

Approved: 3-5-97
Date

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairperson Steve Morris at 10:00 a.m. on February 24, 1997 in Room 423-S of the Capitol.

All members were present except: Senator Tim Huelskamp (A)
Senator Robert Tyson (E)

Committee staff present: Raney Gilliland, Legislative Research Department
Jill Wolters, Revisor of Statutes
Nancy Kippes, Committee Secretary

Conferees appearing before the committee:

Ray Aslin, State Forester, Kansas State and Extension Forestry
Chris Wilson, Director of Member Services of Kansas Seed Industry Association

Others attending: See attached list

Senator Corbin made a motion to approve the minutes of the February 13 and February 17 meetings as submitted. Senator Umbarger seconded. Motion carried.

SB 365: Office of State and Extension Forestry; name changed to Kansas Forest Service

Ray Aslin, State Forester for Kansas State and Extension Forestry, testified in support of **SB 365 (Attachment 1)**. Mr. Aslin provided background information on the beginning of the Extension Forestry and enumerated the duties of the State Forestry Agency in Kansas. He stated **SB 365** would maintain the Kansas Forest Service at Kansas State University in the College of Agriculture but separate it from the Cooperative Extension Service. He noted program roles and responsibilities between State Forestry and Extension Forestry would be more clearly delineated.

Senator Corbin made a motion to pass **SB 365** favorably and place it on the Consent Calendar. Senator Karr seconded the motion. Motion carried.

SB 149: concerning agriculture, creating the Kansas Agricultural Seed Commission

Senator Downey made a motion to remove **SB 149** from the table. Senator Biggs seconded. The motion carried.

Chris Wilson, Director of Member Services of Kansas Seed Industry Association, presented a balloon of proposed amendments to **SB 149 (Attachment 2)** consisting of: 1) changing the word commission throughout the bill to council; 2) including representatives of development, distribution, and production in addition to active seedsmen in the list of council members; 3) including the Director of the Agricultural Products Development Division of the Department of Commerce and Housing as an ex officio nonvoting member of the council; and 4) establishing procedures by which a retailer or wholesaler may obtain a refund of the assessment fee.

Ms. Wilson also provided requested information as to funding that would be available to this new council that was not available at the time of the hearing on the bill (**Attachment 3**).

A recommendation was made by Jill Wolters, Revisor of Statutes, to add on lines 42 and 43 after the word seedsmen "or representative of seed product development distribution or production".

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE, Room 423-S Statehouse, at 10:00 a.m. on February 24, 1997.

Senator Karr moved the adoption of the amendments set forth in the balloon as well as the words suggested by Jill Wolters, Revisor of Statutes. Senator Biggs seconded. Motion carried.

Senator Biggs made a motion to recommend **SB 149** favorably as amended. Senator Downey seconded. Motion carried.

The meeting was adjourned at 10:45 a.m.

The next meeting will be announced.

SENATE AGRICULTURE COMMITTEE GUEST LIST

DATE: 2-24-97

NAME	REPRESENTING
Ray Aslin	Kansas State & Extension Forestry
THOMAS WARNER	KSU / DEPT OF AGRICULTURE & FORESTRY
Chris Wilson	KSIA
Curtis Chrystal	KDOC:H
Steve Ahring	KSIA
Murray Purvis	Bd of Regents
Bill Fuller	Kansas Farm Bureau
Marty Vanier	KS Ag Alliance



Cooperative Extension Service

Kansas State and Extension Forestry
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Manhattan, Kansas 66502-2798
913-537-7050
FAX: 913-539-9584
Postage Paid

TO: The Honorable Stephen R. Morris, Chairperson
Senate Committee on Agriculture

FROM: Ray Aslin
State Forester

DATE: February 24, 1997

SUBJECT: SB 365 - Kansas Forest Service

Mr. Chairman, members of the Committee; I am Ray Aslin, State Forester with Kansas State and Extension Forestry at Kansas State University. I appreciate the opportunity to testify before your Committee regarding SB 365, updating the Kansas Forest Resource Statutes.

As the State Forestry Agency in Kansas, we provide technical assistance to:

- (1) landowners in the stewardship of their woodlands as it relates to long-term management in harvesting timber products, improving young stands of trees, expanding the resource with tree planting, controlling soil erosion, improving water quality, enhancing wildlife habitat and providing recreational opportunities;
- (2) the forest industry in better utilization of wood and markets for their products;
- (3) communities in tree management and care and tree planting on public property; and
- (4) rural fire departments in training and equipping volunteers for safety and improved fire fighting capabilities.

In addition, we have a state forest nursery where we produce and distribute low cost tree and shrub seedlings for conservation plantings across the state.

Surprising to many, Kansas has a rich history and long tradition in forestry. For a "prairie state", Kansas has a significant forest resource. Natural woodlands occupy approximately 1.5 million acres; most of it in the eastern third of the state. The annual timber harvest for Kansas is estimated to be 25 million board feet providing an annual income to farmers and other landowners of \$7.5 to \$10 million. The primary processing of logs into secondary products, the sale of secondary products and the utilization of these products in the final manufacturing process provides \$75 to \$100 million annually in economic benefits to the Kansas economy.

In addition to these natural forests, Kansas has a sizable planted forest. Kansans have always been tree planters from the beginning of settlement. It is estimated

*Senate Agriculture
attachment 1*

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that over 260,000 acres in Kansas have been planted to trees for farmstead windbreaks, field shelterbelts, Christmas trees, fuelwood, soil erosion control, filter strips and other multiple benefits.

In 1887, the first state forestry organization was created by the state legislature; the 5th state in the union to do so. This was "An act to establish the office of Commissioner of Forestry ... and to encourage the planting and growing of forest trees in the state ..." A new state forestry law, in 1909, established a division of forestry in Kansas State University. This forestry division was under the supervision of a State Forester appointed by the College Board of Regents. In 1936, the first Extension Farm Forester was employed in the state, half-time by the Kansas State University Extension Division and half-time by the Agricultural Experiment Station. The Extension Forester was officially designated State Forester, in 1961, with overall responsibility for the state forestry program. In 1965, the Kansas Legislature then brought the state forestry legislation up-to-date and more clearly defined the scope and responsibilities of the forestry program as administered by the Office of Extension Forestry. The 1965 Forest Resource Statutes were again up-dated in 1993, in HB 2436, to change the name to "State and Extension Forestry" and included responsibilities for urban and community forestry, nonpoint source pollution control and riparian protection and the establishment of our state forest nursery.

The 1993 Forest Resource Statutes that we are operating under are in need of updating to more clearly reflect our forestry programs and responsibilities now and in the future. Our current official title "State and Extension Forestry" does not accurately describe the work we do as the State Forestry agency. Technical assistance and service to the people and forest resources of this state are the focus of our state forestry programs we administer through a cooperative agreement with the USDA Forest Service. Therefore, we are recommending our title be changed to the "Kansas Forest Service".

Senate Bill 365 will identify the Kansas Forest Service as the state forestry agency to the public and other federal, state and local natural resource agencies and organizations. It maintains the Kansas Forest Service at Kansas State University in the College of Agriculture but separates it from the Cooperative Extension Service. Program roles and responsibilities between state forestry and Extension forestry will be more clearly delineated. State appropriated funding for the Kansas Forest Service provided by the Kansas Legislature will continue to be included in the Extension Service and Agricultural Research Program (ESARP) budget.

Historically, one full-time equivalent (FTE) Extension forestry position existed within Kansas State and Extension Forestry. The tenths, however, were placed on

a number of foresters throughout the state. With the name change to the Kansas Forest Service, the one FTE will be consolidated in an Extension forestry position to be located in the Department of Horticulture, Forestry and Recreation Resources under the supervision of the Department Head. This position will be responsible for conducting Extension forestry educational programs across Kansas.

Senate Bill 365 will clearly identify the Kansas Forest Service as the state forestry agency and make it comparable with other natural resource agencies and organizations with which we work. It will also clarify roles and responsibilities in carrying out the programs set forth in the Kansas Forest Resource Statutes.

SENATE BILL No. 149

By Committee on Agriculture

1-30

9 AN ACT concerning agriculture; creating the Kansas agricultural seed
10 ~~commission~~; establishing the powers and duties thereof.

council

11
12 Be it enacted by the Legislature of the State of Kansas:

13 Section 1. As used in this act:

council

14 (a) "~~Commission~~" means the Kansas agricultural seed ~~commission~~.
15 (b) "~~Registration fees~~" means the fees collected by the ~~commission~~
16 ~~for retailers and wholesalers of agricultural seed in the state of Kansas.~~
17 (c) "Seedsman" or "seedsmen" means a person, private entity or cor-
18 poration registered with the department of agriculture to sell seed in
19 Kansas.

20 (d) "Agricultural seed," "retailer" and "wholesaler" have the mean-
21 ings provided by K.S.A. 2-1415, and amendments thereto.

22 Sec. 2. (a) There is hereby created the Kansas agricultural seed ~~com-~~
23 ~~mission.~~

council.

24 (b) The ~~commission~~ shall consist of seven members who will be
25 elected at the annual meeting of the Kansas seed industry association.
26 The board of directors of the Kansas seed industry association shall act
27 as interim ~~commission~~ members until ~~commission~~ members can be
28 elected and qualified. Vacancies which may occur shall be filled for unex-
29 pired terms by the board of directors of the Kansas seed industry asso-
30 ciation from among the seedsmen of the state. Each ~~commission~~ member
31 appointed on and after the effective date of this act, other than a ~~com-~~
32 ~~mission~~ member appointed to fill a vacancy for an unexpired term, shall
33 be elected for a term of four years except that three of the ~~commission~~
34 members first elected on and after the effective date of this act shall be
35 elected for a term of two years. No member may serve more than two
36 consecutive terms. Upon the expiration of a term of a member of the
37 ~~commission~~, such member shall continue to serve as a member of the
38 ~~commission~~ until a successor to such member is elected and qualified.

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39 (c) Members of the ~~commission~~ shall be residents of this state and
40 currently be active seedsmen. At least three members shall be elected
41 from the list of wholesalers registered with the department of agriculture
42 and the remaining members shall be active seedsmen elected at large.
43 The elections will be held at an open session to all seedsmen at the annual

Members of the council shall include representatives of seed product development, distribution and production.

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Attachment 2
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1 meeting of the Kansas seed industry association.

2 (d) The director of the agricultural experiment stations of Kansas
3 state university of agriculture and applied science or the director's rep-
4 resentative shall serve as an ex officio nonvoting member of the commis-
5 sion.

6 (e) The commission shall elect annually a chairperson from its mem-
7 bership.

8 (f) A member of the commission may cease to hold such member's
9 position on the commission for any of the following reasons, at the dis-
10 cretion of a majority of the commission, upon resolution duly adopted by
11 the commission dismissing such member: (1) Failure to attend two or
12 more regular meetings of the commission, if unexcused; or (2) ceasing to
13 be an active seedsmen.

14 (g) Members of the Kansas agricultural seed commission attending
15 meetings of such commission, or attending a subcommittee meeting au-
16 thorized by such commission, may be paid compensation and other ex-
17 penses.

18 (h) The commission shall meet at least once every calendar quarter
19 regularly and hold an annual meeting which shall be open to the public.
20 The day, time and place of each meeting shall be determined by the
21 commission. The chairperson or any three members of the commission
22 may call special meetings of the commission upon such notice as may be
23 prescribed by the duly adopted procedures of the commission.

24 Sec. 3. In the administration of this act, the commission shall have
25 the following duties, authorities and powers:

26 (a) To conduct a campaign of seed industry development, through
27 research, education and information;

28 (b) to accept grants and donations;

29 (c) to sue and be sued;

30 (d) to enter into such contracts as may be necessary or advisable for
31 the purpose of this act;

32 (e) to appoint an administrator who is knowledgeable about the seed
33 industry and fix the compensation. With the approval of the commission,
34 the administrator may appoint such other personnel as is needed;

35 (f) to cooperate or contract with any local, state or national organi-
36 zation or agency, whether voluntary or created by the law of any state, or
37 by national law, engaged in work or activities similar to the work and
38 activities of the commission, and to enter into contracts and agreements
39 with such organizations or agencies for carrying on a joint campaign of
40 research, education and promotion;

41 (g) to establish an office of the administrator at any place in this state
42 the commission may select;

43 (h) to adopt, rescind, modify and amend all necessary and proper

and the director of the agricultural products development division of the state department of commerce and housing or the director's representative

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1 orders, resolutions and rules for the procedure and exercise of its powers
2 and the performance of its duties; and

3 (i) to approve an annual budget and establish a reserve. Each project
4 budgeted and approved by the ~~commission~~ shall include a stated objective
5 and anticipated results. In the ~~commission's~~ annual report to the industry,
6 the commission shall include those objectives and actual results.

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7 Sec. 4. (a) Each wholesaler shall pay an assessment not to exceed
8 ~~\$75~~ to the ~~commission~~ annually on or before August 31. The current
9 wholesaler assessment is hereby set at \$30 and shall remain at that amount
10 until changed by the ~~commission~~.

\$150
council

11 (b) Each retailer shall pay an assessment not to exceed \$15 to the
12 ~~commission~~ annually on or before August 31. The current retailer as-
13 sessment is hereby set at \$10 and shall remain at that amount until
14 changed by the ~~commission~~.

council
\$70
council

15 (c) Any wholesaler or retailer who annually sells less than \$3,000
16 worth of agricultural seed may so certify to the commission and upon the
17 filing with the commission of a written request for an exemption shall be
18 exempt from the assessment imposed by this section. The commission,
19 upon request, shall furnish forms by which the wholesaler or retailer may
20 request an exemption.

council

21 (d) The commission shall not change the assessment level, either to
22 increase or reduce, more than once a year.

(d) The council shall furnish to every registered retailer and wholesaler a form indicating thereon the procedure by which the retailer or wholesaler may obtain a refund of such assessment. Within one year after payment of the assessment, the retailer or wholesaler, upon submission of a request therefor to the administrator, may obtain such refund in the amount of the assessment.

23 Sec. 5. (a) The administrator of the commission shall be responsible
24 for the collecting and disbursing the assessments pursuant to this act.

council

25 (b) The assessment hereby imposed and collected by the administra-
26 tor shall be remitted to a bank account as the assessment is collected.

27 (c) Each bank account for use in operating and conducting the ~~com-
28 mission's~~ duties shall be secured by pledge of securities in the manner
29 prescribed for state bank accounts under K.S.A. 75-4218, and amend-
30 ments thereto, or if such bank account is in an institution outside the state
31 of Kansas, the institution shall be licensed by a state or the federal gov-
32 ernment.

33 (d) All money collected pursuant to section 4 shall be expended in
34 the administration of this act, and for the payment of claims based upon
35 obligations incurred in the performance of the activities and functions set
36 forth in this act, and for no other purpose.

37 Sec. 6. Any person who shall violate any of the provisions of this act
38 shall be deemed guilty of a misdemeanor, and upon conviction shall be
39 punished by a fine of not less than \$25 nor more than \$500 or by im-
40 prisonment in the county jail for not less than 30 nor more than 90 days,
41 or by both such fine and imprisonment.

council's

42 Sec. 7. This act shall take effect and be in force from and after its
43 publication in the statute book.

Funding Sources for a Seed Council which is a Statutory Entity

What types of funding would be available to a seed council which are not available to KSIA? KSIA is a 501(c)(6) trade, professional, and lobbying organization. As such, there are numerous sources of funding which are available only to governmental instrumentalities and private non-profit 501(c)(3) organizations.

There are basically three types of such funding:

1. Government: Many government grants are available only to government instrumentalities. By being statutorily created, commodity commissions qualify as instrumentalities. Some examples of federal relevant grants are attached. In addition, federal commodity programs administered by USDA require that grant applicants be a statutorily-created entity. Some other programs do not require a statutory entity, but give preference to one.
2. Foundations: Foundations may grant funds only to tax-exempt organizations in order to protect their tax exemption. Commissions also qualify in this regard, where a 501(c)(6) does not. We have researched foundations which provide grants in areas for which seed council projects might be submitted. A list is attached.
3. Corporate giving: Many corporate funds are available only to tax-exempt, non-lobbying organizations.

A commission structure provides optimum flexibility and opportunity to apply for funds available to either government instrumentalities or private non-profit organizations.

*Senate Agriculture
Attachment 3
February 24, 1997*

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of Availability of Pollution Prevention Grants.

SUMMARY: EPA is announcing the availability of approximately \$5 million in fiscal year 1997 grant/cooperative agreement funds under the Pollution Prevention Incentives for States (PPIS) grant program. The grant dollars are targeted at State and Tribal programs that address the reduction or elimination of pollution across all environmental media: air, land, and water. Grants/cooperative agreements will be awarded under the authority of the Pollution Prevention Act of 1990.

FOR FURTHER INFORMATION CONTACT: Your EPA Regional Pollution Prevention Coordinator. Contact names for each Regional Office are listed under Unit VI. of this preamble.

SUPPLEMENTARY INFORMATION:

I. Background

Approximately \$30 million has been awarded to more than 100 State, Tribal, and regional organizations under EPA's multimedia pollution prevention grant program, since its inception in 1989.

In November 1990, the Pollution Prevention Act of 1990 (the Act) (Pub. L. 101-508) was enacted, establishing as national policy that pollution should be prevented or reduced at the source whenever feasible. Section 6603 of the Act defines source reduction as any practice that:

(1) Reduces the amount of any hazardous substance, pollutant, or contaminant entering any waste stream or otherwise released into the environment (including fugitive emissions) prior to recycling, treatment, or disposal.

(2) Reduces the hazards to public health and the environment associated with the release of such substances, pollutants, or contaminants.

EPA further defines pollution prevention as the use of other practices that reduce or eliminate the creation of pollutants through increased efficiency in the use of raw materials, energy, water, or other resources, or protection of natural resources, or protection of natural resources by conservation.

Section 6605 of the Act authorizes EPA to make matching grants to States

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to promote the use of source reduction techniques by businesses. In evaluating grant applications, the Act directs EPA to consider whether the proposed State program will:

(1) Make technical assistance available to businesses seeking information about source reduction opportunities, including funding for experts to provide onsite technical advice and to assist in the development of source reduction plans.

(2) Target assistance to businesses for which lack of information is an impediment to source reduction.

(3) Provide training in source reduction techniques.

In addition to this grant making authority, the Act authorized EPA to establish a national source reduction clearinghouse and expanded EPA's authorities to collect data to better track source reduction activities. The Act also requires EPA to report periodically to Congress on EPA progress in implementing the Act.

In June 1996, EPA published the Pollution Prevention Incentives for States Assessment Study. The study documents the full range of activities funded by the PPIS grant program during its first 5 years. It represents an accounting of how grantees used EPA funds to stimulate and enhance pollution prevention awareness and initiatives throughout the country. For a copy of the report, including the Executive Summary, contact the Pollution Prevention Information Clearinghouse at 202-260-1023.

II. Availability of FY 97 Funds

With this publication, EPA is announcing the availability of approximately \$5 million in grant/cooperative agreement funds for FY 1997. The Agency has delegated grant making authority to the EPA Regional offices. Regional offices are responsible for the solicitation of interest, the screening of proposals, and the actual selection of awards. PPIS grant guidance will be provided to all applicants along with any supplementary information the Regions may wish to provide.

All applicants must address the national program criteria listed under Unit V.2. of this document. In addition, applicants may be required to meet any supplemental Regional criteria. Interested applicants should contact their Regional Pollution Prevention Coordinator for more information.

IV. Matching Requirements

Organizations receiving pollution prevention grant funds are required to match Federal funds by at least 50 percent. For example, the Federal government will provide half of the total allowable cost of the project, and the State will provide the other half. A grant request

for \$100,000 would support a total allowable project cost of \$200,000, with the State also providing \$100,000. State contributions may include dollars, in-kind goods and services, and/or third party contributions.

V. Eligibility

1. Applicants. In accordance with the Act, eligible applicants for purposes of funding under this grant program include the 50 States, the District of Columbia, the U.S. Virgin Islands, the Commonwealth of Puerto Rico, any territory or possession of the United States, any agency or **instrumentality of a State** including State universities, and all Federally recognized Native American tribes. For convenience, the term "State" in this notice refers to all eligible applicants. **Local governments, private universities, private nonprofit entities, private businesses, and individuals are not eligible.**

DEPARTMENT OF AGRICULTURE

Cooperative State Research, Education, and Extension Service

Request for Proposals (RFP): Fund for Rural America Program

AGENCY: Cooperative State Research, Education, and Extension Service, USDA.

ACTION: Announcement of availability of grant funds and request for proposals for the Fund for Rural America Program.

SUMMARY: The Federal Agriculture Improvement and Reform Act of 1996 established an account in the Treasury of the United States to provide funds for rural development programs and a competitive grant program to support research, education, and extension activities.

This notice pertains only to the competitive grant program for research, education, and extension activities. It identifies eligible participants in the program, the program areas to be supported, and the funding levels for each area; provides instructions for preparing and submitting proposals; and describes the selection process and evaluation criteria to be used to make funding decisions. To obtain program application materials, please contact the Proposal Services Unit, Grants Management Branch; Office of Extramural Programs; USDA/CSREES at (202) 401-5048. When calling the Proposal Services Unit, please indicate that you are requesting forms for the Fund Program.

These materials may also be requested via Internet by sending a message with your name, mailing address (not e-mail) and phone number to psb@reeusda.gov which states that you want a copy of the application materials for the Fiscal Year 1997 Fund Program. The materials will then be mailed to you (not e-mailed) as quickly as possible.

Planning Grant Applications must be received on or before March 24, 1997. Planning Grant proposals received after March 24, 1997, will not be considered for funding.

Standard Project Grant Applications must be received on or before April 28, 1997. Standard project proposals received after April 28, 1997, will not be considered for funding.

FOR FURTHER INFORMATION CONTACT: Dr. Patrick O'Brien, Cooperative State Research, Education, and Extension Service, U.S. Department of Agriculture, STOP 2240, Washington, D.C. 20250-2240; telephone (202) 401-1761.

A. Legislative Authority

The Fund for Rural America (The Fund), authorized under Section 793 of the Federal Agriculture Improvement and Reform Act of 1996 (FAIR Act) (7 U.S.C. 2204(f)), is established as an account in the Treasury of the United States. The Fund will provide \$100 million in each of three years for rural development programs and a competitive grant program for research, education, and extension activities. Not less than one-third of the funds will be available for research, education, and extension activities, one-third will be available for the Department's rural development programs, and one-third will be allocated between the rural development and research activities according to the Secretary's discretion.

Grants are to be awarded on the basis of merit, quality, and relevance to advancing the purposes of federally supported agricultural research, extension, and education provided in Section 1402 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended (7 U.S.C. 3101). Section 1402 identifies the following purposes:

- (1) Enhance the competitiveness of the United States agriculture and food industry in an increasingly competitive world environment;
- (2) Increase the long-term productivity of the United States agriculture and food industry while maintaining and enhancing the natural resource base on which rural America and the United States agricultural economy depend;
- (3) Develop new uses and new products for agricultural commodities, such as alternative fuels, and develop new crops;
- (4) Support agricultural research and extension to promote economic

opportunity in rural communities and to meet the increasing demand for information and technology transfer throughout the United States agriculture industry;

(5) Improve risk management in the United States agriculture industry;

(6) Improve the safe production and processing of, and adding of value to, United States food and fiber resources using methods that maintain the balance between yield and environmental soundness;

(7) Support higher education in agriculture to give the next generation of Americans the knowledge, technology, and applications necessary to enhance the competitiveness of United States agriculture; and

(8) Maintain an adequate, nutritious, and safe supply of food to meet human nutritional needs and requirements."

Section 793(c)(2)(A) of the FAIR Act authorizes the Secretary to use the Fund for competitive research, education, and extension grants to:

((i) Increase international competitiveness, efficiency, and farm profitability;

(ii) Reduce economic and health risks;

(iii) Conserve and enhance natural resources;

(iv) Develop new crops, new crop uses, and new agricultural applications of biotechnology;

(v) Enhance animal agricultural resources;

(vi) Preserve plant and animal germplasm;

(vii) Increase economic opportunities in farming and rural communities; and

(viii) Expand locally-owned, value-added processing."

B. General Definitions

C. Eligibility

Proposals may be submitted by Federal research agencies, national laboratories, colleges or universities or research foundations maintained by a college or university, or **private research organizations**. **A programmatic decision on the eligibility status of the private organization will be made based on the information submitted.**

(KSIA note: With programs such as this, a statutory entity would be a benefit in competing for funding.)

RURAL BUSINESS ENTERPRISE GRANTS

Description - Grants to facilitate development of small and emerging business enterprises in rural areas. Use of grant funds may include acquisition and development of land and the construction of buildings, plants, equipment, access roads, parking areas, and utility extensions; refinancing; fees; technical assistant and training; working capital; financial assistance to third parties; production of television programs to provide information to rural residents; and distance learning networks.

Who Makes
the Grant?

Rural Business - Cooperative Service, USDA

Who Is
Eligible?

Public bodies, private nonprofit corporations, and Federally
recognized Indian Tribal
Groups.

Grant Amount

Based on need and available appropriated funds.

FY 1996 Funding Level

\$45 Million

RURAL COMMUNITY ADVANCEMENT

The Rural Community Advancement Program (RCAP), patterned on the President's initiative to reform the delivery of rural development programs, is the core of the farm bill's rural development initiatives.

RCAP fundamentally changes federal rural development programs. It puts in place a grassroots approach to rural economic development that will enable state and local officials to identify needs locally, and find flexible and innovative ways to meet them.

The farm bill gives state Rural Development offices the freedom to work with states, local communities, and federally recognized Indian tribes to maximize limited resources and provide meaningful assistance in addressing specific community needs. RCAP gives priority to communities with the smallest populations and lowest per capita income.

Program Categories

There are three categories of RCAP funds: rural community facilities, rural utilities, and rural business and cooperative development. They can be used for any combination of grants, direct loans, or loan guarantees.

In the past, these programs were funded on an individual basis and unused money could not be transferred from one program to another. RCAP allows state directors to move funding within the three funding streams to meet individual state needs. For example, if a state needs more money for revolving loan funds, it can allocate funds from within the rural business and cooperative development category to meet this objective.



RURAL TECHNOLOGY AND COOPERATIVE DEVELOPMENT GRANT PROGRAM

Description - Grants for establishing and operating centers for rural technology or cooperative development for the primary purpose of improving the economic condition of rural areas by promoting the development and commercialization of new products and services that can be produced or provided in rural areas, new processes that can be used in the production of products in rural areas, and new enterprises or cooperatives that can add value to on-farm production through processing or marketing.

Who Makes the Grant?	The Rural Business - Cooperative Service, USDA.
Who Is Eligible?	Private nonprofit institutions, awarded competitively.
Grant Amount	No limit.
Other Criteria	Applications are solicited annually and scored according to definition including likelihood of project being effective, innovativeness, and transferability of project to other rural areas, ability to improve geographic distribution, and interagency cooperation.
Timeframes for Turn Around	FY 1996 applications are due May 10; scoring, ranking, and selection made in August 1996.
FY 1996 Funding Level>	\$1.33 Million

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FOUNDATIONS WITH A HISTORY OF MAKING NATURAL RESOURCE AND
AGRICULTURALLY-RELATED GRANTS
FOR WHICH A SEED COMMISSION WOULD QUALIFY

Ameritech Foundation
Archer-Daniels-Midland Foundation
Beldon Fund
Patrick and Ana M. Cudahy Fund
The Nathan Cummings Foundation, Inc.
The Educational Foundations of America
The Ford Foundation
Dane G. Hansen Foundation
W. Alton James Foundation, Inc.
The Joyce Foundation
W.K. Kellogg Foundation
J. Roderick MacArthur Foundation
Charles Stewart Mott Foundation
The Samule Roberts Noble Foundation
Jessie Smith Noyes Foundation
The Pew Charitable Trusts
Public Welfare Foundation
Z. Smith Reynolds Foundation
Rockefeller Brothers Fund
The Winthrop Rockefeller Foundation
Surdna Foundation
Wallace Genetic Foundation
General Service Foundation
The George Gund Foundation
John D. and Catherine T. MacArthur Foundation
The Florence and John Schwann Foundation
The McKnight Foundation
The Needmor Fund