

2016 Explanatory Notes
Rural Business-Cooperative Service

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RURAL BUSINESS-COOPERATIVE SERVICE

Purpose Statement

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

Authorization and Program Descriptions

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

Rural Business Development Grants (RBDG) – 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. To better serve USDA's goal to ensure that rural communities are self-sustaining, repopulating, and thriving economically, this program will award funding where grantees encourage private sector growth. The Agricultural Act of 2014, P.L. 113-79, consolidated the rural business enterprise grant (RBEG) and rural business opportunity grant (RBOG) programs under the RBDG.

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 RE Act of 1936, as amended, 7 U.S.C. 940C. This program provides zero-interest loans and small grants to electric and telephone utilities financed by RD'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.

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, if funding is made available, may also be used for energy audits.

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

Value-Added Agricultural Market Development Grant Program (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 develop strategies for creating marketing opportunities. Grants may also be used for feasibility studies and to provide capital to establish alliances or business ventures allowing producers to better compete in domestic and international markets.

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

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

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

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

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

improve profits, produce high quality food and reduce adverse impacts to the environment.

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

Biorefinery Assistance Program – Reauthorized under Title IX of the Agricultural Act of 2014, P.L. 113-79. The purpose of the section is to assist in the development of new and emerging technologies for the development of advanced biofuels. 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 directs the Secretary of Agriculture to provide 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.

Bioenergy For Advanced Biofuels Program – Reauthorized under Title IX of the Agricultural Act of 2014, P.L. 113-79, the program directs the Secretary of Agriculture to make 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.

Geographic dispersion of offices and employees

RD programs are administered by the three agencies representing RD: Housing and Community Facilities, Utilities, Business and Cooperative Development. RD headquarters is located in Washington, D.C. As of September 30, 2014, there were 4,606 permanent full-time employees, including 1,372 in the headquarters and 3,174 in the field offices.

OIG Reports – In progress

34099-002-AT Investigation of effectiveness of servicing of the Business and Industry Loan Program by the Georgia State Office.

#34601-0001-31 Rural Business – Cooperative Service Grant Programs Duplication.

#34601-006-AT Review of internal controls for Rural Business Programs Intermediary Relending Program.

34601-015-TE National Report on The Business And Industry Loan Program.

34601-004-AT Rural Development lender servicing of Business and Industry Guaranteed loans in Georgia.

34703-001-KC Assessment of Rural Business Enterprise Grants provided under ARRA to ensure monies were implemented timely and effectively, proper controls were established, program participants met eligibility guidelines, participants properly comply with program requirements, and agencies establish effective compliance operations.

#34703-002-TE ARRA B&I Guaranteed Loan Phase 2

GAO Reports – In Progress

GAO-12-819 “Entrepreneurial Assistance: Opportunities Exist to Improve Programs’ Collaboration, Data-Tracking, and Performance Management.” On September 11, 2012, USDA provided GAO with its statement of action outlining how the Department will address the GAO recommendations.

GAO-13-136 “Wind Energy: Additional Actions Could Help Ensure Effective Use of Federal Financial Support.” USDA did not have any comments on draft report. Final report yet to be issued.

RURAL BUSINESS-COOPERATIVE SERVICE

The estimates include appropriation language for this item as follows (new language underscored; deleted matter enclosed in brackets):

Rural Business Program Account (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, [\$74,000,000]\$61,444,000, 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
- 1 development[and \$3,000,000 shall be for grants to the Delta Regional Authority (7 U.S.C. 2009aa 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
- 2 organization to provide technical assistance for rural transportation in order to promote economic development[: *Provided further*, That for the purposes of determining eligibility or level of program assistance the Secretary shall not include incarcerated prison populations]: *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
- 3 heading: *Provided further*, That in addition to the amount provided under this heading, \$20,000,000 shall be available for demonstration projects to support innovative Rural Development strategies to combat rural child poverty, to remain available until September 30, 2018: *Provided further*, That this funding may be utilized in addition to amounts otherwise provided for any program of the Rural Development Mission Area as determined by the Secretary and for administrative and evaluation costs to carry out the demonstration projects: *Provided further*, That such funds shall be in addition to any other funds that may be available for such purposes.

The first change eliminates the language for Delta Regional Authority grants as no funding is requested for this program in 2016.

The second change eliminates the terms of eligibility or level of program assistance.

The third change adds language for rural child poverty as funding is requested for this program in 2016.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL BUSINESS PROGRAM ACCOUNT

Lead-Off Tabular Statement

	<u>Loan Level</u>	<u>Subsidy</u>	<u>Grants</u>
Budget Estimate, 2016.....	\$758,222,000	\$31,444,000	\$50,000,000
2015 Enacted.....	919,765,000	47,000,000	27,000,000
Change in Appropriation.....	<u>-161,543,000</u>	<u>-15,556,000</u>	<u>+23,000,000</u>

Summary of Increases and Decreases

(Dollars in thousands)

	<u>2013 Actual</u>	<u>2014 Change</u>	<u>2015 Change</u>	<u>2016 Change</u>	<u>2016 Estimate</u>
Discretionary Appropriations:					
Business and industry (B&I) guaranteed loans (incl Infrastructure).....	\$52,342	+\$14,629	-\$19,971	-\$15,556	\$31,444
Rural Business Development grants (RBDG)					
business enterprise grants.....	-	-	+17,550	+5,400	22,950
RBDG business opportunity grants.....	-	-	+1,950	+600	2,550
RBDG technical assistance transportation.....	-	-	+500	-	500
RBDG business enterprise grants native American tribes.....	-	-	+3,375	-	3,375
RBDG business opportunity grants native American tribes.....	-	-	+375	-	375
RBDG native American tribes transportation.....	-	-	+250	-	250
Rural business enterprise grants (RBEG).....	18,868	+2,280	-21,148	-	-
RBEG technical assistance transportation.....	929	-429	-500	-	-
RBEG native American tribes.....	2,564	-145	-2,420	-	-
RBEG native American tribes transportation.....	232	+18	-250	-	-
Rural business opportunity grants (RBOG).....	1,171	-251	-920	-	-
RBOG native American tribes.....	920	+410	-1,330	-	-
Delta regional authority grants.....	2,787	+213	-	-3,000	-
Rural Child Poverty.....	-	-	-	+20,000	20,000
Subtotal.....	<u>79,814</u>	<u>+16,725</u>	<u>-22,539</u>	<u>+7,444</u>	<u>81,444</u>
Total Discretionary Appropriations.....	<u>79,814</u>	<u>+16,725</u>	<u>-22,539</u>	<u>+7,444</u>	<u>81,444</u>

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL BUSINESS PROGRAM ACCOUNT

Project Statement
Adjusted Appropriations Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2013 Actual			2014 Actual			2015 Enacted			Inc. or Dec.			2016 Estimate				
	Program	Budget		Program	Budget		Program	Budget		Program	Budget		Program	Budget			
	Level	Authority	SYs	Level	Authority	SYs	Level	Authority	SYs	Level	Authority	SYs	Level	Authority	SYs		
Discretionary Appropriations:																	
Business and industry (B&I) guaranteed loans (incl Infrastructure).....	\$890,177	\$52,342	165	\$958,097	\$66,971	155	\$919,765	\$47,000	179	-\$161,543	(1)	-\$15,556	(5)	+10	\$758,222	\$31,444	189
B&I guaranteed NADBank loans.....	-	-	6	-	-	5	-	-	6	-	-	-	-	+1	-	-	7
Rural business development grants (RBDG)																	
RBDG business enterprise grants.....	-	-	-	-	-	-	17,550	17,550	97	+5,400	(2)	+5,400	+5		22,950	22,950	102
RBDG business opportunity grants.....	-	-	-	-	-	-	1,950	1,950	25	+600	(2)	+600	+1		2,550	2,550	26
RBDG technical assistance transportation.....	-	-	-	-	-	-	500	500	-	-	-	-	-		500	500	-
RBDG business enterprise grants native American tribes.....	-	-	-	-	-	-	3,375	3,375	-	-	-	-	-		3,375	3,375	-
RBDG business opportunity grants native American tribes.....	-	-	-	-	-	-	375	375	-	-	-	-	-		375	375	-
RBDG native American tribes transportation.....	-	-	-	-	-	-	250	250	-	-	-	-	-		250	250	-
Rural business enterprise grants (RBEG).....	18,868	18,868	90	21,148	21,148	84	-	-	-	-	-	-	-		-	-	-
RBEG technical assistance transportation.....	929	929	-	500	500	-	-	-	-	-	-	-	-		-	-	-
RBEG native American tribes.....	2,564	2,564	-	2,420	2,420	-	-	-	-	-	-	-	-		-	-	-
RBEG native American tribes transportation.....	232	232	-	250	250	-	-	-	-	-	-	-	-		-	-	-
Rural business opportunity grants (RBOG).....	1,171	1,171	23	920	920	22	-	-	-	-	-	-	-		-	-	-
RBOG native American tribes.....	920	920	-	1,330	1,330	-	-	-	-	-	-	-	-		-	-	-
Delta regional authority grants.....	2,787	2,787	-	3,000	3,000	-	3,000	3,000	-	-3,000	(3)	-3,000	-		-	-	-
Rural Child Poverty.....	-	-	-	-	-	-	-	-	-	+20,000	(4)	+20,000	-		20,000	20,000	-
Subtotal.....	917,649	79,814	284	987,665	96,539	266	946,765	74,000	307	-138,543		+7,444	+17		808,222	81,444	324
Total Adjusted Approp.....	917,649	79,814	284	987,665	96,539	266	946,765	74,000	307	-138,543		+7,444	+17		808,222	81,444	324
Rescissions and Transfers, and Seq. (Net).....	a/b/	67,918	6,090	-	-	-	-	-	-	-	-	-	-		-	-	-
Total Appropriation.....		985,567	85,904	284	987,665	96,539	266	946,765	74,000	307	-138,543	+7,444	+17		808,222	81,444	324
Rescission.....	a/	-25,945	-2,326	-	-	-	-	-	-	-	-	-	-		-	-	-
Sequestration.....	b/	-41,973	-3,763	-	-	-	-	-	-	-	-	-	-		-	-	-
Bal. Available, SOY.....		122,155	10,386	-	179,298	20,294	-	316,615	20,445	-	+70,499	+1,722	-		387,114	22,167	-
Recoveries, Other (Net).....		141,703	13,970	-	183,249	12,922	-	262,998	17,525	-	+77,329	+37	-		340,327	17,562	-
Total Available.....		1,181,507	104,171	284	1,350,212	129,755	266	1,526,378	111,970	307	+9,285	+9,203	+17		1,535,663	121,173	324
Bal. Available, EOY.....		-213,623	-20,294	-	-232,768	-20,445	-	-351,548	-22,167	-	-24,608	-404	-		-376,156	-22,571	-
Total Obligations.....		967,884	83,877	284	1,117,444	109,310	266	1,174,830	89,803	307	-15,323	+8,799	+17		1,159,507	98,602	324

a/ The amounts are pursuant to the Consolidated and Further Continuing Appropriations Act, 2013, Public Law 113-6, signed March 26, 2013, including 2.513 percent rescission in accordance with section

3001(b)(1)(A) and .2 percent rescission in accordance with section 3004(c)(1).

b/ The amounts are pursuant to the sequestration order signed by the President on March 1, 2013, in accordance with section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL BUSINESS PROGRAM ACCOUNT

Project Statement
Obligations Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2013 Actual			2014 Actual			2015 Estimate			Inc. or Dec.			2016 Estimate		
	Program Level	Budget Authority	SYs												
Discretionary Obligations:															
Business and industry (B&I) guaranteed loans (incl infrastructure).....	\$914,114	\$53,750	165	\$1,084,020	\$75,773	155	\$1,143,992	\$58,865	179	-\$38,116 (1)	-\$13,932 (5)	+10	\$1,105,876	\$44,933	189
B&I guaranteed 2008 disasters.....	25,226	1,483	-	-	-	-	-	-	-	-	-	-	-	-	-
B&I guaranteed NADBank loans.....	-	99	6	-	114	5	-	100	6	-	-62	+1	-	38	7
Rural business development grants (RBDG)															
RBDG business enterprise grants.....	-	-	-	-	-	-	20,030	20,030	97	+6,188 (2)	+6,188	+5	26,218	26,218	102
RBDG business opportunity grants.....	-	-	-	-	-	-	2,239	2,239	25	+674 (2)	+674	+1	2,913	2,913	26
RBDG technical assistance transportation.....	-	-	-	-	-	-	500	500	-	-	-	-	500	500	-
RBDG business enterprise grants native American tribes.....	-	-	-	-	-	-	3,674	3,674	-	-299 (2)	-299	-	3,375	3,375	-
RBDG business opportunity grants native American tribes.....	-	-	-	-	-	-	1,145	1,145	-	-770 (2)	-770	-	375	375	-
RBDG native American tribes transportation.....	-	-	-	-	-	-	250	250	-	-	-	-	250	250	-
Rural business enterprise grants (RBEG).....	18,868	18,868	90	25,207	25,207	84	-	-	-	-	-	-	-	-	-
RBEG technical assistance transportation.....	929	929	-	500	500	-	-	-	-	-	-	-	-	-	-
RBEG native American tribes.....	2,849	2,849	-	2,791	2,791	-	-	-	-	-	-	-	-	-	-
RBEG native American tribes transportation.....	232	232	-	250	250	-	-	-	-	-	-	-	-	-	-
Rural business opportunity grants (RBOG).....	1,710	1,710	23	1,676	1,676	22	-	-	-	-	-	-	-	-	-
RBOG native American tribes.....	1,169	1,169	-	-	-	-	-	-	-	-	-	-	-	-	-
Delta regional authority grants.....	2,788	2,788	-	3,000	3,000	-	3,000	3,000	-	-3,000 (3)	-3,000	-	-	-	-
Rural Child Poverty.....	-	-	-	-	-	-	-	-	-	+20,000 (4)	+20,000	-	20,000	20,000	-
Subtotal.....	967,884	83,877	284	1,117,444	109,310	266	1,174,830	89,803	307	-15,323	+8,799	+17	1,159,507	98,602	324
Total Obligations.....	967,884	83,877	284	1,117,444	109,310	266	1,174,830	89,803	307	-15,323	+8,799	+17	1,159,507	98,602	324
Bal. Available, EOY.....	213,623	20,294	-	232,768	20,445	-	351,548	22,167	-	+24,608	+404	-	376,156	22,571	-
Total Available.....	1,181,507	104,171	284	1,350,212	129,755	266	1,526,378	111,969	307	+9,285	+9,203	+17	1,535,663	121,173	324
Rescission.....	a/ 25,945	2,326	-	-	-	-	-	-	-	-	-	-	-	-	-
Sequestration.....	b/ 41,973	3,763	-	-	-	-	-	-	-	-	-	-	-	-	-
Bal. Available, SOY.....	-122,155	-10,386	-	-179,298	-20,294	-	-316,615	-20,445	-	-70,499	-1,722	-	-387,114	-22,167	-
Other Adjustments (Net).....	-141,703	-13,970	-	-183,249	-12,922	-	-262,998	-17,525	-	-77,329	-37	-	-340,327	-17,562	-
Total Appropriation.....	985,567	85,904	284	987,665	96,539	266	946,765	74,000	307	-138,543	+7,444	+17	808,222	81,444	324

a/ The amounts are pursuant to the Consolidated and Further Continuing Appropriations Act, 2013, Public Law 113-6, signed March 26, 2013, including 2.513 percent rescission in accordance with section

3001(b)(1)(A) and .2 percent rescission in accordance with section 3004(c)(1).

b/ The amounts are pursuant to the sequestration order signed by the President on March 1, 2013, in accordance with section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

Justification of Increases and Decreases

- (1) A decrease of \$161,543,000 for the rural business and industry guaranteed loans program (\$919,765,000 available in 2015).

Base funds for the program will continue to create/save jobs. The \$919,765,000 program level in 2015 for the rural business and industry guaranteed loan program will mean that Rural Development (RD) will be able to create/save approximately 10,817 jobs and assist 348 businesses.

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

Continuation and expansion of this program is critical because:

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

The agency strives to improve the quality of life in rural America by encouraging the establishment and 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 sources to expand the total amount of resources provided to rural areas.

Rural communities stand to benefit from the growing energy economy; a critical component of our national energy strategy is increasing production, distribution, and use of renewable energy sources, including biofuels. In 2015, with up to \$10 million in loan guarantees, RD will be able to support businesses that make infrastructure investments that increase commercial distribution of and access to renewable energy. In 2016, up to \$50 million will be available to support these investments in biofuel infrastructure. These loans will be issued with no guarantee fees.

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.

The B&I guaranteed loan program supports USDA's Strategic Goal of assisting rural communities to create prosperity so they are self-sustaining, repopulating, and economically thriving, by creating and expanding businesses in rural communities. These businesses create/save jobs in the local community; improving economic prosperity and decrease outmigration.

The 2016 request for the B&I guaranteed loan program will create/save approximately 8,950 jobs and assist 357 businesses.

- (2) An increase of \$6,000,000 for rural business development grants (\$24,000,000 available in 2015).

An increase of \$6 million is requested for this consolidated rural business development grant program, which was authorized in the 2014 Farm Bill. The proposal includes only programs previously identified as the Rural Business Enterprise Grant (RBEG) and the Rural Business Opportunity Grant Program (RBOG). This program will focus on small and emerging private business enterprises in rural areas and on cooperatives serving rural areas.

The rural business development grant program supports USDA's Strategic Goal of assisting rural communities to create prosperity so they are self-sustaining, repopulating, and economically thriving, by creating and expanding businesses in rural communities. These businesses create/save jobs in the local community; improving economic prosperity and decrease outmigration.

In 2015, the funding will create 8,000 jobs and assist 4,000 businesses. In 2016, the funding will create 8,325 jobs and assist 4,150 businesses. Adequate funding for this program is important because it is one of the only programs that RD operates that can finance technical assistance and specifically help to improve human capital in low-capacity areas.

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.

(3) A decrease of \$3,000,000 for Delta Regional Authority grants (\$3,000,000 available in 2015).

Funding for the Delta Regional Authority can be requested in other RD grant programs.

(4) An increase of \$20,000,000 for rural child poverty (\$0 available in 2015).

This proposal would provide \$20 million to support innovative strategies to combat rural child poverty by focusing on both children and the parents with a bundled services approach. The proposal provides (1) a new pilot program using grants to deliver financial resources to support this work, (2) human resources through work with the Corporation for National and Community Service and a pilot Federal employee development program, and (3) robust evaluation. The resources would complement other dollars in the budget that would assist communities and nonprofit organizations to finance the physical infrastructure needed to deliver these services, particularly through the Community Facilities grant program and the Distance Learning Telecommunications Program.

Every child—from the Colonias on the Southwest border, the small towns of the Mississippi Delta, the tribal communities in Indian Country, to the hollers of eastern Kentucky—should have an opportunity to succeed. Yet one in four rural children currently live in poverty—the highest rate since 1986—and the gap between urban and rural childhood poverty rates continue to increase. Both the overall rural poverty rate and the rural child poverty rate have exceeded rates in urban areas for over thirty years. While poor children living in rural America face similar educational, social, and economic challenges as their urban counterparts, many of these problems are exacerbated by the isolation and limited access to support services commonly experienced in rural areas. Not only is rural and tribal childhood poverty pervasive, it is persistent; rural parents tend to have less education and are more likely to be underemployed than urban parents, putting their children at higher risk of becoming poor.

The proposal includes three components:

- (1) Better coordination of current Federal programs designed to help poor kids and families, with a focus on helping the parents obtain employment and increase their income.
- (2) Human resources to perform critical coordination and outreach work.
- (3) Rigorous evaluation to determine the efficacy of the approach for broader implementation.

The proposal creates a \$15 million pilot program for up to 3-year grants to local governments and nonprofit organizations offering bundled services to poor rural children and families. For example, eligible uses would include educational or job training instruction for parents coupled with child-focused programming and support, along with development and maintenance of an integrated client and services tracking system to instantly determine client eligibility across Federal programs and better meet the array of client needs. Pilot program funds would be provided exclusively to projects that are located in areas of high poverty and that are part of a bundled service approach that focus on both the children and the adults of low-income rural families. The maximum amount of the grant would be \$500,000. The grants would encourage or require collaboration and partnerships of key entities at the local level. For example, the applicant may be a community action agency that

traditionally delivers temporary assistance to needy families (TANF) resources and Early Head Start, but that in its application includes the local community college to deliver workforce development programs. Applicants could include local governments (but not States), educational institutions (including community colleges as well as historically black, tribal, or Hispanic institutions), and community action agencies.

The proposal recommends \$4.5 million to increase the human resource capacity needed to deliver this pilot program. Bundling Federal and State programs requires time, programmatic expertise, and on-the-ground outreach and coordination—the type of people and skill sets that many rural places lack. The budget would create a cohort of staffers to do the difficult work of coordinating varying eligibility requirements, co-locating programs and services, and better aligning complementary services to both child and parent. The human resources plan would align innovative staffing approaches to support place-based work.

First, the proposal would leverage Americorps VISTA programs (through a partnership with the Corporation for National and Community Service) to bring on between 50 and 75 people to perform intensive outreach and coordination at the grant-recipient sites across the country.

Second, the proposal would form a pilot Federal employee development program (perhaps modeled after the Senior Executive Service Candidate Development Program rotation) that would place individuals from across Federal agencies in 9 to 12 month details to support the work of local government, community action agencies, and other intermediaries of tying together Federal and State programs and implementing the bundled services approach. Through this program, the Federal employees would in turn gain a deeper understanding of how Federal and State programs are implemented in rural places.

The proposal would use \$500,000 to enlist an outside group to (1) develop (in conjunction with RD) appropriate measures to allow an evaluation of the pilot program; and (2) implement experimental and quasi-experimental impact evaluations to evaluate the program's effectiveness. In addition, the evaluation work would identify best practices and provide information and recommendations on potential expansion of Federal investment around the bundled service delivery approach. This funding could be used to augment other funding provided in other programs across the mission area.

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.

- (5) A decrease of \$15,556,000 for the rural business and industry guaranteed loan subsidy (\$47,000,000 available in 2015).

A decrease of \$19.5 million in subsidy for this program is due to the decrease in the requested loan level.

RURAL BUSINESS-COOPERATIVE SERVICE
Guaranteed Business and Industry Loans (incl Infrastructure)

Geographic Breakdown of Obligations

(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Alabama.....	\$24,062	\$23,685	-	-
Alaska.....	11,894	11,728	-	-
Arizona.....	21,571	25,158	-	-
Arkansas.....	6,414	33,531	-	-
California.....	47,245	48,165	-	-
Colorado.....	27,077	16,354	-	-
Connecticut.....	9,397	-	-	-
Florida.....	34,996	56,281	-	-
Georgia.....	72,824	9,096	-	-
Hawaii.....	5,000	4,460	-	-
Idaho.....	19,774	30,077	-	-
Illinois.....	11,995	11,159	-	-
Indiana.....	4,530	4,235	-	-
Iowa.....	29,077	41,777	-	-
Kansas.....	9,659	13,043	-	-
Kentucky.....	16,980	27,950	-	-
Louisiana.....	42,312	89,983	-	-
Maine.....	13,413	18,249	-	-
Maryland.....	8,615	8,944	-	-
Massachusetts.....	-	4,450	-	-
Michigan.....	9,037	20,922	-	-
Minnesota.....	19,608	25,614	-	-
Mississippi.....	12,435	27,000	-	-
Missouri.....	29,875	28,657	-	-
Montana.....	-	3,388	-	-
Nebraska.....	11,898	4,586	-	-
Nevada.....	8,035	11,856	-	-
New Hampshire.....	-	4,050	-	-
New Mexico.....	11,817	13,535	-	-
New York.....	13,553	24,851	-	-
North Carolina.....	41,645	47,639	-	-
North Dakota.....	22,898	8,132	-	-
Ohio.....	15,900	31,891	-	-
Oklahoma.....	29,043	36,733	-	-
Oregon.....	26,663	37,560	-	-
Pennsylvania.....	30,569	23,014	-	-
South Carolina.....	14,500	34,292	-	-
South Dakota.....	22,711	3,335	-	-
Tennessee.....	26,681	26,655	-	-
Texas.....	29,489	49,649	-	-
Utah.....	19,806	17,670	-	-
Vermont.....	206	1,435	-	-
Virginia.....	16,935	21,377	-	-
Washington.....	23,918	16,516	-	-
West Virginia.....	14,049	14,065	-	-
Wisconsin.....	33,517	33,703	-	-
Wyoming.....	4,092	25,257	-	-
Guam.....	3,120	-	-	-
Puerto Rico.....	2,282	12,313	-	-
Virgin Islands.....	3,000	-	-	-
Undistributed.....	-	-	\$1,143,992 ^{a/}	\$1,105,876 ^{a/}
Obligations.....	914,114	1,084,020	1,143,992	1,105,876

^{a/} Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
 Guaranteed Business and Industry Loans - 2008 Disasters
Geographic Breakdown of Obligations
 (Dollars in thousands)

State/Territory	<u>2013 Actual</u>	<u>2014 Actual</u>	<u>2015 Estimate</u>	<u>2016 Estimate</u>
	Amount	Amount	Amount	Amount
Iowa.....	\$5,000	-	-	-
Louisiana.....	18,597	-	-	-
South Dakota.....	1,629	-	-	-
Obligations.....	25,226	-	-	-

Guaranteed Business and Industry NADBank Budget Authority
Geographic Breakdown of Obligations
 (Dollars in thousands)

State/Territory	<u>2013 Actual</u>	<u>2014 Actual</u>	<u>2015 Estimate</u>	<u>2016 Estimate</u>
	Amount	Amount	Amount	Amount
District of Columbia.....	\$99	\$114	\$100	\$38
Obligations.....	99	114	100	38

RURAL BUSINESS-COOPERATIVE SERVICE

Rural Business Enterprise Grants

Geographic Breakdown of Obligations

(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Alabama.....	\$586	\$691	-	-
Alaska.....	141	256	-	-
Arizona.....	333	341	-	-
Arkansas.....	410	509	-	-
California.....	723	699	-	-
Colorado.....	367	318	-	-
Connecticut.....	159	160	-	-
Delaware.....	116	142	-	-
Florida.....	606	811	-	-
Georgia.....	767	984	-	-
Hawaii.....	123	154	-	-
Idaho.....	210	229	-	-
Illinois.....	600	605	-	-
Indiana.....	514	543	-	-
Iowa.....	388	520	-	-
Kansas.....	293	257	-	-
Kentucky.....	605	920	-	-
Louisiana.....	395	470	-	-
Maine.....	356	374	-	-
Maryland.....	392	645	-	-
Massachusetts.....	155	202	-	-
Michigan.....	1,000	785	-	-
Minnesota.....	531	420	-	-
Mississippi.....	534	564	-	-
Missouri.....	522	715	-	-
Montana.....	842	440	-	-
Nebraska.....	133	285	-	-
Nevada.....	735	139	-	-
New Hampshire.....	374	175	-	-
New Jersey.....	154	143	-	-
New Mexico.....	233	258	-	-
New York.....	788	1,229	-	-
North Carolina.....	842	986	-	-
North Dakota.....	133	372	-	-
Ohio.....	735	901	-	-
Oklahoma.....	374	254	-	-
Oregon.....	287	367	-	-
Pennsylvania.....	692	781	-	-
Rhode Island.....	85	68	-	-
South Carolina.....	640	688	-	-
South Dakota.....	261	309	-	-
Tennessee.....	667	841	-	-
Texas.....	842	911	-	-
Utah.....	220	275	-	-
Vermont.....	166	857	-	-
Virginia.....	518	640	-	-
Washington.....	341	357	-	-
West Virginia.....	292	384	-	-
Wisconsin.....	466	801	-	-
Wyoming.....	117	114	-	-
Guam.....	100	168	-	-
N. Mariana Islands.....	130	50	-	-
Puerto Rico.....	661	100	-	-
Obligations.....	18,868	25,207	-	-

RURAL BUSINESS-COOPERATIVE SERVICE
Rural Business Enterprise Grants - Technical Assistance for Rural Transportation
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Maryland.....	\$929	\$500	-	-
Obligations.....	929	500	-	-

Rural Business Enterprise Grants - Native American Tribes
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Alaska.....	\$450	\$200	-	-
Arizona.....	227	80	-	-
California.....	98	216	-	-
Connecticut.....	-	98	-	-
Idaho.....	-	23	-	-
Louisiana.....	-	90	-	-
Maine.....	-	100	-	-
Michigan.....	-	200	-	-
Minnesota.....	96	200	-	-
Montana.....	250	317	-	-
Nebraska.....	99	99	-	-
Nevada.....	90	100	-	-
New Mexico.....	115	50	-	-
North Dakota.....	-	178	-	-
Oklahoma.....	642	498	-	-
Oregon.....	100	98	-	-
South Dakota.....	299	99	-	-
Utah.....	160	-	-	-
Washington.....	50	45	-	-
Wisconsin.....	173	100	-	-
Obligations.....	2,849	2,791	-	-

Rural Business Enterprise Grants - Native American Tribes for Rural Transportation
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Maryland.....	\$232	\$250	-	-
Obligations.....	232	250	-	-

RURAL BUSINESS-COOPERATIVE SERVICE
Rural Business Opportunity Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Arkansas.....	\$100	-	-	-
Idaho.....	80	\$98	-	-
Indiana.....	48	-	-	-
Maine.....	91	-	-	-
Minnesota.....	-	50	-	-
Missouri.....	116	-	-	-
Montana.....	100	-	-	-
Nebraska.....	-	45	-	-
Nevada.....	-	98	-	-
New Hampshire.....	65	-	-	-
New York.....	313	55	-	-
North Dakota.....	307	324	-	-
Ohio.....	65	-	-	-
Oklahoma.....	21	100	-	-
Oregon.....	45	-	-	-
South Dakota.....	-	98	-	-
Tennessee.....	-	63	-	-
Utah.....	300	100	-	-
Vermont.....	-	569	-	-
Washington.....	-	75	-	-
Wisconsin.....	50	-	-	-
Wyoming.....	9	-	-	-
Obligations.....	1,710	1,676	-	-

Rural Business Opportunity Grants - Native American Tribes
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Alaska.....	\$70	-	-	-
Arizona.....	50	-	-	-
California.....	48	-	-	-
Maine.....	44	-	-	-
Minnesota.....	113	-	-	-
Mississippi.....	94	-	-	-
New Mexico.....	100	-	-	-
New York.....	100	-	-	-
Oklahoma.....	150	-	-	-
South Dakota.....	222	-	-	-
Tennessee.....	69	-	-	-
Washington.....	108	-	-	-
Obligations.....	1,169	-	-	-

RURAL BUSINESS-COOPERATIVE SERVICE
Rural Business Development Grants Business Enterprise Grants Native American Tribes
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Undistributed.....	-	-	\$3,674 a/	\$3,375 a/
Obligations.....	-	-	3,674	3,375

RBDG Business Opportunity Grants Native American Tribes
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Undistributed.....	-	-	\$1,145 a/	\$375 a/
Obligations.....	-	-	1,145	375

RBDG Native American Tribes for Rural Transportation
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Undistributed.....	-	-	\$250 a/	\$250 a/
Obligations.....	-	-	250	250

Delta Regional Authority Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Mississippi.....	\$2,788	\$3,000	\$3,000	-
Obligations.....	2,788	3,000	3,000	-

Rural Child Poverty
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013	2014	2015	2016
	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
	Amount	Amount	Amount	Amount
Undistributed.....	-	-	-	\$20,000 a/
Obligations.....	-	-	-	20,000

a/ Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
RBDG Business Enterprise Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	<u>2013 Actual</u> Amount	<u>2014 Actual</u> Amount	<u>2015 Estimate</u> Amount	<u>2016 Estimate</u> Amount
Undistributed.....	-	-	\$20,030 <u>a/</u>	\$26,218 <u>a/</u>
Obligations.....	-	-	20,030	26,218

RBDG Business Opportunity Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	<u>2013 Actual</u> Amount	<u>2014 Actual</u> Amount	<u>2015 Estimate</u> Amount	<u>2016 Estimate</u> Amount
Undistributed.....	-	-	\$2,239 <u>a/</u>	\$2,913 <u>a/</u>
Obligations.....	-	-	2,239	2,913

RBDG Technical Assistance for Rural Transportation
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	<u>2013 Actual</u> Amount	<u>2014 Actual</u> Amount	<u>2015 Estimate</u> Amount	<u>2016 Estimate</u> Amount
Undistributed.....	-	-	\$500 <u>a/</u>	\$500 <u>a/</u>
Obligations.....	-	-	500	500

a/ Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	<u>2013</u> Actual	<u>2014</u> Actual	<u>2015</u> Estimate	<u>2016</u> Estimate
41.0 Grants, subsidies, and contributions....	\$83,877	\$109,310	\$89,803	\$98,602
99.9 Total, new obligations.....	<u>83,877</u>	<u>109,310</u>	<u>89,803</u>	<u>98,602</u>

RURAL BUSINESS-COOPERATIVE SERVICE

The estimates include appropriation language for this item as follows (new language underscored; deleted matter enclosed in brackets):

Intermediary Relending Program Fund Account (including transfer of funds)

- 1 For the principal amount of direct loans, as authorized by the Intermediary Relending Program [Fund Account] (7 U.S.C. 1936b), [~~\$18,889,000~~]\$10,014,000.

- For the cost of direct loans, [~~\$5,818,000~~]\$2,766,000, as authorized by the Intermediary Relending Program
- 2 [Fund Account] (7 U.S.C. 1936b), of which [~~\$531,000~~]\$360,000 shall be available through June 30,
 - 3 [2015]2016, for Federally Recognized Native American Tribes; and of which [~~\$1,021,000~~]\$692,000 shall be
 - 4 available through June 30, [2015]2016, 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, [~~\$4,439,000~~]\$4,488,000 shall be
- 5 [transferred to and merged with]paid to the appropriation for “Rural Development, Salaries and Expenses”.

The first change removes the words “Fund Account” from the title of the program to correctly identify the title of the program in the authorizing statute.

The second change removes the words “Fund Account” from the title of the program to correctly identify the title of the program in the authorizing statute.

The third change modifies the expiration date of the set-aside funds for the Federally recognized native American tribes loan program from June 30, 2015, to June 30, 2016.

The fourth change modifies the expiration date of the set-aside funds for the Mississippi Delta Region counties loan program from June 30, 2015, to June 30, 2016.

The fifth change adds language simplifying the transfer and consolidation of funds from the individually appropriated program expense accounts to the Rural Development, Salaries and Expense account.

RURAL BUSINESS-COOPERATIVE SERVICE
 INTERMEDIARY RELENDING PROGRAM ACCOUNT

Lead-Off Tabular Statement

	<u>Loan Level</u>	<u>Subsidy</u>	<u>Admin Expenses</u>
Budget Estimate, 2016.....	\$10,014,000	\$2,766,000	\$4,488,000
2015 Enacted.....	<u>18,890,000</u>	<u>5,818,000</u>	<u>4,439,000</u>
Change in Appropriation.....	<u>-8,876,000</u>	<u>-3,052,000</u>	<u>+ 49,000</u>

Summary of Increases and Decreases

(Dollars in thousands)

Program	2013 Actual	2014 Change	2015 Change	2016 Change	2016 Estimate
Discretionary Appropriations:					
Intermediary Relending Program.....	\$5,581	-\$1,499	+\$1,736	-\$3,052	\$2,766
Administrative Expenses.....	4,093	+346	-	+49	4,488
Total.....	<u>9,674</u>	<u>-1,153</u>	<u>+1,736</u>	<u>-3,003</u>	<u>7,254</u>

RURAL BUSINESS-COOPERATIVE SERVICE
INTERMEDIARY RELENDING PROGRAM ACCOUNT
Project Statement
Adjusted Appropriations Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2013 Actual			2014 Actual			2015 Enacted			Inc. or Dec.			2016 Estimate		
	Program Level	Budget Authority	SYs												
Discretionary Appropriations:															
Intermediary Relending Program.....	\$17,420	\$5,581	49	\$18,889	\$4,082	46	\$18,890	\$5,818	53	-\$8,875 (1)	-\$3,052 (2)	+3	\$10,014	\$2,766	56
Administrative Expenses..... <u>a/</u>	-	4,093	-	-	4,439	-	-	4,439	-	-	+49	-	-	4,488	-
Subtotal.....	17,420	9,674	49	18,889	8,521	46	18,890	10,257	53	-8,875	-3,003	+3	10,014	7,254	56
Total Adjusted Approp.....	17,420	9,674	49	18,889	8,521	46	18,890	10,257	53	-8,875	-3,003	+3	10,014	7,254	56
Rescissions, Transfers, and Seq (Net)..... <u>b/c/</u>	1,469	816	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Appropriation.....	18,889	10,490	49	18,889	8,521	46	18,890	10,257	53	-8,875	-3,003	+3	10,014	7,254	56
Rescission..... <u>b/</u>	-512	-284	-	-	-	-	-	-	-	-	-	-	-	-	-
Sequestration..... <u>c/</u>	-957	-531	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Available.....	17,420	9,674	49	18,889	8,521	46	18,890	10,257	53	-8,875	-3,003	+3	10,014	7,254	56
Total Obligations.....	17,420	9,674	49	18,889	8,521	46	18,890	10,257	53	-8,875	-3,003	+3	10,014	7,254	56

a/ In 2013, funding of \$4,093,000 was appropriated and transferred to the Rural Development Salaries and Expenses account. In 2014, funding of \$4,439,000 was appropriated and transferred to the Rural Development Salaries and Expenses account. In 2015, funding of \$4,439,000 was appropriated and transferred to the Rural Development Salaries and Expenses account. In 2016, funding of \$4,488,000 is requested, and will be paid to the Rural Development Salaries and Expenses account.

b/ The rescission amounts are pursuant to the Consolidated and Further Continuing Appropriations Act, 2013, Public Law 113-6, signed March 26, 2013 including 2.513 percent rescission in accordance to section 3001(b)(1)(A) and .2 percent rescission in accordance to section 3004(c)(1).

c/ The sequestration amounts are pursuant to the sequestration order signed by the President on March 1, 2013, in accordance to section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

RURAL BUSINESS-COOPERATIVE SERVICE

INTERMEDIARY RELENDING PROGRAM ACCOUNT

Project Statement

Obligations Details and Staff Years (SYs)

(Dollars in thousands)

Program	2013 Actual			2014 Actual			2015 Estimate			Inc. or Dec.			2016 Estimate		
	Program Level	Budget Authority	SYs												
Discretionary Obligations:															
Intermediary Relending Program.....	\$17,420	\$5,581	49	\$18,889	\$4,082	46	\$18,890	\$5,818	53	-\$8,875	-\$3,052	+3	\$10,014	\$2,766	56
Administrative Expenses..... <u>a/</u>	-	4,093	-	-	4,439	-	-	4,439	-	-	+49	-	-	4,488	-
Total Obligations.....	17,420	9,674	49	18,889	8,521	46	18,890	10,257	53	-8,875	-3,003	+3	10,014	7,254	56
Total Available.....	17,420	9,674	49	18,889	8,521	46	18,890	10,257	53	-8,875	-3,003	+3	10,014	7,254	56
Rescission..... <u>b/</u>	512	284	-	-	-	-	-	-	-	-	-	-	-	-	-
Sequestration..... <u>c/</u>	957	531	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Appropriation.....	18,889	10,490	49	18,889	8,521	46	18,890	10,257	53	-8,875	-3,003	+3	10,014	7,254	56

a/ In 2013, funding of \$4,093,000 was appropriated and transferred to the Rural Development Salaries and Expenses account. In 2014, funding of \$4,439,000 was appropriated and transferred to the Rural Development Salaries and Expenses account. In 2015, funding of \$4,439,000 was appropriated and transferred to the Rural Development Salaries and Expenses account. In 2016, funding of \$4,488,000 is requested, and will be paid to the Rural Development Salaries and Expenses account.

b/ The rescission amounts are pursuant to the Consolidated and Further Continuing Appropriations Act, 2013, Public Law 113-6, signed March 26, 2013 including 2.513 percent rescission in accordance to section 3001(b)(1)(A) and .2 percent rescission in accordance to section 3004(c)(1).

c/ The sequestration amounts are pursuant to the sequestration order signed by the President on March 1, 2013, in accordance to section 251A of the Balanced Budget and Emergency Deficit Control of 1985, as amended.

Justification of Increases and Decreases

- (1) A decrease of \$8,875,000 for the intermediary relending program (\$18,890,000 available in 2015).

Base funding of the intermediary relending program (IRP) is used to alleviate poverty and increase economic activity and employment in rural communities. 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.

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.

The program supports the USDA Strategic Goal of assisting rural communities to create prosperity so they are self-sustaining, repopulating, and economically thriving, by creating or saving jobs through financing of businesses.

In 2016, the proposed funding level of \$10.014 million is projected to create and/or save 7,757 jobs and assist 379 businesses.

- (2) A decrease of \$3,052,000 for the intermediary relending program loan subsidy (\$5,818,000 available in 2015).

The decrease in subsidy for this program is due to the decrease in the requested loan level and a decrease in subsidy cost due to new economic assumptions. This level of budget authority will support a loan level of \$10 million.

RURAL BUSINESS-COOPERATIVE SERVICE
 Intermediary Relending Program Loans
Geographic Breakdown of Obligations
 (Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Alaska.....	-	\$1,000	-	-
California.....	\$1,200	1,000	-	-
Colorado.....	795	-	-	-
Georgia.....	-	500	-	-
Iowa.....	-	500	-	-
Kentucky.....	1,000	500	-	-
Maine.....	1,000	-	-	-
Massachusetts.....	-	1,000	-	-
Michigan.....	500	-	-	-
Minnesota.....	-	293	-	-
Missouri.....	2,250	963	-	-
Montana.....	-	2,250	-	-
Nebraska.....	-	176	-	-
New Hampshire.....	-	1,000	-	-
New Jersey.....	-	1,000	-	-
New York.....	750	-	-	-
Ohio.....	725	-	-	-
Oklahoma.....	500	309	-	-
Pennsylvania.....	300	1,500	-	-
South Carolina.....	1,150	-	-	-
South Dakota.....	750	750	-	-
Texas.....	-	400	-	-
Vermont.....	1,000	3,000	-	-
Washington.....	500	1,750	-	-
West Virginia.....	750	-	-	-
Wisconsin.....	-	1,000	-	-
Puerto Rico.....	750	-	-	-
Undistributed.....	-	-	\$18,890 a/	\$10,014 a/
Obligations.....	17,420	18,889	18,890	10,014

a/ Totals cannot be distributed at this time.

Classification by Objects
 (Dollars in thousands)

	2013	2014	2015	2016
	Actual	Actual	Estimate	Estimate
25.0 Other purchases of goods and services				
from government accounts.....	\$4,093	\$4,439	\$4,439	\$4,488
41.0 Grants, subsidies, and contributions.....	5,581	4,082	5,818	2,766
99.9 Total, new obligations.....	9,674	8,521	10,257	7,254

RURAL BUSINESS-COOPERATIVE SERVICE

The estimates include appropriation language for this item as follows (new language underscored; deleted matter enclosed in brackets):

Rural Economic Development Loans Program Account (Including [Rescission]Cancellation of Funds)

For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, [~~\$33,077,000~~]\$85,000,000.

Of the funds derived from interest on the cushion of credit payments, as authorized by section 313 of the Rural Electrification Act of 1936, [~~\$179,000,000~~]\$154,000,000 shall not be obligated and 1 [~~\$179,000,000~~]\$154,000,000 are [rescinded]hereby permanently cancelled.

This change clarifies the way the interest on cushion of credit funds is being removed from this account and being recorded in the budget.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL ECONOMIC DEVELOPMENT DIRECT LOANS

Project Statement

(Adjusted Appropriations Detail and Staff Years (SYs))

(Dollars in thousands)

Program	2013 Actual			2014 Actual			2015 Enacted			Inc. or Dec.			2016 Estimate		
	Program	Budget		Program	Budget		Program	Budget		Program	Budget		Program	Budget	
	Level	Authority	SYs	Level	Authority	SYs	Level	Authority	SYs	Level	Authority	SYs	Level	Authority	SYs
Discretionary Appropriations:															
Rural economic development direct loans	-	-	19	-	-	19	-	-	22	-	-	-	-	-	22
Total Appropriation.....	-	-	19	-	-	19	-	-	22	-	-	-	-	-	22
Bal. Available, SOY.....	\$45,352	\$5,619	-	\$57,885	\$4,891	-	\$7,986	\$1,020	-	+\$25,213	-\$147	-	\$33,199	\$873	-
Recoveries, Other (Net).....	10,356	1,283	-	9,087	768	-	9,248	1,181	-	-1,750	-177	-	7,498	1,004	-
Total Available.....	55,708	6,902	19	66,972	5,659	19	17,234	2,201	22	23,463	-324	-	40,697	1,877	22
Bal. Available, EOY.....	-39,478	-4,891	-	-12,068	-1,020	-	-6,831	-873	-	-25,856	69	-	-32,687	-804	-
Offsetting collections paid from rural economic development grants account...	a/ 33,077	4,098	-	30,695	2,594	-	30,662	3,916	-	54,338 (1)	7,466 (2)	-	85,000	11,382	-
Total Obligations.....	49,307	6,109	19	85,600	7,233	19	41,065	5,244	22	51,945	7,210	-	93,010	12,454	22

Project Statement

Obligations Details and Staff Years (SYs)

(Dollars in thousands)

Program	2013 Actual			2014 Actual			2015 Estimate			Inc. or Dec.			2016 Estimate		
	Program	Budget		Program	Budget		Program	Budget		Program	Budget		Program	Budget	
	Level	Authority	SYs	Level	Authority	SYs	Level	Authority	SYs	Level	Authority	SYs	Level	Authority	SYs
Discretionary Obligations:															
Rural economic development direct loans	\$49,307	\$6,109	19	\$85,600	\$7,233	19	\$41,065	\$5,244	22	+\$51,945 (1)	+\$7,210 (2)	-	\$93,010	\$12,454	22
Total Obligations.....	49,307	6,109	19	85,600	7,233	19	41,065	5,244	22	+51,945	+7,210	-	93,010	12,454	22
Other Adjustments (Net).....	-10,356	-1,283	-	-9,087	-768	-	-9,248	-1,181	-	+1,750	+177	-	-7,498	-1,004	-
Bal. Available, EOY.....	39,478	4,891	-	12,068	1,020	-	6,831	873	-	+25,856	-69	-	32,687	804	-
Total Available.....	78,429	9,717	19	88,581	7,485	19	38,648	4,936	22	+79,551	+7,319	-	118,199	12,254	22
Bal. Available, SOY.....	-45,352	-5,619	-	-57,885	-4,891	-	-7,986	-1,020	-	-25,213	+147	-	-33,199	-873	-
Offsetting collections paid from rural economic development grants account...	a/ -33,077	-4,098	-	-30,695	-2,594	-	-30,662	-3,916	-	-54,338	-7,466	-	-85,000	-11,382	-
Total Appropriation.....	-	-	19	-	-	19	-	-	22	-	-	-	-	-	22

a/ Program is funded by the cushion of credit account.

Justification of Increases or Decreases

- (1) An increase of \$54,338,000 for the rural economic development loans (\$33,077,000 available in 2015).

Base funds for the program continue to create/save jobs. In 2015, the rural economic development loan program anticipates creating/saving a total of 1,342 jobs. 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.

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.

In 2016, this loan program anticipates creating/saving a total of 3,450 jobs.

- (2) An increase of \$7,466,000 for the rural economic development loan subsidy (\$4,224,000 available in 2015).

There is no request for discretionary budget authority because this program is funded from the earnings in the cushion of credit account. The requested subsidy supports the estimated loan obligation with the requested 2016 loan level for this program.

RURAL BUSINESS-COOPERATIVE SERVICE
Rural Economic Development Loans
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Alabama.....	-	\$1,300	-	-
Colorado.....	-	550	-	-
Delaware.....	-	593	-	-
Georgia.....	\$1,000	3,082	-	-
Idaho.....	-	2,000	-	-
Illinois.....	4,000	11,810	-	-
Indiana.....	1,104	-	-	-
Iowa.....	4,711	9,917	-	-
Kansas.....	2,720	10,295	-	-
Kentucky.....	4,000	-	-	-
Minnesota.....	3,000	333	-	-
Mississippi.....	3,375	4,000	-	-
Missouri.....	3,206	750	-	-
Montana.....	678	300	-	-
Nebraska.....	798	-	-	-
North Carolina.....	6,408	14,670	-	-
North Dakota.....	4,000	8,075	-	-
Ohio.....	-	1,573	-	-
South Carolina.....	2,738	3,000	-	-
Tennessee.....	3,521	10,610	-	-
Utah.....	3,642	-	-	-
Virginia.....	-	1,000	-	-
Washington.....	80	750	-	-
Wisconsin.....	325	992	-	-
Undistributed.....	-	-	\$41,065 a/	\$93,010 a/
Obligations.....	49,307	85,600	41,065	93,010
Bal. Available, SOY.....	-45,352	-57,885	-7,986	-33,199
Recoveries.....	-10,356	-9,087	-9,248	-7,498
Bal. Available, EOY.....	39,478	12,068	6,831	32,687
Total, Adjust Approp.....	33,077	30,695	30,662	85,000

a/ Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	2013	2014	2015	2016
	Actual	Actual	Estimate	Estimate
41.0 Grants, subsidies, and contributions..	\$5,293	\$6,109	\$4,225	\$11,925
99.9 Total, new obligations.....	5,293	6,109	4,225	11,925

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL ECONOMIC DEVELOPMENT GRANTS

Lead-Off Tabular Statement

(On basis of Appropriations)

Budget Estimate, 2016.....	-\$154,000,000
2015 Enacted.....	-179,000,000
Change in Appropriation.....	<u>+25,000,000</u>

Lead-Off Tabular Statement

(On basis of Funding)

Budget Estimate, 2016.....	\$12,000,000
2015 Enacted.....	10,000,000
Change in Funding.....	<u>+2,000,000</u>

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL ECONOMIC DEVELOPMENT GRANTS

Project Statement

Adjusted Appropriations Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2013 Actual		2014 Actual		2015 Enacted		Inc. or Dec.		2016 Estimate	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Discretionary Appropriations:										
Rural economic development grants.....	-	19	-	18	-	21	-	+1	-	22
Subtotal.....	-	19	-	18	-	21	-	+1	-	22
Total Adjusted Approp.....	-	19	-	18	-	21	-	+1	-	22
Rescissions.....	-\$180,000	-	-\$175,000	-	-\$179,000	-	+\$25,000	-	-\$154,000	-
Total Appropriation.....	-180,000	19	-175,000	18	-179,000	21	+25,000	+1	-154,000	22
Transfers In:										
Rural Electrification and Telecommunications Liquidating Account, Cushion of Credit.....	a/ 166,103	-	195,167	-	162,000	-	-18,000	-	144,000	-
Rural Electrification and Telecommunications electric underwriter loan fees.....	11,505	-	12,589	-	12,000	-	-	-	12,000	-
Subtotal.....	177,608	19	207,756	18	174,000	21	-18,000	+1	156,000	22
Rescission.....	-180,000	-	-175,000	-	-179,000	-	+25,000	-	-154,000	-
Temporary Sequestration.....	b/ -	-	-921	-	-1,038	-	+1,038	-	-	-
Sequestration recovered.....	-	-	-	-	921	-	+117	-	1,038	-
Bal. Available, SOY.....	199,217	-	183,791	-	204,396	-	-17,430	-	186,966	-
Recoveries, Other (Net).....	1,044	-	644	-	873	-	+103	-	976	-
Total Available.....	197,869	19	216,269	18	200,151	21	-9,171	+1	190,980	22
Bal. Available, EOY.....	-183,791	-	-204,396	-	-186,966	-	+18,491	-	-168,475	-
Offsetting collections paid to rural economic development program account.....	-4,098	-	-2,594	-	-3,916	-	-7,466	-	-11,382	-
Total Obligations.....	9,980	19	9,280	18	9,270	21	+1,854	+1	11,124	22

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

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

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL ECONOMIC DEVELOPMENT GRANTS

Project Statement

Obligations Details and Staff Years (SYs)

(Dollars in thousands)

Program	<u>2013 Actual</u>		<u>2014 Actual</u>		<u>2015 Enacted</u>		<u>Inc. or Dec.</u>		<u>2016 Estimate</u>	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Discretionary Obligations:										
Rural economic development grants.....	\$9,980	19	\$9,280	18	\$9,270	21	+\$1,854	+1	\$11,124	22
Total Obligations.....	9,980	19	9,280	18	9,270	21	+1,854	+1	11,124	22
Recoveries, Other (Net).....	-1,044	-	-644	-	-873	-	-103	-	-976	-
Bal. Available, EOY.....	183,791	-	204,396	-	186,966	-	-18,491	-	168,475	-
Total Available.....	192,727	19	213,031	18	195,363	21	-16,740	+1	178,623	22
Transfers In.....	a/ -177,608	-	-207,756	-	-174,000	-	+18,000	-	-156,000	-
Bal. Available, SOY.....	-199,217	-	-183,791	-	-204,396	-	+17,430	-	-186,966	-
Temporary Sequestration.....	b/ -	-	921	-	1,038	-	-1,038	-	-	-
Sequestration recovered.....	-	-	-	-	-921	-	-117	-	-1,038	-
Offsetting collections paid to rural economic development program account.....	4,098	-	2,594	-	3,916	-	+7,466	-	11,382	-
Total Appropriation.....	-180,000	19	-175,000	18	-179,000	21	+25,000	+1	-154,000	22

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

b/ Amounts represent temporary sequestration of the rural economic development loan subsidy and rural economic development grant

Justification of Increases and Decreases

- (1) An increase of \$2,000,000 for rural economic development grants (\$10,000,000 available in 2015).

Base funds for the rural economic development grant program continue to create/save jobs. 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.

The program anticipates creating/saving 1,360 jobs. The program is funded through the earnings from the cushion of credit account.

RURAL BUSINESS-COOPERATIVE SERVICE
Rural Economic Development Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	<u>2013 Actual</u> Amount	<u>2014 Actual</u> Amount	<u>2015 Estimate</u> Amount	<u>2016 Estimate</u> Amount
Alabama.....	-	\$600	-	-
Illinois.....	\$600	-	-	-
Indiana.....	300	-	-	-
Iowa.....	1,780	2,969	-	-
Kansas.....	167	-	-	-
Michigan.....	300	-	-	-
Minnesota.....	300	300	-	-
Mississippi.....	300	-	-	-
Missouri.....	300	-	-	-
Nebraska.....	1,200	284	-	-
North Carolina.....	1,800	2,778	-	-
North Dakota.....	632	-	-	-
Ohio.....	300	-	-	-
South Dakota.....	1,401	2,050	-	-
Utah.....	300	-	-	-
Washington.....	-	300	-	-
Wisconsin.....	300	-	-	-
Undistributed.....	-	-	\$9,270 a/	\$11,124 a/
Obligations.....	<u>9,980</u>	<u>9,280</u>	<u>9,270</u>	<u>11,124</u>
Total, Adjust Approp.....	<u>9,980</u>	<u>9,280</u>	<u>9,270</u>	<u>11,124</u>

a/ Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	<u>2013</u> Actual	<u>2014</u> Actual	<u>2015</u> Estimate	<u>2016</u> Estimate
41.0 Grants, subsidies, and contributions.....	\$9,980	\$9,280	\$9,270	\$11,124
99.9 Total, new obligations.....	<u>9,980</u>	<u>9,280</u>	<u>9,270</u>	<u>11,124</u>

RURAL BUSINESS-COOPERATIVE SERVICE

The estimates include appropriations language for this item as follows (new language underscored):

Rural Microenterprise Investment Program Account

For the cost of loans, \$2,653,000, and for grants, \$2,000,000, 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 cost of loans, including the cost of modifying such loans, shall be as defined by section 502 of the Congressional Budget Act of 1974.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL MICROENTERPRISE INVESTMENT PROGRAM ACCOUNT

Lead-Off Tabular Statement

	<u>Loan Level</u>	<u>Subsidy</u>	<u>Grants</u>
Budget Estimate, 2016.....	\$23,416,000	\$2,653,000	\$2,000,000
2015 Enacted.....	-	-	-
Change in Appropriation.....	<u>+23,416,000</u>	<u>+2,653,000</u>	<u>+2,000,000</u>

Summary of Increases and Decreases

(Dollars in thousands)

<u>Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2016</u>
	<u>Actual</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>
Discretionary Appropriations:					
Microenterprise Loans.....	-	-	-	+\$2,653	\$2,653
Microenterprise Grants.....	-	-	-	+2,000	2,000
Total Discretionary Appropriations.....	-	-	-	+4,653	4,653
Mandatory Appropriations:					
Microenterprise Loans.....	\$1,500	-	-\$750	+750	1,500
Microenterprise Grants.....	1,500	-	+750	-750	1,500
Total Mandatory Appropriations.....	3,000	-	-	-	3,000
Total.....	3,000	-	-	+4,653	7,653

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL MICROENTERPRISE INVESTMENT PROGRAM ACCOUNT

Project Statement
Adjusted Appropriations Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2013 Actual			2014 Actual			2015 Enacted			Inc. or Dec.			2016 Estimate				
	Program Level	Budget Authority	SYs	Program Level	Budget Authority	SYs											
Discretionary Appropriations:																	
Microenterprise Loans.....	-	-	-	-	-	-	-	-	-	+23,416	(1)	+2,653	(3)	-	\$23,416	\$2,653	-
Microenterprise Grants.....	-	-	-	-	-	-	-	-	-	+2,000	(2)	+2,000	-	2,000	2,000	-	-
Subtotal.....	-	-	-	-	-	-	-	-	-	+25,416	-	+4,653	-	25,416	4,653	-	-
Mandatory Appropriations:																	
Microenterprise Loans..... a/	\$10,033	\$1,500	12	\$23,962	\$1,500	11	\$5,855	\$750	13	+7,384	+750	-	13,239	1,500	13	-	-
Microenterprise Grants..... a/	1,500	1,500	12	1,500	1,500	11	2,250	2,250	13	-750	-750	-	1,500	1,500	13	-	-
Subtotal.....	11,533	3,000	24	25,462	3,000	22	8,105	3,000	26	+6,634	-	-	14,739	3,000	26	-	-
Total Adjusted Approp.....	11,533	3,000	24	25,462	3,000	22	8,105	3,000	26	+32,050	+4,653	-	40,155	7,653	26	-	-
Rescissions, Transfers and Seq. (Net).....	-11,533	-3,000	-	-25,462	-3,000	-	-8,105	-3,000	-	-6,634	-	-	-14,739	-3,000	-	-	-
Total Appropriation.....	-	-	24	-	-	22	-	-	26	+25,416	+4,653	-	25,416	4,653	26	-	-
Transfers In:																	
Commodity Credit Corporation.....	11,533	3,000	-	25,462	3,000	-	8,105	3,000	-	+6,634	-	-	14,739	3,000	-	-	-
Total.....	11,533	3,000	24	25,462	3,000	22	8,105	3,000	26	+6,634	-	-	14,739	3,000	26	-	-
Sequestration..... b/	-	-	-	-	-	-	-592	-219	-	+592	+219	-	-	-	-	-	-
Bal. Available, SOY.....	112	112	-	28,498	2,223	-	14,884	2,512	-	+13,354	+304	-	28,238	2,816	-	-	-
Recoveries, Other (Net).....	1,181	311	-	11,869	929	-	4,354	664	-	-1	-63	-	4,353	602	-	-	-
Total Available.....	12,826	3,423	24	65,829	6,152	22	26,751	5,957	26	+45,995	+5,113	-	72,746	11,070	26	-	-
Bal. Available, EOY.....	-11,626	-2,223	-	-45,597	-2,512	-	-15,103	-2,816	-	-22,055	-772	-	-37,158	-3,588	-	-	-
Total Obligations.....	1,200	1,200	24	20,232	3,641	22	11,648	3,141	26	+23,940	+4,341	-	35,588	7,483	26	-	-

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

b/ The amounts are pursuant to the sequestration order signed by the President on March 1, 2013, in accordance with section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

RURAL BUSINESS-COOPERATIVE SERVICE
RURAL MICROENTERPRISE INVESTMENT PROGRAM ACCOUNT

Project Statement
Obligations Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2013 Actual			2014 Actual			2015 Estimate			Inc. or Dec.			2016 Estimate		
	Program Level	Budget Authority	SYs												
Discretionary Obligations:															
Microenterprise Loans.....	-	-	-	-	-	-	-	-	-	+23,416 (1)	+2,653 (3)	-	\$23,416	\$2,653	-
Microenterprise Grants.....	-	-	-	-	-	-	-	-	-	+2,000 (2)	+2,000	-	2,000	2,000	-
Subtotal.....	-	-	-	-	-	-	-	-	-	+25,416	+4,653	-	25,416	4,653	-
Mandatory Obligations:															
Microenterprise Loans..... <u>a/</u>	-	-	12	\$17,700	\$1,108	11	\$9,757	\$1,250	13	-1,476	-312	-	8,281	938	13
Microenterprise Grants..... <u>a/</u>	\$1,200	\$1,200	12	2,533	2,533	11	1,891	1,891	13	-	-	-	1,891	1,891	13
Subtotal.....	1,200	1,200	24	20,233	3,641	22	11,648	3,141	26	-1,476	-312	-	10,172	2,830	26
Total Obligations.....	1,200	1,200	24	20,233	3,641	22	11,648	3,141	26	+23,940	+4,341	-	35,588	7,483	26
Bal. Available, EOY.....	11,626	2,223	-	45,597	2,512	-	15,103	2,816	-	+22,055	+772	-	37,158	3,588	-
Total Available.....	12,826	3,423	24	65,829	6,152	22	26,751	5,957	26	+45,995	+5,113	-	72,746	11,070	26
Transfers: Commodity Credit Corporation.....	-11,533	-3,000	-	-25,462	-3,000	-	-8,105	-3,000	-	-6,634	-	-	-14,739	-3,000	-
Sequestration..... <u>b/</u>	-	-	-	-	-	-	592	219	-	-592	-219	-	-	-	-
Bal. Available, SOY.....	-112	-112	-	-28,498	-2,223	-	-14,884	-2,512	-	-13,354	-304	-	-28,238	-2,816	-
Recoveries, Other (Net).....	-1,181	-311	-	-11,869	-929	-	-4,354	-664	-	+1	+63	-	-4,353	-602	-
Total Appropriation.....	-	-	24	-	-	22	-	-	26	+25,416	+4,653	-	25,416	4,653	26

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

b/ The amounts are pursuant to the sequestration order signed by the President on March 1, 2013, in accordance with section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

Justification of Increases and Decreases

(1) An increase of \$23,416,000 for the rural microenterprise assistance program direct loans (\$0 available in 2015).

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 duration of the loan is 20 years.

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.

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

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.

With the funding requested in 2016, the program will create or save about 1,700 jobs.

(2) An increase of \$2,000,000 for the rural microenterprise assistance program grants (\$0 available in 2015).

The proposal will support expansion of the rural microenterprise assistance grant program, which will assist small businesses of 10 people or less to expand and grow their businesses. Funds are for technical assistance to the MDOs and do not go directly to an ultimate recipient.

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.

(3) An increase of \$2,653,000 for the rural microenterprise assistance program direct loan subsidy (\$0 available in 2015).

The subsidy requested for this program is to support the requested loan level of \$23.4 million.

RURAL BUSINESS-COOPERATIVE SERVICE
Discretionary Rural Microentrepreneur Assistance Program Direct Loans
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013	2014	2015	2016
	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
	Amount	Amount	Amount	Amount
Undistributed.....	-	-	-	\$23,416 ^{a/}
Obligations.....	-	-	-	23,416

Mandatory Rural Microentrepreneur Assistance Program Direct Loans
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013	2014	2015	2016
	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
	Amount	Amount	Amount	Amount
California.....	-	\$4,300	-	-
Colorado.....	-	300	-	-
Connecticut.....	-	500	-	-
Florida.....	-	300	-	-
Illinois.....	-	500	-	-
Iowa.....	-	200	-	-
Kentucky.....	-	900	-	-
Louisiana.....	-	1,000	-	-
Maryland.....	-	1,000	-	-
Massachusetts.....	-	500	-	-
Missouri.....	-	600	-	-
Montana.....	-	100	-	-
Nebraska.....	-	1,150	-	-
Nevada.....	-	500	-	-
New Jersey.....	-	500	-	-
North Carolina.....	-	900	-	-
North Dakota.....	-	500	-	-
Oregon.....	-	300	-	-
Pennsylvania.....	-	1,200	-	-
South Carolina.....	-	450	-	-
South Dakota.....	-	900	-	-
West Virginia.....	-	500	-	-
Wisconsin.....	-	600	-	-
Undistributed.....	-	-	\$9,757 ^{a/}	\$8,281 ^{a/}
Obligations.....	-	17,700	9,757	8,281

^{a/} Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
Discretionary Rural Microentrepreneur Assistance Program Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013	2014	2015	2016
	Actual Amount	Actual Amount	Estimate Amount	Estimate Amount
Undistributed.....	-	-	-	\$2,000 ^{a/}
Obligations	-	-	-	2,000

Mandatory Rural Microentrepreneur Assistance Program Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013	2014	2015	2016
	Actual Amount	Actual Amount	Estimate Amount	Estimate Amount
California.....	\$86	\$825	-	-
Colorado.....	-	30	-	-
Connecticut.....	-	105	-	-
Florida.....	-	75	-	-
Idaho.....	54	-	-	-
Illinois.....	38	30	-	-
Iowa.....	-	50	-	-
Kentucky.....	37	130	-	-
Louisiana.....	-	105	-	-
Maine.....	193	-	-	-
Maryland.....	18	135	-	-
Massachusetts.....	74	-	-	-
Michigan.....	47	-	-	-
Minnesota.....	15	-	-	-
Mississippi.....	-	30	-	-
Missouri.....	-	150	-	-
Montana.....	39	25	-	-
Nebraska.....	81	138	-	-
Nevada.....	47	-	-	-
New Jersey.....	51	-	-	-
North Carolina.....	38	200	-	-
North Dakota.....	-	105	-	-
Ohio.....	26	30	-	-
Oregon.....	16	105	-	-
Pennsylvania.....	21	30	-	-
South Carolina.....	91	-	-	-
South Dakota.....	75	100	-	-
Washington.....	-	30	-	-
West Virginia.....	-	105	-	-
Wisconsin.....	129	-	-	-
Wyoming.....	23	-	-	-
Undistributed.....	-	-	\$1,891 ^{a/}	\$1,891 ^{a/}
Obligations.....	1,200	2,533	1,891	1,891

^{a/} Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	2013	2014	2015	2016
	Actual	Actual	Estimate	Estimate
41.0 Grants, subsidies, and contributions.....	\$1,200	\$3,641	\$3,141	\$7,483
99.9 Total, new obligations.....	1,200	3,641	3,141	7,483

NOTE: Amounts include mandatory and discretionary funding.

RURAL BUSINESS-COOPERATIVE SERVICE
 BIOREFINERY ASSISTANCE PROGRAM ACCOUNT
Project Statement
 Adjusted Appropriations Detail and Staff Years (SYs)
 (Dollars in thousands)

Program	2013 Actual			2014 Actual			2015 Enacted			Inc. or Dec.			2016 Estimate			
	Program Level	Budget Authority	SYs	Program Level	Budget Authority	SYs	Program Level	Budget Authority	SYs	Program Level	Budget Authority	SYs	Program Level	Budget Authority	SYs	
Mandatory Appropriations:																
Guaranteed biorefinery loans.....	a/	-	-	16	\$241,371	\$100,000	15	\$124,008	\$50,000	17	+\$99,007	-	+1	\$223,015	\$50,000	18
Total Adjusted Approp.....		-	-	16	241,371	100,000	15	124,008	50,000	17	+99,007	-	+1	223,015	50,000	18
Rescissions, Transfers, and Seq. (Net).....		-	-	-	-241,371	-100,000	-	-124,008	-50,000	-	-99,007	-	-	-223,015	-50,000	-
Total Appropriation.....		-	-	16	-	-	15	-	-	17	-	-	+1	-	-	18
Transfers In:																
Commodity Credit Corporation.....		-	-	-	241,371	100,000	-	124,008	50,000	-	+99,007	-	-	223,015	50,000	-
Total.....		-	-	-	241,371	100,000	-	124,008	50,000	-	+99,007	-	-	223,015	50,000	-
Rescission.....	b/	-	-	-	-98,223	-40,694	-	-	-	-	-	-	-	-	-	-
Sequestration.....	c/	-	-	-	-	-	-	-9,053	-3,650	-	+9,053	+3,650	-	-	-	-
Discretionary block on S&E funds.....	d/	-	-	-	-	-	-	-40,551	-16,350	-	+40,551	+16,350	-	-	-	-
Bal. Available, SOY.....		\$96,890	\$40,694	-	171,802	71,178	-	277,397	111,847	-	+51,712	-47,045	-	329,109	64,802	-
Recoveries, Other (Net).....		72,581	30,484	-	67,005	27,760	-	-	-	-	-	-	-	-	-	-
Total Available.....		169,471	71,178	16	381,955	158,244	15	351,802	141,847	17	+200,322	-27,045	+1	552,124	114,802	18
Bal. Available, EOY.....		-169,471	-71,178	-	-220,955	-111,847	-	-160,718	-64,802	-	-166,054	+524	-	-326,772	-64,278	-
Total Obligations.....		-	-	16	161,000	46,397	15	191,084	77,045	17	+34,269	-26,521	+1	225,352	50,524	18

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

b/ Rescission of all unobligated balances in the amount of \$40,694,000 of Biorefinery Assistance Program Account funds pursuant to the Consolidated Appropriates Act, 2014, Public Law 113-76, Division A, Title VII, GP 741.

c/ Sequestration reduction pursuant to the sequestration order signed by the President on March 1, 2013, in accordance with section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

d/ Consolidated and Further Continuing Appropriations Act, 2015, PL 113-235, dated December, 16, 2014, GP 716(5) blocks S&E to be spent to run the program in excess of \$30,000,000 for 2015.

RURAL BUSINESS-COOPERATIVE SERVICE
 BIOREFINERY ASSISTANCE PROGRAM ACCOUNT
Project Statement
 Obligations Detail and Staff Years (SYs)
 (Dollars in thousands)

Program	2013 Actual			2014 Actual			2015 Estimated			Inc. or Dec.			2016 Estimate			
	Program Level	Budget Authority	SYs	Program Level	Budget Authority	SYs	Program Level	Budget Authority	SYs	Program Level	Budget Authority	SYs	Program Level	Budget Authority	SYs	
Mandatory Obligations:																
Guaranteed biorefinery loans.....	a/	-	-	16	\$161,000	\$46,397	15	\$191,084	\$77,045	17	+\$34,269	-\$26,521	+1	\$225,352	\$50,524	18
Total Obligations.....		-	-	16	161,000	46,397	15	191,084	77,045	17	+34,269	-26,521	+1	225,352	50,524	18
Bal. Available, EOY.....		\$169,471	\$71,178	-	220,955	111,847	-	160,718	64,802	-	+166,054	-524	-	326,772	64,278	-
Total Available.....		169,471	71,178	16	381,955	158,244	15	351,802	141,847	17	+200,322	-27,045	+1	552,124	114,802	18
Transfers In:.....		-	-	-	-241,371	-100,000	-	-124,008	-50,000	-	-99,007	-	-	-223,015	-50,000	-
Rescission.....	b/	-	-	-	98,223	40,694	-	-	-	-	-	-	-	-	-	-
Sequestration.....	c/	-	-	-	-	-	-	9,053	3,650	-	-9,053	-3,650	-	-	-	-
Discretionary block on S&E funds.....	d/	-	-	-	-	-	-	40,551	16,350	-	-40,551	-16,350	-	-	-	-
Bal. Available, SOY.....		-96,890	-40,694	-	-171,802	-71,178	-	-277,397	-111,847	-	-51,712	+47,045	-	-329,109	-64,802	-
Recoveries, Other (Net).....		-72,581	-30,484	-	-67,005	-27,760	-	-	-	-	-	-	-	-	-	-
		-	-	16	-	-	15	-	-	17	-	-	+1	-	-	18

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

b/ Rescission of unobligated balances in the amount of \$40,694,000 of Biorefinery Assistance Program Account funds pursuant to the Consolidated Appropriates Act, 2014, Public Law 113-76, Division A, Title VII, GP 741.

c/ Sequestration reduction pursuant to the sequestration order signed by the President on March 1, 2013, in accordance with section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

d/ Consolidated and Further Continuing Appropriations Act, 2015, PL 113-235, dated December, 16, 2014, GP 716(5) blocks S&E to be spent to run the program in excess of \$30,000,000 for 2015.

RURAL BUSINESS-COOPERATIVE SERVICE
Mandatory Guaranteed Biorefinery Loans
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013	2014	2015	2016
	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
	Amount	Amount	Amount	Amount
Georgia.....	-	\$70,000	-	-
Louisiana.....	-	91,000	-	-
Undistributed.....	-	-	\$191,084 <u>a/</u>	\$225,352 <u>a/</u>
Obligations.....	-	161,000	191,084	225,352
Bal. Available, SOY.....	-\$96,890	-171,802	-277,397	-329,109
Recoveries.....	-72,581	-67,005	-	-
Rescission.....	-	98,223	-	-
Sequestration.....	-	-	9,053	-
Discretionary block on S&E funds.....	-	-	40,551	-
Bal. Available, EOY.....	169,471	220,955	160,718	326,772
Total, Adjusted Approp.....	-	241,371	124,008	223,015

a/ Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	2013	2014	2015	2016
	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
41.0 Grants, subsidies, and contributions.....	-	\$46,397	\$77,045	\$50,524
99.9 Total, new obligations.....	-	46,397	77,045	50,524

RURAL BUSINESS-COOPERATIVE SERVICE

ENERGY ASSISTANCE PAYMENTS

Project Statement

Adjusted Appropriations Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2013 Actual		2014 Actual		2015 Enacted		Inc. or Dec.		2016 Estimate	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Mandatory Appropriations:										
Repowering assistance payments..... a/	-	-	\$12,000	-	-	-	-	-	-	-
Bioenergy program for advanced biofuel payments..... b/	\$80,395	-	15,000	-	\$15,000	-	-	-	\$15,000	-
Total Adjusted Approp.....	80,395	2	27,000	2	15,000	2	-	-	15,000	2
Rescissions, Transfers and Seq. (Net).....	-80,395	-	-27,000	-	-15,000	-	-	-	-15,000	-
Total Appropriation.....	-	2	-	2	-	2	-	-	-	2
Transfers In:										
Commodity Credit Corporation.....	80,395	-	27,000	-	15,000	-	-	-	15,000	-
Total.....	80,395	-	27,000	-	15,000	-	-	-	15,000	-
Rescission..... c/d/e/	-28,045	-	-8,000	-	-8,000	-	-	-	-	-
Sequestration..... f/	-3,315	-	-	-	-1,095	-	+1,095	-	-	-
Secretary interchange transfer.....	-8,300	-	-	-	-	-	-	-	-	-
Bal. Available, SOY.....	57,842	-	51,131	-	21,834	-	-15,430	-	6,404	-
Recoveries, Other (Net).....	155	-	-	-	-	-	-	-	-	-
Total Available.....	98,732	2	70,131	2	27,739	2	-6,335	-	21,404	2
Bal. Available, EOY.....	-51,131	-	-21,834	-	-6,404	-	-1,096	-	-7,500	-
Total Obligations.....	47,601	2	48,297	2	21,335	2	-7,431	-	13,904	2

Project Statement

Obligations Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2013 Actual		2014 Actual		2015 Estimate		Inc. or Dec.		2016 Estimate	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Mandatory Obligations:										
Repowering assistance payments..... a/	-	-	-	-	\$4,000	-	-\$4,000	-	-	-
Bioenergy program for advanced biofuels payments..... b/	\$47,601	-	\$48,297	-	17,335	-	-3,431	-	\$13,904	-
Total Obligations.....	47,601	2	48,297	2	21,335	2	-7,431	-	13,904	2
Bal. Available, EOY.....	51,131	-	21,834	-	6,404	-	+1,096	-	7,500	-
Total Available.....	98,732	2	70,131	2	27,739	2	-6,335	-	21,404	2
Transfers In:										
Commodity Credit Corporation.....	-80,395	-	-27,000	-	-15,000	-	-	-	-15,000	-
Total.....	-80,395	2	-27,000	2	-15,000	2	-	-	-15,000	2
Rescission..... c/d/e/	28,045	-	8,000	-	8,000	-	-8,000	-	-	-
Sequestration..... f/	3,315	-	-	-	1,095	-	-1,095	-	-	-
Secretary interchange transfer.....	8,300	-	-	-	-	-	-	-	-	-
Bal. Available, SOY.....	-57,842	-	-51,131	-	-21,834	-	+15,430	-	-6,404	-
Recoveries, Other (Net).....	-155	-	-	-	-	-	-	-	-	-
Total Appropriation.....	-	2	-	2	-	2	-	-	-	2

Project Statement Footnotes

- a/ Mandatory funding provided by section 9004 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$12,000,000 for 2014, to remain available until expended.
- b/ Mandatory funding provided by section 9005 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$15,000,000 for 2014 through 2018, to remain available until expended.
- c/ Rescission of all unobligated balances of Repowering Assistance Payment funds pursuant to P.L.113-6, Division A, Title III, GP 738.
- d/ Rescission of unobligated balance in the amount of \$8,000,000 of Bioenergy for Advanced Biofuels Payment funds pursuant to P.L. 113-6, Division A, Title VII, GP 734.
- e/ Rescission of unobligated balance in the amount of \$8,000,000 of Repowering Assistance Payment funds pursuant to Sec. 748 of the Consolidated and Further Continuing Appropriations Act, 2015, HR 83, dated December 16, 2014.
- f/ The amounts are pursuant to the sequestration order signed by the President on March 1, 2013, in accordance with section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

RURAL BUSINESS-COOPERATIVE SERVICE
Mandatory Repowering Assistance Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013	2014	2015	2016
	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
	Amount	Amount	Amount	Amount
Undistributed.....	-	-	\$4,000 ^{a/}	-
Obligations.....	-	-	4,000	-

Mandatory Bioenergy Program for Advanced Biofuels Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013	2014	2015	2016
	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
	Amount	Amount	Amount	Amount
Alabama.....	\$15	\$42	-	-
Arizona.....	20	5	-	-
Arkansas.....	960	29	-	-
California.....	1,359	449	-	-
Colorado.....	61	4,851	-	-
Connecticut.....	17	131	-	-
Delaware.....	-	34	-	-
Florida.....	1,011	-	-	-
Georgia.....	289	545	-	-
Hawaii.....	20	114	-	-
Idaho.....	100	18	-	-
Illinois.....	2,191	39	-	-
Indiana.....	3,343	1,759	-	-
Iowa.....	4,212	1,688	-	-
Kansas.....	4,611	1,297	-	-
Kentucky.....	1,244	2,751	-	-
Louisiana.....	107	633	-	-
Maine.....	56	784	-	-
Maryland.....	266	79	-	-
Massachusetts.....	19	115	-	-
Michigan.....	24	2	-	-
Minnesota.....	1,768	17	-	-
Mississippi.....	521	983	-	-
Missouri.....	3,189	309	-	-
Montana.....	-	14,897	-	-
Nebraska.....	3,374	-	-	-
Nevada.....	91	3,539	-	-
New Hampshire.....	359	46	-	-
New Jersey.....	-	571	-	-
New Mexico.....	7	-	-	-
New York.....	148	-	-	-
North Carolina.....	122	60	-	-
North Dakota.....	-	265	-	-
Ohio.....	1,032	-	-	-
Oklahoma.....	5,574	750	-	-
Oregon.....	388	611	-	-
Pennsylvania.....	2,010	436	-	-
Rhode Island.....	82	2,649	-	-
South Carolina.....	11	308	-	-
South Dakota.....	21	8	-	-
Tennessee.....	81	4	-	-
Texas.....	7,799	79	-	-
Utah.....	7	6,141	-	-
Vermont.....	15	49	-	-
Virginia.....	130	11	-	-
Washington.....	658	538	-	-
West Virginia.....	46	500	-	-
Wisconsin.....	245	7	-	-
Wyoming.....	-	153	-	-
Undistributed.....	-	-	\$17,335 ^{a/}	\$13,904 ^{a/}
Obligations.....	47,601	48,297	17,335	13,904

^{a/} Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE

ENERGY ASSISTANCE PAYMENTS

Classification by Objects

(Dollars in thousands)

		2013	2014	2015	2015
		<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimated</u>
41.0	Grants, subsidies, and contributions.....	\$47,601	\$48,297	\$21,335	\$13,904
99.9	Total, new obligations.....	<u>47,601</u>	<u>48,297</u>	<u>21,335</u>	<u>13,904</u>

RURAL BUSINESS-COOPERATIVE SERVICE

The estimates include appropriations language for this item as follows (new language underscored; deleted matter enclosed in brackets):

Rural Energy for America Program

- 1 For the cost of a program of loan guarantees and grants, 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), [~~\$1,350,000~~ \$10,000,000]: *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.

This change adds the words “and grants” due to the program requiring grant funds to be available in order to effectively carrying out the program in 2016.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL ENERGY FOR AMERICA PROGRAM

Lead-Off Tabular Statement

	Loan Level	Subsidy	Grants
Budget Estimate, 2016.....	\$75,758,000	\$5,000,000	\$5,000,000
2015 Enacted.....	12,760,000	1,350,000	-
Change in Appropriation.....	<u>+62,998,000</u>	<u>+3,650,000</u>	<u>+5,000,000</u>

Summary of Increases and Decreases

(Dollars in thousands)

Program	2013 Actual	2014 Change	2015 Change	2016 Change	2016 Estimate
Discretionary Appropriations:					
Guaranteed renewable energy loans.....	\$3,137	+\$363	-\$2,150	+\$3,650	\$5,000
Renewable energy grants.....	-	-	-	+5,000	5,000
Total Discretionary Appropriations.....	<u>3,137</u>	<u>+363</u>	<u>-2,150</u>	<u>+8,650</u>	<u>10,000</u>
Mandatory Appropriations					
Guaranteed renewable energy loans.....	31,607	-6,607	-15,000	+15,000	25,000
Renewable energy grants.....	18,839	+2,661	+16,500	-15,500	22,500
Renewable energy feasibility studies.....	347	+653	-1,000	-	-
Renewable energy audits and technical assistance.....	12,398	-9,898	-500	+500	2,500
Total Mandatory Appropriations.....	<u>63,190</u>	<u>-13,190</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Total.....	<u><u>66,327</u></u>	<u><u>-12,827</u></u>	<u><u>-2,150</u></u>	<u><u>+8,650</u></u>	<u><u>60,000</u></u>

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL ENERGY FOR AMERICA PROGRAM

Project Statement

Adjusted Appropriations Detail and Staff Years (SYs)

(Dollars in thousands)

Program	2013 Actual			2014 Actual			2015 Enacted			Inc. or Dec.			2016 Estimate		
	Program Level	Budget Authority	SYs												
Discretionary Appropriations:															
Guaranteed renewable energy loans..... <u>a/</u>	\$13,065	\$3,137	5	\$12,760	\$3,500	5	\$12,760	\$1,350	6	+\$62,998 (1)	+\$3,650 (3)	-	\$75,758	\$5,000	6
Renewable energy grants.....	-	-	-	-	-	-	-	-	-	+5,000 (2)	+5,000	-	5,000	5,000	-
Subtotal.....	13,065	3,137	5	12,760	3,500	5	12,760	1,350	6	+67,998	+8,650	-	80,758	10,000	6
Mandatory Appropriations:															
Guaranteed renewable energy loans <u>a/b/c/</u>	131,642	31,607	10	91,141	25,000	10	94,518	10,000	11	+368,788	+15,000	+1	378,788	25,000	12
Renewable energy grants <u>b/c/</u>	18,839	18,839	76	21,500	21,500	71	38,000	38,000	82	-15,500	-15,500	+4	22,500	22,500	86
Renewable energy feasibility studies <u>b/c/</u>	347	347	-	1,000	1,000	-	-	-	-	-	-	-	-	-	-
Renewable energy audits and technical assistance <u>b/c/</u>	12,398	12,398	-	2,500	2,500	-	2,000	2,000	-	+500	+500	-	2,500	2,500	-
Subtotal.....	163,225	63,190	86	116,141	50,000	81	134,518	50,000	93	+353,788	-	+5	403,788	50,000	98
Total Adjusted Approp.....	176,290	66,327	91	128,901	53,500	86	147,278	51,350	99	+421,786	+8,650	+5	484,545	60,000	104
Rescissions, Transfers AND Seq. (Net)..... <u>c/d/</u>	-162,130	-62,827	-	-116,141	-50,000	-	-134,518	-50,000	-	-269,270	-	-	-403,788	-50,000	-
Total Appropriation.....	14,160	3,500	91	12,760	3,500	86	12,760	1,350	99	+67,998	+8,650	+5	80,758	10,000	104
Transfers In:															
Commodity Credit Corporation (CCC).....	163,225	63,190	-	116,141	50,000	-	134,518	50,000	-	+269,270	-	-	403,788	50,000	-
Total.....	163,225	63,190	-	116,141	50,000	-	134,518	50,000	-	+269,270	-	-	403,788	50,000	-
Rescissions..... <u>c/</u>	-383	-192	-	-	-	-	-	-	-	-	-	-	-	-	-
Sequestration..... <u>d/</u>	-3,610	-1,293	-	-	-	-	-9,820	-3,650	-	+9,820	+3,650	-	-	-	-
Bal. Available, SOY..... <u>e/f/</u>	24	24	-	57,519	24,762	-	275,802	57,422	-	+253,074	+11,637	-	528,876	69,059	-
Recoveries, Other (Net)..... <u>e/g/h/</u>	9,664	6,940	-	8,185	7,018	-	5,391	3,650	-	+7,362	+2,170	-	12,754	5,820	-
Total Available.....	183,080	72,170	91	194,604	85,280	86	418,651	108,772	99	+607,524	+26,107	+5	1,026,175	134,879	104
Bal. Available, EOY..... <u>f/</u>	-110,933	-24,762	-	-125,781	-57,422	-	-352,157	-69,059	-	-189,472	-5,820	-	-541,630	-74,879	-
Total Obligations.....	72,148	47,407	91	68,824	27,858	86	66,494	39,713	99	+418,051	+20,287	+5	484,545	60,000	104

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL ENERGY FOR AMERICA PROGRAM

Project Statement
Obligations Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2013 Actual			2014 Actual			2015 Estimate			Inc. or Dec.			2016 Estimate			
	Program Level	Budget Authority	SYs	Program Level	Budget Authority	SYs										
Discretionary Obligations:																
Guaranteed renewable energy loans	a/	\$13,065	\$3,137	5	\$12,760	\$3,500	5	\$12,760	\$1,350	6	+\$62,998 (1)	+\$3,650 (3)	-	\$75,758	\$5,000	6
Renewable energy grants		-	-	-	-	-	-	-	-	-	+5,000 (2)	+5,000	-	5,000	5,000	-
Subtotal.....		13,065	3,137	5	12,760	3,500	5	12,760	1,350	6	+67,998	+8,650	-	80,758	10,000	6
Mandatory Obligations:																
Guaranteed renewable energy loans	a/b/c/	19,493	4,680	10	43,689	11,984	10	17,189	1,819	11	+361,599	+23,181	+1	378,788	25,000	12
Renewable energy grants	b/c/	39,291	39,291	76	12,374	12,374	71	35,380	35,380	82	-12,880	-12,880	+4	22,500	22,500	86
Renewable energy feasibility studies	b/c/	299	299	-	-	-	-	-	-	-	-	-	-	-	-	-
Renewable energy audits and technical assistance	b/c/	-	-	-	-	-	-	1,165	1,165	-	+1,335	+1,335	-	2,500	2,500	-
Subtotal.....		59,083	44,270	86	56,064	24,358	81	53,734	38,363	93	+350,054	+11,637	+5	403,788	50,000	98
Total Obligations.....		72,148	47,407	91	68,824	27,858	86	66,494	39,713	99	+418,051	+20,287	+5	484,545	60,000	104
Bal. Available, EOY.....	f/	110,933	24,762	-	125,781	57,422	-	352,157	69,059	-	+189,472	+5,820	-	541,630	74,879	-
Total Available.....		183,080	72,170	91	194,604	85,280	86	418,651	108,772	99	+607,524	+26,107	+5	1,026,175	134,879	104
Transfers In.....		-163,225	-63,190	-	-116,141	-50,000	-	-134,518	-50,000	-	-269,270	-	-	-403,788	-50,000	-
Rescissions.....	c/	383	192	-	-	-	-	-	-	-	-	-	-	-	-	-
Sequestration.....	d/	3,610	1,293	-	-	-	-	9,820	3,650	-	-9,820	-3,650	-	-	-	-
Bal. Available, SOY.....	e/f/	-24	-24	-	-57,519	-24,762	-	-275,802	-57,422	-	-253,074	-11,637	-	-528,876	-69,059	-
Recoveries, Other (Net).....	e/g/h/	-9,664	-6,940	-	-8,185	-7,018	-	-5,391	-3,650	-	-7,362	-2,170	-	-12,754	-5,820	-
Total Appropriation.....		14,160	3,500	91	12,760	3,500	86	12,760	1,350	99	+67,998	+8,650	+5	80,758	10,000	104

Project Statement Footnotes

- a/ The subsidy rate is based on a guarantee fee of 1% and annual fee of .25%.
- b/ Includes mandatory funding provided by section 9007 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$50 million for 2014, \$50 million for 2015 and 2016. The funds are to remain available until expended.
- c/ Pursuant to the Consolidated and Further Continuing Appropriations Act, 2013, Public Law 113-6, signed March 26, 2013, including 2.513 percent and .2 percent rescission in accordance with section 3004(c)(1), the amounts are rescinded.
- d/ Sequestration reduction pursuant to the sequestration order signed by the President on March 1, 2013, in accordance with section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.
- e/ For 2013, actual recoveries, Other(Net), of the \$6,940 budget authority amount, \$861 is for subsidy and \$6,079 is for grants.
- f/ For 2013, actual balance available, EOY, and FY 2014, estimated balance available, SOY, of the \$24,762 budget authority amount, \$18,673 is for subsidy and \$6,089 is for grants.
- g/ For 2014, actual recoveries, Other (Net), of the \$7,018, budget authority amount, \$441 is for subsidy and \$6,577 is for grants.
- h/ For 2015, estimated recoveries, Other (Net), of the \$3,650, budget authority amount, \$206 is for subsidy and \$3,444 is for grants.

Justification of Increases and Decreases

- (1) An increase of \$62,998,000 for rural energy for America program (REAP) guaranteed loans (\$12,760,000 available in 2015).

Base funds for the program continue to generate kilowatt-hours of alternative energy. The 2016 request will support a total program level of \$75.5 million for guaranteed loans, projecting to result in 1,600 million kilowatt hours of renewable energy generation/savings and reduce greenhouse gas emissions by an estimated 972,000 metric tons of carbon dioxide equivalence. Since 2009 the Rural Business Service authorized 8,800 awards under the Rural Energy for America Program, saving or generating 9,574,631 megawatt hours of energy.

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.

The REAP request provides loan guarantees to farmers, ranchers, and rural small businesses to assist with purchasing renewable energy systems and making energy efficiency improvements to their physical plants.

Continuation of this program is critical because the program:

- Supports Presidential initiatives for a secure energy future.
- Enhances rural prosperity by facilitating sustainable renewable energy development.

The REAP guaranteed loan program provides significant leverage of Federal funds and greatly enhances access to a growing number of agricultural producers and small rural businesses that can greatly benefit from this program.

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.

The 2014 Farm Bill provides an additional \$25 million in mandatory budget authority for this program.

- (2) An increase of \$5,000,000 for rural energy for America program grants (\$0 available in 2015).

Base funds for the REAP grant program will continue to generate kilowatt-hours of alternative energy. In 2016, funding for the grant program of \$5 million is projected to result in 97 million kilowatt hours of renewable energy generation/savings and reduce greenhouse gas emissions by an estimated 93,000 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. For the last three years this program has seen an increase in 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, and increasing local business profits. In addition funds allowed 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.

The 2014 Farm Bill provides an additional \$25 million in mandatory budget authority for this program.

- (3) An increase of \$3,650,000 for rural energy for America program guaranteed loan subsidy (\$1,350,000 available in 2015).

The increase in subsidy for this program is due to the increase in the requested loan level and a decrease in the subsidy cost due to a change in technical assumptions. This level of budget authority will support a loan level of \$75.8 million.

RURAL BUSINESS-COOPERATIVE SERVICE
Discretionary Rural Energy for America Program Guaranteed Loans
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
North Carolina.....	\$5,565	\$12,760	-	-
Pennsylvania.....	7,500	-	-	-
Undistributed.....	-	-	\$12,760 <u>a/</u>	\$75,758 <u>a/</u>
Obligations.....	13,065	12,760	12,760	75,758

Discretionary Rural Energy for America Program Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Undistributed.....	-	-	-	\$5,000 <u>a/</u>
Obligations.....	-	-	-	5,000

Mandatory Rural Energy for America Program Guaranteed Loans
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Nebraska.....	\$101	\$25	-	-
New Hampshire.....	182	-	-	-
North Carolina.....	8,085	42,440	-	-
Ohio.....	11,125	-	-	-
Virginia.....	-	1,225	-	-
Undistributed.....	-	-	\$17,189 <u>a/</u>	\$378,788 <u>a/</u>
Obligations.....	19,493	43,689	17,189	378,788

a/ Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
Mandatory Rural Energy for America Program Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Alabama.....	\$135	\$179	-	-
Alaska.....	127	143	-	-
Arizona.....	255	167	-	-
Arkansas.....	573	147	-	-
California.....	818	429	-	-
Colorado.....	334	126	-	-
Connecticut.....	184	148	-	-
Delaware.....	-	142	-	-
Florida.....	355	287	-	-
Georgia.....	1,401	390	-	-
Hawaii.....	182	142	-	-
Idaho.....	704	161	-	-
Illinois.....	2,104	270	-	-
Indiana.....	1,996	354	-	-
Iowa.....	3,857	842	-	-
Kansas.....	435	237	-	-
Kentucky.....	1,024	325	-	-
Louisiana.....	220	226	-	-
Maine.....	391	190	-	-
Maryland.....	839	177	-	-
Massachusetts.....	242	158	-	-
Michigan.....	1,459	462	-	-
Minnesota.....	2,335	566	-	-
Mississippi.....	726	288	-	-
Missouri.....	1,384	327	-	-
Montana.....	209	168	-	-
Nebraska.....	1,726	169	-	-
Nevada.....	171	41	-	-
New Hampshire.....	192	164	-	-
New Jersey.....	321	127	-	-
New Mexico.....	339	90	-	-
New York.....	1,723	317	-	-
North Carolina.....	1,418	399	-	-
North Dakota.....	237	147	-	-
Ohio.....	1,367	364	-	-
Oklahoma.....	377	229	-	-
Oregon.....	464	205	-	-
Pennsylvania.....	1,113	358	-	-
Rhode Island.....	64	80	-	-
South Carolina.....	582	122	-	-
South Dakota.....	1,066	169	-	-
Tennessee.....	1,224	327	-	-
Texas.....	766	399	-	-
Utah.....	141	129	-	-
Vermont.....	181	122	-	-
Virginia.....	685	281	-	-
Washington.....	330	152	-	-
West Virginia.....	256	215	-	-
Wisconsin.....	1,140	273	-	-
Wyoming.....	52	67	-	-
Guam.....	66	-	-	-
Puerto Rico.....	310	163	-	-
Virgin Islands.....	209	125	-	-
Other Countries.....	483	88	-	-
Undistributed.....	-	-	\$35,380 ^{a/}	\$22,500 ^{a/}
Obligations.....	39,291	12,374	35,380	22,500

^{a/} Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
Mandatory Rural Energy for America Program Feasibility Studies
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Alaska.....	\$72	-	-	-
Colorado.....	7	-	-	-
Connecticut.....	25	-	-	-
Hawaii.....	25	-	-	-
Idaho.....	82	-	-	-
Nevada.....	15	-	-	-
New Mexico.....	2	-	-	-
New York.....	6	-	-	-
Oregon.....	15	-	-	-
Rhode Island.....	3	-	-	-
South Carolina.....	3	-	-	-
South Dakota.....	34	-	-	-
Washington.....	10	-	-	-
Undistributed.....	-	-	-	-
Obligations.....	299	-	-	-

Mandatory Rural Energy for America Program Energy Audits and Technical Assistance
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Undistributed.....	-	-	\$1,165 a/	\$2,500 a/
Obligations.....	-	-	1,165	2,500

a/ Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	2013	2014	2015	2016
	Actual	Actual	Estimate	Estimate
41.0 Grants, subsidies, and contributions.....	\$47,407	\$27,858	\$39,713	\$60,000
99.9 Total, new obligations.....	47,407	27,858	39,713	60,000

NOTE: Amounts include mandatory and discretionary funding.

RURAL BUSINESS-COOPERATIVE SERVICE

The estimates include appropriation language for this item as 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), [~~\$22,050,000~~]\$21,087,000, of which [~~\$2,500,000~~]\$2,087,000 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 [~~\$10,750,000~~]\$10,000,000, to remain available until expended, shall be for value-added agricultural product market development grants, as authorized by section 231 of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1632a).

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL COOPERATIVE DEVELOPMENT GRANTS

Lead-Off Tabular Statement

Budget Estimate, 2016.....	\$21,087,000
2015 Enacted.....	<u>22,050,000</u>
Change in Appropriation.....	<u><u>-963,000</u></u>

Summary of Increases and Decreases

(Dollars in thousands)

Program	2013 Actual	2014 Actual	2015 Change	2016 Change	2016 Estimate
Discretionary Appropriations					
Rural cooperative development grants.....	\$6,492	-\$692	-	+\$200	\$6,000
Appropriate technology transfer for rural areas agreements.....	2,087	+163	+\$250	-413	2,087
Grants to assist minority producers.....	3,205	-205	-	-	3,000
Value-added agriculture product marketing development grants.....	10,434	+816	-3,187	-563	7,500
Agricultural marketing resource center grants.....	696	+54	-213	-37	500
Value-added agricultural product beginning and socially disadvantaged farmers & ranchers.....	1,391	+109	-425	-75	1,000
Value-added agricultural product marketing development mid-tier chains.....	1,391	+109	-425	-75	1,000
Total Discretionary Appropriations.....	<u>25,696</u>	<u>+354</u>	<u>-4,000</u>	<u>-963</u>	<u>21,087</u>
Mandatory Appropriations					
Value-added agriculture product marketing development grants.....	-	+47,250	-47,250	-	-
Agricultural marketing resource center grants.....	-	+3,150	-3,150	-	-
Value-added agricultural product beginning and socially disadvantaged farmers & ranchers.....	-	+6,300	-6,300	-	-
Value-added agricultural product marketing development mid-tier chains.....	-	+6,300	-6,300	-	-
Total Mandatory Appropriations.....	<u>-</u>	<u>+63,000</u>	<u>-63,000</u>	<u>-</u>	<u>-</u>
Total.....	<u><u>25,696</u></u>	<u><u>+63,354</u></u>	<u><u>-67,000</u></u>	<u><u>-963</u></u>	<u><u>21,087</u></u>

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL COOPERATIVE DEVELOPMENT GRANTS

Project Statement

Adjusted Appropriations Detail and Staff Years (SYs)

(Dollars in thousands)

Program	2013 Actual		2014 Actual		2015 Enacted		Inc. or Dec.		2016 Estimate	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Discretionary Appropriations:										
Rural cooperative development grants.....	\$6,492	-	\$5,800	-	\$5,800	-	+\$200 (1)	-	\$6,000	-
Appropriate technology transfer for rural areas agreements.....	2,087	-	2,250	-	2,500	-	-413 (2)	-	2,087	-
Grants to assist minority producers.....	3,205	-	3,000	-	3,000	-	- (3)	-	3,000	-
Value-added agricultural product marketing development grants.....	10,434	-	11,250	-	8,063	-	-563 (4)	-	7,500	-
Agricultural marketing resource center grants.....	696	-	750	-	537	-	-37 (4)	-	500	-
Value-added agricultural product beginning & socially disadvantaged farmers & ranchers.....	1,391	-	1,500	-	1,075	-	-75 (4)	-	1,000	-
Value-added agricultural product marketing development mid-tier chains.....	1,391	-	1,500	-	1,075	-	-75 (4)	-	1,000	-
Subtotal.....	25,696	30	26,050	27	22,050	31	-963	+3	21,087	34
Mandatory Appropriations:										
Value-added agricultural product marketing development grants..... a/	-	-	47,250	-	-	-	-	-	-	-
Agricultural marketing resource center grants..... a/	-	-	3,150	-	-	-	-	-	-	-
Value-added agricultural product beginning & socially disadvantaged farmers & ranchers..... a/	-	-	6,300	-	-	-	-	-	-	-
Value-added agricultural product marketing development mid-tier chains..... a/	-	-	6,300	-	-	-	-	-	-	-
Subtotal.....	-	8	63,000	7	-	8	-	+1	-	9
Total Adjusted Appropriations.....	25,696	38	89,050	34	22,050	39	-963	+4	21,087	43
Rescissions, Transfers, and Seq. (Net)..... b/c/	2,010	-	-63,000	-	-	-	-	-	-	-
Total Appropriation.....	27,706	38	26,050	34	22,050	39	-963	+4	21,087	43
Transfers In:										
Commodity Credit Corporation.....	-	-	63,000	-	-	-	-	-	-	-
Subtotal.....	-	-	63,000	-	-	-	-	-	-	-
Rescission..... b/	-750	-	-	-	-	-	-	-	-	-
Sequestration..... c/	-1,260	-	-	-	-	-	-	-	-	-
Bal. Available, SOY.....	16,417	-	13,857	-	78,396	-	-67,392	-	11,004	-
Recoveries, Other (Net).....	2,067	-	2,804	-	1,864	-	+188	-	2,052	-
Total Available.....	44,180	38	105,711	34	102,310	39	-68,167	+4	34,143	43
Bal. Available, EOY.....	-13,857	-	-78,396	-	-11,004	-	+3,227	-	-7,777	-
Total Obligations.....	30,323	38	27,315	34	91,306	39	-64,940	+4	26,366	43

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL COOPERATIVE DEVELOPMENT GRANTS

Project Statement

Obligations Details and Staff Years (SYs)

(Dollars in thousands)

Program	<u>2013 Actual</u>		<u>2014 Actual</u>		<u>2015 Estimate</u>		<u>Inc. or Dec.</u>		<u>2016 Estimate</u>	
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs
Discretionary Obligations:										
Rural cooperative development grants.....	\$6,492	-	\$5,800	-	\$5,800	-	+\$200 (1)	-	\$6,000	-
Appropriate technology transfer for rural areas agreements.....	2,087	-	2,250	-	2,500	-	-413 (2)	-	2,087	-
Grants to assist minority producers.....	3,205	-	3,000	-	3,000	-	- (3)	-	3,000	-
Value-added agricultural product marketing development grants.....	16,768	-	16,008	-	14,729	-	-1,402 (4)	-	13,327	-
Agricultural marketing resource center grants.....	696	-	204	-	524	-	- (4)	-	524	-
Value-added agricultural product beginning & socially disadvantaged farmers & ranchers.....	611	-	-	-	1,049	-	-72 (4)	-	977	-
Value-added agricultural product marketing development mid-tier chains	350	-	-	-	199	-	- (4)	-	199	-
Subtotal.....	30,209	30	27,262	27	27,801	31	-1,687	+3	26,114	34
Mandatory Obligations:										
Value-added agricultural product marketing development grants..... <u>c/</u>	64	-	53	-	60,000	-	-59,835	-	165	-
Agricultural marketing resource center grants..... <u>c/</u>	-	-	-	-	3,300	-	-3,300	-	-	-
Value-added agricultural product beginning & socially disadvantaged farmers & ranchers..... <u>c/</u>	-	-	-	-	205	-	-182	-	23	-
Value-added agricultural product marketing development mid-tier chair <u>c/</u>	50	-	-	-	-	-	+64	-	64	-
Subtotal.....	114	8	53	7	63,505	8	-63,253	+3	252	9
Total Obligations.....	30,323	38	27,315	34	91,306	39	-64,940	+4	26,366	43
Recoveries, Other (Net).....	-2,067	-	-2,804	-	-1,864	-	-188	-	-2,052	-
Unobligated balances rescinded.....	-	-	-	-	-	-	-	-	-	-
Bal. Available, EOY.....	13,857	-	78,396	-	11,004	-	-3,227	-	7,777	-
Total Available.....	42,113	38	102,907	34	100,446	39	-68,355	+4	32,091	43
Transfers In.....	-	-	-63,000	-	-	-	-	-	-	-
Rescission..... <u>a/</u>	750	-	-	-	-	-	-	-	-	-
Sequestration..... <u>b/</u>	1,260	-	-	-	-	-	-	-	-	-
Bal. Available, SOY.....	-16,417	-	-13,857	-	-78,396	-	+67,392	-	-11,004	-
Total Appropriation.....	27,706	38	26,050	34	22,050	39	-963	+4	21,087	43

Project Statement Footnotes

- a/ Mandatory funding provided by section 6203 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$63,000,000 for 2014, to remain available until expended.
- b/ The rescission amounts are pursuant to the Consolidated and Further Continuing Appropriations Act, 2013, Public Law 113-6, signed March 26, 2013, including 2.513 percent rescission in accordance to section 3001(b)(1)(A) and .2 percent rescission in accordance to section 3004(c)(1).
- c/ The sequestration amounts are pursuant to the sequestration order signed by the President on March 1, 2013, in accordance to section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

Justification of Increases and Decreases

(1) An increase of \$200,000 for rural cooperative development grants (\$5,800,000 available in 2015).

An increase of \$200,000 is requested for the rural cooperative development grant (RCDG) program, which anticipates assisting approximately 365 cooperatives or mutually owned businesses.

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 works with of new and emerging cooperatives covering a broad range, including traditional farm supply, marketing, dependent care, conversions of traditional companies to employee ownership.

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.

(2) A decrease of \$413,000 for appropriate technology transfer for rural areas agreements (\$2,500,000 available in 2015).

Base funds for the appropriate technology transfer for rural areas (ATTRA) will continue to assist businesses. This project provides information to farmers and other rural users on a variety of sustainable agricultural practices that include both cropping and livestock operations. ATTRA is a partnership between the National Center for Appropriate Technology, a private nonprofit organization, and Rural Business-Cooperative Service. This program supports USDA strategic goals by providing services that help farmers, ranchers, market gardeners, extension agents, researchers, educators, farm organizations, and others involved in agriculture, especially those who are economically disadvantaged or belong to traditionally underserved communities working within their community for sustainable agriculture.

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.

In 2015, ATTRA will:

- Deliver at least 13,000 research letters, technical publications, electronic media (CDs, DVDs, jump drives), illustrated guides, and other materials at no charge in response to client queries.
- Provide at least two million ATTRA publications, resource lists and other educational resources that are read online or through downloads of HTML and PDF, multimedia presentations, and other educational media from the ATTRA website.
- Maintain current website traffic rates of approximately 600,000 visits per year and two million page views per year, and maintain the quality of visits to our website by keeping the content fresh, high-quality, and up-to-date.
- Complete 20 new or significantly updated publications or other educational materials on priority topics that meet continuing client demand.
- Provide at least eight webinars which will reach at least 1,500 participants.
- Organize, present, and/or facilitate presentations, workshops, field days or other speaking engagements in at least 25 locations across the U.S. attended by at least 15,000 people.
- Monitor and communicate practical information about changes in Federal and regional agricultural programs, especially those changes affecting sustainable agriculture practices, local foods, marketing, and farm energy management that have a direct impact on our farmer, rancher, and Cooperative Extension clients.
- Partner with nongovernmental organizations and various USDA programs to implement collaborative educational services and program development activities related to sustainable agriculture.
- Provides, on average, assistance to over 2,200,000 agricultural producers and businesses.

- Support six regional offices to provide information and technical assistance on a wide array of agricultural topics.
- Provide clients one-on-one technical assistance on sustainable agriculture and marketing.

A review of the program outcomes and impacts found the following:

- ATTRA provided more than 40,000 responses to technical assistance requests.
- The ATTRA website received more than 1.3 million unique visitors and more than 3.3 million publications were downloaded or printed from the website.
- Workshops and presentations by ATTRA staff reached 2,000 attendees and its e-newsletter reached 13,000 subscribers each week.

In 2016, ATTRA will continue to provide the services listed above.

(3) No change in funding for grants to small, socially-disadvantaged producers (\$3,000,000 available in 2015).

Base funding for this program will assist approximately 20 cooperatives or mutually owned businesses. The small, socially disadvantaged producer grants program (SDPG) provides technical assistance to socially disadvantaged agricultural producers through eligible cooperative development centers, cooperatives and associations of cooperatives. Technical assistance provided to socially disadvantaged producers includes activities such as market research; product and/or service improvement; legal advice and assistance; feasibility studies, business plans, marketing plan development; and training. The program supports the USDA Strategic Goal of assisting rural communities to create prosperity so they are self-sustaining, repopulating, and economically thriving.

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.

In 2016, this program anticipates assisting approximately 20 cooperatives or mutually owned businesses.

(4) A decrease of \$750,000 for value added producer grants (\$10,750,000 available in 2015).

Based funds for the value-added agriculture product market development grants (VAPG) program continue to assist rural Americans by helping farmers, groups of farmers, and farmer-owned cooperatives add value to their products, allowing producers to build economic gains that then circulate through the local economy. 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.

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.

It is estimated that 105 producers will be assisted with the requested funds in 2016. The 2014 Farm Bill provides \$63 million in budget authority for this program. RD will continue to efficiently addressing demand and assisting as many producers with planning funding or working capital funding to establish or run value-added agricultural marketing ventures.

RURAL BUSINESS-COOPERATIVE SERVICE
Rural Cooperative Development Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Alabama.....	\$76	-	-	-
Alaska.....	200	-	-	-
California.....	276	\$400	-	-
Colorado.....	200	200	-	-
Hawaii.....	200	200	-	-
Illinois.....	200	72	-	-
Indiana.....	200	200	-	-
Kentucky.....	200	200	-	-
Massachusetts.....	200	200	-	-
Michigan.....	200	200	-	-
Minnesota.....	600	600	-	-
Mississippi.....	200	72	-	-
Montana.....	393	391	-	-
Nebraska.....	200	200	-	-
North Carolina.....	200	400	-	-
North Dakota.....	400	400	-	-
Ohio.....	600	272	-	-
Oregon.....	147	121	-	-
Pennsylvania.....	200	200	-	-
South Dakota.....	200	72	-	-
Texas.....	200	200	-	-
Virginia.....	400	400	-	-
Washington.....	400	400	-	-
Wisconsin.....	400	400	-	-
Undistributed.....	-	-	\$5,800 <u>a/</u>	\$6,000 <u>a/</u>
Obligations.....	6,492	5,800	5,800	6,000

Appropriate Technology Transfer Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Montana.....	\$2,087	\$2,250	-	-
Undistributed.....	-	-	\$2,500 <u>a/</u>	\$2,087 <u>a/</u>
Obligations.....	2,087	2,250	2,500	2,087

a/ Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
 Grants to Assist Minority Producers
Geographic Breakdown of Obligations
 (Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Alabama.....	\$196	\$389	-	-
Arizona.....	-	188	-	-
Arkansas.....	-	169	-	-
California.....	200	200	-	-
Hawaii.....	152	197	-	-
Illinois.....	154	-	-	-
Kentucky.....	103	-	-	-
Louisiana.....	-	200	-	-
Massachusetts.....	45	236	-	-
Minnesota.....	375	-	-	-
Mississippi.....	985	400	-	-
New Mexico.....	150	363	-	-
New York.....	110	-	-	-
North Carolina.....	196	-	-	-
South Carolina.....	216	300	-	-
South Dakota.....	200	-	-	-
Texas.....	-	197	-	-
Washington.....	-	160	-	-
Puerto Rico.....	124	-	-	-
Undistributed.....	-	-	\$3,000 <u>a/</u>	\$3,000 <u>a/</u>
Obligations.....	3,205	3,000	3,000	3,000

a/ Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
Value-Added Agricultural Product Marketing Development Grants - Discretionary
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Alabama.....	\$50	\$300	-	-
Alaska.....	-	91	-	-
Arizona.....	-	209	-	-
Arkansas.....	-	30	-	-
California.....	1,447	200	-	-
Colorado.....	517	111	-	-
Delaware.....	41	-	-	-
Florida.....	300	-	-	-
Georgia.....	1,200	1,194	-	-
Hawaii.....	207	42	-	-
Idaho.....	300	-	-	-
Illinois.....	300	341	-	-
Indiana.....	259	130	-	-
Iowa.....	263	193	-	-
Kansas.....	25	384	-	-
Kentucky.....	162	212	-	-
Louisiana.....	-	200	-	-
Maine.....	350	472	-	-
Maryland.....	206	430	-	-
Massachusetts.....	48	-	-	-
Michigan.....	900	1,206	-	-
Minnesota.....	1,227	994	-	-
Mississippi.....	44	-	-	-
Missouri.....	403	1,529	-	-
Montana.....	-	26	-	-
Nebraska.....	367	176	-	-
Nevada.....	24	106	-	-
New Hampshire.....	-	128	-	-
New Jersey.....	48	50	-	-
New Mexico.....	550	50	-	-
New York.....	255	611	-	-
North Carolina.....	315	717	-	-
North Dakota.....	-	62	-	-
Ohio.....	65	19	-	-
Oklahoma.....	300	276	-	-
Oregon.....	340	-	-	-
Pennsylvania.....	116	164	-	-
Rhode Island.....	150	-	-	-
South Carolina.....	783	539	-	-
South Dakota.....	300	274	-	-
Tennessee.....	300	497	-	-
Texas.....	395	361	-	-
Utah.....	19	75	-	-
Vermont.....	38	245	-	-
Virginia.....	1,607	1,625	-	-
Washington.....	1,162	1,129	-	-
West Virginia.....	45	-	-	-
Wisconsin.....	711	343	-	-
Wyoming.....	33	-	-	-
Guam.....	300	9	-	-
Puerto Rico.....	300	256	-	-
Undistributed.....	-	-	\$14,729 ^{a/}	\$13,327 ^{a/}
Obligations.....	16,768	16,008	14,729	13,327

^{a/} Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
Value-Added Agricultural Marketing Resource Center Grants - Discretionary
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	<u>2013 Actual</u>	<u>2014 Actual</u>	<u>2015 Estimate</u>	<u>2016 Estimate</u>
	Amount	Amount	Amount	Amount
Iowa.....	\$696	\$204	-	-
Undistributed.....	-	-	\$524 <u>a/</u>	\$524 <u>a/</u>
Obligations.....	696	204	524	524

Value-Added Agricultural Product Market Development Grants - Beginners and Socially Disadvantaged
Farmers and Ranchers - Discretionary
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	<u>2013 Actual</u>	<u>2014 Actual</u>	<u>2015 Estimate</u>	<u>2016 Estimate</u>
	Amount	Amount	Amount	Amount
Maryland.....	\$50	-	-	-
Michigan.....	300	-	-	-
North Carolina.....	200	-	-	-
Oregon.....	61	-	-	-
Undistributed.....	-	-	\$1,049 <u>a/</u>	\$977 <u>a/</u>
Obligations.....	611	-	1,049	977

a/ Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
Value-Added Agricultural Product Market Development Grants - Mid-Tier Chains - Discretionary
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Indiana.....	\$50	-	-	-
Pennsylvania.....	300	-	-	-
Undistributed.....	-	-	\$199 <u>a/</u>	\$199 <u>a/</u>
Obligations.....	350	-	199	199

Value-Added Agricultural Product Marketing Development Grants - Mandatory
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
California.....	-	\$53	-	-
Hawaii.....	\$28	-	-	-
Iowa.....	30	-	-	-
New York.....	37	-	-	-
Ohio.....	40	-	-	-
Oregon.....	150	-	-	-
South Carolina.....	300	-	-	-
Virginia.....	122	-	-	-
Undistributed.....	-642	-	\$60,000 <u>a/</u>	\$165 <u>a/</u>
Obligations.....	64	53	60,000	165

Value-Added Agricultural Marketing Resource Center Grants - Mandatory
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Undistributed.....	-	-	\$3,300 <u>a/</u>	-
Obligations.....	-	-	3,300	-

a/ Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
Value-Added Agriculture Product Marketing Development Grants To Socially Disadvantaged Farmers and Ranchers -
Mandatory

Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual Amount	2014 Actual Amount	2015 Estimate Amount	2016 Estimate Amount
Undistributed.....	-	-	\$205 <u>a/</u>	\$23 <u>a/</u>
Obligations.....	-	-	205	23

Value-Added Agriculture Product Marketing Development Grants Mid Tier Chains - Mandatory
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual Amount	2014 Actual Amount	2015 Estimate Amount	2016 Estimate Amount
Arkansas.....	\$50	-	-	-
Undistributed.....	-	-	-	\$64 <u>a/</u>
Obligations.....	50	-	-	64

a/ Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
41.0 Grants, subsidies, and contributions....	\$30,323	\$27,315	\$91,306	\$26,366
99.9 Total, new obligations.....	30,323	27,315	91,306	26,366

NOTE: Amounts include mandatory and discretionary funding.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS

Project Statement

Adjusted Appropriations Detail and Staff Years (SYs)

(Dollars in thousands)

Program	2013	2014	2015	Inc. or	2016
	Actual	Actual	Enacted	Dec.	Estimate
	Amount	Amount	Amount	Amount	Amount
Discretionary Appropriations:					
Rural empowerment zones and enterprise communities grants....	-	-	-	-	-
Subtotal.....	-	-	-	-	-
Bal. Available, SOY.....	\$33	\$33	\$33	-	\$33
Total Available.....	33	33	33	-	33
Bal. Available, EOY.....	-33	-33	-33	-	-33
Total Obligations.....	-	-	-	-	-

Project Statement

Obligations Detail and Staff Years (SYs)

(Dollars in thousands)

Program	2013	2014	2015	Inc. or	2016
	Actual	Actual	Estimated	Dec.	Estimate
	Amount	Amount	Amount	Amount	Amount
Discretionary Appropriations:					
Rural empowerment zones and enterprise communities grants....	-	-	-	-	-
Subtotal.....	-	-	-	-	-
Bal. Available, SOY.....	\$33	\$33	\$33	-	\$33
Total Available.....	33	33	33	-	33
Bal. Available, EOY.....	-33	-33	-33	-	-33
Total Appropriations.....	-	-	-	-	-

RURAL BUSINESS-COOPERATIVE SERVICE

The estimates include appropriation language for this item as follows (new language underscored; deleted matter enclosed in brackets):

Rural Business Investment Program Account

For loans and grants for the rural business investment program, as authorized by section 384F(b)(3)(A) of the Consolidated Farm and Rural Development Act, \$6,000,000, to remain available until expended: *Provided*, That the cost of the loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL BUSINESS INVESTMENT PROGRAM

Lead-Off Tabular Statement

	<u>Loan Level</u>	<u>Subsidy</u>	<u>Grants</u>
Budget Estimate, 2016.....	\$41,195,000	\$4,000,000	\$2,000,000
2015 Enacted.....	-	-	-
Change in Appropriation.....	<u>+41,195,000</u>	<u>+4,000,000</u>	<u>+2,000,000</u>

Summary of Increases and Decreases

(Dollars in thousands)

<u>Program</u>	<u>2013 Actual</u>	<u>2014 Change</u>	<u>2015 Change</u>	<u>2016 Change</u>	<u>2016 Estimate</u>
Discretionary Appropriations:					
Rural business investment program guaranteed loans.....	-	-	-	+\$4,000	\$4,000
Rural business investment programs grants.....	-	-	-	+2,000	2,000
Total.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>+6,000</u>	<u>6,000</u>

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL BUSINESS INVESTMENT PROGRAM

Project Statement

Adjusted Appropriations Detail and Staff Years (SYs)

(Dollars in thousands)

Program	2013 Actual		2014 Actual		2015 Enacted		Inc. or Dec.		2016 Estimate	
	Program	Budget	Program	Budget	Program	Budget	Program	Budget	Program	Budget
	Level	Authority	Level	Authority	Level	Authority	Level	Authority	Level	Authority
Discretionary Appropriations:										
Rural business investment program guaranteed loans.....	-	-	-	-	-	-	+\$41,195 (1)	+\$4,000 (3)	\$41,195	\$4,000
Rural business investment programs grants.....	-	-	-	-	-	-	+2,000 (2)	+2,000	2,000	2,000
Total Appropriation.....	-	-	-	-	-	-	+43,195	+6,000	43,195	6,000
Total Available.....	-	-	-	-	-	-	+43,195	+6,000	43,195	6,000
Total Obligations.....	-	-	-	-	-	-	+43,195	+6,000	43,195	6,000

Project Statement

Obligations Details and Staff Years (SYs)

(Dollars in thousands)

Program	2013 Actual		2014 Actual		2015 Estimate		Inc. or Dec.		2016 Estimate	
	Program	Budget	Program	Budget	Program	Budget	Program	Budget	Program	Budget
	Level	Authority	Level	Authority	Level	Authority	Level	Authority	Level	Authority
Discretionary Appropriations:										
Rural business investment program guaranteed loans.....	-	-	-	-	-	-	+\$41,195 (1)	+\$4,000 (3)	\$41,195	\$4,000
Rural business investment programs grants.....	-	-	-	-	-	-	+2,000 (2)	+2,000	2,000	2,000
Total Obligations.....	-	-	-	-	-	-	+43,195	+6,000	43,195	6,000
Total Available.....	-	-	-	-	-	-	+43,195	+6,000	43,195	6,000
Total Appropriation.....	-	-	-	-	-	-	+43,195	+6,000	43,195	6,000

Justification of Increases and Decreases

- (1) An increase of \$41,195,000 for the rural business investment program loans (\$0 available in 2015).

The rural business investment program (RBIP) guaranteed loan program promotes economic development in rural areas by helping to meet the equity capital investment needs of smaller enterprises located in such areas. USDA licenses newly formed for-profit investment fund entities as Rural Business Investment Companies (RBICs). These companies are necessary to invest capital into rural communities that are usually bypassed by larger equity investors. RBICs use the equity raised in capitalizing their fund to make equity, and equity-like, investments mostly in smaller enterprises located primarily in rural areas. RBIP is administered in partnership with the Small Business Administration (SBA).

In 2016, the budget proposes \$41 million in available RBIP guaranteed loans, or debentures, which will enable RD to license one or more leveraged RBICs, and, when combined with their private equity match requirement, will provide approximately \$59 million in total capital for investments in mostly smaller enterprises in rural America over the life of the funds.

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

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.

- (2) An increase of \$2,000,000 for the rural business investment program grants (\$0 available in 2015).

Operational assistance grants will be used by RBICs to provide management, marketing, and other technical assistance that assists a smaller enterprise with its business development, and indirectly supports the RBICs' capital investment in the enterprise.

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

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.

- (3) An increase of \$4,000,000 for the rural business investment program loan subsidy (\$0 available in 2015).

The 2016 budget requests \$4 million in budget authority. This level of funding will support \$41.2 million in guaranteed loans.

RURAL BUSINESS-COOPERATIVE SERVICE
Rural Business Investment Program Guaranteed Loans
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Undistributed.....	-	-	-	\$41,195 a/
Obligations.....	-	-	-	41,195

Rural Business Investment Program Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2013 Actual	2014 Actual	2015 Estimate	2016 Estimate
	Amount	Amount	Amount	Amount
Undistributed.....	-	-	-	\$2,000 a/
Obligations.....	-	-	-	2,000

a/ Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	2013	2014	2015	2016
	Actual	Actual	Estimate	Estimate
41.0 Grants, subsidies, and contributions.....	-	-	-	\$6,000
99.9 Total, new obligations.....	-	-	-	6,000

RURAL BUSINESS-COOPERATIVE SERVICE

The estimates include appropriations language for this item as follows (new language underscored):

Healthy Foods Financing Initiative

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, \$12,750,000, to remain available until expended, for the cost of loans and grants that is consistent with section 4206 of the Agricultural Act of 2014.

RURAL BUSINESS-COOPERATIVE SERVICE

HEALTHY FOOD FINANCING INITIATIVE

Lead-Off Tabular Statement

	<u>Grants</u>
Budget Estimate, 2016.....	\$12,750,000
2015 Enacted.....	-
Change in Appropriation.....	<u>+12,750,000</u>

Summary of Increases and Decreases

(Dollars in thousands)

	<u>2013</u> <u>Actual</u>	<u>2014</u> <u>Change</u>	<u>2015</u> <u>Change</u>	<u>2016</u> <u>Change</u>	<u>2016</u> <u>Estimate</u>
Discretionary Appropriations:					
Healthy Food Financing Initiative.....	-	-	-	+\$12,750	\$12,750
Total.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,750</u>	<u>12,750</u>

RURAL BUSINESS-COOPERATIVE SERVICE

HEALTHY FOOD FINANCING INITIATIVE

Project Statement

Adjusted Appropriation Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2013 Actual		2014 Actual		2015 Enacted		Inc. or Dec.		2016 Estimate		
	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	Amount	SYs	
Discretionary Appropriations:											
Healthy Food Financing Initiative.....	-	-	-	-	-	-	+\$12,750	(1)	-	\$12,750	-
Total Appropriation.....	-	-	-	-	-	-	+12,750	-	-	12,750	-
Total Available.....	-	-	-	-	-	-	+12,750	-	-	12,750	-
Total Obligations.....	-	-	-	-	-	-	+12,750	-	-	12,750	-

Project Statement

Obligations Detail and Staff Years (SYs)
(Dollars in thousands)

Program	2013 Actual		2014 Actual		2015 Estimate		Inc. or Dec.		2016 Estimate		
	Amount	SY's	Amount	Amount	Level	SYs	Amount	SYs	Amount	SYs	
Discretionary Obligations:											
Healthy Food Financing Initiative.....	-	-	-	-	-	-	+\$12,750	(1)	-	\$12,750	-
Total Obligations.....	-	-	-	-	-	-	+12,750	-	-	12,750	-
Total Available.....	-	-	-	-	-	-	+12,750	-	-	12,750	-
Total Appropriation.....	-	-	-	-	-	-	+12,750	-	-	12,750	-

Justification of Increases and Decreases

(1) An increase of \$12,750,000 for healthy foods financing initiative (\$0 available in 2015).

The 2016 budget provides funding for multi-year healthy foods financing initiative (HFFI) that 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 \$12.8 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 revitalize low-income communities.

Rural Development (RD) will work in close coordination with USDA's Food and Nutrition Service and Agricultural Marketing Service. Working with its Federal partners, RD will expand healthy food access for families participating in the Supplemental Nutrition Assistance Program (SNAP). The vast majority of SNAP participants are children, elderly or adults living in households where members are employed in low-wage jobs.

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 create jobs and support broader development efforts to revitalize distressed communities.

Through loans, 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.

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.

RURAL BUSINESS-COOPERATIVE SERVICE
 Healthy Food Financing Initiative
Geographic Breakdown of Obligations
 (Dollars in thousands)

State/Territory	2013	2014	2015	2016
	Actual	Actual	Estimate	Estimate
	Amount	Amount	Amount	Amount
Undistributed.....	-	-	-	\$12,750 ^{a/}
Obligations.....	-	-	-	12,750

^{a/} Total cannot be distributed at this time.

Classification by Objects
 (Dollars in thousands)

	2013	2014	2015	2016
	Actual	Actual	Estimate	Estimate
41.0 Grants, subsidies, and contributions.....	-	-	-	\$12,750
99.9 Total, new obligations.....	-	-	-	12,750

RURAL BUSINESS-COOPERATIVE SERVICE

STATUS OF PROGRAMS

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

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

Business and Industry Guaranteed Loan Program

Current Activities:

The Business and Industry (B&I) Guaranteed Loan Program is one of the major tools that RD employs to facilitate business growth in rural areas. The B&I Guaranteed Loan Program provides funding through small or regional scale lenders to ensure rural communities have access to capital. In 2014, RD issued 349 B&I loan guarantees totaling \$1.084 billion assisting 410 rural businesses, and creating or saving 12,328 jobs.

Selected Examples of Recent Progress:

The B&I Guaranteed Loan Program provided a \$1.454 million loan to Tillamook Fiber Recovery (TFR), Inc. The purpose of the B&I loan was to purchase the 40-acre site located in Molalla, Oregon, and provide financial resources to make small site upgrades. The financing helped to retain existing jobs and create new jobs, with an average wage of \$18 per hour.

The purchase provided TFR the certainty it needed to make short term improvements including switching its wood chipper from diesel to electric power, which is expected to save approximately \$100,000 annually in operation costs. The log yard has grown from six to nine full-time employees during this period.

Rural Energy for America Program (REAP)

Current Activities:

REAP provides assistance to agricultural producers and rural small businesses to complete a variety of projects, including renewable energy systems, energy efficiency improvements, renewable energy development assistance and energy audits. In 2014, REAP funded 543 projects totaling \$12.4 million in grants and \$56.5 million in loan guarantees; (with \$15.47million in budget authority). The Renewable Energy System and Energy Efficiency Improvements Program of REAP funded four projects with \$12.8 million in discretionary loan guarantee funding (with \$3.46 million in budget authority) and 539 projects with \$56.1 million in mandatory funds; \$12.4 million in grants and \$43.7 million in loans (with \$11.98 million in budget authority). When operational, the 2014 REAP projects are expected to generate/save approximately 240 million kilowatt hours (kWh).

Selected Examples of Recent Progress:

Cook Forest Products, Inc. was awarded an \$85,473 grant to assist in the financing of a micro-chipper in Upton, Massachusetts, to produce 1,500 tons of woody biomass annually and offset 130,045 gallons of home heating oil.

John Galt Biogas, LLC., was awarded a \$290,000 grant to help construct an anaerobic digester in Elk Grove, California, that will convert dairy manure into methane gas to generate an estimated 1,243,920 kilowatt hours of electricity annually.

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. The program supports sustainable economic development and helps create or retain jobs in disadvantaged and remote communities. In 2014, IRP issued 26 loans totaling \$18.9 million to intermediaries to establish revolving loan funds to assist 642 businesses and to create or save 14,450 jobs.

Selected Examples of Recent Progress:

The Vermont Community Loan Fund, in Montpelier, received a \$1 million loan to help 90 organizations and businesses to create or save 900 jobs.

The Nebraska Enterprise Fund received a \$176,000 loan to help businesses and non-profit organizations in Adams, Buffalo, Custer, Dawson, Hall, Hamilton, Kearney, Keith, Lincoln, Merrick, Phelps, Sherman, Valley and York counties in the south central region of the state.

In South Dakota, the West River Foundation will use a \$750,000 loan to provide low-interest financing to public and non-profit organizations. This is expected to create or save approximately 100 jobs.

Rural Microentrepreneur Assistance Program (RMAP)

Current Activities:

The purpose of the RMAP program is to support the development and ongoing success of rural microentrepreneurs and microenterprises that consist of 10 or less employees. Direct loans and technical assistance grants are made to select Microenterprise Development Organizations (MDOs), through a competitive grant program specified in regulation. In 2014, a total of \$10.2 million in loans was obligated to 80 RMAP applicants. The \$2.5 million in RMAP grants was provided to 36 applicants to support the development and ongoing success of rural microentrepreneurs and microenterprises.

Selected Examples of Recent Progress:

The Kentucky Highlands Investment Corporation (KHIC) is the lead organization carrying out the Kentucky's Promise Zone initiative... KHIC received a \$500,000 RMAP loan to capitalize a revolving loan fund to provide microloans to very small businesses in 19 counties designated by the Appalachian Regional Commission as distressed communities. Its Promise Zone work was made possible through the financial support from USDA.

Rural Economic Development Loan and Grant (REDLG) Program

Current Activities:

REDLG program provides zero-interest loans to local utilities which, in turn, relend the funds to local businesses (ultimate recipients) for projects that will create and retain employment in rural areas. The program funds business start-up, expansion, business incubators, education and training facilities and equipment, community development assistance, health care and other projects that support rural economic development. In 2014, REDLG issued 74

loans totaling \$85.6 million creating or saving 3,985 jobs and 33 grants totaling \$9.3 million to qualifying utilities assisting 33 businesses and creating or saving 688 jobs.

Selected Examples of Recent Progress:

The Midland Power Cooperative in Jefferson, Iowa, received a \$1 million loan to help the Precision Tank & Equipment Company expand its operations. Precision manufactures tanks and specialized equipment for agribusiness and other industry needs. It is building a manufacturing facility in Humboldt, Iowa that will create 14 jobs.

The Aiken Electric Cooperative in South Carolina received a \$1 million loan that will provide working capital to KW Savings Co. which is a non-profit group dedicated to environmental protection and energy conservation.

Rural Business Opportunity Grant (RBOG) Program

Current Activities:

The RBOG program provides grants to nonprofit economic development groups, public bodies and tribes for strategic technical assistance, training and planning activities that promote best practices in sustainable economic development for rural communities with exceptional needs. In 2014, the RBOG Program issued 22 grants to residents and businesses in 12 States totaled \$1.7 million and created or saved more than 442 jobs.

Selected Examples of Recent Progress:

Coeur d'Alene Reservation located in Idaho received a \$68,450 grant to provide technical assistance to develop the Red-Spectrum Communications program within the Coeur d'Alene Tribal Government as an Independent Service Provider and Eligible Telecommunications Carrier (ETC). This will allow Red-Spectrum Communications to create a communications platform that will spur economic development on the Coeur d'Alene reservation.

Dickerson State University located in North Dakota will use \$74,204 RBOG funds to provide technical assistance and training to rural entrepreneurs. This project will focus on improving economic success of rural entrepreneurs through enhanced utilization of technology relating to marketing.

Rural Business Enterprise Grant (RBEG) Program

Current Activities:

The RBEG program finances and facilitates development of small and emerging businesses in rural areas, including local food enterprises. In 2014, the RBEG program awarded 451 grants totaling \$28.7 million. These grants assisted 4,438 businesses in creating or saving 8,037 jobs.

Selected Examples of Recent Progress:

The City of Luverne, Minnesota, received a \$99,000 RBEG grant to help businesses located in the downtown area to upgrade their shops, eateries and other venues to attract more visitors and other economic activity.

The University of Florida's Sid Martin Biotechnology Incubator program located in Alachua received a \$190,000 grant to replace aging equipment. The incubator program has been successful in growing companies that are bringing products to market and creating high-wage jobs.

Maryland Capital Enterprises, Inc., located in Salisbury received a \$50,000 grant to provide microloans, training and one-on-one business assistance to micro-entrepreneurs.

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 2014, the VAPG Program awarded \$16.7 million and 145 grants. These grants created or saved 994 jobs, assisted 864 businesses and 5,750 farmers.

Selected Examples of Recent Progress:

The Miles Smith Farm LLC in Loudon, N.H., has been selected for a \$127,732 VAPG to market and produce burgers made from 55 percent grass-fed beef and 45 percent organically raised pork. By mixing ground pork with extra-lean, grass-fed ground beef, the farm can produce a burger with the ideal fat and flavor levels that grass-fed ground beef does not have alone.

North Hollow Farm LLC, in Rochester, Vermont, is receiving a \$161,204 grant to expand processing and marketing of grass-fed beef and natural meats.

Farmie Market Online LLC in Rensselaerville, N.Y., has been selected for a \$24,490 grant to expand its online presence for 16 small farmers who produce a broad range of fresh foods that are aggregated and sold online, expanding their customer base.

Agricultural Marketing Resource Center (AgMRC)

Current Activities:

The Agricultural Marketing Resource Center (AgMRC) provided funding for the maintenance of a virtual resource for national information for value added agriculture. In addition to supporting the value-added producer grant program, AgMRC provides a wealth of information on commodities and products including: agriculture-tourism, aquaculture, energy, forestry, fiber, grains and seeds. Additionally, AgMRC provides prospective value added producers with resources and information on markets and industries as well as tools to assist with developing feasibility studies and business plans. Through its Web site, AgMRC offers tips and information for agricultural producers looking to start a business, how to get prepared, and strategies and analysis for developing a successful business. The funds awarded provide the resources, research and other support to maintain the AgMRC Web site. The budget authority for 2014 was \$203,943, all of which was awarded.

Selected Examples of Recent Progress:

AgMRC project links producers with electronically available information and resources. AgMRC virtual services are available to independent producers, processors and service providers with critical information to build successful value-added agricultural enterprises. In addition to maintaining and supporting the AgMRC site, during 2014 AgMRC staff incorporated Google Analytics to better assess user access and interests and developed site improvements to accommodate users. AgMRC staff facilitated a VAPG reviewer survey analysis. Results from this survey will be used by program staff to develop improved application instructions and program guidance to improve access to the program.

Rural Cooperative Development Grants (RCDG) Program

Current Activities:

These centers work with and support new cooperative businesses. Rural cooperative development grants are awarded to non-profit groups and higher education institutions. The recipients will use the funds to operate centers to develop or expand rural businesses, especially cooperatives and mutually-owned businesses. The funding can be

used to conduct feasibility studies, create and implement business plans, offer technical assistance, establish low-interest loans, and help rural businesses develop new markets for their products and services. In 2014 these centers assisted more than 2,655 small businesses and cooperatives created/or saved more than 689 jobs. In 2014, grants totaling approximately \$5.8 million were made to 32 centers.

Selected Examples of Recent Progress:

The Virginia Foundation for Agriculture, Innovation and Rural Sustainability received a \$200,000 technical assistance grant to help meat processing cooperatives link producers with local and regional consumers. Funding will also be used to provide education and training.

The Cooperative Network in Wisconsin is receiving a \$200,000 grant to help establish cooperatives focusing on health care, local foods and senior housing. Funds will also be used to help Native American tribal members form a cooperative.

In North Carolina, the Rural Advancement Foundation International–USA received a \$200,000 grant to launch a program on agricultural cooperatives. Funding will be used to provide technical assistance to groups in rural North Carolina, South Carolina, northern Florida, and eastern Kentucky.

Appropriate Technology Transfer to Rural America (ATTRA)

Current Activities:

The ATTRA program, also called the National Sustainable Agriculture Information Service, provides sustainable agriculture information to those engaged in or serving commercial agriculture, such as farmers, ranchers, extension agents, farm organizations, and farm-based businesses. In 2014, \$2.3 million was obligated to fund ATTRA.

Selected Examples of Recent Progress:

Work for the ATTRA project takes place in six locations throughout the United States. The ATTRA project is staffed by more than 20 National Center for Appropriate Technology agricultural specialists with diverse backgrounds in livestock, horticulture, soils, organic farming, integrated pest management, farm energy, and other sustainable agriculture specialties. It provides information and other technical assistance to farmers, ranchers, extension agents, educators, and others involved in sustainable agriculture across the United States.

Small Socially-Disadvantaged Producer Grants (SSDPG) Program

Current Activities:

The SSDPG program provides grants to cooperatives, groups of cooperatives, and cooperative development centers to provide technical assistance to small socially disadvantaged producers. In 2014, the SSDPG Program awarded \$3 million in grants to 17 organizations that created 185 jobs, assisted 1,671 businesses and assisted 927 farmers.

Selected Examples of Recent Progress:

North Delta Producer Growers Association in Marks, MS, received \$185,000 to provide technical assistance to transfer the management and operation of the Alcorn State University vegetable processing facility to the cooperative. The SSDPG award will assist the cooperative in becoming the owner-operator of the processing facility having a direct impact on 250 vegetable farmers in expanding their marketing opportunities. A successful venture may serve as a replicable model for other areas in the State.

The Cooperative Development Institute in Massachusetts will use \$45,193 to engage partner organizations in Vermont, New Hampshire, and Maine in cooperative development training and technical assistance to 70 small socially disadvantaged producer immigrant, refugee farmers from Bhutan, Somalia, Burundi, Sudan and the Congo.

RURAL BUSINESS-COOPERATIVE SERVICE

Summary of Budget and Performance
Statement of Department Goals and Objectives

The mission of the Rural Business-Cooperative Service (RBS) programs is "to enhance the quality of life for rural Americans by providing leadership in building competitive businesses including sustainable cooperatives that can prosper in the global marketplace."

RBS has one strategic goal and one strategic objective that contribute to one of the Secretary’s Strategic Goal.

USDA Strategic Goal 1: Assist rural communities to create prosperity so they are self-sustaining, re-populating, and economically thriving. Two key objectives Rural Development supports are (1) to enhance rural prosperity; and (2) to create thriving communities.

Objective 1.1: Enhanced capital formation and opportunities provided to agricultural producers and rural businesses.

Key Performance Measures:

Number of Jobs Created and Saved							
	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Target	2016 Target
Rural Business-Cooperative Service	68,894	64,935	52,468	44,419	41,202	39,624	32,132
Cost*	\$1,437,000	\$1,490,025	\$1,151,738	\$1,041,713	\$1,231,607	\$1,033,336	\$920,652
Allowable Data Range for Met: The tolerance range for the measure to be “met” is 5 percent.							
Completeness of Data --- The actual performance measures indicated above were verified by the state staff through 2014. The estimated numbers are calculated using the estimated appropriation for each year.							
Reliability of Data --- The agency utilizes a calculation spreadsheet each year to project performance measurements.							
Quality of Data --- The information is received from the borrower/grantees that are awarded funds. The agency has enhanced its guidance to the field staff regarding how jobs created and saved and businesses assisted should be determined and recorded in the agency’s tracking system where the information is extracted. This guidance provides consistency for all programs.							

*Amounts in thousands

RURAL BUSINESS-COOPERATIVE SERVICE
 Strategic Goal Funding Matrix
 (Dollars in thousands)

Program	FY 2013 Actual	FY 2014 Actual	FY 2015 Budget	FY 2016 Estimate
Department Strategic Goal 1 : Assist Rural Communities to Create Prosperity so they are self-sustaining and economically thriving				
Department Objective 1: Enhance Rural Prosperity, including leveraging capital markets to increase government's investment in rural America				
Rural Business-Cooperative Service.....	\$108,551	\$126,532	\$82,818	\$120,613
Staff Years.....	419	377	436	459
Department Objective 2: Increase Agricultural Opportunities by Ensuring a Robust Safety Net, creating new markets, and supporting a competitive agricultural system				
Rural Business-Cooperative Service.....	\$18,539	\$27,315	\$22,050	\$21,087
Staff Years.....	30	27	31	34
Department Objective 3: Contribute to the Expansion of the Bioeconomy by supporting development, production, and consumption of renewable energy and biobased products				
Rural Business-Cooperative Service.....	\$95,008	\$113,053	\$116,350	\$115,000
Staff Years.....	93	103	118	124
Total Cost, Strategic Goal 1.....	222,098	266,900	221,218	256,700
Staff Years, Strategic Goal.....	542	507	585	617

RURAL BUSINESS-COOPERATIVE SERVICE

Full Cost by Department Strategic Goal
(Dollars in thousands)

Department Strategic Goal: Assist rural communities to create prosperity so they are self-sustaining, repopulating, and economically thriving

	2013	2014	2015	2016
	Actual	Estimate	Estimate	Estimate
Rural Business programs:				
<u>Guaranteed Business and Industry Loans and Rural Business</u>				
<u>Investment Program Loans</u>				
Program Level.....	\$939,340	\$1,084,020	\$1,143,992	\$801,417
Budget Authority.....	55,233	75,773	58,865	37,444
Administrative costs (direct).....	14,849	15,339	18,126	17,388
Indirect costs.....	6,988	7,218	7,770	7,102
Total Costs.....	77,070	98,330	84,761	61,934
FTEs.....	165	155	179	189
Performance Measure:				
Jobs created/saved.....	12,669	12,149	10,817	8,950
Cost per measure (unit cost).....	6.08	8.09	7.84	6.92
<u>NADBank Guaranteed Business and Industry Loans</u>				
Budget Authority.....	99	114	100	-
Administrative costs (direct).....	524	541	640	614
Indirect costs.....	247	255	274	251
Total Costs.....	870	910	1,014	865
FTEs.....	6	5	6	7
Performance Measure:				
Jobs created/saved.....	NA	NA	NA	NA
<u>Rural Business Enterprise Grants</u>				
Program Level.....	25,666	31,748	3,000	-
Budget Authority.....	25,666	31,748	3,000	-
Administrative costs (direct).....	7,862	8,120	9,596	-
Indirect costs.....	3,700	3,821	4,113	-
Total Costs.....	37,228	43,689	16,709	-
FTEs.....	88	82	95	-
Performance Measure:				
Jobs created/saved.....	8,613	8,037	-	-
Cost per measure (unit cost).....	4.32	5.44	-	-
<u>Rural Business Opportunity Grants</u>				
Program Level.....	2,878	1,676	-	-
Budget Authority.....	2,878	1,676	-	-
Administrative costs (direct).....	2,096	2,165	2,559	-
Indirect costs.....	987	1,019	1,097	-
Total Costs.....	5,961	4,860	3,656	-
FTEs.....	23	22	25	-
Performance Measure:				
Jobs created/saved.....	-	422	-	-
Cost per measure (unit cost).....	-	11.52	-	-

Department Strategic Goal: Assist rural communities to create prosperity so they are self-sustaining, repopulating, and economically thriving

	2013	2014	2015	2016
Rural Business programs:	Actual	Estimate	Estimate	Estimate
<u>Rural Business Development Grants Program</u>				
Program Level.....	-	-	27,838	30,000
Budget Authority.....	-	-	27,838	30,000
Administrative costs (direct).....	175	180	213	11,841
Indirect costs.....	82	85	91	4,836
Total Costs.....	257	265	28,142	46,677
FTEs.....	2	2	2	128
Performance Measure:				
Jobs created/saved.....	-	-	8,000	8,325
Cost per measure (unit cost).....	-	-	3.52	5.61
<u>Intermediary Relending Program</u>				
Program Level.....	17,420	18,889	18,890	10,014
Budget Authority.....	5,581	4,082	5,818	2,766
Administrative costs (direct).....	4,368	4,511	5,331	5,116
Indirect costs.....	2,055	2,123	2,285	2,090
Total Costs.....	12,004	10,716	13,434	9,972
FTEs.....	49	46	53	56
Performance Measure:				
Jobs created/saved.....	13,326	14,450	14,451	7,757
Cost per measure (unit cost).....	0.90	0.74	0.93	1.29
<u>Rural Economic Development Loans - Mandatory</u>				
Program Level.....	49,307	85,600	41,065	85,000
Budget Authority.....	6,109	7,233	5,244	11,382
Administrative costs (direct).....	1,747	1,805	2,133	2,046
Indirect costs.....	822	849	914	836
Total Costs.....	8,678	9,887	8,291	14,264
FTEs.....	19	18	21	22
Performance Measure:				
Jobs created/saved.....	2,001	3,985	1,342	3,450
Cost per measure (unit cost).....	4.34	2.48	6.18	4.13
<u>Microenterprise Assistance Loans - Discretionary</u>				
Program Level.....	-	-	-	23,416
Budget Authority.....	-	-	-	2,653
Total Costs.....	-	-	-	2,653
Performance Measure:				
Jobs created/saved.....	-	-	-	1,700
Cost per measure (unit cost).....	-	-	-	1.56

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	2013	2014	2015	2016
Rural Business programs:	Actual	Estimate	Estimate	Estimate
<u>Microenterprise Assistance Loans - Mandatory</u>				
Program Level.....	-	17,700	9,757	13,239
Budget Authority.....	-	1,108	1,250	1,500
Administrative costs (direct).....	1,048	1,083	1,280	1,228
Indirect costs.....	493	510	548	501
Total Costs.....	1,541	2,701	3,078	3,229
FTEs.....	12	11	13	13
Performance Measure:				
Jobs created/saved.....	-	1,471	1,500	1,700
Cost per measure (unit cost).....	-	1.84	2.05	1.90
<u>Guaranteed Biorefinery Loans - Mandatory</u>				
Program Level.....	-	161,000	191,084	223,015
Budget Authority.....	-	42,898	77,045	50,000
Administrative costs (direct).....	1,398	1,444	1,706	1,637
Indirect costs.....	658	679	731	669
Total Costs.....	2,056	45,021	79,482	52,306
FTEs.....	16	15	17	18
<u>Renewable Energy for America Loans - Discretionary</u>				
Program Level.....	13,065	12,760	12,760	75,758
Budget Authority.....	3,137	3,500	1,350	5,000
Administrative costs (direct).....	486	502	593	568
Indirect costs.....	229	236	254	232
Total Costs.....	3,852	4,238	2,197	5,800
FTEs.....	5	5	6	6
Performance Measure:				
KWH saved/generated(in million)	449	12	7,136	1,600
Cost per measure (unit cost).....	9	353	0	4
<u>Renewable Energy for America Loans - Mandatory</u>				
Program Level.....	19,493	43,689	17,189	378,788
Budget Authority.....	4,680	11,984	1,819	25,000
Administrative costs (direct).....	923	953	1,126	1,080
Indirect costs.....	434	449	483	441
Total Costs.....	6,037	13,386	3,428	26,521
FTEs.....	10	10	11	12
Performance Measure:				
KWH saved/generated (in millions).....	670	29	113,571	52,863
Cost per measure (unit cost).....	9	-	-	-

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	2013	2014	2015	2016
Rural Business programs:	Actual	Estimate	Estimate	Estimate
<u>Rural Economic Development Grants - Mandatory</u>				
Program Level.....	9,980	9,280	9,270	12,000
Budget Authority.....	-	-	-	-
Administrative costs (direct).....	1,747	1,805	2,133	2,046
Indirect costs.....	822	849	914	836
Total Costs.....	2,569	2,654	3,047	2,882
FTEs.....	19	18	21	22
Performance Measure:				
Jobs created/saved.....	971	688	725	750
Cost per measure (unit cost).....	2.65	3.86	4.20	3.84
<u>Energy Assistance Payments - Mandatory</u>				
Program Level.....	47,601	48,297	4,000	15,000
Budget Authority.....	47,601	48,297	4,000	15,000
Administrative costs (direct).....	175	180	213	205
Indirect costs.....	82	85	91	84
Total Costs.....	47,858	48,562	4,304	15,289
FTEs.....	2	2	2	2
Performance Measure:				
KWH produced (in thousands).....	10,370	6,090,000	7,100,000	7,100,000
Cost per measure (unit cost).....	5	0.01	0.00	0.00
<u>Renewable Energy for America Grants - Discretionary</u>				
Program Level.....	-	-	-	5,000
Budget Authority.....	-	-	-	5,000
Administrative costs (direct).....	6,799	-	-	-
Indirect costs.....	3,200	-	-	-
Total Costs.....	9,999	-	-	5,000
FTEs.....	76	-	-	-
Performance Measure:				
KWH saved/generated/produced (in Millions).....	-	-	-	97
Cost per measure (unit cost).....	-	-	-	51.55
<u>Renewable Energy for America Grants - Mandatory</u>				
Program Level.....	39,590	12,374	36,545	25,000
Budget Authority.....	39,590	12,374	36,545	25,000
Administrative costs (direct).....	-	7,023	8,300	7,964
Indirect costs.....	-	3,305	3,557	3,253
Total Costs.....	39,590	22,702	48,402	36,217
FTEs.....	-	71	82	86
Performance Measure:				
KWH saved/generated (in millions).....	806	1,025	454,293	211,452
Cost per measure (unit cost).....	49.12	22.15	0.11	0.17

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	2013	2014	2015	2016
Rural Business programs:	Actual	Estimate	Estimate	Estimate
<u>Microenterprise Grants</u>				
Program Level.....	1,200	2,532	1,891	3,500
Budget Authority.....	1,200	2,532	1,891	3,500
Administrative costs (direct).....	1,048	1,083	1,280	1,228
Indirect costs.....	493	510	548	501
Total Costs.....	2,741	4,125	3,719	5,229
FTEs.....	12	11	13	13
<u>Rural Cooperative Development Grants</u>				
Program Level.....	6,492	5,799	5,800	6,000
Budget Authority.....	6,492	5,799	5,800	6,000
Administrative costs (direct).....	699	722	853	819
Indirect costs.....	329	340	366	334
Total Costs.....	7,520	6,861	7,019	7,153
FTEs.....	8	7	8	9
<u>Grants to Assist Minority Producers</u>				
Program Level.....	3,205	3,000	3,000	3,000
Budget Authority.....	3,205	3,000	3,000	3,000
Total Costs.....	3,205	3,000	3,000	3,000
<u>Appropriate Technology Transfer</u>				
Program Level.....	2,087	2,250	2,500	2,087
Budget Authority.....	2,087	2,250	2,500	2,087
Total Costs.....	2,087	2,250	2,500	2,087
<u>Value Added Grants - Mandatory</u>				
Program Level.....	114	53	63,505	-
Budget Authority.....	114	53	63,505	-
Administrative costs (direct).....	680	702	830	796
Indirect costs.....	320	330	356	325
Total Costs.....	1,114	1,085	64,691	1,121
FTEs.....	8	7	8	9
Performance Measure:				
Number businesses assisted 2/.....	-	809	1,400	700
Cost per measure (unit cost).....	-	1.34	46.21	1.60
<u>Value Added Grants - Discretionary</u>				
Program Level.....	18,425	16,212	16,501	10,000
Budget Authority.....	18,425	16,212	16,501	10,000
Administrative costs (direct).....	1,943	2,007	2,371	2,274
Indirect costs.....	914	944	1,016	929
Total Costs.....	21,282	19,163	19,888	13,203
FTEs.....	22	20	23	25
<u>Healthy Food and Financing Initiative</u>				
Program Level.....	-	-	-	12,750
Budget Authority.....	-	-	-	12,750
Total Costs.....	-	-	-	12,750

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	2013	2014	2015	2016
Rural Business programs:	Actual	Estimate	Estimate	Estimate
<u>Rural Youth Poverty</u>				
Program Level.....	-	-	-	20,000
Budget Authority.....	-	-	-	20,000
Total Costs.....	-	-	-	20,000
<u>Total, Rural Business-Cooperative Service Programs</u>				
Program Level.....	1,195,863	1,556,879	1,608,587	1,754,984
Budget Authority.....	222,098	270,633	316,071	268,082
Administrative costs (direct).....	48,567	50,165	59,283	56,850
Indirect costs.....	22,855	23,607	25,408	23,220
Total Costs, All Strategic Goals.....	293,520	344,405	400,762	348,152
Total FTEs, All Strategic Goals.....	542	507	585	617
Performance Measure:				
Measure.....	N/A	N/A	N/A	N/A
Cost per measure (unit cost).....	N/A	N/A	N/A	N/A