey	228	236	-	-
New Mexico	339	631	-	-
New York	1,023	1,675	-	-
North Carolina	1,375	1,443	-	-
North Dakota	828	599	-	-
Ohio	1,053	1,105	-	-
Oklahoma	650	991	-	-
Oregon	438	455	-	-
Pennsylvania	1,067	1,687	-	-
Puerto Rico	735	719	-	-
Rhode Island	97	98	-	-
South Carolina	954	1,002	-	-
South Dakota	462	203	-	-
Tennessee	1,147	1,204	-	-
Texas	1,375	971	-	-
Utah	168	174	-	-
Vermont	1,655	1,366	-	-
Virgin Islands	-	50	-	-
Virginia	876	928	-	-
Washington	532	729	-	-
West Virginia	550	627	-	-
Wisconsin	646	677	-	-
Wyoming	136	140	-	-
Distribution Unknown	-	15	\$33,147	\$34,434
Obligations	32,746	35,518	33,147	34,434

Table RBCS-8. Rural Business Development Grants Native American Tribes Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Arizona	\$1,048	\$979	-	-
California	64	65	-	-
Michigan	-	81	-	-
Minnesota	328	272	-	-
Montana	352	-	-	-
Nebraska	1,922	1,591	-	-
Nevada	66	143	-	-
New Mexico	499	456	-	-
North Dakota	-	64	-	-
Oklahoma	-	395	-	-
Oregon	140	166	-	-
South Dakota	-	142	-	-
Washington	-	244	-	-
Wisconsin	106	189	-	-
Wyoming	-	99	-	-
Distribution Unknown	-	-	\$4,454	\$4,232
Obligations	4,523	4,887	4,454	4,232

Table RBCS-9. Rural Business Development Grants Technical Assistance Transportation Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Maryland	\$956	\$500	-	-
Distribution Unknown	-	-	\$500	\$500
Obligations	956	500	500	500

Table RBCS-10. Rural Business Development Grants Native American Transportation Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Maryland	\$500	-	-	-
Distribution Unknown	-	-	\$500	\$250
Obligations	500	-	500	250

Table RBCS-11. Rural Business Development Grants Coastal Communities Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Distribution Unknown	-	-	\$2,000	-
Obligations	-	-	2,000	-

Table RBCS-12. Delta Regional Authority, Appalachian Regional Commission and Northern Border Regional Commission Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Kentucky	\$3,000	\$5,667	-	-
Mississippi	5,688	3,000	-	-
New Hampshire	2,667	3,000	-	-
Distribution Unknown	-	-	\$9,000	\$9,000
Obligations	11,355	11,667	9,000	9,000

Table RBCS-13. Rural Innovation Stronger Economy (RISE) Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Distribution Unknown	-	-	\$7,000	\$8,000
Obligations	-	-	7,000	8,000

Table RBCS-14. Business and Industry Guaranteed CARES Act Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Alabama	-	\$15,960	-	-
Alaska	-	14,440	-	-
California	-	2,000	-	-
Delaware	-	345	-	-
Florida	-	7,395	-	-
Georgia	-	15,000	-	-
Idaho	-	500	-	-
Illinois	-	8,480	-	-
Iowa	-	10,350	-	-
Kentucky	-	37,500	-	-
Louisiana	-	34,076	-	-
Michigan	-	10,671	-	-
Minnesota	-	4,000	-	-
Mississippi	-	10,000	-	-
Missouri	-	18,194	-	-
Montana	-	3,000	-	-
Nebraska	-	24,000	-	-
New Hampshire	-	4,158	-	-
New York	-	13,888	-	-
North Carolina	-	17,145	-	-
North Dakota	-	565	-	-
Ohio	-	1,900	-	-
Oregon	-	3,820	-	-
South Carolina	-	2,900	-	-
South Dakota	-	3,100	-	-
Tennessee	-	9,295	-	-
Texas	-	30,148	-	-
Utah	-	1,142	-	-
Virgin Islands	-	5,000	-	-
Washington	-	1,775	-	-
Wisconsin	-	15,446	-	-
Distribution Unknown	-	-	\$522,703	-
Obligations	-	326,193	522,703	-

Table RBCS-15. Business and Industry Guaranteed CARES Act Administration Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
District of Columbia	-	\$615	-	-
Obligations	-	615	-	-

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

Item No.	Item	2019 Actual	2020 Actual	2021	
				Enacted	2022 Budget
25.3	Other goods and services from Federal sources	-	\$615	-	-
41.0	Grants, subsidies, and contributions	\$80,347	86,708	\$85,018	\$89,472
	Total, Other Objects	80,347	87,323	85,018	89,472
99.9	Total, new obligations	80,347	87,323	85,018	89,472

ACCOUNT 2: INTERMEDIARY RELENDING PROGRAM

APPROPRIATIONS LANGUAGE

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

Intermediary Relending Program Fund Account (including transfer of funds)

For the principal amount of direct loans, as authorized by the Intermediary Relending Program Fund Account (7 U.S.C. 1936b), \$18,889,000.

For the cost of direct loans, [~~\$2,939,000~~]\$1,524,000, as authorized by the Intermediary Relending Program Fund Account (7 U.S.C. 1936b), of which [~~\$557,000~~]\$167,000 shall be available through June 30, [~~2021~~]2022, for Federally Recognized Native American Tribes; and of which [~~\$1,072,000~~]\$305,000 shall be available through June 30, [~~2021~~]2022, for Mississippi Delta Region counties (as determined in accordance with Public Law 100–460): *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.

In addition, for administrative expenses to carry out the direct loan programs, \$4,468,000 [~~shall be transferred to and merged with~~] paid to the appropriation for “Rural Development, Salaries and Expenses”.

Change Description

The Change (line 2 of paragraph 2) deletes the transferred to and merge and replaced with paid to. This change will facilitate using the salaries and expenses funding for credit program in agreement with the Federal Credit Reform Act of 1990.

LEAD-OFF TABULAR STATEMENT

Table RBCS-17. Lead-Off Tabular Statement (In dollars)

<u>Item</u>	<u>Program Level Budget Authority</u>		<u>Administrative Expenses</u>
2021 Enacted	\$18,889,000	\$2,939,000	\$4,468,000
Change in Appropriation	0	-1,415,000	0
Budget Estimate, 2022	<u>18,889,000</u>	<u>1,524,000</u>	<u>4,468,000</u>

PROJECT STATEMENT

Table RBCS-18. Project Statement Appropriations (thousands of dollars)

Item	2019 Actual	BA	2020 Actual	BA	2021 Enacted	BA	Inc. or Dec.	BA	Chg Key	2022 Budget	BA
Mandatory Appropriations:											
Intermediary Relending Program.....	\$18,887	\$4,157	\$18,889	\$5,219	\$18,889	\$2,939	-	-1,415	(1),(2)	\$18,889	\$1,524
Administrative Expenses.....		4,468		4,468		4,468	-	-			4,468
Total Adjusted Approp.....	18,887	8,625	18,889	9,687	18,889	7,407	-	-1,415	-	18,889	5,992
Total Appropriation.....	18,887	8,625	18,889	9,687	18,889	7,407	-	-1,415	-	18,889	5,992
Total Available.....	18,887	8,625	18,889	9,687	18,889	7,407	-	-1,415	-	18,889	5,992
Lapsing Balances.....	-1,227	-270	-0	-0	-	-	-	-	-	-	-
Total Obligations.....	17,660	8,355	18,889	9,687	18,889	7,407	-	-1,415		18,889	5,992

Table RBCS-19. Project Statement Obligations (thousands of dollars)

Item	2019 Actual	BA	2020 Actual	BA	2021 Enacted	BA	Inc. or Dec.	BA	2022 Budget	BA
Discretionary Obligations:										
Rural Economic Development (RED) Loans...	17,660	3,887	18,889	5,219	18,889	2,939	-	-1,415	18,889	1,524
Administrative Expenses.....	-	4,468	-	4,468	-	4,468	-	-	-	4,468
Total Obligations.....	17,660	8,355	18,889	9,687	18,889	7,407	-	-1,415	18,889	5,992
Lapsing Balances.....	1,227	270	0	0	-	-	-	-	-	-
Total Available.....	18,887	8,625	18,889	9,687	18,889	7,407	-	-1,415	18,889	5,992
Total Appropriation.....	18,887	8,625	18,889	9,687	18,889	7,407	-	-1,415	18,889	5,992

Intermediary Relending Program

All the programs administered by the RBCS support USDA Strategic Goal 4: Facilitate Rural Development and Economic Prosperity. RBCS programs support the Administration position on providing environmental justice for Disadvantage and Energy communities by providing economic opportunities.

The numbers and letters of the following listing relates to values in the Change Key column of the Project Statement:

(1) No change for the intermediary relending loan program (\$18,889,000 available in 2021).

Funding of the Intermediary Relending Program (IRP) is used to alleviate poverty and increase economic activity and employment in rural communities. Loans are provided to local organizations (intermediaries) for the establishment of revolving loan funds. These revolving loan funds are used to make loans to businesses and community and economic development organizations that are unable to obtain commercial credit to assist them with financing business and economic development activities to create or retain jobs in disadvantaged and remote communities. Intermediaries are encouraged to work in concert with State and regional strategies and in partnership with other public and private organizations that can provide complementary resources. This program is very well used across the country and has proven its effectiveness by creating jobs and revitalizing communities.

Since 2016 over 120 loans have been made totaling over \$86 million in obligations averaging \$17 million per year. From 2020 to 2022 subsidy costs of these funds are expected to reduce from over 27 percent to just over 8 percent. The top three funded states during this period have been South Dakota with \$11 million, California at \$9 million, and Vermont with over \$7 million dollars obligated under the IRP program.

Loans are provided to local organizations (intermediaries) for the establishment of revolving loan funds. These revolving loan funds are used to make loans to businesses and community and economic development organizations that are unable to obtain commercial credit to assist them with financing business and economic development activities to create or retain jobs in disadvantaged and remote communities. Intermediaries are encouraged to work in concert with State and regional strategies and in partnership with other public and private organizations that can provide complementary resources. This program is very well used across the country and has proven its effectiveness by creating jobs and revitalizing communities.

(2) A decrease of \$1,415,000 in intermediary relending loan program budget authority (\$2,939,000 available in 2021).

The decrease in budget authority is due to a decrease in subsidy rate from 2021. This is the necessary level of budget authority to support the loan level requested.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS***Table RBCS-20. Geographic Breakdown of Obligations (thousands of dollars)***

State/Territory/Country	2019 Actual	2020 Actual	2021	2022
			Enacted	Budget
California	\$2,000	\$1,846	-	-
Colorado	-	1,750	-	-
Georgia	2,000	-	-	-
Idaho	1,000	400	-	-
Iowa	500	-	-	-
Kentucky	1,000	1,500	-	-
Maryland	240	-	-	-
Massachusetts	1,000	-	-	-
Michigan	-	250	-	-
Minnesota	-	777	-	-
Missouri	1,000	1,500	-	-
Montana	-	2,100	-	-
Nevada	-	1,000	-	-
New Hampshire	-	1,350	-	-
New York	500	750	-	-
North Carolina	1,500	-	-	-
North Dakota	-	466	-	-
Oregon	-	950	-	-
Pennsylvania	1,115	-	-	-
South Carolina	-	500	-	-
South Dakota	2,805	500	-	-
Vermont	2,250	1,000	-	-
Washington	-	500	-	-
West Virginia	750	750	-	-
Wyoming	-	1,000	-	-
Distribution Unknown	-	-	\$18,889	\$18,889
Obligations	17,660	18,889	18,889	18,889

CLASSIFICATION BY OBJECTS***Table RBCS-21. Classification by Objects (thousands of dollars)***

Item No.	Item	2021			
		2019 Actual	2020 Actual	Enacted	2022 Budget
25.3	Other goods and services from Federal sources	\$4,468	\$4,468	\$4,468	\$4,468
41.0	Grants, subsidies, and contributions	3,887	5,219	2,939	1,524
	Total, Other Objects	8,355	9,687	7,407	5,992
99.9	Total, new obligations	8,355	9,687	7,407	5,992

ACCOUNT 3: RURAL ECONOMIC DEVELOPMENT DIRECT LOANS

APPROPRIATIONS LANGUAGE

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

Rural Economic Development Loans Program Account

For the principal amount of direct loans, as authorized under section 313B(a) of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, \$50,000,000.

The cost of grants authorized under section 313B(a) of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects shall not exceed \$10,000,000.

LEAD-OFF TABULAR STATEMENT

Table RBCS-22. Lead-Off Tabular Statement (In dollars)

Item	Amount
2021 Enacted	\$50,000,000
Change in Appropriation	<u>0</u>
Budget Estimate, 2022	<u>50,000,000</u>

PROJECT STATEMENT

Table RBCS-23. Project Statement Appropriations (thousands of dollars)

Item	2019 Actual	BA	2020 Actual	BA	2021 Enacted	BA	Inc. or Dec.	BA	Chg Key	2022 Budget	BA
Mandatory Appropriations:											
Rural Economic Development (RED) Loans.....	\$46,900	\$6,261	\$47,050	\$7,895	\$47,150	\$4,503	-	-2,296	(1)	\$47,150	\$2,207
Total Adjusted Approp.....	46,900	6,261	47,050	7,895	47,150	4,503	-	-2,296	-	47,150	2,207
Rescission, Transfers In and Out.....	-46,900	-6,261	-47,050	-7,895	-47,150	-4,503	-	2,296	-	-47,150	-2,207
Total Appropriation.....	-	-	-	-	-	-	-	-	-	-	-
Transfers In*:											
Offsetting collections from RED grants account.....	46,900	6,261	47,050	7,895	47,150	4,503	-	-2,296		47,150	2,207
Recoveries, Other.....	2,480	331	3,701	621	7,062	674	+7,030	-15		14,092	659
Bal. Available, SOY.....	1,711	228	2,030	341	7,186	686	-1,385	-415		5,801	271
Total Available.....	51,091	6,820	52,781	8,857	61,398	5,863	5,645	-2,726	-	67,043	3,137
Bal. Available, EOY.....	-2,552	-341	-4,090	-686	-2,843	-271	-261	126		-3,104	-145
Total Obligations.....	48,539	6,480	48,691	8,170	58,555	5,592	+5,384	-2,600		63,939	2,992

Table RBCS-24. Project Statement Obligations (thousands of dollars)

Item	2019 Actual	BA	2020 Actual	BA	2021 Enacted	BA	Inc. or Dec.	BA	2022 Budget	BA
Mandatory Obligations:										
Rural Economic Development (RED) Loans.....	\$48,539	\$6,480	\$48,691	\$8,170	\$58,555	\$5,592	+5,384	-2,600	\$63,939	\$2,992
Total Obligations.....	48,539	6,480	48,691	8,170	58,555	5,592	5,384	-2,600	63,939	2,992
Balances Available, EOY:										
Rural Economic Development (RED) Loans.....	2,552	341	4,090	686	2,843	271	+261	-126	3,104	145
Total Available.....	51,091	6,821	52,781	8,857	61,398	5,863	5,645	-2,726	67,043	3,137
Total Transfers In.....	-46,900	-6,261	-47,050	-7,895	-47,150	-4,503	-	2,296	-47,150	-2,207
Recoveries, Other.....	-2,480	-331	-3,701	-621	-7,062	-674	-7,030	+15	-14,092	-659
Bal. Available, SOY.....	-1,711	-228	-2,030	-341	-7,186	-686	+1,385	+415	-5,801	-271
Total Appropriation.....	-	-	-	-	-	-	-	-	-	-

Rural Economic Development Direct Loans

All the programs administered by the RBCS support USDA Strategic Goal 4: Facilitate Rural Development and Economic Prosperity. RBCS programs support the Administration position on providing environmental justice for Disadvantage and Energy communities by providing economic opportunities.

The numbers and letters of the following listing relates to values in the Change Key column of the Project Statement:

(1) No change for Rural Economic Direct Loans (\$50,000,000 available in 2021).

Base funds for the program continue to create good paying jobs and provide the free and fair choice to join a union. This program provides zero interest loans and small grants to electric and telephone utilities financed by Rural Development's 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.

In addition to the activities and functions specifically described in the budget request, current year and budget year base funds will be used to carry out activities and functions consistent with the full range of authorities and activities delegated to the agency. This program is funded from earnings from the Cushion of Credit and feeds collected from the Electric underwriting program. No discretionary funding is required.

Continuation of this program is critical because the program:

- Supports a variety of purposes and activities serving local and regional-based projects in rural areas.
- Assists rural businesses and community development projects by providing access to additional capital resources.
- Provides opportunities for job creation and growth in rural areas adjusting from the transition away from fossil-fueled energy production.

The program supports the USDA Strategic Goal for assisting rural communities to create prosperity so they are self-sustaining, repopulating, and economically thriving.

(2) A decrease of \$2,296,000 in budget authority (\$4,503,000 available in 2021).

The decrease in budget authority is due to a decrease in the subsidy rate for this program in 2022. The requested budget authority will support the requested loan level.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RBCS-25. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Alabama	\$1,000	-	-	-
Alaska	607	-	-	-
Georgia	3,000	\$3,000	-	-
Illinois	3,280	8,344	-	-
Indiana	2,000	2,000	-	-
Iowa	12,447	13,324	-	-
Kansas	3,190	2,510	-	-
Kentucky	2,000	2,000	-	-
Michigan	1,200	-	-	-
Minnesota	300	1,592	-	-
Mississippi	2,000	1,000	-	-
Missouri	4,250	4,812	-	-
Montana	588	-	-	-
New Mexico	-	120	-	-
North Carolina	3,466	1,550	-	-
North Dakota	1,000	3,879	-	-
Ohio	2,000	-	-	-
South Dakota	400	1,000	-	-
Tennessee	4,811	3,560	-	-
Wisconsin	1,000	-	-	-
Distribution Unknown	-	-	\$58,555	\$63,939
Obligations	48,539	48,691	58,555	63,939

CLASSIFICATION BY OBJECTS

Table RBCS-26. Classification by Objects (thousands of dollars)

Item No.	Item	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
41.0	Grants, subsidies, and contributions	\$6,479	\$8,170	\$5,592	\$2,992
	Total, Other Objects	6,479	8,170	5,592	2,992
99.9	Total, new obligations	6,479	8,170	5,592	2,992

ACCOUNT 4: RURAL ECONOMIC DEVELOPMENT GRANTS

LEAD-OFF TABULAR STATEMENT

Table RBCS-27. Lead-Off Tabular Statement (In dollars)

Item	Amount
2021 Enacted	\$10,000,000
Change in Appropriation	0
Budget Estimate, 2022	<u>10,000,000</u>

PROJECT STATEMENT

Table RBCS-28. Project Statement Appropriations (thousands of dollars)

Item	2019 Actual	2020 Actual	2021 Enacted	Inc. or Dec.	Chg Key	2022 Budget
Total Appropriation.....	-	-	-	-	(1)	-
Transfers In*:						
Rural Elect. and Telecomm Liq. Acct CoC a/.....	211,846	127,566	37,000	-37,000		-
Commodity Credit Corporation.....	-	-	-	+5,000		5,000
Rural Elec. and Tele. elec. underwriter loan fees.....	17,000	19,318	19,000	-		19,000
Total Transfers In.....	228,846	146,884	56,000	-32,000		24,000
Sequestration.....	-1,034	-1,085	-842	+139		-703
Recoveries, Other.....	900	428	6,000	-610		5,390
Offsetting collections paid to rural economic development account.....	-6,261	-7,894	-4,503	2,296		-2,207
Bal. Available, SOY.....	446,681	659,132	357,781	-258,424		99,357
Total Available.....	669,132	797,465	414,436	-288,599		125,837
Bal. Available, EOY.....	-659,132	-357,781	-99,357	93,358		-5,999
Total Obligations.....	10,000	439,684	315,079	-195,241		119,838

Table RBCS-29. Project Statement Obligations (thousands of dollars)

Item	2019 Actual	2020 Actual	2021 Enacted	Inc. or Dec.	2022 Budget
Mandatory Obligations:					
Rural economic development grants.....	\$10,000	\$10,000	\$10,000	-	\$10,000
RecConnect pilot broadband 100% grants.....	-	425,960	261,596	-162,931	98,665
ReConnect pilot technical assistance.....	-	-	19,992	-14,964	5,028
ReConnect pilot administrative.....	-	3,724	23,491	-17,346	6,145
Total Obligations.....	10,000	439,684	315,079	-195,241	119,838
Balances Available, EOY:					
Rural economic development grants.....	404,132	253,781	49,357	-43,358	5,999
RecConnect pilot broadband 100% grants.....	255,000	104,000	50,000	-50,000	-
Total Bal. Available, EOY.....	659,132	357,781	99,357	-93,358	5,999
Total Available.....	669,132	797,465	414,436	-288,599	125,837
Less:					
Total Transfers In.....	-228,846	-146,884	-56,000	32,000	-24,000
Sequestration.....	1,034	1,085	842	-139	703
Recoveries, Other.....	-900	-428	-6,000	+610	-5,390
Offsetting collections paid to rural economic development account.....	6,261	7,894	4,503	-2,296	2,207
Bal. Available, SOY.....	-446,681	-659,132	-357,781	+258,424	-99,357
Total Appropriation.....	-	-	-	-	-

Rural Economic Development Grants

The numbers and letters of the following listing relates to values in the Change Key column of the Project Statement:

(1) No change the for Rural Economic Development Grants (\$10,000,000 available in 2021).

From the balances from the earnings from the cushion of credit account, the budget is requesting to use \$50 million to support the ReConnect program. The cushion of credit account expired in 2021 and the balances can be used for this purpose as they were provided for this purpose in the 2019 and 2020 appropriations. The budget will include a general provision providing the authority to use these funds for the ReConnect program.

Base funds for the rural economic development grant program continue to create good paying jobs and provide the free and fair choice to join a union. The program provides small grants to promote sustainable rural economic development and job creation projects and to capitalize revolving loan funds for economic development and job creation purposes.

In addition to the activities and functions specifically described in the budget request, current year and budget year base funds will be used to carry out activities and functions consistent with the full range of authorities and activities delegated to the agency.

Continuation of this program is critical because the program:

- Supports a variety of purposes and activities serving local and regional-based projects in rural areas.
- Assists rural businesses and community development projects by providing access to additional capital resources.
- Provides opportunities for job creation and growth in rural areas adjusting from the transition away from fossil-fueled energy production.

The program supports the USDA Strategic Goal of assisting rural communities to create prosperity so they are self-sustaining, repopulating, and economically thriving.

In 2022, this program will be receiving \$5 million of mandatory funding to support grants. The rest of the funding is coming from the fees collected from the electric underwriting program.

The 2022 budget will include a General Provision requesting authority to use \$50 million from the earnings from the cushion of credit account in support of grants for the ReConnect pilot program.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS**Table RBCS-30. Rural Economic Development Grants Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Alabama	\$244	-	-	-
Illinois	-	\$104	-	-
Indiana	300	-	-	-
Iowa	2,831	3,501	-	-
Kansas	-	150	-	-
Minnesota	210	155	-	-
Mississippi	600	-	-	-
Missouri	-	740	-	-
Nebraska	1,144	600	-	-
North Carolina	2,717	2,763	-	-
North Dakota	-	187	-	-
South Carolina	300	-	-	-
South Dakota	1,354	1,500	-	-
Tennessee	-	300	-	-
Wisconsin	300	-	-	-
Distribution Unknown	-	-	\$10,000	\$10,000
Obligations	10,000	10,000	10,000	10,000

Table RBCS-31. Reconnect Pilot Program Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Alabama	-	\$31,087	-	-
Alaska	-	58,005	-	-
Arkansas	-	11,856	-	-
Georgia	-	4,565	-	-
Idaho	-	15,314	-	-
Illinois	-	37,495	-	-
Indiana	-	2,999	-	-
Iowa	-	11,924	-	-
Kentucky	-	14,250	-	-
Louisiana	-	6,161	-	-
Michigan	-	6,930	-	-
Minnesota	-	7,938	-	-
Mississippi	-	4,693	-	-
Missouri	-	52,149	-	-
Montana	-	5,445	-	-
Nebraska	-	3,105	-	-
Nevada	-	2,745	-	-
New Mexico	-	11,847	-	-
New York	-	544	-	-
North Carolina	-	23,987	-	-
North Dakota	-	6,959	-	-
Oklahoma	-	22,786	-	-
Oregon	-	12,868	-	-
South Carolina	-	1,865	-	-
South Dakota	-	14,917	-	-
Tennessee	-	17,077	-	-
Utah	-	8,681	-	-
Virginia	-	10,532	-	-
Washington	-	597	-	-
West Virginia	-	7,624	-	-
Wisconsin	-	3,096	-	-
Wyoming	-	5,919	-	-
Distribution Unknown	-	-	\$261,596	\$98,665
Obligations	-	425,960	261,596	98,665

Table RBCS-32. Reconnect Pilot Technical Assistance Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Distribution Unknown	-	-	\$19,992	\$5,028
Obligations	-	-	19,992	5,028

Table RBCS-33. Reconnect Pilot Administrative Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
District of Columbia	-	\$3,724	-	-
Distribution Unknown	-	-	\$23,491	\$6,145
Obligations	-	3,724	23,491	6,145

CLASSIFICATION BY OBJECTS

Table RBCS-34. Classification by Objects (thousands of dollars)

Item No.	Item	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
41.0	Grants, subsidies, and contributions	\$10,000	\$439,684	\$315,079	\$119,838
	Total, Other Objects	10,000	439,684	315,079	119,838
99.9	Total, new obligations	10,000	439,684	315,079	119,838

ACCOUNT 5: RURAL COOPERATIVE DEVELOPMENT GRANTS

APPROPRIATIONS LANGUAGE

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

Rural Cooperative Development Grants

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), \$26,600,000, of which \$2,800,000 shall be for cooperative agreements for the appropriate technology transfer for rural areas program: *Provided*, That not to exceed \$3,000,000 shall be for grants for cooperative development centers, individual cooperatives, or groups of cooperatives that serve socially disadvantaged groups and a majority of the boards of directors or governing boards of which are comprised of individuals who are members of socially disadvantaged groups; and of which [~~\$15,000,000~~]\$18,000,000, to remain available until expended, shall be for value-added agricultural product market development grants, as authorized by section 210A of the Agricultural Marketing Act of 1946, of which \$3,000,000 to remain available until expended, shall be for Agriculture Innovation Centers authorized pursuant to section 6402 of Public Law 107–171.

LEAD-OFF TABULAR STATEMENT

Table RBCS-35. Lead-Off Tabular Statement (In dollars)

Item	Amount
2021 Enacted	\$26,600,000
Change in Appropriation	<u>0</u>
Budget Estimate, 2022	<u>26,600,000</u>

PROJECT STATEMENT

Table RBCS-36. Project Statement Appropriations (thousands of dollars)

Item	2019 Actual	2020 Actual	2021 Enacted	Inc. or Dec.	Chg Key	2022 Budget
Discretionary Appropriations:						
Rural Cooperative Development Grants.....	\$5,800	\$5,800	\$5,800	-\$3,000	(1)	\$2,800
Appropriate Technology Transfer for Rural Areas Agreements.....	2,800	2,800	2,800	-	(2)	2,800
Grants to Assist Minority Producers.....	3,000	3,000	3,000	-	(3)	3,000
VAPG Ag Marketing Development Grants.....	11,625	9,300	9,300	+2,200	(4)	11,500
Agricultural Marketing Resource Center Grants.....	375	300	300	+200	(4)	500
VAPG Beginning & Socially Disadvantaged Farmers & Ranchers....	1,500	1,200	1,200	+300	(4)	1,500
VAPG Marketing Development Mid-tier Chains.....	1,500	1,200	1,200	+300	(4)	1,500
Agriculture Innovation Demonstration Grants.....	2,500	3,000	3,000	-	(4)	3,000
Subtotal.....	29,100	26,600	26,600	-		26,600
Mandatory Appropriations:						
Local Agriculture Market Program VAPG.....	17,500	16,468	16,488	-		16,488
Local Agriculture Market Program VAPG Admin.....	1,522	1,432	1,450	-		1,450
Value-Added Producer Grants (COVID).....	-	-	35,000	-35,000		-
Value-Added Producer Grants (COVID) Admin.....	-	-	3,043	-3,043		-
Subtotal.....	19,022	17,899	55,981	-38,043		17,938
Total Adjusted Approp.....	48,122	44,499	82,581	-38,043	-	44,538
Rescission, Transfers In and Out.....	-19,022	-19,022	-19,022	-	-	-19,022
Sequestration.....	-	1,122	1,084	-	-	1,084
Total Appropriation.....	29,100	26,600	64,643	-38,043	-	26,600
Transfers In:						
Commodity Credit Corporation.....	19,022	19,022	19,022	-		19,022
Sequestration.....	-	-1,122	-1,084	-		-1,084
Recoveries, Other	5,014	3,763	3,010	-602		2,408
Bal. Available, SOY.....	7,829	46,201	19,139	-12,708		6,431
Total Available.....	60,964	94,464	104,729	-51,353	-	53,377
Lapsing Balances.....	-	-90	-	-		-
Bal. Available, EOY.....	-46,201	-19,139	-6,431	3,640		-2,792
Total Obligations.....	14,763	75,234	98,298	-47,713		50,585

Table RBCS-37. Project Statement Obligations (thousands of dollars)

Item	2019 Actual	2020 Actual	2021 Enacted	Inc. or Dec.	2022 Budget
Discretionary Obligations:					
Rural Cooperative Development Grants.....	\$5,800	\$5,799	\$5,800	-3,000	\$2,800
Appropriate Tech. Transfer for Rural Areas.....	2,800	2,800	2,800	-	2,800
Grants to Assist Minority Producers.....	3,000	2,911	3,000	-	3,000
VAPG Ag Marketing Development Grants.....	1,642	28,735	11,950	+950	12,900
Agricultural Marketing Resource Center Grants.....	-	2,347	200	+100	300
VAPG Beg. & Socially Disad. Farmers & Ranchers.....	-	1,200	1,200	+300	1,500
VAPG Marketing Development Mid-tier Chains.....	-	250	1,200	+300	1,500
Agriculture Innovation Demonstration Grants.....	-	2,108	5,670	-1,570	4,100
Subtotal Disc oblig.....	13,242	46,149	31,820	-2,920	28,900
Mandatory Obligations:					
Local Agriculture Market Program VAPG.....	-	24,073	25,150	-8,000	17,150
Local Agriculture Market Program VAPG Admin.....	1,522	1,432	1,435	-	1,435
Value Added Agriculture Producers Marketing Grants.....	-	3,580	3,650	-2,350	1,300
Value-Added Producer Grants (COVID).....	-	-	33,200	-31,400	1,800
Value-Added Producer Grants (COVID) Admin.....	-	-	3,043	-3,043	-
Subtotal Mand Oblig.....	1,522	29,085	66,478	-44,793	21,685
Total Obligations.....	14,763	75,234	98,298	-47,713	50,585
Lapsing Balances.....	-	90	-	-	-
Balances Available, EOY:					
VAPG Ag Marketing Development Grants.....	19,445	2,674	1,395	-303	1,092
Agricultural Marketing Resource Center Grants.....	2,047	0	100	+200	300
Agriculture Innovation Demonstration Grants.....	3,500	4,392	1,722	-1,100	622
Value-Added Producer Grants (COVID).....	-	-	1,800	-1,800	-
Local Agriculture Market Program VAPG.....	17,500	9,894	1,247	-648	599
Value Added Agriculture Producers Marketing Grants (Mand.).....	3,580	2,049	38	+11	49
Agricultural Marketing Resource Center (Mand.).....	128	128	128	-	128
Special Earmark Grants.....	0	0	0	-	0
Total Bal. Available, EOY.....	46,201	19,139	6,431	-3,640	2,792
Total Available.....	60,964	94,464	104,729	-51,353	53,377
Total Transfers In.....	-19,022	-19,022	-19,022	-	-19,022
Sequestration.....	-	1,122	1,084	-	1,084
Recoveries, Other	-5,014	-3,763	-3,010	+602	-2,408
Bal. Available, SOY.....	-7,829	-46,201	-19,139	+12,708	-6,431
Total Appropriation.....	29,100	26,600	64,643	-38,043	26,600

Rural Cooperative Development Grants

All the programs administered by the RBCS support USDA Strategic Goal 4: Facilitate Rural Development and Economic Prosperity. RBCS programs support the Administration position on providing environmental justice for Disadvantage and Energy communities by providing economic opportunities.

The numbers and letters of the following listing relates to values in the Change Key column of the Project Statement:

- (1) A decrease of \$3,000,000 for Rural Cooperative Development Grants (\$5,800,000 available in 2021).

Cooperatives offer an alternative to investor-owned companies through which those using the entity's goods or services are actively involved in the governance of the organization. Over the last decade, Rural Development has used the RCDG program to develop a network of cooperative development centers, whose trained staff work with of new and emerging cooperatives covering a broad range, including traditional farm supply, marketing, dependent care, conversions of traditional companies to employee ownership. The decrease in funding will not have impact on the functions and goals the agency will be reaching in the 2022 budget as other funding requested in the budget can be used for cooperative agreements.

- (2) No change for Appropriate Technology Transfer for Rural Areas Agreements (\$2,800,000 available in 2021).

This request continues the agencies cooperative agreement with the National Center for Appropriate Technology (NCAT). Funding for ATTRA is used to provide high-value information and technical assistance to farmers, ranchers, extension agents, educators, and others involved in sustainable agriculture in the United States. Project focuses include sustainable agriculture, sustainable and renewable energy, energy conservation, resource-efficient housing, and sustainable community development.

- (3) No change for grants to assist minority producers (\$3,000,000 available in 2021).

The 2022 budget is requesting \$3 million for this program. Between 2016 and 2020 around 80 individual grants were made for nearly \$12 million. Grant funds are provided directly toward the assistance of small, minority agricultural producers in rural areas. Recipients include cooperative development centers, cooperatives, or associations of cooperatives whose primary focus is to help 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. More and more states across the nation have been obligated over \$1 million each so far through this Program including Washington, California, and Mississippi with some of the highest obligation rates so far which highlights the agencies ability to cultivate effective rural economic partnerships.

This funding is instrumental in helping these producers:

- Develop business in rural areas.
- Improve the local economy.
- Employ rural residents.
- Uplift persistent poverty areas.

(4) An increase of \$3,000,000 for Value Added Producer Grants and Agriculture Innovation Centers (\$12,000,000 available in 2021).

The funding increase of \$3 million furthers the agency's ability to directly assist viable Independent Producers, Agricultural Producer Groups, Farmer and Rancher Cooperatives, and Majority-Controlled Producer-Based Businesses in starting or expanding value-added activities related to the processing and/or marketing of Value-Added Agricultural Products.

In FY 2020 alone, VAPG awarded 140 grants totaling \$21.8 million with approximately 819 jobs created, and 566 jobs saved. The maximum Grant amounts are \$75,000 for Planning and \$250,000 for Working Capital projects. Funding reserves exist for both: applications submitted by Beginning and Socially-Disadvantaged Farmers or Ranchers; and for applications from farmers or ranchers proposing development of Mid-Tier Value Chains. This program provides priority to applicants proposing to increase the development of local and regional food systems. The program supports the USDA Strategic Goal of assisting rural communities to create prosperity, so they are self-sustaining, repopulating, and economically thriving.

The VAPG funding will also support the Agricultural Marketing Resource Center, which is an electronic, national resource for producers interested in value-added agriculture. The Center provides resources such as web site information regarding commodities and products, markets and industries and renewable energy, value added business and economic analysis tools, and outreach activities including workshops, seminars, and newsletters and responding to webmail inquiries.

This program also receives mandatory funding from programs related to the Local Agriculture Market Program.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS***Table RBCS-38. Rural Cooperative Development Grants Geographic Breakdown of Obligations (thousands of dollars)***

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Alabama	\$200	\$400	-	-
Alaska	170	-	-	-
California	400	400	-	-
Colorado	200	200	-	-
Hawaii	200	200	-	-
Illinois	200	200	-	-
Indiana	200	200	-	-
Kentucky	200	200	-	-
Massachusetts	200	200	-	-
Minnesota	800	400	-	-
Mississippi	82	200	-	-
Montana	400	400	-	-
Nebraska	200	200	-	-
North Carolina	200	200	-	-
North Dakota	200	200	-	-
Ohio	200	199	-	-
Oregon	-	200	-	-
Pennsylvania	200	200	-	-
South Carolina	-	200	-	-
South Dakota	149	200	-	-
Texas	200	-	-	-
Virginia	400	400	-	-
Washington	400	400	-	-
Wisconsin	400	400	-	-
Wyoming	-	-	-	-
Distribution Unknown	-	-	\$5,800	\$2,800
Obligations	5,800	5,799	5,800	2,800

Table RBCS-39. Appropriate Technology Transfer Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Montana	\$2,800	\$2,800	-	-
Distribution Unknown	-	-	\$2,800	\$2,800
Obligations	2,800	2,800	2,800	2,800

Table RBCS-40. Grants to Assist Minority Producers Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Alabama	\$175	\$175	-	-
Arizona	240	260	-	-
California	350	341	-	-
Georgia	59	-	-	-
Hawaii	175	350	-	-
Massachusetts	175	175	-	-
Minnesota	-	265	-	-
Mississippi	175	167	-	-
Montana	69	-	-	-
Nebraska	122	-	-	-
New Mexico	187	-	-	-
Oklahoma	156	151	-	-
Pennsylvania	175	175	-	-
South Carolina	243	153	-	-
Texas	175	175	-	-
Virginia	175	175	-	-
Washington	350	350	-	-
Distribution Unknown	-	-	\$3,000	\$3,000
Obligations	3,000	2,911	3,000	3,000

Table RBCS-41. Discretionary VAPG Beginning & Socially Disadvantaged Farmers & Ranchers Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Kansas	-	\$99	-	-
Maryland	-	250	-	-
North Carolina	-	286	-	-
Vermont	-	40	-	-
Washington	-	26	-	-
Wisconsin	-	500	-	-
Distribution Unknown	-	-	\$1,200	\$1,500
Obligations	-	1,200	1,200	1,500

Table RBCS-42. Discretionary VAPG Marketing Development Mid-Tire Chains Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Florida	-	\$250	-	-
Distribution Unknown	-	-	\$1,200	\$1,500
Obligations	-	250	1,200	1,500

Table RBCS-43. Discretionary Value-Added Ag. Product Marketing Development Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Alabama	\$142	\$498	-	-
California	250	250	-	-
Colorado	-	445	-	-
Delaware	-	82	-	-
Florida	-	1,413	-	-
Georgia	-	3,202	-	-
Hawaii	-	350	-	-
Idaho	-	929	-	-
Illinois	-	250	-	-
Indiana	-	500	-	-
Iowa	250	553	-	-
Kansas	-	312	-	-
Kentucky	-	801	-	-
Louisiana	-	183	-	-
Maine	-	2,193	-	-
Maryland	250	205	-	-
Michigan	250	2,131	-	-
Minnesota	250	790	-	-
Mississippi	-	50	-	-
Missouri	-	712	-	-
Montana	-	478	-	-
Nevada	-	86	-	-
New Hampshire	-	205	-	-
New Jersey	-	604	-	-
New Mexico	-	900	-	-
North Carolina	-	289	-	-
Oklahoma	-	490	-	-
Oregon	-	3,277	-	-
Puerto Rico	-	2,336	-	-
South Carolina	-	3,570	-	-
South Dakota	-	344	-	-
Texas	-	100	-	-
Washington	250	205	-	-
Distribution Unknown	-	-	\$11,950	\$12,900
Obligations	1,642	28,735	11,950	12,900

Table RBCS-44. Agriculture Marketing Resource Center Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Iowa	-	\$2,347	-	-
Distribution Unknown	-	-	\$200	\$300
Obligations	-	2,347	200	300

Table RBCS-45. Agriculture Innovation Demonstration Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Maryland	-	\$471	-	-
Massachusetts	-	895	-	-
New York	-	742	-	-
Distribution Unknown	-	-	\$5,670	\$4,100
Obligations	-	2,108	5,670	4,100

Table RBCS-46. Mandatory Value-Added Producer Marketing Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
California	-	\$3,275	-	-
Puerto Rico	-	124	-	-
Washington	-	182	-	-
Distribution Unknown	-	-	\$3,650	\$1,300
Obligations	-	3,580	3,650	1,300

Table RBCS-47. Mandatory Local Agriculture Market Programs Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Alabama	-	\$384	-	-
Arizona	-	50	-	-
California	-	1,214	-	-
Idaho	-	100	-	-
Iowa	-	542	-	-
Mississippi	-	50	-	-
Nebraska	-	1,150	-	-
New Hampshire	-	295	-	-
New York	-	3,902	-	-
Ohio	-	250	-	-
Pennsylvania	-	1,246	-	-
South Carolina	-	250	-	-
South Dakota	-	250	-	-
Tennessee	-	2,086	-	-
Texas	-	989	-	-
Utah	-	697	-	-
Vermont	-	1,690	-	-
Virginia	-	3,114	-	-
Washington	-	3,278	-	-
West Virginia	-	250	-	-
Wisconsin	-	2,197	-	-
Wyoming	-	90	-	-
Distribution Unknown	-	-	\$25,150	\$17,150
Obligations	-	24,073	25,150	17,150

Table RBCS-48. Mandatory Local Agriculture Market Programs Administrative Expenses Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
District of Columbia	\$1,522	\$1,432	\$1,435	\$1,435
Obligations	1,522	1,432	1,435	1,435

Table RBCS-49. Mandatory Value-Added Producer Grants (COVID) Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Distribution Unknown	-	-	\$33,200	\$1,800
Obligations	-	-	33,200	1,800

Table RBCS-50. Mandatory Value-Added Producer Grants (COVID) Administrative Expenses Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
District of Columbia	-	-	\$3,043	-
Obligations	-	-	3,043	-

CLASSIFICATION BY OBJECTS

Table RBCS-51. Classification by Objects (thousands of dollars)

Item No.	Item	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
25.3	Other goods and services from Federal sources	\$1,522	\$1,432	\$1,435	\$1,435
41.0	Grants, subsidies, and contributions	13,242	73,802	96,863	49,150
99.9	Total, new obligations	14,763	75,234	98,298	50,585

ACCOUNT 6: RURAL MICROENTERPRISE INVESTMENT PROGRAM

APPROPRIATIONS LANGUAGE

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

Rural Microentrepreneur Assistance Program

For gross obligations for the principal amount of direct loans as authorized by section 379E of the Consolidated Farm and Rural Development act (U.S.C. 2008s), \$150,000,000.

For the cost of [loans and] grants, \$6,000,000 under the same terms and conditions as authorized by section 379E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008s),[: *Provided*, That such costs of loans, including the cost of modifying such loans, shall be defined in section 502 of the Congressional Budget Act of 1974.]

Change Description

The first change (line 1 and 2 of paragraph 1) It includes the loan level requested for this account. In 2022, this account has negative subsidy rate so this statement will provide the loan level requested.

The second change (line 1 of paragraph 2) deletes the loan entry as this program has a negative subsidy rate in 2022, the budget authority requested is for grants.

The third change (line 3 and 4 of paragraph 2) it deletes the language regarding loans and loans modification as the funding requested in this statement is only relates to the grants. Modification are part of the subsidy rate; hence they will be included in the cost of the program reflected in the subsidy.

LEAD-OFF TABULAR STATEMENT

Table RBCS-52. Lead-Off Tabular Statement (In dollars)

Item	Grants	Loan Level	Subsidy
2021 Enacted	\$5,600,000	\$12,739,000	\$400,000
Change in Appropriation	+ 400,000	+ 137,261,000	-400,000
Budget Estimate, 2022	6,000,000	150,000,000	0

PROJECT STATEMENT

Table RBCS-53. Rural Microenterprise Assistance Grants. Appropriations Project Statement (thousands of dollars)

Item	2019		2020		2021		Inc. or		Chg		2022	
	Actual	BA	Actual	BA	Enacted	BA	Dec.	BA	Key	Budget	BA	
Discretionary Appropriations:												
Microenterprise Loans.....	\$400	\$38	\$2,800	\$417	\$12,739	\$400	+137,261	-400	(1)	\$150,000	-	
Microenterprise Grants.....	2,962	2,962	2,584	2,584	5,600	5,600	+400	+400	(2)	6,000	\$6,000	
Total Adjusted Approp.....	3,362	3,000	5,384	3,000	18,339	6,000	137,661	-	-	156,000	6,000	
Total Appropriation.....	3,362	3,000	5,384	3,000	18,339	6,000	137,661	-	-	156,000	6,000	
Recoveries, Other	1,632	310	2,426	508	7,595	500	-7,385	-290		210	210	
Bal. Available, SOY.....	3,153	796	1,317	341	11,189	636	-3,523	-130		7,665	506	
Total Available.....	8,148	4,107	9,126	3,850	37,122	7,136	126,753	-420	-	163,875	6,716	
Lapsing Balances.....	-	-	684	684	-	-	-	-		-	-	
Bal. Available, EOY.....	-1,962	-341	-2,593	-636	-7,665	-506	60	60		-7,605	-446	
Total Obligations.....	6,186	3,766	7,217	3,898	29,457	6,630	+126,813	-360		156,270	6,270	

Table RBCS-54. Rural Microenterprise Assistance Grants. Obligations Project Statement (thousands of dollars)

Item	2019		2020		2021		Inc. or Dec.	BA	2022	
	Actual	BA	Actual	BA	Enacted	BA			Budget	BA
Discretionary Obligations:										
Microenterprise Loans.....	\$400	\$38	\$2,800	\$417	\$12,739	\$400	+137,261	-400	\$150,000	-
Microenterprise Grants.....	2,962	2,962	3,267	3,267	5,600	5,600	+400	+400	6,000	\$6,000
Subtotal Disc oblig.....	3,362	3,000	6,067	3,684	18,339	6,000	+137,661	-	156,000	6,000
Mandatory Obligations:										
Microenterprise Loans.....	2,275	217	1,100	164	10,828	340	-10,828	-340	-	-
Microenterprise Grants.....	549	549	50	50	290	290	-20	-20	270	270
Subtotal Mand Oblig.....	2,824	765	1,150	214	11,118	630	-10,848	-360	270	270
Total Obligations.....	6,186	3,766	7,217	3,898	29,457	6,630	126,813	-360	156,270	6,270
Lapsing Balances.....	-	-	-684	-684	-	-	-	-	-	-
Balances Available, EOY:										
Microenterprise Loans.....	1,791	171	2,299	342	7,392	232	-	-	7,392	232
Microenterprise Grants.....	171	171	294	294	274	274	-60	-60	214	214
Total Bal. Available, EOY.....	1,962	341	2,593	636	7,665	506	-60	-60	7,605	446
Total Available.....	8,148	4,107	9,126	3,850	37,122	7,136	126,753	-420	163,875	6,716
Recoveries, Other	-1,632	-310	-2,426	-508	-7,595	-500	+7,385	+290	-210	-210
Bal. Available, SOY.....	-3,153	-796	-1,317	-341	-11,189	-636	+3,523	+130	-7,665	-506
Total Appropriation.....	3,362	3,000	5,384	3,000	18,339	6,000	137,661	-	156,000	6,000

Rural Microenterprise Investment Program

All the programs administered by the RBCS support USDA Strategic Goal 4: Facilitate Rural Development and Economic Prosperity. RBCS programs support the Administration position on providing environmental justice for Disadvantage and Energy communities by providing economic opportunities.

The numbers and letters of the following listing relates to values in the Change Key column of the Project Statement:

(1) An increase of \$137,261,000 for the Rural Microenterprise Investment loans (\$12,739,000 available in 2021).

The purpose of the program is to support the development and ongoing success of rural microentrepreneurs and microenterprises. To accomplish this purpose, the program will make direct loans to selected Microenterprise Development Organizations (MDOs). Selected MDOs will use the funds to provide microloans for working capital, business acquisitions, debt refinancing, fixtures, supplies, furniture, inventory, and equipment costs, and purchase or lease of facility. The program provides loan funds to intermediaries to capitalize revolving microloan fund programs. The revolving microloan fund programs make loans of not more than \$50,000 to recipients in rural communities involving equipment purchases and working capital for start-up or expansion of microenterprises. The term of the loan for 20 years.

Funding for this program is critical because:

- It is the only Federal nation-wide program that finances the capitalization of microloan revolving loan funds that exclusively serve rural areas.
- Supports a variety of purposes and activities serving rural microenterprises (i.e. agricultural production).
- Assists rural microentrepreneurs and microenterprises, which are unable to obtain adequate capital from commercial credit or other Federal, State, or local programs at reasonable rates and terms.

The rural microenterprise assistance program addresses the lack of available credit and financial market conditions for microenterprise activities. These conditions often limit the ability of rural economies to create jobs, enhance amenities, and increase incomes to enable rural families to prosper. The increase will support the Administration priority of improving the economic opportunities in rural America by providing economic opportunities and creating good paying jobs and providing the free and fair choice to join a union.

(2) No Change for the Rural Microenterprise Investment grants (\$6,000,000 available in 2021).

The Rural Microentrepreneur Assistance Program funds Loans and Grants to support the development and ongoing success of rural microentrepreneurs and microenterprises nationwide. Loans are available of up to \$500,000 and \$100,000 for grant funds toward eligible micro borrower projects. In FY2020, the program issued 11 loans and 4 grants totaling \$3.9 million and \$365,000 respectively. The financing resulted in approximately 139 rural businesses being

assisted, thereby creating, and saving 171 jobs. Grant funds are available to provide technical assistance funding for any existing microlender based on the amount of their outstanding loans.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS***Table RBCS-55. Rural Microenterprise Assistance Program Direct Loans, Mandatory. Geographic Breakdown of Obligations (thousands of dollars)***

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Kentucky	\$500	-	-	-
Massachusetts	-	\$500	-	-
New Hampshire	500	350	-	-
Oregon	-	50	-	-
Pennsylvania	775	-	-	-
Virginia	-	200	-	-
West Virginia	500	-	-	-
Distribution Unknown	-	-	\$10,828	-
Obligations	2,275	1,100	10,828	-

Table RBCS-56. Rural Microenterprise Assistance Program Grants, Mandatory. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
California	\$424	-	-	-
New Hampshire	100	\$50	-	-
South Dakota	24	-	-	-
Distribution Unknown	-	-	\$290	\$270
Obligations	549	50	290	270

Table RBCS-57. Rural Microenterprise Assistance Program Direct Loans, Discretionary. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
California	\$400	\$1,000	-	-
Colorado	-	400	-	-
North Dakota	-	500	-	-
South Dakota	-	500	-	-
Vermont	-	400	-	-
Distribution Unknown	-	-	\$12,739	\$150,000
Obligations	400	2,800	12,739	150,000

Table RBCS-58. Rural Microenterprise Assistance Program Grants, Discretionary. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019	2020	2021	2022
	Actual	Actual	Enacted	Budget
Arizona	\$94	\$49	-	-
California	-	447	-	-
Delaware	42	12	-	-
Georgia	23	88	-	-
Idaho	61	90	-	-
Illinois	86	17	-	-
Kentucky	99	57	-	-
Maine	341	296	-	-
Maryland	184	189	-	-
Massachusetts	171	180	-	-
Michigan	71	50	-	-
Minnesota	71	56	-	-
Montana	160	93	-	-
Nebraska	289	263	-	-
Nevada	95	89	-	-
New Hampshire	-	64	-	-
New Jersey	86	90	-	-
North Carolina	266	139	-	-
North Dakota	115	187	-	-
Ohio	104	112	-	-
Oregon	29	21	-	-
Pennsylvania	30	63	-	-
South Carolina	126	43	-	-
South Dakota	83	74	-	-
Vermont	43	176	-	-
Washington	60	54	-	-
West Virginia	60	73	-	-
Wisconsin	175	197	-	-
Distribution Unknown	-	-	\$5,600	\$6,000
Obligations	2,962	3,267	5,600	6,000

CLASSIFICATION BY OBJECTS**Table RBCS-59. Classification by Objects (thousands of dollars)**

Item No.	Item	2021			
		2019 Actual	2020 Actual	Enacted	2022 Budget
41.0	Grants, subsidies, and contributions	\$3,766	\$3,898	\$6,630	\$6,270
	Total, Other Objects	3,766	3,898	6,630	6,270
99.9	Total, new obligations	3,766	3,898	6,630	6,270

ACCOUNT 7: RURAL ENERGY FOR AMERICA PROGRAM

APPROPRIATIONS LANGUAGE

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

Rural Energy for America Program

For the cost of a program of loan guarantees, under the same terms and conditions as authorized by section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107), [~~\$392,000~~]\$30,168,000: *Provided*, That the cost of loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

LEAD-OFF TABULAR STATEMENT

Table RBCS-60. Lead-Off Tabular Statement (In dollars)

<u>Item</u>	<u>Grants</u>	<u>Loan Level</u>	<u>Subsidy</u>
2021 Enacted	\$10,000,000	\$20,000,000	\$392,000
Change in Appropriation	+ 20,000,000	0	-224,000
Budget Estimate, 2022	<u>30,000,000</u>	<u>20,000,000</u>	<u>168,000</u>

PROJECT STATEMENT

Table RBCS-61. Rural Energy for America Program Account. Appropriations Project Statement (thousands of dollars)

Item	2019 Actual	BA	2020 Actual	BA	2021 Enacted	BA	Inc. or Dec.	BA	Chg Key	2022 Budget	BA
Discretionary Appropriations:											
Guaranteed renewable energy loans.....	\$7,500	\$335	\$20,000	\$706	\$20,000	\$392	-	-224	(1),(2)	\$20,000	\$168
Sec 781 renewable energy grants pilot program.....	-	-	-	-	10,000	10,000	-10,000	-10,000	(1)	-	-
Renewable energy grants.....	-	-	-	-	-	-	+30,000	+30,000	(1)	30,000	30,000
Subtotal.....	7,500	335	20,000	706	30,000	10,392	+20,000	+19,776		50,000	30,168
Mandatory Appropriations:											
Guaranteed renewable energy loans.....	309,476	13,803	182,735	6,451	500,000	9,800	+666,667	-		1,166,667	9,800
Renewable energy grants.....	31,221	31,221	30,001	30,001	35,464	35,464	-	-		35,464	35,464
Renewable energy audits and technical assistance.....	1,876	1,876	10,598	10,598	1,886	1,886	-	-		1,886	1,886
Subtotal.....	342,573	46,900	223,335	47,050	537,350	47,150	+666,667	-		1,204,017	47,150
Total Adjusted Approp.....	350,073	47,235	243,335	47,756	567,350	57,542	686,667	19,776	-	1,254,017	77,318
Add back:											
Rescission, Transfers In and Out.....	-365,217	-50,000	-237,338	-50,000	-569,830	-50,000	-706,964	-	-	-1,276,794	-50,000
Sequestration.....	22,643	3,100	14,003	2,950	32,480	2,850	40,297	-	-	72,777	2,850
Total Appropriation.....	7,500	335	20,000	706	30,000	10,392	20,000	19,776	-	50,000	30,168
Transfers In*:											
Commodity Credit Corporation.....	365,217	50,000	237,338	50,000	569,830	50,000	+706,964	-		1,276,794	50,000
Sequestration.....	-22,643	-3,100	-14,003	-2,950	-32,480	-2,850	-40,297	-		-72,777	-2,850
Recoveries, Other.....	14,853	6,028	35,672	4,882	51,043	6,025	+43,307	-210		94,351	5,815
Bal. Available, SOY.....	132,841	15,693	248,502	16,831	153,068	7,741	-31,159	+7,294		121,909	15,035
Total Available.....	497,767	68,955	527,509	69,469	771,461	71,308	698,816	26,860	-	1,470,277	98,168
Lapsing Balances.....	-2	-0	-	-	-	-	-	-		-	-
Bal. Available, EOY.....	-248,502	-16,831	-153,068	-7,741	-60,321	-15,035	-82,765	8,335		-143,086	-6,700
Total Obligations.....	249,263	52,124	374,442	61,728	711,140	56,273	+616,050	+35,195		1,327,190	91,468

Table RBCS-62. Rural Energy for America Program Account. Obligations Project Statement (thousands of dollars)

Item	2019		2020		2021		Inc. or		2022	
	Actual	BA	Actual	BA	Enacted	BA	Dec.	BA	Budget	BA
Discretionary Obligations:										
Guaranteed renewable energy loans.....	\$7,498	\$334	\$20,000	\$706	\$20,000	\$392	-	-224	\$20,000	\$168
Sec 781 renewable energy grants pilot program..	-	-	-	-	1,000	1,000	+8,000	+8,000	9,000	9,000
Renewable energy grants.....	-	-	-	-	-	-	+30,000	+30,000	30,000	30,000
Subtotal Disc oblig.....	7,498	334	20,000	706	21,000	1,392	+38,000	+37,776	59,000	39,168
Mandatory Obligations:										
Guaranteed renewable energy loans.....	198,844	8,868	304,156	10,737	647,959	12,700	+578,231	-2,400	1,226,190	10,300
Renewable energy grants.....	31,672	31,672	39,059	39,059	30,725	30,725	-925	-925	29,800	29,800
Renewable energy grants for under 20k.....	9,373	9,373	9,375	9,375	1,886	1,886	+514	+514	2,400	2,400
Renewable energy audits and technical assistance	1,876	1,876	1,852	1,852	9,570	9,570	+230	+230	9,800	9,800
Subtotal Mand Oblig.....	241,765	51,790	354,442	61,022	690,140	54,881	+578,050	-2,581	1,268,190	52,300
Total Obligations.....	249,263	52,124	374,442	61,728	711,140	56,273	616,050	35,195	1,327,190	91,468
Lapsing Balances.....	2	0	-	-	-	-	-	-	-	-
Balances Available, EOY:										
Guaranteed renewable energy loans.....	242,486	10,815	148,232	2,905	46,191	905	+91,350	+250	137,541	1,155
Renewable energy grants.....	6,017	6,017	4,836	4,836	4,103	4,103	+108	+108	4,211	4,211
Renewable energy grants for under 20k.....	-	-	-	-	750	750	+311	+311	1,061	1,061
Renewable energy audits and technical assistance	-	-	-	-	276	276	-4	-4	272	272
Sec 781 renewable energy grants pilot program..	-	-	-	-	9,000	9,000	-9,000	-9,000	-	-
Total Bal. Available, EOY.....	248,502	16,831	153,068	7,741	60,321	15,035	82,765	-8,335	143,086	6,700
Total Available.....	497,767	68,955	527,509	69,469	771,461	71,308	698,816	26,860	1,470,277	98,168
Less:										
Total Transfers In.....	-365,217	-50,000	-237,338	-50,000	-569,830	-50,000	-706,964	-	-1,276,794	-50,000
Sequestration.....	22,643	3,100	14,003	2,950	32,480	2,850	40,297	-	72,777	2,850
Recoveries, Other	-14,853	-6,028	-35,672	-4,882	-51,043	-6,025	-43,307	+210	-94,351	-5,815
Bal. Available, SOY.....	-132,841	-15,693	-248,502	-16,831	-153,068	-7,741	+31,159	-7,294	-121,909	-15,035
Total Appropriation.....	7,500	335	20,000	706	30,000	10,392	20,000	19,776	50,000	30,168

Rural Energy for America Program

All the programs administered by the RBCS support USDA Strategic Goal 4: Facilitate Rural Development and Economic Prosperity. RBCS programs support the Administration position on providing environmental justice for Disadvantage and Energy communities by providing economic opportunities.

The numbers and letters of the following listing relates to values in the Change Key column of the Project Statement:

- (1) An increase of \$30,000,000 for the Rural Energy for America Program (REAP) (\$368,000 available in 2021).

Increased annual funding provided for the program allows the agency to provide guaranteed loan financing and grant funding for agricultural producers and rural small businesses to purchase or install renewable energy systems or make energy efficiency improvements, as well as funding to State, Tribal, or local governments, institutions of higher education, rural electric cooperatives, and public power entities or councils for energy audits or renewable energy development assistance to rural small businesses or agricultural producers.

REAP grant program will continue to generate hundreds of kilowatt-hours of alternative energy. Grant program funds have also resulted in hundreds of millions of kilowatt hour of projected renewable energy generation/savings. This is able to reduce greenhouse gas emissions by estimated millions of metric tons of carbon dioxide equivalence.

REAP provides grants to farmers, ranchers, and rural small businesses to assist with purchasing renewable energy systems and making energy efficiency improvements to their physical plants. In recent years this program has seen an increase interest from small businesses in looking to reduce dependence on fossil fuels and diversify power generation and fuel production. Renewable energy projects funded by USDA grants improve the local economy by creating new jobs at energy plants, enhancing the tax base, increasing local business profits, creating good paying jobs and providing the free and fair choice to join a union. In addition, funds allow many agricultural producers and rural small business owners to decrease their energy consumption and increase their profit margins.

Expanding renewable energy production creates green jobs, improves the environment, and provides numerous opportunities to enhance rural prosperity. USDA provides financial and technical assistance to aid in sustainably producing and distributing renewable resources. This assistance goes to farmers, ranchers, forest landowners, small businesses, rural utilities, tribal governments, and rural municipalities and covers biomass, solar, wind, hydro, and geothermal technologies as well as providing support for energy efficiency/conservation improvements. This program also receives \$50 million in budget authority mandatory funding in 2022.

- (2) A decrease of \$224,000 in the Rural Energy for America Program budget authority (\$392,000 available in 2021).

The decrease in budget authority is due to a decrease in subsidy rate from 2021. This is the necessary level of budget authority to support the loan level requested.

PROPOSED LEGISLATION: AMERICAN JOBS PLAN MANDATORY PROPOSAL

Program: Rural Energy for America Program account

Proposal

As part of the American Jobs Plan, the 2022 Budget proposes to invest \$200 million for the Rural Energy for America Program account.

Rationale

Net Zero Agriculture Technology. The American Jobs Plan will provide \$200 million to support investments for agricultural resources management and climate-smart technologies. This program funds renewable energy programs such as anerobic digesters, solar and wind and other renewable energy technologies that will help with the reduction of greenhouse gasses and reduce pollution.

Goal

The Proposal will reduce pollution, improving public health while supporting good paying jobs in the rural economy.

Table RBCS-63. American Jobs Plan (millions of dollars)

Item	2020	2021	2022	10 Year Total
Budget Authority (millions)	-	-	\$200	\$200
Outlays (millions)	-	-	\$24	\$200

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS***Table RBCS-64. Rural Energy for America Guaranteed Loans, Discretionary. Geographic Breakdown of Obligations (thousands of dollars)***

State/Territory/Country	2019	2020	2021	2022
	Actual	Actual	Enacted	Budget
Arizona	-	\$155	-	-
Nebraska	-	920	-	-
North Carolina	\$4,155	10,000	-	-
Oregon	-	2,450	-	-
Rhode Island	3,343	-	-	-
South Carolina	-	6,475	-	-
Distribution Unknown	-	-	\$20,000	\$20,000
Obligations	7,498	20,000	20,000	20,000

Table RBCS-65. Renewable Energy Grants, Discretionary. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019	2020	2021	2022
	Actual	Actual	Enacted	Budget
Distribution Unknown	-	-	\$1,000	\$9,000
Obligations	-	-	1,000	9,000

Table RBCS-66. Sec 781 Renewable Energy Grants Pilot Project, Discretionary. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019	2020	2021	2022
	Actual	Actual	Enacted	Budget
Distribution Unknown	-	-	-	\$30,000
Obligations	-	-	-	30,000

Table RBCS-67. Rural Energy for America Guaranteed Loans, Mandatory. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019	2020	2021	2022
	Actual	Actual	Enacted	Budget
Arizona	-	\$10,000	-	-
California	\$6,400	2,739	-	-
Indiana	-	5,000	-	-
Iowa	-	18,353	-	-
Kentucky	-	40	-	-
Louisiana	-	11,415	-	-
Massachusetts	-	10,000	-	-
Minnesota	21,031	24,250	-	-
Nebraska	-	4,996	-	-
New York	23,304	19,507	-	-
North Carolina	97,564	129,855	-	-
Oregon	6,750	7,675	-	-
Rhode Island	5,040	-	-	-
South Carolina	34,788	40,000	-	-
Tennessee	1,100	-	-	-
Vermont	1,050	1,191	-	-
Virgin Islands	-	6,500	-	-
Washington	1,745	-	-	-
West Virginia	72	-	-	-
Wisconsin	-	12,635	-	-
Distribution Unknown	-	-	\$647,959	\$1,226,190
Obligations	198,844	304,156	647,959	1,226,190

Table RBCS-68. Rural Energy for America Grants, Mandatory. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019	2020	2021	2022
	Actual	Actual	Enacted	Budget
Alabama	\$553	\$247	-	-
Alaska	150	467	-	-
Arizona	796	514	-	-
Arkansas	968	1,010	-	-
California	1,285	1,171	-	-
Colorado	432	653	-	-
Connecticut	269	403	-	-
Delaware	651	483	-	-
Florida	699	1,238	-	-
Georgia	1,706	1,139	-	-
Hawaii	241	490	-	-
Idaho	509	588	-	-
Illinois	748	1,184	-	-
Indiana	1,246	996	-	-
Iowa	804	972	-	-
Kansas	135	657	-	-
Kentucky	470	1,391	-	-
Louisiana	484	213	-	-
Maine	607	718	-	-
Maryland	327	575	-	-
Massachusetts	321	576	-	-
Michigan	773	1,338	-	-
Minnesota	1,109	1,615	-	-
Mississippi	635	603	-	-
Missouri	1,576	1,195	-	-
Montana	318	391	-	-
Nebraska	925	536	-	-
Nevada	66	41	-	-
New Hampshire	577	587	-	-
New Jersey	156	363	-	-
New Mexico	244	450	-	-
New York	1,104	1,268	-	-
North Carolina	530	1,422	-	-
North Dakota	605	613	-	-
Ohio	756	1,128	-	-
Oklahoma	315	28	-	-
Oregon	678	696	-	-
Pennsylvania	757	1,325	-	-
Puerto Rico	453	676	-	-
Rhode Island	280	437	-	-
South Carolina	405	503	-	-
South Dakota	388	552	-	-
Tennessee	793	1,060	-	-
Texas	1,066	2,004	-	-
Utah	334	497	-	-
Vermont	484	563	-	-
Virginia	908	920	-	-
Washington	515	758	-	-
West Virginia	534	872	-	-
Wisconsin	593	787	-	-
Wyoming	339	148	-	-
Distribution Unknown	-	-	\$30,725	\$29,800
Obligations	31,672	39,059	30,725	29,800

Table RBCS-69. Rural Energy for America Grants Under \$20,000. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019	2020	2021	2022
	Actual	Actual	Enacted	Budget
Alabama	\$111	\$104	-	-
Alaska	129	131	-	-
Arizona	129	165	-	-
Arkansas	191	185	-	-
California	241	221	-	-
Colorado	147	147	-	-
Connecticut	73	53	-	-
Delaware	104	128	-	-
Florida	64	90	-	-
Georgia	291	239	-	-
Hawaii	84	76	-	-
Idaho	138	141	-	-
Illinois	401	274	-	-
Indiana	227	215	-	-
Iowa	445	868	-	-
Kansas	148	169	-	-
Kentucky	225	237	-	-
Louisiana	166	127	-	-
Maine	156	156	-	-
Maryland	98	141	-	-
Massachusetts	139	136	-	-
Michigan	289	229	-	-
Minnesota	830	957	-	-
Mississippi	68	194	-	-
Missouri	633	406	-	-
Montana	137	140	-	-
Nebraska	203	226	-	-
Nevada	20	13	-	-
New Hampshire	141	141	-	-
New Jersey	87	61	-	-
New Mexico	77	116	-	-
New York	223	219	-	-
North Carolina	296	187	-	-
North Dakota	126	117	-	-
Ohio	217	230	-	-
Oklahoma	30	18	-	-
Oregon	155	155	-	-
Pennsylvania	232	229	-	-
Puerto Rico	124	119	-	-
Rhode Island	80	93	-	-
South Carolina	21	35	-	-
South Dakota	95	136	-	-
Tennessee	217	154	-	-
Texas	306	138	-	-
Utah	95	130	-	-
Vermont	138	110	-	-
Virginia	211	214	-	-
Washington	165	168	-	-
West Virginia	173	175	-	-
Wisconsin	184	182	-	-
Wyoming	95	78	-	-
Distribution Unknown	-	-	\$1,886	\$2,400
Obligations	9,373	9,375	1,886	2,400

Table RBCS-70. Rural Energy for America Audits and Technical Assistance Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019	2020	2021	2022
	Actual	Actual	Enacted	Budget
Alabama	\$60	\$61	-	-
Alaska	100	100	-	-
Arizona	-	100	-	-
Arkansas	-	48	-	-
California	50	-	-	-
Connecticut	88	-	-	-
Indiana	25	25	-	-
Iowa	-	89	-	-
Kentucky	100	100	-	-
Maine	-	95	-	-
Massachusetts	-	85	-	-
Michigan	100	-	-	-
Minnesota	100	-	-	-
Missouri	42	98	-	-
Nevada	100	-	-	-
New Hampshire	-	191	-	-
New Mexico	-	100	-	-
New York	-	100	-	-
North Carolina	200	-	-	-
Ohio	99	-	-	-
Oklahoma	-	100	-	-
Oregon	180	200	-	-
Pennsylvania	100	100	-	-
Puerto Rico	-	59	-	-
Texas	133	-	-	-
Vermont	99	100	-	-
Washington	200	100	-	-
Wisconsin	100	-	-	-
Distribution Unknown	-	-	\$9,570	\$9,800
Obligations	1,876	1,852	9,570	9,800

CLASSIFICATION BY OBJECTS

Table RBCS-71. Classification by Objects (thousands of dollars)

Item No.	Item	2021			
		2019 Actual	2020 Actual	Enacted	2022 Budget
41.0	Grants, subsidies, and contributions	\$52,124	\$61,728	\$56,273	\$91,468
	Total, Other Objects	52,124	61,728	56,273	91,468
99.9	Total, new obligations	52,124	61,728	56,273	91,468

ACCOUNT 8: HEALTHY FOODS FINANCING INITIATIVE

APPROPRIATIONS LANGUAGE

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

For the cost of loans and grants that is consistent with section 243 of subtitle D of title II of the Department of Agriculture Reorganization Act of 1994, as added by section 4206 of the Agricultural Act of 2014, for necessary expenses of the Secretary to support projects that provide access to healthy food in underserved areas, to create and preserve quality jobs, and to revitalize low-income communities, \$5,000,000, to remain available until expended: Provided, That such costs of loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

This account has been funded via general provision in the prior year. This change will fund the account through the appropriations.

LEAD-OFF TABULAR STATEMENT

Table RBCS-72. Lead-Off Tabular Statement (In dollars)

Item	Amount
2021 Enacted	\$5,000,000
Change in Appropriation	<u>0</u>
Budget Estimate, 2022	<u>5,000,000</u>

PROJECT STATEMENT

Table RBCS-73. Project Statement Appropriations (thousands of dollars)

Item	2019 Actual	2020 Actual	2021 Enacted	Inc. or Dec.	Chg Key	2022 Budget
Discretionary Appropriations:						
Healthy Foods Financing Initiative.....	\$2,000	\$5,000	\$5,000	-	(1)	\$5,000
Total Adjusted Approp.....	2,000	5,000	5,000	-	-	5,000
Total Appropriation.....	2,000	5,000	5,000	-	-	5,000
Recoveries, Other	-	-	-	-	-	-
Bal. Available, SOY.....	-	2,000	3,259	+458	-	3,716
Total Available.....	2,000	7,000	8,259	458	-	8,716
Bal. Available, EOY.....	-2,000	-3,259	-3,716	-206	-	-3,922
Total Obligations.....	-	3,741	4,542	+252	-	4,794

Table RBCS-74. Project Statement Obligations (thousands of dollars)

Item	2019 Actual	2020 Actual	2021 Enacted	Inc. or Dec.	2022 Budget
Discretionary Obligations:					
Healthy Foods Financing Initiative.....	-	\$3,741	\$4,542	+252	\$4,794
Total Obligations.....	-	3,741	4,542	252	4,794
Balances Available, EOY:					
Healthy Foods Financing Initiative.....	2,000	3,259	3,716	+206	3,922
Total Available.....	2,000	7,000	8,259	458	8,716
Sequestration.....	-	-	-	-	-
Recoveries, Other	-	-	-	-	-
Bal. Available, SOY.....	-	-2,000	-3,259	-458	-3,716
Total Appropriation.....	2,000	5,000	5,000	-	5,000

Healthy Foods Financing Initiative

All the programs administered by the RBCS support USDA Strategic Goal 4; Facilitate Rural Development and Economic Prosperity. RBCS programs support the Administration position on providing environmental justice for Disadvantage and Energy communities by providing economic opportunities.

The numbers and letters of the following listing relates to values in the Change Key column of the Project Statement:

(1) No change for the Healthy Foods Financing Initiative (\$5,000,000 available in 2021).

The 2022 budget maintains funding for the Healthy Foods Financing Initiative (HFFI) made available under the General Provision 738 in the 2021 appropriations. These funds will increase the availability of affordable, healthy foods in underserved rural communities to create and preserve quality jobs and revitalize low-income communities, particularly through the development or equipping of grocery stores and other healthy food retailers. For this initiative, USDA will make available \$5 million in financial and technical assistance to community development financial institutions, other nonprofits, public agencies, and businesses with sound strategies for addressing the healthy food needs of communities. These organizations will use Federal grants, below-market rate loans, loan guarantees and tax credits to attract private sector capital for an even greater investment in projects that increase access to fresh produce and other healthy foods. The goal is to support efforts to provide access to healthy foods in underserved areas, to create and preserve quality jobs, and to prioritize the revitalization of low-income communities.

The funds will be targeted to severely underserved low- and moderate-income communities. Most often low-income communities are less attractive, under the conventional financing, to retailers of healthy food. However, effective local programs have shown that well-targeted financing and technical assistance can create viable business outcomes and access to healthier foods and create new markets for farmers, but also to create good paying jobs, provide the free and fair choice to join a union and support broader development efforts to revitalize distressed communities.

Through grants and technical assistance, RD can provide assistance to low- and moderate-income communities for supporting market planning and promotion efforts as well as infrastructure and operational improvements designed to stimulate consumer demand, enhance marketing, expand demand and retail outlets for farm products, and increase availability of locally and regionally produced foods.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RBCS-75. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Pennsylvania	-	\$3,741	-	-
Distribution Unknown	-	-	\$4,542	\$4,794
Obligations	-	3,741	4,542	4,794

CLASSIFICATION BY OBJECTS

Table RBCS-76. Classification by Objects (thousands of dollars)

Item No.	Item	2019 Actual	2020 Actual	2021	
				Enacted	2022 Budget
41.0	Grants, subsidies, and contributions	-	\$3,741	\$4,542	\$4,794
	Total, Other Objects	-	3,741	4,542	4,794
99.9	Total, new obligations	-	3,741	4,542	4,794

***ACCOUNT 9: BIOREFINERY ASSISTANCE PROGRAM, RENEWABLE CHEMICAL, AND BIOBASED
PRODUCT MANUFACTURING ASSISTANCE***

PROJECT STATEMENT

Table RBCS-77. Project Statement Appropriations (thousands of dollars)

Item	2019		2020		2021		Inc. or		Chg Key	2022	
	Actual	BA	Actual	BA	Enacted	BA	Dec.	BA		Budget	BA
Mandatory Appropriations:											
Guaranteed biorefinery loans a/.....	\$199,760	\$50,000	\$157,569	\$23,525	-	-	-	-	-	-	-
Subtotal.....	199,760	50,000	157,569	23,525	-	-	-	-	-	-	-
Total Adjusted Approp.....	199,760	50,000	157,569	23,525	-	-	-	-	-	-	-
Rescission, Transfers In and Out.....	-199,760	-50,000	-167,448	-25,000	-	-	-	-	-	-	-
Sequestration.....	-	-	9,879	1,475	-	-	-	-	-	-	-
Total Appropriation.....	-	-	-	-	-	-	-	-	-	-	-
Transfers In:											
Commodity Credit Corporation.....	199,760	50,000	167,448	25,000	-	-	-	-	-	-	-
Sequestration.....	-	-	-9,879	-1,475	-	-	-	-	-	-	-
Recoveries, Other	194,443	48,669	-	-	-	-	-	-	-	-	-
Bal. Available, SOY.....	1,051,237	263,125	1,794,583	267,931	\$1,803,566	\$291,456	-316,250	-51,106		\$1,487,316	\$240,350
Total Available.....	1,445,440	361,794	1,952,151	291,456	1,803,566	291,456	-316,250	-51,106	-	1,487,316	240,350
Bal. Available, EOY.....	-1,070,440	-267,931	-1,952,151	-291,456	-1,487,316	-240,350	-	-	-	-1,487,316	-240,350
Total Obligations.....	375,000	93,863	-	-	316,250	51,106	-316,250	-51,106		-	-

a/ 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 for 2020, to remain available until expended.

Table RBCS-78. Project Statement Obligations (thousands of dollars)

Item	2019 Actual	BA	2020 Actual	BA	2021 Enacted	BA	Inc. or Dec.	BA	2022 Budget	BA
Mandatory Obligations:										
Guaranteed biorefinery loans.....	\$375,000	\$93,863	-	-	\$316,250	\$51,106	-316,250	-51,106	-	-
Total Obligations.....	375,000	93,863	-	-	316,250	51,106	-316,250	-51,106	-	-
Balances Available, EOY:										
Guaranteed biorefinery loans.....	1,070,440	267,931	\$1,952,151	\$291,456	1,487,316	240,350	-	-	\$1,487,316	\$240,350
Total Available.....	1,445,440	361,794	1,952,151	291,456	1,803,566	291,456	-316,250	-51,106	1,487,316	240,350
Sequestration.....	-	-	9,879	1,475	-	-	-	-	-	-
Recoveries, Other	-194,443	-48,669	-	-	-	-	-	-	-	-
Bal. Available, SOY.....	-1,051,237	-263,125	-1,794,583	-267,931	-1,803,566	-291,456	+316,250	+51,106	-1,487,316	-240,350
Total Appropriation.....	-	-	-	-	-	-	-	-	-	-

PROPOSED LEGISLATION: AMERICAN JOBS PLAN MANDATORY PROPOSAL**Program: Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance program account***Proposal*

As part of the American Jobs Plan, the 2022 Budget proposes to invest \$14.5 billion for the Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance program account.

Rationale

Manufacturing Credit Programs: This funding will provide incentives for the production of advanced biofuels and the use of new renewable energy technologies for the production of biofuels. The funding will also provide incentives for manufacturing renewable chemicals and other biobased outputs from biorefineries into end-user products.

Goal

The Proposal will reduce pollution, improving public health while supporting good paying jobs in the rural economy.

Table RBCS-79. American Jobs Plan (millions of dollars)

Item	2020	2021	2022	10 Year Total
Budget Authority (millions)	-	-	\$14,500	\$14,500
Outlays (millions)	-	-	\$4,930	\$14,500

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RBCS-80. Mandatory Guaranteed Biorefinery Loans Geographic Breakdown of Obligations (thousands of dollars)

<u>State/Territory/Country</u>	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Enacted</u>	<u>2022 Budget</u>
California	\$125,000	-	-	-
Louisiana	250,000	-	-	-
Distribution Unknown	-	-	\$316,250	-
Obligations	375,000	-	316,250	-

CLASSIFICATION BY OBJECTS

Table RBCS-81. Classification by Objects (thousands of dollars)

<u>Item No.</u>	<u>Item</u>	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Enacted</u>	<u>2022 Budget</u>
41.0	Grants, subsidies, and contributions	\$93,863	-	\$51,106	-
99.9	Total, new obligations	93,863	-	51,106	-

ACCOUNT 10: ENERGY ASSISTANCE PAYMENTS

PROJECT STATEMENT

Table RBCS-82. Project Statement Appropriations (thousands of dollars)

Item	2019 Actual	2020 Actual	2021 Enacted	Inc. or Dec.	Chg Key	2022 Budget
Mandatory Appropriations:						
Bioenergy for Advanced Biofuels a/	\$7,000	\$6,587	\$6,601	-		\$6,601
Higher Blends Infra. Incentive Program b/.....	-	100,000	-	-		-
Total Adjusted Approp.....	7,000	106,587	6,601	-	-	6,601
Add back:.....						
Rescission, Transfers In and Out.....	-7,000	-107,000	-7,000	-	-	-7,000
Sequestration.....	-	413	399	-	-	399
Total Appropriation.....	-	-	-	-	-	-
Transfers In:						
Commodity Credit Corporation.....	7,000	107,000	7,000	-		7,000
Total Transfers In.....	7,000	107,000	7,000	-	-	7,000
Sequestration.....	-	-413	-399	-		-399
Recoveries, Other	2,000	2,000	2	-2		-
Bal. Available, SOY.....	10,376	10,576	84,809	-78,519		6,291
Total Available.....	19,376	119,163	91,413	-78,521	-	12,892
Bal. Available, EOY.....	-10,576	-84,809	-6,291	680		-5,611
Total Obligations.....	8,800	34,354	85,122	-77,841		7,281

a/ 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.

b/ HBIIP is funded through the Commodity Credit Corporation Charter authority.

Table RBCS-83. Project Statement Obligations (thousands of dollars)

Item	2019 Actual	2020 Actual	2021 Enacted	Inc. or Dec.	2022 Budget
Mandatory Obligations:					
Bioenergy for Advanced Biofuels.....	\$8,800	\$11,926	\$7,550	-269	\$7,281
Higher Blends Infra. Incentive Program.....	-	22,428	77,572	-77,572	-
Total Obligations.....	8,800	34,354	85,122	-77,841	7,281
Balances Available, EOY:					
Bioenergy for Advanced Biofuels.....	10,576	7,237	6,291	-680	5,611
Mand. Higher Blends Infra. Incentive Program.....	-	77,572	-	-	-
Total Bal. Available, EOY.....	10,576	84,809	6,291	-680	5,611
Total Available.....	19,376	119,163	91,413	-78,521	12,892
Less:					
Rescission.....	-	-	-	-	-
Total Transfers In.....	-7,000	-107,000	-7,000	-	-7,000
Sequestration.....	-	413	399	-	399
Recoveries, Other	-2,000	-2,000	-2	+2	-
Bal. Available, SOY.....	-10,376	-10,576	-84,809	+78,519	-6,291
Total Appropriation.....	-	-	-	-	-

Energy Assistance Payments

All the programs administered by the RBCS support USDA Strategic Goal 4: Facilitate Rural Development and Economic Prosperity. RBCS programs support the Administration position on providing environmental justice for Disadvantage and Energy communities by providing economic opportunities. The budget is not requesting discretionary funding for the programs within this account.

PROPOSED LEGISLATION: AMERICAN JOBS PLAN MANDATORY PROPOSAL**Program: Energy Assistance Payments account***Proposal*

As part of the American Jobs Plan, the 2022 Budget proposes to invest \$1 billion for the Energy Assistance Payments account.

Rationale

This funding will provide support for biofuels and will help the transition to clean energy sources.

Goal

The Proposal will reduce pollution, improving public health while supporting good paying jobs in the rural economy.

Table RBCS-84. American Jobs Plan (millions of dollars)

Item	2020	2021	2022	10 Year Total
Budget Authority (millions)	-	-	\$1,000	\$1,000
Outlays (millions)	-	-	\$500	\$1,000

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS***Table RBCS-85. Mandatory Bioenergy Program for Advanced Biofuel Payments Geographic Breakdown of Obligations (thousands of dollars)***

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Alabama	\$17	\$72	-	-
Alaska	0	-	-	-
Arizona	-	98	-	-
Arkansas	61	450	-	-
California	215	170	-	-
Colorado	-	303	-	-
Connecticut	844	-	-	-
Florida	2	7	-	-
Georgia	14	729	-	-
Hawaii	5	53	-	-
Idaho	2	-	-	-
Illinois	176	648	-	-
Indiana	99	520	-	-
Iowa	1,046	873	-	-
Kansas	711	1,777	-	-
Kentucky	58	382	-	-
Maine	2	209	-	-
Maryland	0	-	-	-
Massachusetts	92	589	-	-
Michigan	21	172	-	-
Minnesota	113	722	-	-
Mississippi	13	122	-	-
Missouri	160	591	-	-
Nebraska	588	303	-	-
New Hampshire	-	26	-	-
North Carolina	1	4	-	-
Ohio	1,567	371	-	-
Oklahoma	284	414	-	-
Oregon	74	37	-	-
Pennsylvania	650	346	-	-
Rhode Island	92	72	-	-
South Dakota	-	234	-	-
Tennessee	24	215	-	-
Texas	1,847	1,161	-	-
Vermont	3	24	-	-
Virginia	3	18	-	-
Washington	7	30	-	-
West Virginia	1	132	-	-
Wisconsin	6	52	-	-
Distribution Unknown	-	-	\$7,550	\$7,281
Obligations	8,800	11,926	7,550	7,281

Table RBCS-86. Mandatory Higher Blends Infrastructure Incentive Program Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
California	-	\$23	-	-
Florida	-	3,537	-	-
Illinois	-	38	-	-
Indiana	-	79	-	-
Iowa	-	9,361	-	-
Kansas	-	113	-	-
Kentucky	-	4,269	-	-
Minnesota	-	1,861	-	-
Missouri	-	824	-	-
Nebraska	-	300	-	-
New York	-	259	-	-
Ohio	-	672	-	-
Utah	-	43	-	-
Wisconsin	-	1,050	-	-
Distribution Unknown	-	-	\$77,572	-
Obligations	-	22,428	77,572	-

CLASSIFICATION BY OBJECTS

Table RBCS-87. Classification by Objects (thousands of dollars)

Item No.	Item	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
41.0	Grants, subsidies, and contributions	\$8,800	\$34,354	\$85,122	\$7,281
99.9	Total, new obligations	8,800	34,354	85,122	7,281

STATUS OF PROGRAMS

The Rural Business-Cooperative Service (RBCS) programs provide direct loans, loan guarantees, grants, and technical assistance for development of cooperatives 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.

RBCS promotes economic development by supporting loan guarantees to businesses through commercial lenders. Direct loan and grant programs support local and regional economic development organizations that provide guidance to established businesses or business start-ups, conduct feasibility studies, and develop business plans, technical assistance, training and other activities leading to the development or expansion of small and emerging private businesses.

Business and Industry (B&I) Guaranteed Loan Program

Current Activities:

The B&I Guaranteed Loan Program supports 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 2020, RD obligated 384 regular and Coronavirus Aid, Relief, and Economic Security (CARES) Act B&I loan guarantees totaling almost \$1.66 billion assisting 443 rural businesses and creating or saving 17,853 jobs.

Selected Examples of Recent Progress:

CHI Greenhouse is a nearly 170,000 sq. ft hydroponic greenhouse approximately 80 miles outside of downtown Chicago, Illinois. CHI Greenhouse, a part of the BrightFarms family of greenhouses, was awarded a \$7.75 million B&I guaranteed loan to restructure debt and retrofit their growing area to increase their growing capacity. CHI Greenhouse specializes in growing leafy greens that are packaged and shipped to grocery stores throughout the greater Chicago area. This project will create or save approximately 40 jobs.

Like many U.S. businesses and manufacturers, Appalachian Oilfield and Industrial services experienced a downturn in operations resulting from the COVID-19 pandemic. With funding from Marietta-based Peoples Bank, the business will combine a standard \$1.1 million B&I loan guarantee to undertake debt consolidation with a \$1.9 million CARES Act B&I loan guarantee for use as working capital. Headquartered in Sardis (Monroe County) and in business since 2014, the company provides equipment rental, non-hazardous oilfield waste spill response and cleanup, and general logistical services to the burgeoning oil and gas industry positioned along the Marcellus and Utica shale plays in Ohio, Pennsylvania, and West Virginia.

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 2020, IRP issued 27 loans totaling \$18.8 million to intermediaries to establish and recapitalize revolving loan funds. The IRP financing for 2020 resulted in 277 rural businesses being assisted, thereby creating and saving 1,182 jobs.

Selected Examples of Recent Progress:

The IRP lender: Rural Community Assistance Corporation (RCAC) services 13 Western States (CA, NV, AZ, UT, NM, CO, WY, MT, ID, WA, OR, HI and AK). In California:

Meyers Water Company had a failing water well and needed funding to drill a new well and make other improvements to their treatment system, which serves 350 individuals and 116 homes. RCAC provided this funding that allowed them to engage a drilling company and proceed with establishing a new well. Unfortunately, they hit salt water on their first drill attempt, so they are working on a second location for a well drill site. When the project is complete the residents will enjoy a much cleaner and more reliable water supply.

AMG Company, a native American-owned business, had the opportunity to open a watersports business at a new casino located on the Chemehuevi Indian Reservation. AMG needed start-up working capital and equipment financing to purchase new jet skis and other watersport-related equipment. RCAC provided that allowed for watersports business to open their doors and be operational prior to the July 4th holiday, which really pleased the Chemehuevi tribe. AMG has hired three members of the tribe to help operate the business.

Clear Creek Community Services District provides water to a rural area east of Cottonwood, known as Happy Valley, serving 8,900 individuals with 2,347 water connections. It's a spread-out district covering 21,670 acres with over 100 miles of distribution lines. The district had been using a very old dump truck that was not California Air Resources Board (CARB) compliant and had several maintenance issues. Their equipment trailer was also very old with an outdated braking system. Often the district would have to hire a third-party contractor to perform field work at a much higher cost because the district truck and trailer were unreliable. RCAC provided the district with equipment financing to purchase a newer dump truck and a new trailer to haul their backhoe, which will help the district to maintain a safe and reliable water system for their rural residents.

Rural Economic Development Loan and Grant (REDLG) Program

Current Activities:

In 2020, REDLG issued 57 loans totaling \$48.7 million creating or saving 1,676 jobs. In addition, 37 grants totaling \$10 million were made to qualifying utilities, assisting 39 businesses and creating or saving 926 jobs.

Selected Examples of Recent Progress:

In Iowa, the Butler County Rural Electric Cooperative received a \$1 million loan to assist the Waverly Health Center, located in Waverly, IA, to renovate and expand a community owned hospital. The Waverly Health Center is a 25-bed critical access municipal hospital serving residents of Bermer, Butler and Chickasaw counties. The proposed 30,000 square foot addition and renovation of existing facility will upgrade the oldest portion of the facility built in 1964 and provide much needed space and efficiency to the emergency department, family practice clinic and outpatient services. Current employment is 460 employees and the project will result in the creation of 15 new jobs.

Dakota Energy Cooperative, Inc., in South Dakota received a \$300,000 grant to assist the Huron Regional Medical Center (HRMC) with the purchase of fluoroscopic equipment to replace an aging and failing machine. The project will help to finance a GE RF-180 Fluoroscopy unit which is used to create dynamic images of the internal organs which is integral in diagnoses of disorders of the esophagus, stomach, duodenum and small bowels. The equipment has been purchased and in use. Project supported 258 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 557 grants totaling \$40.9 million in 2020. These grants assisted 3,989 businesses in creating or saving 12,004 jobs.

Selected Examples of Recent Progress:

In Missouri, the RBDG grant investment of \$30,000 will assist Bootheel Cultural & Performing Art Center make updates to the building they plan to purchase as needed, as well as purchased needed equipment such as refrigerators, freezers, shelving and tables for distribution to accommodate the Garden Shed regional food pantry and Farmer's Market. It will be transformed into a regional food pantry and farmer's market. Once purchased the food pantry and farmer's market would begin immediate operations and could provide monthly distributions instead of quarterly mobile food distributions. The project will focus on providing food for those in need and an opportunity for local farmers to sell their locally grown produce. Project is expected create three new jobs and assist eight businesses.

In Arizona, Painted Desert Demonstration Projects, Inc., received a \$264,980 grant to be used to continue the development of a food hub on the western side of the Navajo Nation. The project is a multi-purpose project with \$206,200 going toward the renovation of an existing building into a retail store for locally grown foods and \$58,780 going toward technical assistance and training. It is estimated 22 jobs will be created or saved.

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 2020, the VAPG Program funded 347 grants for a total of \$57.8 million. These grants created or saved an estimated 819 jobs.

Selected Examples of Recent Projects:

Spitzenburg Cider House, LLC dba Hawk Mountain Distillery in Breinigsville, PA, applied for and was awarded an emerging market working capital grant in the amount of \$250,000 for their grape, corn and rye distilled spirits project (whiskey, scotch, vodka, and brandy). With value-added grant funds, the applicant looks to increase current grain and grape production revenue through value-added processing and bring economic development to the local communities. The value-added products will be marketed and distributed throughout the state creating jobs directly in the distillery (three full-time equivalents) and indirectly by contracting with third party vendors. On an annual basis, the applicant estimates they'll grow their customer base to 5,746, resulting in \$286,000 in additional gross sales. Specifically, funds from the grant will be used to assist Hawk Mountain Distillery with marketing and advertising expenses associated with bringing the line of spirits to market, purchasing supplies to package and bottle Hawk Mountain Distillery's spirits, and paying labor costs to produce the distilled products.

The Tillamook County Creamery Association in Tillamook, OR, applied for and was awarded an emerging market working capital Value-Added Producer Grant in the amount of \$250,000. With value-added grant funds, the applicant looks to expand its sales of "Tillamook" brand dairy products into the Southeast Asian market of Singapore. This farmer-owned cooperative will conduct a marketing campaign and in-store education and promotional events to increase sales through communication about the quality and heritage of its newly launched cheese and ice cream. By increasing its international sales, Tillamook will create four additional jobs across the organization, including in Tillamook County. On an annual basis, the applicant estimates they will grow their market share of cheese by 1.66 percent and ice cream by 7.21 percent, resulting in \$2.9 million in additional gross sales.

Noisy Water Artwear, Inc. in Alto, NM, applied for and was awarded an emerging market working capital grant in the amount of \$250,000 for their grape wine line incorporating berries and mango flavoring (Berry wine and Mango Wine). With value-added grant funds, the applicant looks to increase current grape production revenue through value-added processing and bring economic development to the local communities. The value-added products will be marketed and distributed throughout several states creating jobs directly in the wine tasting room and warehouse (seven full-time equivalents). On an annual basis, the applicant estimates they will grow their customer base to 250,000, resulting in \$427,680 in additional gross sales. Specifically, funds from the grant will be used to assist Noisy Water Artwear, Inc. with marketing and advertising expenses associated with bringing the line of berry and mango wines to market, purchasing supplies to package and bottle Noisy Water Wine, and paying labor costs to produce the wine products.

Agricultural Marketing Resource Center (AgMRC)

Current Activities:

Funding for AgMRC is made available through the Farm Bill. Two- and one-half percent of available Value-Added Producer Grant (VAPG) funds were available this year. (Note that this is a change that was made with the 2018 Farm Bill. In the past it had been five percent of the available VAPG funds.) An award in 2020 in the amount of \$2.9 million was made to AgMRC.

AgMRC strives to serve a national value-added agriculture audience through its web platform and relationship with other land-grant universities and other technical assistance providers from across the country. AgMRC team members work with internal and external partners to achieve the goals of AgMRC, which are to:

- Maintain an electronic, web-based library with powerful search capabilities to make value-added market, economic and business information and other resources available to producers nationwide.
- Provide value-added business and economic analysis tools, including information on business principles, legal, financial and logistical issues.
- Link producers with electronically available information and resources on major value-added commodities and niche markets.
- Provide resources that support producers in their efforts to prepare and participate in Value-Added Producer Grants.

Rural Cooperative Development Grant (RCDG)

Current Activities:

These centers work with and support new cooperative businesses. RCDGs are awarded to non-profit groups and higher education institutions. The recipients use the funds to operate centers to develop or expand 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 2020, these centers assisted more than 568 small businesses and cooperatives, created and/or saved more than 980 jobs. In fiscal year 2020, grants totaling approximately \$5.8 million were made to 29 cooperative development centers.

Selected Examples of Recent Progress:

Cooperative Development Foundation, a non-profit organization, received a \$200,000 grant to provide business planning and assistance to rural home care and rural food cooperatives across rural areas of Washington, Wisconsin, Kansas, New Hampshire and Connecticut. An estimated 47 cooperatives, groups or businesses will be assisted.

Lake County Community Development Cooperation is a cooperative center in Montana. They received \$200,000 to deliver cooperative development assistance to emerging cooperative businesses including a food hub, Tribal beef producer, and a cold-hardy berry grower.

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, farm-based businesses, and small-scale, beginning, limited-resource, and returning veteran farmers. Created in the 1985 Farm Bill, the ATTRA program is managed by the National Center for Appropriate Technology (NCAT) through a cooperative agreement with USDA/RD. In 2020, \$2.8 million was obligated to fund ATTRA.

Selected Examples of Recent Progress:

ATTRA used the funding awarded to them to provide technical assistance to the rural workforce. Since May 16, 2020, ATTRA has provided technical assistance to over 13,000 clients throughout Texas, Oklahoma, Arkansas and Ohio in the areas. Technical assistance provided included identifying options for warm- and cool-season cover cropping; ways to inoculate legume cover-crop seed; rangeland monitoring; building soil health; increased water filtration and teaching veteran beginning farmers on the process of starting a goat farm.

They continued their work with the producer NCAT Armed to Farm program despite the restrictions placed due to COVID-19 by hosting virtual workshops discussing whole-far planning and business planning for veterans interested in farming in Arkansas and Georgia. The Armed to Farm Facebook page provides an additional avenue for sharing education resources, training opportunities, and connecting veterans with service providers. The page currently has more than 500 followers. The Veterans in Agriculture Listserv (<http://lists.ncat.org/mailman/listinfo/vetsinag>) is also open to veterans who are interested in farming.

Socially-Disadvantaged Group Grant (SDGG) Program

Current Activities:

The SDGG program, also known as the Socially Disadvantaged Producer Grants, provides technical assistance grants to socially-disadvantaged groups (cooperatives, groups of cooperatives, and cooperative development centers) for the purpose of developing cooperatives. Socially-disadvantaged groups include members who have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. In 2020, the SDGG program awarded \$2.9 million in 20 grants.

Agriculture Innovation Center Demonstration (AIC) Program

Current Activities:

The AIC program provides grant funds to Centers who then provide technical assistance to agricultural producers who want to market products. Examples of technical assistance provided include feasibility studies, business plans, marketing plans, legal guidance, scale assessments, strategic planning, and guidance on operational development. The program awarded funds in 2020 for the first time since 2003, due to a lapse in appropriations for the program. Three awards totaling \$2.1 million were made.

Selected Examples of Recent Progress:

The Eastern Shore Entrepreneurship Center was awarded \$470,800 to establish a Center to assist agricultural producers in Delaware and Maryland. The Center will provide services such as legal and financial guidance, marketing strategies, production scaling, and business planning. The Center will also work to help producers diversify in the areas of alternative agricultural crops, aquaculture, the use of technology, and environmental sustainability.

The Franklin County Community Development Corporation was awarded \$895,000 to expand its ability to assist agricultural producers in Massachusetts. The Center will provide a broad spectrum of services, including financial management, loan packaging, market research, operations analysis, legal assistance, and marketing strategies.

The State University of New York at Cobleskill was awarded \$741,721 to work with at least 10 agricultural producers in the Mohawk Valley to bring at least 12 value-added products to market. The Center will be providing business planning, market research, legal support, matchmaking with private investors, logistics support, and guidance on label development and market access.

Rural Microentrepreneur Assistance Program (RMAP)

Current Activities:

The RMAP program supports the development and ongoing success of rural microentrepreneurs and microenterprises that consist of ten or fewer employees. Direct loans and technical assistance grants are made to select Microenterprise Development Organizations. In 2020, a total of \$3.9 million in loans was obligated to 11 RMAP applicants. The RMAP program also awarded \$3.3 million in grants to 68 existing RMAP awardees to support their ongoing development of successful rural microenterprises.

Selected Examples of Recent Progress:

Feed the Hunger (operates in CA and HI): Ono Steak and Shrimp is a quick service/take-out restaurant in Kapolei, Hawaii that specializes in plate lunches featuring various combinations of

steak, chicken, shrimp, and fish paired with a starch and salad. The business started as a food trailer in 2010. The popularity and demand for their food increasingly grew over the years, and the owners received a \$25,000 loan and opened the restaurant, initially with a staff of four. Since opening their restaurant, their staff has grown to 14 employees and they serve around 200 plates per day. Ono Steak and Shrimp remained open for takeout during coronavirus restrictions.

Franklin County-based Economic and Community Development Institute (ECDI) serves a multi-county region that supports businesses located primarily in central and southeastern Ohio. Many of the communities it serves belong to Ohio's Appalachian region. The organization began collaborating with USDA in 2011, when it was awarded \$500,000 for its revolving loan fund. This was followed by a \$400,000 loan in 2016. Thus far, through the RMAP funding ECDI has provided microloans to 85 veteran, minority, and woman-owned rural businesses that have saved or created more than 320 jobs.

Rural Energy for America Program (REAP)

Current Activities:

In 2020, REAP funded 1,639 projects totaling \$374.4 million (\$50.3 million in grants and \$324.1 million in loan guarantees).

Mandatory funds of \$1.85 million supported 22 grants for the Energy Audit and Renewable Energy Development Assistance Program. The remaining \$60.36 million of mandatory funds supported 1,543 Renewable Energy System and Energy Efficiency Improvement grant projects.

Mandatory funds of \$304.1 million supported 69 guaranteed loan requests and discretionary loan funds of \$20 million were also used to fund seven guaranteed loans.

Selected Examples of Recent Progress:

Shores Sisters Farm Market, Inc. is a veteran-owned business in Pennsylvania that received a \$13,067 grant to make energy efficiency improvements to refrigeration, freezer, and heating, ventilation and air conditioning systems at a farm market. The business will save approximately 61 percent of current energy usage by making the energy efficiency improvements.

Sunoma Renewable Biofuel LLC utilized \$10 million in REAP guaranteed loan funding to construct a \$29.5 million total project cost anaerobic digester co-located with the Paloma Dairy near Gila Bend, AZ. The digester is expected to produce in excess of 150,000 million btu's of renewable natural gas and generate revenue from Low Carbon Fuel Standards and Renewable Index Number credits. The addition of the digester to the existing dairy will provide a new stream of income, will create three new jobs, and will also benefit the environment by capturing methane gas currently being released into the atmosphere by the decay of animal waste.