Building Sustainable Farms, Ranches and Communities

Federal Programs for Sustainable Agriculture, Forestry, Entrepreneurship, Conservation and Community Development

A publication of U.S. Department of Agriculture agencies working together for sustainable places

in collaboration with

the Michael Fields Agricultural Institute
and the National Center for Appropriate Technology (NCAT)

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If English is not your first language, support for your use of this Guide is available in Spanish, Lao and French by calling 1 (800) 346-9140.

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Introduction

This guide is written for anyone seeking help from federal programs to foster sustainable and innovative initiatives in this country associated with agriculture and forestry. Sustainability is commonly understood to embrace the triple concepts of economic, environmental and social viability. Specifically, the guide provides information about program resources pertaining to natural resources conservation and management; sustainable and organic farming practices; value added and marketing innovations, nutrition and consumer food access; economic development for farms, small businesses and urban and rural communities; and renewable energy and energy conservation.

The guide can help farmers, entrepreneurs, community developers, private landowners, conservationists, and many other individuals, as well as private and public organizations, both for-profit and not-for-profit. The guide describes program resources ranging from grants and loans to technical assistance and information resources.

The guide can also help USDA and other agency employees become aware and take better advantage of the enormous array of federal programs and resources available to their clients in supporting sustainable innovations in agriculture and forestry. This edition constitutes the guide's fifth printing and third complete update, incorporating programs from the 2008 Farm Bill.

How can the guide help you?

We hope to introduce you to programs that can be useful to your work, including some you might not otherwise have thought to pursue. Along with a general overview of each program, the guide explains the assistance the program offers and its purposes, as well as restrictions on that assistance. When possible, we give specific examples of how the program has actually been used to support such work.

This guide includes programs that have existed for years as well as some that are newly authorized in the 2008 Farm Bill. A survey to stakeholder groups helped us identify key programs to include, but undoubtedly some relevant programs escaped our attention. Further, although the program descriptions are accurate as of this printing, aspects of some programs will change. Please conduct Internet searches to obtain updates and applications for programs.

How is the guide organized?

There are two ways to identify programs that can help you:

- The A - Z Table of Contents lists federal programs as they appear alphabetically in the directory.
- The list of categories of grants shows one way to think about program offerings. Note that some programs fall within several of the categories although, in the interest of simplicity, we only list them once. Readers may need to explore programs listed within several categories to be sure of having found all programs pertinent to their interest.

What kinds of initiatives do programs described in this guide support?

Natural Resources Conservation and Management – Increasing numbers of farmers, foresters, and other landowners seek to adopt resource management practices that protect soil, air, water and wildlife on their land in an economically viable way. This guide describes several programs offering landowners help in getting financial and technical support for a wide range of resource management strategies.

Strategies include sustainable forestry practices; intensive rotational grazing of livestock; soil conservation structures; organic or biodynamic farming systems; Integrated Pest Management (IPM); diversified crops and crop rotations; farmland protection, wetland and other habitat restoration; riparian buffers, and many other practices. This guide includes numerous programs that help landowners get information, funding, technical assistance and other resources to support such land management changes and some that help community groups collaborate in this work.

Sustainable Farming Practices – As farmers and ranchers move toward more environmentally sound, profitable and socially responsible production practices, they may need information, technical assistance, or other help. Programs exist to assist them with a wide range of issues, from weed management to new crops and livestock enterprises; from the technical challenges or certification costs of making the transition to organic production to understanding economic thresholds of integrated pest management for a particular pest; from tillage to managed grazing. Several programs offer outreach, research, or community assistance, and the 2008 Farm Bill included new provisions to focus particular assistance on underserved or beginning farmers and ranchers.

Marketing and Value-added Innovations – Many entrepreneurs seek to add value to agricultural and forestry resources. Because earnings in extractive industries (for example, agricultural production and timber harvesting) are generally low and highly volatile, many communities seek to build economic and environmental sustainability by adding value to natural resources through processing, packaging, marketing, distributing the products themselves, or by producing their goods with methods that gain market premiums.

Creating value-added jobs can improve the diversity of a local economy, increase local incomes, capture higher profits locally, and use local natural resources more efficiently and sustainably. This guide describes programs offering financial, technical, marketing, and other assistance for such enterprises.

Nutrition and Consumer Food Access – The nation's struggle to address the health, fiscal and social implications of obesity has brought a renewed awareness of the importance of affordable, culturally appropriate, safe and nutritious food, including fresh fruits and vegetables. Many families and some communities, in both urban and rural areas, lack access to such food; impediments may be poverty, community isolation, lack of education about nutrition, or other factors. Remedies range from creating market linkages between local producers and consumers to more systemic efforts to address underlying poverty in a community. Localities can use this guide to identify forms of federal economic and technical assistance most appropriate to their needs.

Renewable Energy and Energy Conservation – Fluctuating fuel prices, concerns about climate change, and the growing awareness of the human and other costs of our nation's depending on energy sources from politically unstable regions have catapulted renewable energy and energy conservation into the national spotlight. The 2008 Farm Bill created new programs and embellished existing ones to support energy production on farms and ranches, including biomass production and processing, wind turbines, manure digesters, solar panels, and geothermal. Some programs help build community infrastructure that supports renewable energy or conservation. Others target individual landowners or producers who see entrepreneurial opportunities to create energy or want to reduce the energy cost of their farms or ranches. Whether from the perspective of conservation, production or processing, agriculture has become a focus point for the nation's energy and climate change policies, and this is reflected in the programs described in this guide.

What are successful strategies for obtaining resources to support your work in building sustainable places?

This guide lists numerous programs that can help advance innovations in sustainable agriculture, forestry, entrepreneurship, conservation, and community development. Following some sensible and logical steps will help increase your chances of targeting programs for your needs and writing successful proposals.

What are the hallmarks of a well conceived project?

A successful federally funded project — whether a research proposal, conservation plan, marketing or other proposal — is no different from any other good project. It has tightly defined purposes; a clear strategy to accomplish them on a realistic timeline; the necessary people, money, and other resources; a basis for evaluating the process when done; and an effective means of communicating results.

Many projects are improved by a thoughtful effort to build supporting coalitions. A funder will look favorably on, and may require, local matches of funding. Remember that funding matches usually can also come in the form of existing staff salaries and other "in-kind" contributions, as well as actual dollars.

In designing a good project, be sure that you have included the right people in the planning process itself. Every participant should not only care about the idea, but also be prepared to contribute to its execution. Some questions to consider in developing your proposal include the following:

- What problem do you seek to address?

- What is your principal strategy to resolve that problem?
- Why is this strategy better than other approaches you might consider?
- Have other people, locally or otherwise, addressed this problem? If so, what have you learned from their work, and how does your effort relate to theirs?
- Who else might be concerned about your issues? Should they be involved in your project?
- What is a realistic timeline for action?
- What resources do you need to implement your project? What resources can you use for a non-federal match?
- Would others profit from knowing about your initiative? If so, how do you plan to get the word out?
- How will you measure and evaluate your project's outcomes?

How can you identify potential federal programs?

Once you have a good idea of what your project should look like and what resources it requires, it is time to explore federal programs and figure out what programs, if any, can help you achieve your goals. Besides this guide, there are many ways to locate resources potentially useful to you. Ask colleagues doing similar work about who has funded their work, and make use of reference sections in larger public libraries, most university main libraries, and the development office of any large university. These reference sites often have many useful directories, some dealing with private sources and others with federal ones. Many references are available on the Internet.

Just a few sources include the following: the National Directory of Corporate Giving; Directory of Research Grants; Funding Sources for Community and Economic Development; Government Assistance Almanac; Government Giveaways for Entrepreneurs; Guide to Federal Funding for Governments and Nonprofits; and the Guide to Federal Funding for Education.

Many resources are available on the Internet, including:

- The Catalog of Federal Domestic Assistance, http://12.46.245.173/cfda/cfda.html
- The Federal Register, http://www.gpoaccess.gov/fr/
- A site for federal grants in all agencies, http://www.grants.gov
- The Foundation Center, http://www.fdncenter.org (subscription required)
- Building Sustainable Places, http://attra.ncat.org/guide/.
- Grassroots Guide to the 2008 Farm Bill, http://sustainableagriculturecoalition.org/publications/grassrootsguide/

Many other private and public resources at the state and local levels are not covered in this guide. Contact your State Department of Agriculture, State Forester, State Rural Development Office, local Extension Office, local conservation office and Resource Conservation and Development (RC&D) coordinator to explore those possibilities. Also, asking yourself who might have a stake in the outcomes of your work might suggest additional potential funding sources.

How can you decide which programs are most appropriate for your needs?

Identifying programs in this guide and from other sources whose purposes and available resources suit your objectives is an art form. Instead of wasting your time chasing programs that have incompatible goals, a little methodical research will help you assess how well your project fits within various programs.

You may want to talk with program staff, people previously funded, or organizations that have worked with a program to decide whether there is a fit and if so, how to argue for it. It comes down to asking good questions and thinking strategically. For example:

- What are the program's stated mission and objectives? What projects has it funded or collaborated with in the past? Is the form of assistance appropriate to your needs? (Think creatively about your project's needs. The problems for which you seek help from federal resources are likely complex, and often more than one type of assistance may contribute to their solution.)
- What are the program's funding pool, percentage of

applicants who typically get funded, average funding amounts, and duration of program grants?

- What are eligibility requirements, financial match requirements, and restrictions on a program's use? Is funding available up front or (more typically) on a reimbursement basis?
- Are deadlines for applying and the timeframe for funding appropriate to your project timeline? Does the program fund multiyear projects? Do past grantees feel that a program's reporting requirements are reasonable and the program well administered?

What are some tips for submitting successful applications?

Once you have designed a good project, prepare it for submission to any program to which you're applying so that it stands the greatest chance of being approved. Read the Request for Proposals (sometimes called Notice of Funding Availability or other titles) several times, even though it's in small print! Carefully follow directions explained in the RFP, including any format requirements.

Identify the central points you want to make, including how your proposal addresses a program's key goals. Be precise and accurate; do not be tempted to exaggerate the need or over promise results. Use clear, concise language to make your application or proposal readable. It is smart to have your application reviewed by someone whose editing skills you trust. Is it clear? Readable? Grammatically correct?

Pay close attention to formatting, deadline, nonfederal monetary match and other stated requirements. Be sure that your budget is accurate, clear, and is accompanied by a budget narrative to clarify any points you think could be misunderstood by reviewers. And, of course, do not be daunted by having to readjust your proposal for each program to which you submit it.

Make sure you understand the review process. Is it based on a review by only a few people, or will the review be more comprehensive? If the contact person makes funding decisions, get to know their preferences. Call program staff if you have questions about the application process. Of course, always be pleasant in discussing your project.

Give yourself more time than you think you'll need – you'll need it! Many applications processes are complex, and even simple ones require time to work out matching contributions, get letters of support, share your proposal with partners and readjust your text accordingly. Increasingly, federal grants are submitted electronically. Although a visit to www.grants.gov will explain the process, some extra steps are required that take time. Be sure you submit the proposal in plenty of time (a day or two in advance) if submitting it electronically, as lines sometimes back up for electronic submission.

Finally, but very importantly – do not be discouraged! Many successfully funded grants and applications for federal resources are the result of earlier failed attempts. Understanding why your earlier efforts were rejected is likely to help in future ones. Be sure to ask.

Getting a copy of the guide

To obtain a free copy of this guide, please contact ATTRA - National Sustainable Agriculture Information Service, at P.O. Box 3657, Fayetteville, AR 72702, 1 (800) 346-9140, fax (406) 494-2905, or e-mail debbier@ncat.org.

Workshops on using the guide

The Michael Fields Agricultural Institute (MFAI) offers workshops to help use this guide. The workshops cover how to envision and design sound projects; identify programs offering resources; and maximize your chances of submitting successful proposals. www.michaelfieldsaginst.org

For more information, contact Margaret Krome, MFAI Policy Program Director, at (608) 238-1440; mkrome@sbcglobal.net

Programs by Category

This list shows one way to think about categories of program offerings. Although, in the interest of simplicity, we only list them once here, some programs are pertinent to several kinds of topics. For example, although the Sustainable Agriculture Research and Education (SARE) program is listed under Organic and Sustainable Farming Practices, it has also funded grants pertaining to conservation, value-added and marketing, economic development, and renewable energy initiatives. Readers should explore programs listed within several categories to be sure of having found all programs pertinent to their interest.

Natural Resources Conservation and Management

Agricultural Water Enhancement Program (AWEP) 1
Conservation Reserve Program (CRP) 26
Conservation Innovation Grant Program (CIG) 24
Conservation Stewardship Program (CSP) 29
Cooperative Conservation Partnership Initiative (CCPI) 31
Environmental Quality Incentives Program (EQIP) 37
Farm and Ranch Lands Protection Program (FRPP) 39
Forest Legacy Program 47
Forest Products Lab 48
Forest Service Urban and Community Forestry Program 99
Forest Stewardship Program 49
Grassland Reserve Program (GRP) 51
Partners for Fish and Wildlife 68
Resource Conservation and Development (RC&D) 74
Wetlands Reserve Program (WRP) 103
Wildlife Habitat Incentives Program (WHIP) 105
Wood Education Resource Center (WERC) 107

Organic and Sustainable Farming Practices

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Appropriate Technology Transfer for Rural Areas (ATTRA) 5
Cooperative Extension Systems (CES) 33
Integrated Organic and Water Quality Program (IOWP) 55
National Organic Program 63
Organic Certification Cost-Share Program 64
Organic Conversion Program (Subset of EQIP) 65
Organic Agriculture Research and Extension Initiative (OREI) 66
Regional Integrated Pest Management Program 70
Risk Management Partnership Agreements (RMA) 78
Specialty Crop Block Grants Program 93
Specialty Crop Research Initiative 95
Sustainable Agriculture Research and Education (SARE) 96

Value Added and Marketing Innovations

Farmers' Market Promotion Program (FMPP) 43
Federal-State Marketing Improvement Program (FSMIP) 44

Value Added Producer Grants (VAPG) 101

Nutrition and Consumer Food Access

Community Food Projects Competitive Grants Program 20
Farmers' Market Nutrition Program (FMNP) 41
Fruit and Vegetable Pilot Program (FVPP) 50
Local and Regional Food Enterprise Guaranteed Loans 61
Senior Farmers' Market Nutrition Program (SFMNP) 89
WIC Farmers' Market Nutrition Program (FMNP) 41

Economic Development for Farms, Small Businesses and Communities

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Beginning Farmer and Rancher Individual Development Accounts (BFRIDA) 8
Beginning Farmer and Rancher Development Program (BFRDP) 9
Business and Industrial Guaranteed Loan Program (B&I) 16
Certified Development Company Program (SMA program) 18
Conservation Loan and Loan Guarantee Program 23
Direct Farm Ownership and Operating Loans 34
Downpayment Farm Ownership Loan Program 36
Guaranteed Farm Ownership and Operating Loans 53
Intermediary Relending Loan Program (IRP) 57
Loans for Socially Disadvantaged Persons (SDA) 59
Microloan Program 62
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers Grants 67
Regional Rural Development Centers (RRDC) 72
Risk Management Education Program (RME) 76
Rural Business Enterprise Grants (RBEG) 80
Rural Business Opportunity Grants (RBOG) 81
Rural Collaborative Investment Program (RCIP) 82
Rural Cooperative Development Grant Program (RCDG) 83
Rural Microentrepreneur Assistance Program (RMAP) 87
Small Business Innovation Research Program (SBIR) 90
Small Farm Program 92

Renewable Energy and Energy Conservation

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Bioenergy Program for Advance Biofuels 11
Biomass Crop Assistance Program (BCAP) 12
Biomass Research and Development Initiative 14
Community Wood Energy Program 22
Forest Biomass for Energy 46
Rural Energy for America Program (REAP) 84
Rural Energy Self-Sufficiency Initiate 86

Agricultural Water Enhancement Program (AWEP)

Promoting ground and surface water conservation or water quality improvement on agricultural lands

Program Basics

The Agricultural Water Enhancement Program (AWEP) is a voluntary conservation program under the Environmental Quality Incentives Program (EQIP). Under AWEP, the Natural Resources Conservation Service (NRCS) enters into partnership agreements with eligible entities that want to promote ground and surface water conservation or improve water quality on agricultural lands. The Secretary of Agriculture has delegated the authority for AWEP to the NRCS Chief. As part of EQIP, the AWEP program operates through contracts with producers to plan and implement conservation practices in project areas established through partnership agreements.

Legislative Changes

The 2008 Farm Bill established AWEP, replacing the Ground and Surface Water Conservation Program.

AWEP's purposes – to promote ground and surface water conservation and improve water quality – are achieved by having producers implement agricultural water enhancement activities. These include:

- Water quality or water conservation plan development, including resource condition assessment and modeling;
- Water conservation restoration or enhancement projects, including conversion to the production of less water-intensive agricultural commodities or dryland farming;
- Water quality or quantity restoration or enhancement projects;
- Irrigation system improvement or irrigation efficiency enhancement;
- Activities designed to mitigate the effects of drought; and
- Other related activities deemed by the Secretary to help achieve water quality or water conservation benefits on agricultural land.

Application and Financial Information

An agricultural producer may apply directly to NRCS for financial or technical assistance to implement agricultural water enhancement activities in an approved AWEP project area. Producers who apply directly to NRCS must be eligible for EQIP, and selected applications will be subject to applicable EQIP requirements.

AWEP project proposals submitted by eligible entities are ranked competitively and must include the following:

- Description of the geographic area to be covered by the agreement;
- Description of the agricultural water quality or water conservation issues to be covered by the agreement;
- Description of agricultural water enhancement objectives to be achieved through the partnership;
- Description of the partners collaborating to achieve the project objectives, as well as the roles, responsibilities, and capabilities of each partner; and
- Description of the program resources required for the project.

In evaluating an application, NRCS may give higher priority to proposals that:

- Include a high percentage of agricultural land and producers in a region or area;
- Result in high levels of applied agricultural water quality and water conservation activities;
- Significantly enhance agricultural activity;
- Allow for monitoring and evaluation;

- Assist producers in meeting a regulatory requirement;
- Include the conversion of agricultural land from irrigated farming to dryland farming; and
- Leverage federal funds with those provided by the potential partner.

Eligibility, Uses, and Restrictions

Entities that are eligible to enter into AWEP partnership agreements include, but are not limited to, federally recognized Indian Tribes, States, units of local government, agricultural or silvicultural associations, or other groups of such producers, such as an irrigation associations, agricultural land trusts, or other nongovernmental organizations with experience working with agricultural producers.

Website Information

For more information and updates about AWEP and other Farm Bill topics, refer to the NRCS website at: http://www.nrcs.usda.gov/programs/farmbill/2008/

NRCS AWEP program website at: http://www.nrcs.usda.gov/programs/awep/

Contact Information

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Agriculture and Food Research Initiative (AFRI)

Providing grants that address key problems of national, regional, and multi-state importance in sustaining all components of agriculture

Program Basics

The Agriculture and Food Research Initiative (AFRI) is the core competitive grants program offered by the USDA. The purpose of AFRI is to fund grants that address key problems of national, regional, and multi-state importance in sustaining all components of agriculture, including farm efficiency and profitability, ranching, renewable energy, forestry (both urban and agroforestry), aquaculture, rural communities and entrepreneurship, human nutrition, food safety, biotechnology, and conventional breeding. AFRI also supports coordination opportunities to build on the discoveries from the advancement of fundamental sciences in support of agriculture. Therefore, efforts in education and extension that deliver science-based knowledge to people, allowing them to make informed practical decisions are also a priority.

AFRI programs offer a wide array of award types for FY 2009, including: non-integrated grants (Research only projects, Education only projects, and Extension only projects); integrated grants that include two or more of the following in one project: research, education, and extension; conference grants; and Food and Agricultural Science Enhancement (FASE) grants including post-doctoral grants, new investigator grants, and strengthening grants (standard strengthening grants, sabbatical grants, equipment grants, and seed grants).

Specific programs within AFRI are offered in the following areas:

A) Plant health and production and plant products;

B) Animal health and production and animal products;

C) Food safety, nutrition, and health;

D) Renewable energy, natural resources, and environment;

E) Agriculture systems and technology; and

F) Agriculture economics and rural communities.

Please see the AFRI Request for Application (RFA) on the National Institute of Food and Agriculture (NIFA) website at www.csrees.usda.gov/ for individual program descriptions.

Project Examples

AFRI is a new competitive grant program under Section 7406 of the Food, Conservation, and Energy Act of 2008 (FCEA) (Pub. L. 110-246) (i.e., the 2008 Farm Bill).

Application and Financial Information

Each year the AFRI Request for Application (RFA) is published on the National Institute of Food and Agriculture (NIFA) website at www.nifa.usda.gov/. Proposal guidelines and submission deadlines are outlined in the RFA. All applications must be submitted via Grants.gov.

Congress passed funding for AFRI in FY10 at $262 million. However, there is no commitment by USDA to fund any particular application or to make a specific number of awards. For FY09, USDA committed that no less than 30 percent of appropriated funds would be made available to fund programs that integrate research, education and extension. Of the AFRI funds allocated to research activities, 60 percent were to be directed toward grants for fundamental (or basic) research and 40 percent toward applied research. Of the AFRI funds allocated to fundamental research, not less than 30 percent of AFRI grants were to be directed toward research by multidisciplinary teams. It was anticipated that no less than 10 percent of the funds would be made available for Food and Agricultural Science Enhancement (FASE) Awards and no more than two percent of funds for fundamental research be made available for Equipment Grants. AFRI funds may be used to support applications submitted to supplementary AFRI RFAs and/or solicitations for multi-agency programs in which AFRI is participating.

Eligibility, Uses, and Restrictions

The eligibility for AFRI programs is linked to the program of interest. Non-integrated grants are eligible to state agricultural experiment stations, colleges, universities, university research foundations, other research institutions and organizations, federal agencies, national laboratories, private organizations or corporations, and individuals who are U.S. citizens, nationals, or permanent residents. Integrated programs' eligibility are restricted to colleges and universities, 1994 Land-Grant Institutions, Hispanic-serving agricultural colleges and universities, and research foundations maintained by a college or university. Please see the RFA for the eligibility for FASE grants.

For information about uses and restrictions also see the RFA.

Website

http://www.nifa.usda.gov/funding/afri/afri.html

Contact

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Competitive Programs
USDA-NIFA
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mpoth@nifa.usda.gov

ATTRA - National Sustainable Agriculture Information Service

Providing free technical information to producers and information providers on a wide variety of sustainable farming topics

Program Basics

ATTRA, the National Sustainable Agriculture Information Service, provides information to those engaged in or serving commercial agriculture, such as farmers, ranchers, extension agents, farm organizations, and farm-based businesses. Clients can call in requests on a toll-free telephone line, use the website that features regular updates, and learn about workshops featuring technical presentations by staff.

ATTRA offers a wide variety of information on sustainable agriculture, from horticultural and agronomic crops to livestock and farming systems. ATTRA's services seek to help U.S. farmers increase profitability and provide more healthful food for consumers while becoming better stewards of the natural resources and environment of America's farmlands.

ATTRA's agriculture program specialists respond to requests from callers on how to:

- Improve farm income with a diversity of crops and livestock
- Reduce dependence on costly off-farm inputs
- Assess new marketing methods
- Produce alternative crops and livestock
- Institute organic farming practices
- Incorporate value-added and farm-processed products
- Improve soil fertility and water quality
- Rejuvenate rural America through agricultural enterprises

Information Available

ATTRA specializes in responding to questions about specific sustainable enterprises or practices. ATTRA agriculture program specialists will research the question, summarize findings in writing, and compile supporting literature as appropriate to accompany the report, which a caller receives by mail. Publications based on frequently requested topics are also available. ATTRA provides more than 300 topic-specific publications on its website, covering a wide variety of topics related to organic and sustainable agriculture.

ATTRA also provides a free weekly electronic newsletter on national events and advances in sustainable agriculture. A bimonthly newsletter on a specific sustainable agriculture topic is also available. Both of these newsletters may be subscribed to at no charge via the ATTRA website (www.attra.ncat.org).

Financial Information

Funding for fiscal year 2010 is $2.8 million through USDA's Rural Business-Cooperative Service. This funding supports the informational and educational work of more than 30 staff assigned to the ATTRA program. The program is managed by the nonprofit National Center for Appropriate Technology (NCAT), which has offices in Montana, Arkansas, California, Pennsylvania, and Iowa. NCAT's organizational website is www.ncat.org

Eligibility, Uses, and Restrictions

ATTRA provides technical assistance and information to anyone involved in U.S. commercial agriculture. This includes farmers, ranchers, extension agents, farm organizations, farm-based businesses, information providers, and others who serve farmers. All of ATTRA's publications and multimedia information (including webinar and radio broadcasts) are available for free download to anyone with internet access.

Website

www.attra.ncat.org

Contact

People involved in commercial agriculture in the United States may request information by calling (800) 346-9140 from 7 a.m. to 7 p.m. (Central Time) Monday through Friday, or by visiting the ATTRA website. A Spanish-language helpline is also available at 800-411-3222.

Beginning and Socially Disadvantaged Farmer Contract Land Sales

Providing federal loan guarantees to retiring farmers who self-finance the sale of their land to socially disadvantaged farmers and ranchers

Program Basics

The Beginning and Socially Disadvantaged Farmer and Rancher Contract Land Sales Program provides federal loan guarantees to retiring farmers who self-finance the sale of their land to beginning or socially disadvantaged farmers and ranchers. The program is designed to encourage private land contract sales by providing a degree of protection to the retiring farmer whose retirement savings is often in the land and farm. It provides the seller with a federal guarantee much like that available to commercial banks and other lenders.

The program is structured to provide the seller of the farm or ranch two options:

1) A "prompt payment" guarantee that covers three amortized annual installments or an amount equaling three amortized annual installments; or

2) A standard asset guarantee plan that covers an amount equal to 90 percent of the outstanding principle of the loan provided that the seller obtains a servicing agent.

For either option, the loan guarantee stays in effect for 10 years. The purchase price or appraisal value of the farm or ranch that is the subject of the contract sale cannot be greater than $500,000. . The buyer of the farm and ranch must contribute at least 5 percent as the down payment for the land.

Under the prompt payment guarantee, if the new farmer/buyer does not pay an annual installment due on the contract, or pays only part of an installment, USDA's Farm Service Agency provides the scheduled payment or the unpaid portion to the seller through an escrow agent after the seller unsuccessfully attempts collection. In that circumstance, the buyer would then try to restructure the debt through an approved repayment plan.

Under the asset guarantee, the seller is protecting himself or herself against the possibility that the value of the farm may have sharply declined between the time the contract was entered and any default by the buyer.

Eligibility, Uses, and Restrictions

To be eligible for a loan guarantee, the buyer of the farm or ranch must: 1) be a beginning or socially disadvantaged farmer or rancher; 2) have an acceptable credit history demonstrated by satisfactory debt repayment; 3) be the owner or operator of the farm or ranch when the contract is complete; and 4) be unable to obtain sufficient credit elsewhere without a guarantee to finance actual needs at reasonable rates or terms.

Website

This program is administered by the Farm Service Agency of USDA. www.fsa.usda.gov

For information and applications, go to your FSA regional Service Centers or to your state FSA office. http://offices.sc.egov.usda.gov/locator/app?state=us&agency=fsa

Contact Information

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Beginning Farmer and Rancher Individual Development Account (BFRIDA)

Helping beginning farmers and ranchers finance their agricultural endeavors

Program Basics

The Beginning Farmer and Rancher Individual Development Accounts (BFRIDA) Pilot Program is designed to help beginning farmers and ranchers of limited means finance their agricultural endeavors through business and financial education and matched savings accounts. The program is modeled after the more urban-based Individual Development Account program, administered by the Department of Health and Human Services, that focuses primarily on home purchase or business development. The new Beginning Farmer and Rancher IDAs, administered by USDA, will promote a new generation of farmers and ranchers by assisting those of modest means to establish a pattern of savings. Ultimately, the savings can be used as part of a down payment on farmland or to purchase breeding stock, farm equipment, or other productive assets.

The 2008 Farm Bill directs USDA to establish pilot projects in at least 15 states. The states have not been selected yet, but future editions of this Guide will provide that information when it becomes available. Selection of the IDA organization or agency within a state will be chosen on a competitive basis.

Eligibility, Uses, and Restrictions

Eligible beginning farmer or ranchers are those who do not have significant financial resources or assets and have an income less than 80 percent of the median income of the state in which they live, or 200 percent of the most recent annual Federal Poverty Income guidelines published by the Department of Health and Human Services. An eligible beginning farmer or rancher must also agree to complete a financial training program and create a savings account.

Any non-profit organizations or tribe or local or state government can submit an application to USDA to receive a grant. Non-profits could also team with agencies to run a pilot program. The selected groups will both establish and administer the IDAs and are also responsible for providing access to business and financial education.

Application and Financial Information

The organization or collaboration will establish a reserve fund made up of the total amount of the IDA grant awarded to them (up to $250,000) and a non-federal match of 50 percent of that total amount awarded. The grantees can use up to 10 percent of the federal grant amount (up to $25,000) to support business assistance, financial education, account management, and general program operation costs. The local, non-federal match may be used for program expenses without limit. Interest accrued on the federal grant award can be used for matched savings or for program costs.

Once a participating organization establishes a Beginning Farmer or Rancher IDA project, an eligible beginning farmer or rancher can set up an account with the participating organization and deposit a certain amount that is “matched” by that organization at a rate of at least 100 percent and up to 200 percent. For instance, if a farmer participant deposits $100 a month into the individual development account, the organization’s IDA program will match them at 1:1 or 2:1 or up to $200 a month. After the two-year program period, up to $7,200 would be available for the farmer to put towards the assets he or she has been saving for. Up to $3,000 of an individual’s savings can be matched per year, so at the 2:1 rate that means there can be a total of $9,000 in annual leveraged savings.

Website

www.fsa.usda.gov

Contact Information

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Beginning Farmer and Rancher Development Program (BFRDP)

Funding education, extension, outreach and technical assistance initiatives

Program Basics

The Beginning Farmer and Rancher Development Program (BFRDP) is a competitive grant program administered by the National Institute of Food and Agriculture (NIFA) that funds education, extension, outreach, and technical assistance initiatives directed at helping beginning farmers and ranchers of all types.

While the BFRDP was first authorized in the 2002 Farm Bill, it never received funding during the annual appropriations process. With the 2008 Farm Bill, the BFRDP now has mandatory funding to operate as an annual competitive grant program.

The BFRDP is targeted especially to collaborative local, state, and regionally based networks and partnerships to support financial and entrepreneurial training, mentoring, and apprenticeship programs, as well as "land link" programs that connect retiring with new farmers, innovative farm transfer and transition practices, and education, outreach, and curriculum development activities to assist beginning farmers and ranchers. Topics may also include production practices, conservation planning, risk management education, diversification and marketing strategies, environmental compliance, credit management, and so on.

Eligibility, Uses, and Restrictions

Applicants for the BFRDP must be collaborative state, tribal, local, or regionally-based networks or partnerships of public and private groups. Networks or partnerships may include: community-based organizations, non-governmental organizations; cooperative extension; relevant USDA and state agencies; and community colleges. These networks or partnerships in turn use the BFRDP funding to provide the training and assistance to beginning farmers and ranchers.

The BFRDP sets aside 25 percent of the yearly funds for projects serving limited resource and socially disadvantaged farmers and ranchers, including minority, immigrant, and women farmers and ranchers, as well as farmworkers desiring to become farmers in their own right.

Application and Financial Information

BFRDP grants have a term of 3 years and cannot exceed $250,000 a year. Eligible recipients can receive consecutive grants and must provide a cash or in-kind contribution match that is equal to 25 percent of the grant funds provided. Projects funded can serve farmers who are not beginning farmers, provided that the primary purpose of the project is fostering beginning farmer opportunities.

Website

http://www.nifa.usda.gov/beginningfarmerandrancher.cfm

http://www.nifa.usda.gov/funding/bfrdp/bfrdp.html

Contact Information

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Biobased Markets Program (BioPreferred)

Establishing a process to determine criteria for Federal purchase of biobased products

Program Basics

Authorized under section 9002 of the 2008 Farm Bill, the BioPreferred Program (formerly the Federal Biobased Procurement Program) establishes a process for determining eligibility criteria for Federal purchase of biobased products.

The BioPreferred Program requires every Federal agency to give a procurement preference to designated items composed of biobased products unless those items (1) are not reasonably available, (2) do not perform adequately, or (3) are not reasonably priced.

USDA's goal is to increase Federal procurement of biobased products government-wide and develop government and the public markets through a voluntary labeling program. USDA tests and evaluates biobased products and designates items for preferred federal procurement.

Through published regulations, USDA has designated a total of 33 biobased items or product categories representing nearly 3,000 individual products.

Biobased products include cleaners, lubricants, building materials, insulation, roof coatings, fuel additives, and a host of other sustainable industrial materials made from agricultural commodities that the Federal government can use. Investigation is under way to develop additional rules for Federal agency procurement.

Application and Financial Information

As of this printing, the USDA is currently in the process of collecting biobased product information. This information aids in the creation of designations for the procurement of biobased products by the federal government. Products may only be listed in the catalog once their designations have been finalized. You may register your company with the BioPreferred program and then submit products to be listed in the Biobased Products Catalog found on the BioPreferred website.

The Commodity Credit Corporation (CCC) provided $1 million for FY 2008 and will provide $2 million annually for FY2009-12 for testing and labeling of biobased products. An additional $2 million may be provided annually for FY 2010-12.

Eligibility, Uses, and Restrictions

Biobased products, according to the Secretary of Agriculture, are commercial or industrial products (other than food or feed) composed in whole or large part of renewable domestic agricultural or forestry materials, or an intermediate ingredient or feedstock including plant, animal, and marine materials. The program now adds heating oil as an excluded category.

USDA has developed a series of BioPreferred tools, such as model contract language, to assist Federal agencies and the business community in the implementation of the program. Most of these tools are available at the BioPreferred website (http://www.biopreferred.gov).

USDA is also in the process of developing a labeling program for the general public to encourage use of the products beyond Federal government procurement.

Website

http://www.biopreferred.gov

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Bioenergy Program for Advanced Biofuels

Providing incentive payments for the production of fuel derived from renewable biomass

Program Basics

Authorized under section 9005 of the 2008 Farm Bill, the Bioenergy Program for Advanced Biofuels re-titles, renews, and extends the program formerly known as the Bioenergy Program. This program provides incentive payments to ethanol and biodiesel producers on an incremental basis to increase production. Biofuel producers entering into a contract with USDA are reimbursed based on quantity, duration and net nonrenewable energy content.

Project Examples

The Bioenergy Program for Advanced Biofuels is administered by the USDA's Rural Business and Cooperative Service, Energy Division. As of this printing, guidelines to implement the program are pending.

One project example might be:

Production of biofuels such as biodiesel, butanol, biogas or other alcohols from feedstocks such as cellulose, hemicellulose, lignin, crop residues, vegetative waste, animal waste, food waste, yard waste, vegetable oil, or animal fat.

Application and Financial Information

The 2008 Farm Bill has directed the USDA Secretary to establish criteria and guidelines for the submission, evaluation, and funding of proposed projects under this program. Guidelines to implement the program were pending as of this printing.

The program will provide payments to eligible advanced biofuel producers to support and ensure an expanding production. The bill provides $55 million in FY 2009 and 2010, $85 million in FY 2011, and $105 million in FY 2012. An additional authorization of discretionary funds in the amount of $25 million per year may be available from FY 2009 to 2012. No more than five percent of funds made available annually may go to facilities with a total refining capacity of more than 150 million gallons per year.

Eligibility, Uses, and Restrictions

Eligible producers entering into a contract are paid based on the quantity and quality of advanced biofuel production and on the net nonrenewable energy content of the advanced biofuel. Payment amount will depend on the number of producers participating in the program, the amount of advanced biofuels being produced, and the amount of funds available.

Website

http://www.rurdev.usda.gov/RBS/BUSP/9005Biofuels.htm

Contact Information

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Biomass Crop Assistance Program (BCAP)

Providing financial assistance to producers or entities that deliver eligible biomass material to designated biomass conversion facilities

Program Basics

Authorized under Section 9011 of the 2008 Farm Bill, the Biomass Crop Assistance Program (BCAP) is designed to:

(1) support the establishment and production of eligible crops for conversion to bioenergy in selected BCAP project areas; and

(2) assist agricultural and forest land owners and operators with collection, harvest, storage, and transportation of eligible material for use in a biomass conversion facility.

Project Examples

The Farm Service Agency (FSA) is currently working to develop and implement the Biomass Crop Assistance Program. FSA is preparing an environmental impact study. After this impact study is drafted, FSA plans to publish more specific program provisions as regulations for BCAP in the Federal Register. Although exact dates are not available for this rulemaking, FSA hopes to implement BCAP in time for the 2010 crop year.

Application and Financial Information

BCAP is a Commodity Credit Corporation (CCC) program administered by the Farm Service Agency (FSA) with the support of other federal and local agencies. Potential project sponsors apply for selection as Biomass Crop Assistance Program (BCAP) project areas.

The 2008 Farm Bill authorizes 3 types of payments under BCAP:

- Establishment payments for up to 75% of cost of establishing an eligible biomass crop for BCAP contract acreage.
- Annual payments to support production for BCAP contract acreage.
- Collection, harvest, storage, and transportation (CHST) payments of up to $45/ton for 2 years for collection, harvest, storage, and transportation of eligible material to a biomass conversion facility from BCAP contract acreage and other sources.

Although the program is not required to disburse a specified annual amount, the law authorizes USDA to use, from CCC funds, "sums as are necessary" to successfully implement BCAP. The White House Office of Management and Budget in consultation with USDA will decide funding apportionments based upon demand for the program, administration priorities, and other considerations.

Eligibility, Uses, and Restrictions

Biomass production must occur on either agricultural land or non-industrial private forest land and excludes Federal and State owned land, Conservation Reserve Program, and similar land protection programs and native sod.

BCAP project areas are selected based on:

- A description of the eligible land and eligible crops of each producer that will participate in the proposed BCAP project area;
- A letter of commitment from a biomass conversion facility that the facility will use eligible crops intended to be produced in the proposed BCAP project area;
- Evidence that the biomass conversion facility has sufficient equity available if the facility is not operational at the time the project area proposal is submitted;
- Other appropriate information.

BCAP project area selection criteria include the following nine factors:

1. The volume of the eligible crops proposed to be produced in the proposed BCAP project area and the probability that such crops will be used for BCAP purposes;

2) The volume of renewable biomass projected to be available from sources other than the eligible crops grown on contract acres;

3) The anticipated economic impact in the proposed BCAP project area;

4) The opportunity for producers and local investors to participate in the ownership of the biomass conversion facility in the proposed BCAP project area;

5) The participation rate by beginning or socially disadvantaged farmers or ranchers;

6) The impact on soil, water, and related resources;

7) The variety in biomass production approaches within a project area, including agronomic conditions, harvest and postharvest practices, and monoculture and polyculture crop mixes;

8) The range of eligible crops among project areas; and

9) Any other additional information determined necessary by the Secretary of Agriculture.

Contract terms are up to 5 years for annual and perennial crops and up to 15 years for woody biomass crops. USDA will determine whether project proposals meet the minimum threshold for selection based on criteria in the statute and rank proposals based on the nine general criteria listed above.

Eligible biomass crops do not include those crops eligible for commodity payments under Title I of the 2008 Farm Bill, invasive or noxious plants, animal waste and byproducts, food and yard waste, or algae.

Conservation Plans or Forest Stewardship Plans must be adhered to by BCAP participants, who also must be in compliance with the highly erodible and wetlands compliance provisions of the Food Security Act of 1985, as amended.

USDA had not yet published the Federal Rules to implement the program by the time this directory was published. Additional uses of CCC funds for this program are currently unknown.

Website

http://www.fsa.usda.gov/FSA/webapp?area=home&subject=ener&topic=bcap

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Biomass Research and Development (BR&DI)

Supporting research, development, and demonstrations on cost-effective ways to produce alternative fuels and chemicals from biomass resources

Program Basics

Authorized under section 9008 of the 2008 Farm Bill, the Biomass Research and Development Initiative (BR&DI) extends the program originally created under the Biomass Research and Development Act of 2000 and amended by the Energy Policy Act (EPAct) of 2005.

This program provides competitive grants, contracts, and financial assistance to eligible entities to carry out research, development, and demonstration of biofuels and biobased products, and the methods, practices and technologies for their production.

Project Examples

Selected projects for the 2007 fiscal year were in four technical areas as mandated by EPAct 2005: feedstock production, technological development, product diversification, and technology analysis. (See BR&DI for specific technical area descriptions.)

- Texas Engineering Experimental Station was funded to demonstrate the commercial feasibility of anaerobic fermentation of biomass for the production of carboxylate salts and their conversion to keytones.
- Washington State University was funded to provide product diversification strategies for a new generation of biofuels and bio-products.
- Rutgers University was funded to develop a U.S. native grass breeding consortium to identify regional optimum biomass productivity on marginal lands and switchgrass performance in specific U.S. regions.
- Agrivida, Inc. was funded to study altered plant compositions for improved biofuel production. This will include analysis of rice straw, sorghum, and switchgrass performance in specific U.S. regions.
- The University of Florida was funded to address genetic engineering of sugarcane for increased fermentable sugar yield from hemicellulosic biomass in Florida.

Application and Financial Information

The Department of Agriculture's Cooperative State Research, Education, and Extension Service (CSREES) and the DOE Office of Biomass Programs competitively award Biomass Research and Development Initiative (BR&DI) grants to eligible entities to research, develop, and demonstrate biomass projects. As amended by the 2008 Farm Bill, the three main Technical Areas are: (1) Feedstocks Development, (2) Biofuels & Biobased Products Development, and (3) Biofuels Development Analysis. This is a joint solicitation, and DOE is managing the pre-application process.

All eligible applications are evaluated in a joint USDA/DOE technical merit review process, in addition to reviews by each agency based on cost and programmatic priorities. Only those applicants that have submitted a pre-application and received notification from the DOE inviting them to submit a full application will be allowed to submit a full application.

Applicants must clearly demonstrate the value chain element they intend to focus on and specify whether the project is conducting research or a demonstration. The value chain can be characterized as consisting of the following elements: feedstock development and growth; feedstock harvesting and preparation; feedstock logistics and transportation; feedstock storage and handling; biomass pre-processing (as appropriate); biomass conversion; production of biofuels/bioenergy/biobased products; product logistics and handling; and product delivery and distribution.

All projects should be planned and implemented in accordance with a life cycle point of view such that both direct and indirect environmental and economic impacts are considered.

The program expected to award up to $20 million in funds in FY 2009, $28 million in FY 2010, $30 million in FY 2011, and $40 million in FY 2012. An additional funding authorization of $35 million per year from FY 2009 through 2012 may become available for continuation of the program.

Eligibility, Uses, and Restrictions

Eligible applicants include institutions of higher learning, national laboratories, federal research agencies, private sector entities, nonprofit organizations, or consortia of two or more entities. Grants are awarded competitively based on technical merit and program priorities identified in the solicitation package. This solicitation requires a 20 percent minimum non-federal share of the total project cost.

Website

http://www.brdisolutions.com

Contact Information

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Business and Industrial Guaranteed Loan Program (B&I)

Guaranteeing loans by commercial local lenders to businesses in rural areas

Program Basics

The Business and Industry (B&I) Guaranteed Loan program guarantees loans by commercial local lenders to businesses in rural areas. By guaranteeing loans against a portion (up to a maximum of 90 percent) of loss resulting from borrower default, the B&I Guaranteed Loan program is meant to expand the available credit for businesses. B&I guarantees can result in a number of benefits to such businesses.

The loan guarantee may be used for business and industrial acquisitions, construction, conversion, expansion, repair, modernization or developmentcosts; purchase of equipment, machinery or supplies; startup costs and working capital; processing and marketing facilities; pollution control and abatement; and refinancing for viable projects, under certain conditions.

Project Examples

Examples of projects that have been funded include:

- In Indiana, a loan was made to a manufacturer of auto parts used in transmissions and drive trains by the major auto manufacturers. This loan was used for **the refinancing of debt** and purchase of machinery and equipment. It created **24 jobs and saved 116 jobs**.
- In Illinois, B&I loan funds were used to **construct an assisted living facility** and to provide working capital. The facility will have 78 units and will create 58 new jobs for the local community.
- In Louisiana, a guaranteed loan was used to refinance existing debt and **construct a hospital**. The facility, a one-story structure, will grow to 32,485 square feet after expansion. It currently has 44 acute care beds. After the expansion, it will also include a geriatric-psychiatric unit with 12 beds. Twenty-five new jobs will be created and 93 jobs saved as a result of this loan.
- In Georgia, a B&I guaranteed loan and a section 9006 guaranteed loan were used to finance the construction of a wood pellet manufacturing plant designed to generate 19.8 tons per hour of high energy content, demystified (moisture removed) biomass pellets. The plant will be an integrated producer of densified biomass pellets. The plant will convert waste wood into pellets including wood receiving and storage, a green wood dryer heated by a wood waste furnace, size reduction, pellet press and cooling, dust-collection, pellet storage and truck loading equipment. This project created 18 jobs.

Application and Financial Information

As is the case with Small Business Administration loan guarantees, the business must first find a bank or lending institution willing to extend a loan subject to a guarantee. The bank then makes a joint application with the borrower to the USDA state or district Rural Development office. The state office generally has loan approval authority.

Applications for loan guarantees exceeding a state's loan approval authority are submitted to the national office. They are available throughout the year and are accepted on an ongoing basis. Loan guarantees are to be approved within 60 days subject to the availability of funds. Pre-application reviews and advice are also available through state offices.

The maximum aggregate B&I guaranteed loan amount is $10 million to any one borrower, although the Agency Administrator can grant up to $25 million. The Secretary may approve guaranteed loans in excess of $25 million, up to $40 million, for rural cooperative organizations that process value-added agricultural commodities. For loans of $2 million or less, the maximum portion of guarantee is 90 percent; for loans over $2 million but not over $5 million, the maximum is 80 percent; and for loans in excess of $5 million, the maximum is 70 percent.

Maximum repayment terms are 7 years for working capital, 15 years (or useful life) for machinery and equipment, and 30 years for real estate. Collateral must be sufficient to protect the interests of the lender and the government and usually include personal and/or corporate guarantees.

A minimum of 10 percent tangible balance sheet equity is required for existing businesses, and 20 percent for new businesses. Feasibility studies may be required.

The interest rate is negotiated between the lender and borrower and may be fixed or variable. The lender addresses the business adequacy of equity, cash flow, collateral, history, management, and the current status of the industry in a written credit analysis. Lenders are expected to service, and if necessary, liquidate loans, with USDA's Rural Development's concurrence.

Eligibility, Uses, and Restrictions

B&I loans can be guaranteed in rural areas outside of cities with a population of 50,000 or more and in the immediately adjacent urbanized area. Priority is given to applications for loans in rural communities of 25,000 or less.

Any legal entity—including individuals, public or private organizations, and federally recognized Indian tribal groups—may borrow funds. Charitable, religious or fraternal institutions or organizations cannot borrow money. Local economic development organizations and investors can also be considered. There is no size restriction on the business. Inability to obtain other credit is not a requirement.

Authorized lenders include federal or state chartered banks, credit unions, insurance companies, savings and loan associations, the Farm Credit Bank, other Farm Credit System institutions with direct lending authority, and nontraditional lenders approved on an individual lender basis.

Website Information

http://www.rurdev.usda.gov/rbs/busp/b&i_gar.htm

Contact Information

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Certified Development Company Program (504 CDC under SBA)

Stimulating job creation by providing fixed asset financing to small firms to construct or rehabilitate owner-occupied or leased premises

Project Basics

The 504 Certified Development Company (504 CDC) Program of the U.S. Small Business Administration (SBA) makes loans available to growing businesses with long-term, fixed-rate financing for major fixed assets through SBA Certified Development Companies (CDCs).

Loans can be used to acquire land, buildings, machinery, and equipment; and for building, modernizing, renovating, or restoring existing facilities and sites.

CDCs are private, nonprofit corporations whose purpose is to contribute to the economic development of their communities by assisting small businesses. There are about 270 CDCs nationwide.

Although the total size of projects using CDC financing is unlimited, the maximum amount of SBA participation in any individual project ranges from $1.5 million to $2 million (if it meets one of SBA's public policy goals) and up to $4 million for qualified small manufacturers or for qualified small businesses with a project that is reducing energy consumption by 10 percent or that generates renewable energy or renewable fuels. Typical projects range from $500,000 to $2 million, with the average project totaling $1 million. The average SBA participation in any project is $595,000.

Application and Financial Information

Initial contact should be made through a local CDC. Interest rates are based on the current market rate for 5- and 10-year U.S. Treasury issues, plus an increment above the Treasury rate, based on market conditions. Maturities of 10 and 20 years are available. Repayment is made in monthly, level-debt installments.

Collateral typically includes a mortgage on the land and the building being financed, liens on machinery, equipment and fixtures, and lease assignments. Private sector lenders are secured by a first lien on the project. The SBA is secured by a second lien. The SBA also requires personal guaranties from all people who own 20 percent or more of the small business borrower.

SBA regulations specify limits on fees that must be paid in connection with SBA financing.

Eligibility, Uses and Restrictions

To be eligible, a business must be a for-profit corporation, partnership, or proprietorship. Under the 504 Program, the business qualifies if its net worth does not exceed $8.5 million, and its average net profit after taxes does not exceed $3 million in the previous 2 years. Loans cannot be made to businesses engaged in speculation, investment in rental real estate, gambling, lending, or nonprofit concerns.

Loan proceeds may be used for fixed asset projects such as:

- Buying existing buildings
- Buying land in connection with the construction of a building
- Making land improvements such as grading, street improvements, utilities, parking lots and landscaping
- Construction
- Modernizing, renovating or converting existing facilities
- Buying machinery and equipment with a useful life of at least 10 years
- Paying interest on interim financing
- Paying professional fees directly attributable to the project, such as surveying, engineering, architect, appraisal, legal, and accounting fees

The 504 Program cannot be used for working capital or inventory, consolidating or repaying debt, refinancing, or financing a plant not located in the United States, its territories, and possessions.

Contact

Contact your local chamber of commerce or the economic development authority in your city, county, or state government who can identify local Certified Development Companies. You may also call any SBA District office for assistance in locating a Certified Development Company.

Check the telephone directory under "United States Government" for the nearest SBA office or call the Small Business Answer Desk (800) U-ASK-SBA. For the hearing impaired, the TDD number is (704) 344-6640.

Website

http://www.sba.gov/services/financialassistance/sbaloantopics/cdc504/index.html

Community Food Projects Competitive Grants Program

Providing grants to develop community food projects in low-income areas

Program Basics

This program supports the development of community food projects designed to meet the food needs of low-income people; to increase the self-reliance of communities in providing for their own needs; and to promote comprehensive responses to local food, farm, and nutrition issues. It also supports efforts to meet specific state, local, or neighborhood food and agriculture needs for improving and developing infrastructure; planning for long-term solutions; or creating innovative marketing activities that mutually benefit agricultural producers and low-income consumers.

Other objectives of the program are to: develop linkages between two or more sectors of the food system; support the development of entrepreneurial projects; develop innovative linkages between the for-profit and nonprofit food sectors; and encourage long-term planning activities and multi-system, inter-agency collaboration.

A match of 50 percent non-federal support of the project (dollar for dollar) is required during the term of the grant. The non-federal share may be provided through payment in cash or in-kind contributions in the form of fairly evaluated facilities, equipment, or services. The non-federal share may be derived from state or local governments, or from private sources.

Project Examples

Can be seen at the Food Security Learning Center at http://www.worldhungeryear.org/cfp/

Application and Financial Information

Each year the Community Food Projects program guidelines are published on www.grants.gov. The program also maintains a list of people who will be notified by e-mail about the start of the solicitation period. You may ask to be placed on this email notification list by calling or e-mailing etuckermanty@nifa.usda.gov.

All proposal guidelines and submission deadlines are outlined in the Request for Applications. Formal proposals are submitted through www.grants.gov to the National Institute of Food and Agriculture (NIFA) of USDA. Grant awards are announced within 5 months from the deadline for submission of proposals.

Proposals are reviewed by NIFA staff members with the assistance and advice of peer specialists and are evaluated on the basis of multiple criteria including the project's ability to:

- Help facilitate low-income people in the proposed community to provide for their own food needs
- Promote comprehensive responses to local food, farm, and nutrition needs
- Become self-sustaining once federal funding ends

Also reviewed will be the organizational and staff qualifications and experience of the sponsoring organization and the extent to which the proposed project contributes to:

- Developing linkages between two or more sectors of the food system
- Supporting the development of entrepreneurial projects
- Developing innovative linkages between the for-profit and nonprofit food sectors
- Encouraging long-term planning activities and multi-system, interagency approaches
- Incorporating linkages to one or more ongoing USDA themes or initiatives referred to in the program guidelines and/or annual proposal solicitation

Proposals must also indicate that projects have the dollar-for-dollar match from non-federal sources that are required for this program. Projects may be funded for 1 to 3 years. Past grants have ranged from $10,000 to

$300,000. It is anticipated that it will be funded at $5 million each year through fiscal year 2012.

Eligibility, Uses, and Restrictions

Proposals may be submitted by private nonprofit entities for projects involving low-income people. Because projects must promote comprehensive responses to local food, farm, and nutrition issues, applicants are encouraged to seek and create partnerships among public, private nonprofit and private for-profit organizations or firms.

To be competitive for a grant, a private nonprofit applicant should meet three requirements:

- Have experience in the area of:
- Community food work, particularly concerning small and medium-sized farms, including the provision of food to people in low-income communities and the development of new markets in low-income communities for agricultural producers
- Job training and business development activities in low-income communities
- Demonstrate competency to implement a project, provide fiscal accountability and oversight, collect data, and prepare reports and other appropriate documentation
- Demonstrate a willingness to share information with researchers, practitioners, and other interested parties

Community food projects are intended to take a comprehensive approach to developing long-term solutions that help to ensure food security in communities by linking the food sector to community development, economic opportunity, and environmental enhancement. Comprehensive solutions may include elements such as:

- Improved access to high quality, affordable food among low-income households
- Support for local food systems, from urban gardening to local farms that provide high quality fresh food, ideally with minimal adverse environmental impact
- Expanded economic opportunities for community residents through local business or other economic development, improved employment opportunities, job training, youth apprenticeship, school-to-work transition, and the like

Any solution proposed must address community food needs.

Website

http://www.nifa.usda.gov/funding/cfp/cfp.html

Contact

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Community Wood Energy Program

Supporting community wood energy planning

Program Basics

The Community Wood Energy Program creates a new program to provide state, tribal, and local governments support in developing community wood energy plans. Competitive grants are also available to acquire community wood energy systems and/or technical assistance for public facilities that use woody biomass as the primary fuel.

The program can provide support for conducting a woody biomass resource assessments and designing a monitoring plan. Assistance includes expanding an understanding of the technology available to achieve the best thermal efficiency to convert wood fuel for heating and cooling of buildings. This assistance can also include combined heat and power systems. The program affords an opportunity to better use wood from forest management activities, wood collected from municipalities (thus saving landfill space), and woody material from diseased and storm-damaged trees and construction sites. These are ongoing activities that can yield valuable sources of fuel to help offset the demand for fossil fuels.

Project Examples

As of this printing, the agency has not received any dollars to implement the program. For more information related to this topic area visit http://www.forestsandrangelands.gov/Woody_Biomass/.

Application and Financial Information

Grants will support systems that are smaller than 5 million btu per hour for heating and/or 2 megawatts for electric power production as directed by statute. At least a 50 percent match is required from non-federal funds for grants. Technical assistance will be based on previous work and commitment to future work demonstrated by the applicant. The program is authorized to be funded at $5 million annually when funded. No funds were appropriated for Fiscal Year 2010. Grant awards are limited to $50,000 by statute.

Eligibility, Uses, and Restrictions

The Community Wood Energy Program will provide competitive grants and/or direct technical assistance to encourage the development of community wood energy plans and/or acquire or upgrade community wood energy systems.

Assistance will be directed to state, tribal, and local governments. To ensure sustainability of wood energy systems within the capacity of the landscape, a community wood energy plan will be required before program dollars can be used to acquire equipment.

Contact Information

US Forest Service
State and Private Forestry
1400 Independence Ave., SW
Washington, D.C. 20250-0003
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Conservation Loan and Loan Guarantee Program

Providing direct or guaranteed conservation loans to qualified borrowers

Program Basics

The 2008 Farm Bill creates a newly revised loan authority for USDA's Farm Service Agency to provide direct or guaranteed conservation loans to qualified borrowers. Eligible farmers or ranchers, including farmer cooperatives, private corporations, partnerships, or limited liability companies, can apply for a loan to cover the costs of:

"Qualified conservation projects" such as:

- Installation of conservation structures or water conservation systems
- Establishment of forest cover
- Establishment of permanent pasture
- Conservation practices needed to comply with highly erodible land "compliance" requirements

Conservation buffer practices such as:

- Grassed waterways
- Shelterbelts
- Windbreaks
- Riparian buffers and filterstrips
- Living snow fences, and other similar vegetative practices

A conservation project is "qualified" for a loan if it is included in a conservation plan that is approved by the Natural Resources Conservation Service.

The 2008 Farm Bill also establishes a priority for the conservation loan program for qualified beginning or socially disadvantaged farmers and ranchers, owners or tenants that use the loans to convert to sustainable or organic agricultural production systems, and producers who use the loans to build conservation structures or establish conservation practices to comply with highly erodible land "compliance" regulations. In addition, USDA is to give strong consideration to applicants who are on waiting lists to receive Farm Bill conservation program financial assistance.

Direct and guaranteed conservation loans operate under the same rules and loan limitations as regular direct and guaranteed FSA farm ownership loans with two exceptions. First, for guaranteed loans the Farm Service Agency can guarantee no more than 75 percent of the principal amount of the loan, a lower rate than normal. Second, for both direct and guaranteed loans, the borrower does not have to be a family-sized farm, does not have to demonstrate an inability to secure credit from private, commercial sources at reasonable terms, and does not have to apply for commercial credit during the term of the loan should it become available at reasonable terms.

Website

The Conservation Loans program is administered by the Farm Service Agency of USDA. Information about the program will be posted on the FSA website: www.fsa.usda.gov

For information and applications, go to your FSA regional Service Centers or to your state FSA office. You can locate all of the contact information by clicking on your state at http://offices.sc.egov.usda.gov/locator/app?state=us&agency=fsa

Contact Information

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Conservation Innovation Grant Program (CIG)

Funding innovative agricultural conservation projects through EQIP grants

Program Basics

The Conservation Innovation Grant program (CIG) is a voluntary conservation program under the Environmental Quality Incentives Program (EQIP). It is intended to stimulate development and adoption of innovative conservation approaches in agricultural production, while leveraging federal investment in environmental enhancement and protection. Under CIG, EQIP funds are used to award competitive grants to non-federal governmental or non-governmental organizations, tribes, or individuals.

USDA's Natural Resources Conservation Service (NRCS administers EQIP and therefore CIG. CIG allows NRCS to work with other public and private entities to accelerate technology transfer and adoption of promising approaches to address natural resource concerns. CIG benefits agricultural producers by providing more options for environmental enhancement and compliance with federal, state, and local regulations.

Legislative Changes

This subprogram was first authorized in the 2002 Farm Bill. The 2008 Farm Bill added forest management as an activity eligible for the CIG program. Projects that involve specialty crop producers or that use innovative technologies and cost-effective methods to address air quality problems are also now expressly included in the program. A 50 percent cap on the federal share of CIG project costs has now been removed.

Project Examples

Bat Conservation International, Inc (AZ) $220,000

The project stimulates the adoption of innovative conservation approaches related to bats and regional agricultural production. This initiative uses a partnership-based model to implement priority actions explicitly identified by Western Bat Working Group; US Fish & Wildlife species recovery plans and multiple Southwest State Wildlife Action Plans.

The Food Alliance (PA) $350,000

Food Alliance is partnering with the Pennsylvania Association for Sustainable Agriculture (PASA) to introduce a highly successful sustainable agriculture certification program in Pennsylvania, and improve water quality in the Chesapeake Bay watershed. The purpose of the project is to replicate a successful market incentive for conservation to promote improvements in management of agricultural lands in Pennsylvania to benefit water quality in the Chesapeake Bay watershed.

University of Puerto Rico, Estación Experimental Agrícola (PR) $153,150

This grant's purpose is to validate and demonstrate the use of windrow composting to manage agricultural organic residues as a resource for nutrients and organic carbon in Puerto Rico.

Application and Financial Information

Applications are accepted from all 50 States, the Caribbean Area, and the Pacific Islands Area (Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands). Selected applicants may receive grants of up to 50 percent of the total project cost. Applicants must provide non-federal funding for at least 50 percent of the project cost, of which up to one-half (25 percent of the total project cost) may come from in-kind contributions.

CIG provides programmatic exceptions for historically underserved groups to help ensure that these groups benefit from innovative technologies and approaches. Each year, up to 10 percent of CIG funds may be set aside for applicants who are beginning or socially-disadvantaged farmers or ranchers, or federally-recognized Indian tribes, or community-based organizations comprising or representing these entities. Matching funds for grants awarded to any of these groups may consist of up to 75 percent in-kind contributions.

Total funding level for all CIG purposes is left to the discretion of USDA. In Fiscal Year 2009 (FY09), CIG was appropriated at $18 million, funding 55 projects around the nation. However, the 2008 Farm Bill also sets aside $37.5 million of EQIP funds annually from FY09 through FY12 ($150 million in total) specifically for CIG projects that address air quality. Congress directs the funding to projects that help producers comply with federal, state or local air quality problems, including air pollution from mobile and stationary equipment such as irrigation water pump engines.

Eligibility, Uses and Restrictions

CIG has two major components: National and State. The **National Component** emphasizes projects that have a goal of providing benefits over a large geographic area. These projects may be watershed based, regional, multi-State, or nationwide in scope. The **State Component** provides funds to individual producers and smaller organizations that may possess promising innovations, but may not compete well on the larger scale of the national grants competition.

The natural resource concerns eligible for funding through CIG are announced through an Announcement for Program Funding, and may change annually. For FY 2009, four CIG categories were offered. The first of these was the **Natural Resource Category,** which placed emphasis on six natural resource concerns; Water Resources; Soil Resources; Atmospheric Resources; Grazing Land; Forest Health; and Wildlife Habitat. The second category was the **National Technology Category** which placed emphasis on: Improved On-Farm Energy Efficiency, Water Management, Improved Nutrient Management to Improve Water Quality, and Air Quality. The third category was **Grant Leveraging Category**; its objective was to pilot the leveraging of CIG grant projects that provide further grants that align with the purposes of CIG. The fourth category was the **Chesapeake Bay Watershed Category**. Proposals demonstrated the use of innovative technologies or approaches, or both, to address one or more of the three above-listed categories, but specific to and within the Chesapeake Bay watershed. These categories also included proposals that focused on Market Based Approaches.

Website

http://www.nrcs.usda.gov/programs/cig/

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Access your state NRCS State Conservationist office at this website: http://www.nrcs.usda.gov/about/organization/regions.html#state

Conservation Reserve Program (CRP)

Conserving soil, water, and wildlife by temporarily removing land from agricultural production

Program Basics

The primary purposes of the Conservation Reserve Program (CRP) are to conserve and improve the soil, water, and wildlife resources by temporarily removing land from agricultural production. Under the CRP general sign-up provision, USDA offers annual rental payments and cost-share assistance to farmers to establish long-term conserving cover, primarily grasses and trees, on land that has been in row crop production. USDA periodically holds general sign-ups, and land is bid into the program on a competitive basis, with ranking based on environmental benefits and cost.

The CRP also has a continuous signup provision, known as the Continuous CRP (CCRP) and sometimes referred to as the CRP buffer initiative. CCRP pays farmers to establish riparian buffers, grass waterways, contour grass strips, and other specific partial field conservation practices on land in agricultural production. Farmers and landowners may enroll land on which those partial field practices will be adopted at any time.

In addition, USDA may enter into a Conservation Reserve Enhancement Program (CREP) agreement with a state, under which the state provides funding, in addition to federal CRP funding, for farmers to address targeted conservation issues in the state.

All CRP contracts between USDA and agricultural landowners are for 10 to 15 years, with the longer agreements for land planted to trees. The USDA Farm Service Agency (FSA) administers the CRP, with the Natural Resources Conservation Service (NRCS) providing technical land eligibility determinations, conservation planning and practice implementation. State forestry agencies also provide some technical support.

1. CRP General Sign-Up

Farmers can apply for CRP general sign-up enrollment only during designated sign-up periods. USDA accepts land into the CRP based on a competitive bidding process. For information on upcoming general sign-ups, farmers should contact their local FSA office.

Eligible Producers – To be eligible for CRP enrollment, a producer must have owned or operated the land for at least 12 months prior to close of the CRP sign-up period, unless:

- The new owner acquired the land due to the previous owner's death;
- The ownership change occurred due to foreclosure where the owner exercised a timely right or redemption in accordance with state law; or
- The circumstances of acquisition offer adequate assurance to FSA that the new owner did not acquire the land for the purpose of placing it in CRP.

Eligible Land – To be eligible for placement in CRP, land must be either:

- Cropland (including field margins) that is planted or considered planted to an agricultural commodity 4 of the previous 6 crop years, and which is physically and legally capable of being planted in a normal manner to an agricultural commodity; or
- Certain marginal pastureland enrolled in the Water Bank Program or suitable for use as a riparian buffer or for similar water quality purposes.

Ranking CRP Land Enrollment Offers – Offers for CRP contracts are ranked according to the Environmental Benefits Index (EBI). Each eligible offer is ranked in comparison to all other offers and selections made from that ranking. FSA currently uses the following EBI factors to assess the environmental benefits for the land offered:

- Wildlife habitat benefits resulting from covers on contract acreage;
- Water quality benefits from reduced erosion, runoff, and leaching;
- On-farm benefits from reduced erosion;
- Benefits that will likely endure beyond the contract period;

- Air quality benefits from reduced wind erosion; and
- Cost.

General CRP Contracts: CRP contracts generally require farmers to establish and maintain the conservation practices specified in the contract for ten years. For conservation practices such as tree planting that may require more time, the contracts run for 15 years.CRP Payments – FSA provides CRP participants with annual rental payments, including certain incentive payments, and cost-share assistance:

- Rental Payments: FSA bases rental rates on the relative productivity of the soils within each county and the average dryland cash rent or cash-rent equivalent. The maximum CRP rental rate for each offer is calculated in advance of enrollment. Producers may offer land at that rate or offer a lower rental rate to increase the likelihood that their offer will be accepted.
- Maintenance Incentive Payments: CRP annual rental payments may include an additional amount up to $5 per acre per year as an incentive to perform certain maintenance obligations.
- Cost-share Assistance: FSA provides cost-share assistance to participants who establish approved cover on eligible cropland. The cost-share assistance cannot exceed 50 percent of the participants' costs in establishing approved practices.

2. Continuous CRP (CCRP) Sign-Up

Farmers may apply to their local FSA office for enrollment in the CCRP at any time. Offers that meet eligibility requirements are automatically accepted and are not subject to competitive bidding. The CCRP allows farmers to enroll partial fields, or occasionally whole fields, in conjunction with working agricultural land.

Eligible Producers and Land – Eligibility is the same as for regular CRP, except that land within an Environmental Protection Agency (EPA)-designated public wellhead area may also be eligible for enrollment on a continuous basis.

Eligible Practices – The CCRP pays farmers to implement conservation practices that improve the conservation performance of agricultural working land. Currently, these practices include: riparian buffers, wildlife habitat buffers, wetland buffers, filter strips, wetland restoration, grass waterways, shelterbelts, living snow fences, contour grass strips, salt tolerant vegetation and shallow water areas for wildlife.

CCRP Payments – In addition to cost share assistance to establish practices and annual rental payments, FSA provides certain CCRP continuous sign-up participants with special incentives, including a bonus of up to 20 percent on rental rates for windbreaks, filter strips, grass waterways, and riparian buffers, a 10 percent rental rate bonus for land located in EPA-designated wellhead protection areas, and upfront sign-up bonus of $100 per acre and 40 percent bonus on cost share assistance for some but not all eligible CCRP practices. It is possible FSA will extend the bonus payments to additional practices, in keeping with the Statement of the Managers of the 2008 Farm Bill.

State Acres for Wildlife Enhancement (SAFE) – In January 2008, USDA launched a new administrative initiative as a continuous CRP practice called State Acres for Wildlife Enhancement (SAFE). Under SAFE, projects are developed to benefit threatened, endangered and other high-priority species. Unlike CREP (see below), the SAFE initiative does not require an agreement between USDA and a state but does generally involve state or tribal agencies and conservation groups working with USDA to develop projects. But like the CREP, SAFE projects are limited geographically. Farmers should contact their local FSA office to for information about SAFE projects in their locality. Farmers enroll land under SAFE project contracts with similar terms to CCRP contracts.

3. Conservation Reserve Enhancement Program (CREP)

The CREP is based on partnership agreements between the USDA and state or tribal governments and may also involve non-governmental organizations that provide funding or conservation services. CREP agreements address high-priority conservation issues of both local and national significance, such as impacts to water supplies or loss of critical habitat for threatened and endangered wildlife species or fish populations. Each CREP has its geographic limitations, acreage cap, and specified conservation practices. Generally farmers who meet the eligibility requirements of a particular CREP can enroll any time until the acreage requirements of the CREP have been met.

Eligible Land — CREP agreements are limited to specific geographic areas and to farmland where specific conservation practices are suitable to dealing with the conservation issues identified in the CRP. Farmers should contact their local county FSA office to determine if land in their state and county is involved in a CREP.

CREP Payments — Like regular CRP, CREP contracts are from 10 to 15 years. CREP participants receive the federal annual rental payment, maintenance incentive payment, and up to 50 percent cost-share. In addition, a CREP generally includes a sign-up incentive for participants to install specific practices. State and tribal governments and non-governmental organizations may also provide additional payments. For example, many states offer to pay for permanent easements on riparian or wetland buffers or other practices or environmentally sensitive land of specific relevance to the particular CREP project.

Website

www.fsa.usda.gov (click on Conservation Programs)

To find your local office, click on http://offices.sc.egov.usda.gov/locator/app?state=us&agency=fsa

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Conservation Stewardship Program (CSP)

Helping and rewarding farmers and ranchers who maintain and continue conservation practices

Program Basics

The Conservation Stewardship Program (CSP) is a comprehensive working lands conservation program designed to protect and improve natural resources and the environment. CSP provides technical and financial assistance to farmers and ranchers to actively manage and maintain existing conservation systems and to implement additional conservation activities on land in agricultural production. CSP targets funding to:

- Address particular resources of concern in a given watershed or region
- Assist farmers and ranchers to improve soil, water, and air quality
- Provide increased biodiversity and wildlife and pollinator habitat
- Sequester carbon to mitigate climate change
- Conserve water and energy.

Unlike its predecessor program, the Conservation Security Program, the CSP authorized in the 2008 Farm Bill has a new nationwide, continuous sign-up so farmers and ranchers anywhere in the country can apply any year and at any time of the year. Periodically during the year, USDA's Natural Resources Conservation Service (NRCS) – which administers CSP –ranks applications and develops contracts with those farmers and ranchers with the highest rankings until funding for that ranking period is exhausted. The Farm Bill provides sufficient funding to enroll nearly 13 million acres in CSP each year.

Eligibility, Uses and Restrictions

Eligible Land – Private agricultural land, including cropland, pasture, and rangeland, is eligible to be enrolled in CSP with the exception of land currently enrolled in the Conservation Reserve, Wetland Reserve, or Grassland Reserve Programs (CRP, WRP, and GRP). In addition, land not cropped for four of the six years prior to 2008 but then put under crop cultivation is ineligible unless: 1) it was previously enrolled in the CRP; 2) the land was managed under a long-term crop rotation; or 3) is an incidental portion of the land.

Eligible land includes all acres of an agricultural operation under the effective control of a producer, whether or not it is contiguous, and whether it is owned or rented. Applicants must enroll all acres that they operate.

NRCS has established up to 5 priority resources of concern for each watershed or region in the country. To qualify for CSP, farmers and ranchers must:

- meet the "stewardship threshold" (a standard that NRCS sets for improving a natural resource's long-term sustainability) for one priority resource of concern; and
- meet or exceed the stewardship threshold for at least one additional priority resource concern by the end of the 5-year contract.

Applicants must certify in writing the accuracy of their conservation benchmark inventory and that two years of written records or documentation are available and being used to manage their conservation system.

The CSP Applicant and Land Eligibility Self-Assessment form, as well as resource-specific indices such as the Soil and Water Quality Assessment Tool or the Rangeland Health Assessment Tool, are used to help rank proposals and determine payment rates. Both are available electronically from the national and state NRCS websites and local NRCS offices.

Ranking Criteria — NRCS periodically ranks all proposals it receives and funds proposals by ranking, until all funding is allocated. The ranking system is essentially based on how much farmers and ranchers have already done, and how much more they are willing to do, to address natural resource concerns. Primary ranking factors are:

1. The extent of the baseline level of conservation on

the ground at the time of enrollment.

2. The degree to which proposed new conservation activities address the priority resources and improve conservation outcomes over baseline levels;

3. The total number of priority resource concerns addressed to meet or exceed the stewardship threshold;

4. The extent to which other natural resource concerns, in addition to those identified as priority resource concerns, are addressed; and

5. The extent to which the environmental benefits from the contract are provided at the least cost relative to other similarly beneficial contracts.

Farmers who do not rank highly enough to get into CSP the first time they submit an application can resubmit for the very next ranking date.

Application and Financial Information

Payments – CSP pays producers to improve, maintain and actively manage conservation activities in place at the time of application and to adopt new conservation activities during the contract term. Payment amounts are determined by these factors:

- Costs incurred by the farmer or rancher for the planning, design, materials, installation, labor, management, maintenance or training;
- Income forgone by the farmer or rancher;
- Expected environmental benefits the conservation activities will provide. Farmers willing to adopt resource-conserving crop rotations, such as cover crops, forages, green manures, catch crops, etc., can seek supplemental payments. Optional payments are also available for participating in special CSP on-farm research, demonstration, and pilot testing of alternative conservation activities.

Payments are capped at $40,000 per year. All payments are attributed to the real persons who are the ultimate beneficiaries, even if payments are made to legal business entities such as partnerships, subchapter C corporations, LLCs, etc.

Nationwide, payments (including the costs of technical assistance) average $18 an acre. However, payment amounts vary greatly, from lower cost rangeland improvement contracts to mid-range pasture contracts to higher range cropland contracts.

Annual payments are made after October 1 every year. Payments to maintain and actively manage existing conservation activities begin in the fiscal year following enrollment. Payments and payment adjustments for newly implemented activities can begin once implementation of those activities occurs.

Contracts — Applicants accepted through the ranking process immediately become eligible for technical assistance to finalize CSP conservation plans and help implement new conservation activities. All CSP contracts are 5 years, with an option to renew for another 5 years if a farmer or rancher has met the terms of the preceding contract and is willing to adopt additional conservation activities or solve additional resource concerns. Farmers or ranchers should work with their NRCS office to outline their existing conservation activities and new proposed new activities.

Organic Farming – Organic farmers can benefit enormously from the CSP's supplemental payment provision for resource-conserving crop rotations as well as from the emphasis in the ranking criteria on comprehensive resource and environmental farming systems. USDA is also required to ensure that CSP will benefit organic farming and ranching systems, including providing outreach and technical assistance to organic farmers and ranchers. USDA also must create a transparent process that allows such producers to coordinate their organic certification process with participation in CSP, including coordination of organic plans and CSP conservation plans.

Website

www.nrcs.usda.gov/programs/csp/

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Cooperative Conservation Partnership Initiative (CCPI)

Supporting local and regional conservation practices through partnerships

Program Basics

The Cooperative Conservation Partnership Initiative (CCPI) supports special local and regional conservation projects that involve groups of farmers or ranchers in partnership with USDA, farm, conservation and other non-governmental organizations, state and tribal agencies, and/or other entities.

The CCPI ensures specific attention to state and local conservation priorities and concerns, with 90 percent of the funds and acres reserved for projects chosen by the NRCS State Conservationist, in consultation with the NRCS State Technical Committees. The USDA Secretary is directed to use the remaining 10 percent of the funding for multi-state CCPI projects selected through a national competitive process. Project partnership agreements with USDA can run for up to 5 years.

Key Aspects of the New CCPI

The CCPI funds projects with the following purposes:

- Addressing conservation priorities on a local, state, multi-state or regional level;
- Encouraging producers to cooperate in meeting applicable federal, state and local regulatory requirements;
- Encouraging producers to cooperate in the installation and maintenance of conservation practices that affect multiple operations; or
- Promoting the development and demonstration of innovative conservation practices and methods for delivering conservation services, including those for specialty crop and organic producers.

Eligibility and Application Information

Farmers and ranchers may enter into partnerships which include one or more of the following:

- States and local governments;
- Indian tribes;
- Producer associations;
- Farmer cooperatives;
- Institutions of higher education; or
- Nongovernmental organizations.

Required Information for Applications – A CCPI partnership agreement must include:

- Description of the conservation objectives to be achieved;
- Expected level of participation by agricultural producers in the area to be covered;
- Partnership to be developed;
- Amount of funding requested;
- Amount of non-Federal contributions (in cash or in kind) that will be brought to the table; and
- Plan for monitoring, evaluating, and reporting on progress made towards achieving the objectives.

Priorities for Project Selection – NRCS will give priority to applications that—

- Have a high percentage of agricultural producers involved;
- Significantly leverage non-Federal financial and technical resources and coordinate with other local, State, or Federal efforts;
- Deliver high percentages of applied conservation; or
- Provide innovation in conservation methods and delivery, including outcome-based performance measures and methods.

Technical and Financial Assistance

To implement the Initiative, the 2008 Farm Bill directs USDA to reserve 6 percent of the total funds or total acres, for each of the fiscal years 2009 through 2012, from the Conservation Stewardship Program, the Environmental Quality Incentives Program and the Wildlife Habitat Incentive Program. This translates into over $100 million a year being available for special cooperative conservation projects.

NRCS is directed to provide appropriate technical and financial assistance to producers participating in the project in an amount determined to be necessary to achieve the project objectives.

NRCS will ensure that basic rules for conservation programs apply, such as rules governing appeals, payment limitations, and conservation compliance. Beyond those basic rules, special partnership projects may apply for, and NRCS may approve, adjustments to the CSP, EQIP, or WHIP program practices, specifications or payment rates to:

- Better reflect unique local circumstances and purposes; and
- Provide preferential enrollment to producers who are eligible for the applicable program and who are participating in a CCPI partnership project.

CCPI projects may include funding and programmatic aspects from multiple eligible programs, for instance, CSP and WHIP or EQIP and CSP. It is also possible in a given location that a CCPI special project might dovetail with a Conservation Reserve Enhancement Program (CREP) or Wetlands Reserve Enhancement Program (WREP) project, such that the land retirement aspect of a project comes via the CREP or WREP and the working lands aspect of the project comes through the CCPI.

Example of a CCPI Special Project

The Statement of the Managers in the 2008 Farm Bill Conference Report provided the following example of a possible CCPI partnership project:

A cannery has closed and, without a cannery, nearby orchards are going out of business. A local watershed council joins with partners such as a State university, a wildlife organization and an organic growers' cooperative. They develop a project proposal to improve water quality and wildlife habitat by working with interested local producers to transition their orchards to organic grass-based cattle operations. The project assigns various tasks to the organizational partners. The watershed council takes the lead in submitting a CCPI application to the NRCS State Conservationist to designate $10,000,000 in EQIP funds and $250,000 in WHIP funds to the project. The State Conservationist approves the projects and sets aside the approved funding for producers participating in the project. Producers participating in the project and meeting program qualifications apply for and are enrolled in EQIP and WHIP without having to go through individual program ranking processes.

Website

http://www.nrcs.usda.gov/programs/ccpi/

Access your state NRCS office here: http://www.nrcs.usda.gov/about/organization/regions.html#state

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Cooperative Extension System (CES)

Linking research and outreach of land-grant institutions to local and state needs

Program Basics

The Cooperative Extension System (CES) is a nationwide, non-credit educational network that links research and outreach programs of land-grant institutions to state and local needs. CES draws on the expertise of thousands of people. State Extension Specialists, who are also university faculty, provide in-depth information on a variety of technical subjects; approximately 9,000 local Extension educators staff, nearly 3,000 county offices in every state and territory, and hundreds of thousands of trained volunteers work locally on Master Gardener, 4-H and other programs.

Through the National Institute of Food and Agriculture (NIFA), the Federal Government provides annual funding to CES, but local and state funds are its primary support, and the structure and services it provides are largely determined at state and county levels.

Cooperative Extension does not normally provide financial assistance, but instead focuses on information delivery through the Internet, printed publications, newsletters, broadcast media, staff presentations at public meetings, and one-one-one assistance in person or by phone with information seekers. Most publications and programs are free or at nominal cost.

Program Examples

Over the last century, Cooperative Extension has responded to hundreds of thousands of questions and inquiries on literally thousands of topics, as well as proactively delivering educational programs. CES has adapted to changing times and continues to address a wide range of human, plant, and animal needs in both urban and rural areas, serving a growing, increasingly diverse constituency with fewer and fewer resources. The type of information available is very comprehensive and usually tailored to local needs. Key program areas include: **Agriculture, 4-H Youth Development, Natural Resources, Family and Consumer Sciences, and Community and Economic Development.**

Accessing information

Call or visit a local office to talk directly to an Extension staff person. Find the office nearest you at: http://www.nifa.usda.gov/Extension/index.html

Typically, a state-level publications office has a list of all currently available extension publications in that state. In some locations, diagnostic services are available for soil testing and farm or garden pests.

The Cooperative Extension System also supports the eXtension Web site (http://www.extension.org/), a coordinated, Internet-based information system where customers have round-the-clock access to trustworthy, balanced views of specialized information and education on a wide range of topics. For customers, the value will be personalized, validated information addressing their specific questions, issues, and life events in an aggregated, non-duplicative approach. Information on the eXtension Web site is organized into Communities of Practice organized around many topics, such as diversity, entrepreneurship, agrosecurity, cotton, dairy, and more. The eXtension Web site also includes a collection of news stories from partner institutions, a Frequently Asked Questions section, a calendar of extension events, online-learning opportunities, and content feeds.

Websites

http://www.nifa.usda.gov/Extension/index.html

http://www.extension.org/

Direct Farm Ownership and Operating Loans

Offering government loans to family farmers and ranchers for farm ownership and operating purposes

Program Basics

The purpose of the Farm Service Agency's (FSA) direct farm ownership (FO) and operating loan (OL) programs is to provide financing and assistance to family farmers and ranchers to establish farms and ranches, achieve financial success, and graduate to commercial credit or self-financing.

Project Examples

- A Mississippi farmer used an FSA annual operating loan to **purchase inputs required to produce row crops**, and a 7-year loan to purchase livestock and machinery.
- An Idaho farmer received an FSA farm ownership loan to **finance the establishment of buffer strips** along a creek running through the farm.
- A farmer in Kentucky obtained an FSA operating loan **to partially shift production** out of a traditional yet unprofitable cropping pattern and into an alternative enterprise for which there was a specialized local market.

Application and Financial Information

Applicants must apply for direct loan assistance at an FSA county office or USDA Service Center. FSA officials will meet with the applicant to assess all aspects of the proposed or existing farming or ranching operation to determine if the applicant meets the eligibility requirements.

The loan recipient must meet certain eligibility requirements, request funds for authorized purposes, be able to repay and to provide enough collateral to secure the loan on at least a dollar-for-dollar basis.

Eligibility, Uses, and Restrictions

Eligible borrowers must be U.S. citizens, US non-citizen national or qualified aliens, unable to obtain credit through commercial sources, have sufficient education, training or experience, have an acceptable credit history, and be or plan to become owners or operators of family-sized farms. In addition, applicants requesting direct FO assistance must have participated in the business operations of a farm or ranch for at least 3 of the 10 years prior to the date of the application.

An applicant who applies for FO assistance must be a beginning farmer, one who has never received an FO, or has not had a direct FO loan outstanding for more than a total of 10 years prior to the date the new FO loan is closed. An applicant who applies for OL assistance must be a beginning farmer, one who has never received OL assistance or received OL assistance in no more than a total of 7 years before the date of the proposed loan.

FO loans may be used for acquiring or enlarging a farm or ranch, making capital improvements, paying closing costs, and paying for soil and water conservation improvements, including sustainable agriculture practices and systems.

OLs may be used to pay the costs of reorganizing a farm or ranch, buy livestock or equipment, buy supplies, finance conservation costs, pay closing costs, comply with requirements under the Occupational Safety and Health Act of 1970, pay tuition for borrower training classes, refinance indebtedness under certain conditions, and provide farm and family living expenses.

OL repayment schedules are based on the loan purpose and the projected ability to repay the loan. Payments can be in equal or unequal installments, and the first payment is due when income is received. Standard FO loans may be made for up to 40 years. Interest rates are calculated monthly, and are the lowest rates in effect at the time of loan approval or loan closing. A limited resource OL interest rate is available to applicants who are unable to develop a feasible farm plan at regular interest rates. Loans may be made for up to $300,000.

A portion of available loan funds is reserved for minority farmers and beginning farmers. “Beginning farmer” is defined in part as an applicant who has not operated a farm or ranch for more than 10 years. For beginning farm ownership loans, borrowers may not own acreage exceeding 30 percent of the median acreage for farms in the county.

Website

www.fsa.usda.gov/dafl/directloans.htm

Contact Information

FSA is organized on a national, state, and county basis. Applicants apply directly through local FSA county offices or USDA Service Centers. Individuals can locate the nearest FSA office by checking in the telephone white pages under U.S. Government, Department of Agriculture, Farm Service Agency.

Downpayment Farm Ownership Loan Program

Offering a special loan program to assist beginning farmers and ranchers and socially disadvantaged applicants purchase a farm

Program Basics

The Farm Service Agency (FSA) has a special down payment farm ownership (FO) loan program to help beginning farmers and ranchers and socially disadvantaged applicants (SDA) buy a farm or ranch. This program also helps retiring farmers transfer their land to a future generation of farmers and ranchers.

Application and Financial Information

FSA may provide a maximum amount equal to 45 percent of the purchase price or appraised value, or $500.000, whichever is lower. The term of the loan is 20 years at a fixed interest rate 4 percent below the direct FO rate and not lower than 1.5 percent. The repayment period is scheduled in equal, annual installments for a term not to exceed 20 years.

The maximum loan amount financed by FSA is $225,000. A producer can apply for beginning farmer and rancher downpayment FO loan assistance at the FSA county office serving the county where the operation is located or at a USDA Service Center.

Eligibility, Uses, and Restrictions

A beginning farmer or rancher is an individual or entity who (1) has not operated a farm or ranch for more than 10 years; (2) meets the loan eligibility requirements of the program to which he/she is applying; (3) materially and substantially participates in the operation of the farm; and, (4) for FO loan purposes, does not own a farm bigger than 30 percent of the median acreage of the farms in the county. Socially disadvantaged applicants include American Indians, Alaskan Natives, Asians, African Americans, Native Hawaiians or other Pacific Islanders, Hispanics and women.

To qualify:

- An applicant must make a cash down payment of at least 5 percent of the purchase price.
- Financing provided by FSA and all other creditors must not exceed 95% of the purchase price or appraised value of the farm or ranch, whichever is the lesser, and FSA can provide up to a 95 percent guarantee if financing is obtained from a commercial lender. Participating lenders do not have to pay a guarantee fee.
- Financing from participating lenders must have an amortization period of at least 30 years and cannot have a balloon payment due within the first 20 years of the loan.

Note: Applicants for direct FO loans must have participated in the business operations of a farm or ranch for at least 3 of the past 10 years. If the applicant is a business entity, all members must be related by blood or marriage, and all must be beginning farmers or ranchers. For entity SDA applicants, the majority interest must be held by socially disadvantaged individuals. Also, all entity members must materially and substantially participate in the operation of the farm or ranch.

Website

http://www.fsa.usda.gov/FSA/webapp?area=home&subject=fmlp&topic=bfl

Contact Information

FSA is organized on a national, state, and county basis. Applicants apply directly through the county or USDA Service Center. Individuals can locate the nearest FSA office by checking in the telephone white pages under U.S. Government, Department of Agriculture, Farm Service Agency.

Environmental Quality Incentives Program (EQIP)

Providing technical, financial, and educational assistance to farmers and ranchers to address significant natural resource concerns and objectives

Program Basics

The Environmental Quality Incentives Program (EQIP) was reauthorized in the Food, Conservation, and Energy Act of 2008 (Farm Bill) to provide a voluntary conservation program for farmers and ranchers that promotes agricultural production, forest management, and environmental quality as compatible national goals. EQIP offers financial and technical help to assist eligible participants install or implement structural and management practices on eligible agricultural land and nonindustrial private forest land.

EQIP offers financial assistance to implement conservation practices. The minimum term of these contracts ends 1 year after the implementation of the last scheduled practices; a maximum term is 10 years.

EQIP activities are carried out according to an environmental quality incentives program plan of operations developed in conjunction with the producer. The plan identifies the appropriate conservation practice or practices to address the resource concerns. The practices are subject to NRCS technical standards adapted for local conditions.

Project Examples

Kansas – Plant and Animal Health. An EQIP participant, Woodson County, Kansas, knew she needed to do something. Brush of blackberry, sumac, multiflora rose, dogwood, and post oak trees had produced a canopy on 15 percent of the ground contributing to poor grass growth. Her stocking rate on the ranch had dropped 20 to 25 percent over the last few years. Producer wanted to increase her herd and stabilize her land values. After a visit to the NRCS office, a plan recommended cross-fencing, grazing rotation plan, and prescribed burns with aerial herbicide applications for brush management. The producer was approved for an EQIP contract and was eligible to receive an extra incentive payment.

North Dakota – Soil Health. The County Local Work Group requested Cover Crops be included in the EQIP practice list for 2007. The request was approved and during the next EQIP batching period a total of 31 contracts were approved, 15 of the contracts included Cover Crops. The first year's response has been very positive. Farmers and ranchers incorporated the cover crops into their no-till systems and are using them to address specific resource concerns: crop diversity, soil organic matter, nutrient cycling, surface litter, moisture management, pest management, water quality, wildlife, and livestock forage. Most of the Cover Crops were grown in combinations or "cocktails", which have numerous Soil Health benefits. Cover Crops are also being used as a bridge to integrate the no-till cropping systems and rotational grazing systems.

California – Air Quality. Air Quality Initiative for San Joaquin Valley Farmers announced in FY 2007. This new 3-year proposal combines technical and cost share assistance through the USDA's Natural Resources Conservation Service (NRCS). NRCS would oversee the initiative using both conservation technical assistance as well as its Environmental Quality Incentives Program (EQIP), which shares the cost of structures and practices that farmers undertake to protect natural resources. USDA made some money available in August to fund a portion of California's backlog of eligible applications to voluntarily improve air quality. Since the California Department of Pesticide Regulation (DPR) and the San Joaquin Valley Air Pollution Control District will soon be requiring agricultural growers to reduce on-farm emissions of smog-producing Volatile Organic Compounds (VOC's), there is a heightened need to help producers now to meet the mandate.

Application and Financial Information

EQIP may share up to 75 percent of the costs of certain conservation practices. Payments for management practices may be provided for up to 3 years for incurred costs and income foregone.

However, socially disadvantaged producers, limited-resource producers and beginning farmers and ranchers may be eligible for cost-shares for up to 90 percent. Farmers and ranchers may elect to use a certified third-party provider for technical assistance.

The new Farm Bill established a new payment limitation for individuals or legal entity participants who may not receive, directly or indirectly, payments that, in the aggregate, exceed $300,000 for all program contracts entered during any six year period. Projects determined as having special environmental significance may, with approval of the NRCS Chief, have the payment limitation raised to a maximum of $450,000.

EQIP provides financial assistance for up to 75 percent of the cost of vegetative and structural conservation practices, such as grassed waterways, filter strips, manure management facilities, and wildlife habitat enhancement. Contract applications are accepted throughout the year.

EQIP payments may also be made for management practices for up to three years. Examples of management practices include nutrient management, manure management, integrated pest management, irrigation water management, grazing management, and wildlife habitat management.

Eligibility, Uses, and Restrictions

Only people who are engaged in agricultural, forestry, or livestock production or are owners of such land can apply for this program. Eligible land includes cropland, rangeland, pasture, nonindustrial private forest land, and other farm or ranch lands.

All activities under this program must work toward conservation of natural resources. All approved applicants are responsible for developing and submitting a conservation plan that will address the situation on the applicant's land relevant to the identified conservation needs or objectives that are to be addressed.

For Fiscal Year 2009 (FY09), EQIP was funded at $1.07 billion, and in FY10 at $1.18 billion. Both years' appropriations reflected cuts from levels authorized in the 2008 Farm Bill.

Website

www.nrcs.usda.gov/programs/eqip/

Contact

Edward Brzostek or Mark Parson
EQIP specialists. National Program Office
Environmental Quality Incentives Program
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Farm and Ranch Lands Protection Program (FRPP)

Providing funding to acquire conservation easements on farm and ranch lands to prohibit conversion of lands to nonagricultural uses

Program Basics

The Farm and Ranch Lands Protection Program (FRPP) (formerly known as the Farmland Protection Program) provides funds to help purchase rights to keep productive farm and ranch land in agricultural use. Using existing programs, USDA works through eligible State, Tribal, or local governments or nongovernmental organizations (cooperating entities) to acquire conservation easements from interested landowners. USDA provides up to 50 percent of the appraised fair market value of the conservation easement. Cooperating entities must provide at least 50 percent of the appraised fair market value.

For the FRPP, a conservation easement is an assigned right prohibiting any development, subdivision, or practice that would damage the agricultural value or productivity of the farmland. It is legally recorded in an agreement between a landowner and a qualified organization and restricts land to agriculture and open space use. Restrictions on land use may qualify the land for a real estate tax deduction.

The FRPP was designed to help protect quality farmland in the face of urban growth. Since 1960, an average of 1 million acres of farmland has been converted to other uses each year, often resulting in permanent loss of valuable topsoil and agricultural land.

Application and Financial Information

Applications will be accepted from cooperating entities on a continuous basis by each NRCS State Office. Applications will be ranked one or more times during a fiscal year and cooperative agreements developed with the cooperating entities associated with the farms and ranches selected for funding. If you are considering participation in the FRPP, contact your Natural Resources Conservation Service (NRCS) state conservationist for a list of cooperating entities that participate in your state. Only cooperating entities may submit applications because the cooperating entities must provide the matching funds, administer the acquisition process, monitor the easement, and enforce the easement deed.

The state conservationist may consult with the NRCS State Technical Committee to assign weights to nationally-mandated ranking factors, and develop and assign weights to state ranking factors. The state conservationist reviews the requests for participation by using a ranking system based on USDA priorities to protect the most valuable land threatened by development. The ranking system includes such factors as:

- The quality of the land by evaluating the productivity of the soils;
- Economic viability of the farm or ranch;
- Loss of farm and ranch land in the surrounding area;
- Developmental pressure in the area;
- Proximity of the farm or ranch to other protected land; and
- Other factors including its historical, scenic, and environmental qualities.

Eligibility, Uses, and Restrictions

To qualify, farm and ranch land must:

- Contain prime, unique, or other productive soil, historical and archaeological resources, or land that supports the policies of a State or local farm or ranch land protection program;
- Be part of a pending offer from an eligible State, Tribal, or local government or a nongovernmental organization;
- Be privately owned;
- Have a conservation plan for the highly erodible land on the farm or ranch;
- Be large enough to sustain agricultural production;

- Be accessible to markets for what the land produces;
- Have adequate infrastructure and agricultural support services;
- Have surrounding parcels of land that can support long-term agricultural production.

The pending offer must be for the purpose of protecting agricultural uses and related conservation values by limiting non-agricultural uses of the land.

The NRCS will not enroll land that is owned in fee title by an agency of the United States or a State, Tribal, or local government or nongovernmental organization; or land that is already subject to an easement or deed restriction that limits the conversion of the land to non-agricultural use. The NRCS will not enroll otherwise eligible lands in which it determines that the protection provided by FRPP would not be effective because of on-site or off-site conditions such as hazardous materials or development in close proximity to the parcel.

To be selected for participation in the FRPP, a pending offer must provide for the acquisition of a permanent easement.

To qualify, landowners must:

- Meet the requirements for adjusted gross income (AGI) provisions of the 2008 Farm Bill; and
- Be in compliance with the highly erodible land (HEL) and wetland conservation (WC) provisions of the 2008 Farm Bill.

To qualify as eligible entities, State, Tribal, and local governments and non-governmental organizations must:

- Demonstrate a commitment to long-term conservation of agricultural or ranch lands through the use of voluntary conservation easements that protect farm or ranch lands from conversion to nonagricultural uses;
- Demonstrate a capability to acquire, manage, and enforce conservation easements;
- Demonstrate staff capacity that will be dedicated to monitoring and conservation easement stewardship;
- Demonstrate the availability of funds equal to at least 50 percent of the estimated fair market value of the conservation easement (including landowner donation);
- Have a title and appraisal policy; and
- Have a pending offer(s) on a parcel(s).

Congress has authorized $743 million in FRPP funding from 2008 to 2012. Future opportunities for funding will be published as a notice in the Federal Register.

Website

www.nrcs.usda.gov/programs/frpp/

Contact

Robert Glennon, Manager
Farm and Ranch Lands Protection Program
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WIC Farmers' Market Nutrition Program (FMNP)

Providing women, infants and children with the opportunity to buy and consume fresh, local fruits, vegetables, and herbs directly from farmers

Program Basics

The FMNP is associated with the Special Supplemental Nutrition Program for Women, Infants and Children, popularly known as WIC, that provides supplemental foods, health care referrals, and nutrition education at no cost to low-income pregnant, breastfeeding, and non-breastfeeding postpartum women, and to infants and children up to 5 years of age, who are found to be at nutritional risk.

The FMNP was established by Congress in July 1992, to provide fresh, nutritious, unprepared, locally grown fruits and vegetables from farmers' markets to WIC participants, and to expand the awareness, use of, and sales at farmers' markets. It is administered through a federal/state partnership in which the Food and Nutrition Service (FNS) provides cash grants to state agencies. The FMNP is currently administered by 45 state agencies such as state agriculture departments or health departments or Indian Tribal Organizations.

Eligible WIC participants are issued FMNP coupons in addition to their regular WIC food instruments. These coupons are used to buy fresh, unprepared locally grown fruits, vegetables and herbs from farmers or farmers' markets that have been approved by the state agency to accept FMNP coupons. The federal food benefit level for FMNP recipients may not be less than \$10 and no more than \$30 per year, per recipient. However, state agencies may supplement the benefit level with state funds. Farmers or farmers' markets authorized to accept FMNP coupons submit the coupons for reimbursement.

Nutrition education is provided to FMNP recipients by the state agency. This information encourages FMNP recipients to improve and expand their diets by adding fresh fruits and vegetables, as well as educates them on how to select, store, and prepare the fresh fruits and vegetables they buy with their FMNP coupons.

Project Examples

The FMNP benefits both recipients and farmers. In FY 2007, the program served just over 2.3 million WIC participants. In addition, FMNP recipients purchased over **\$20 million worth of fresh produce** from over 15,000 farmers at just over 3,200 farmers' markets and 2,300 roadside stands authorized to accept FMNP coupons.

Application and Financial Information

Grants for administering the program are made to state health, agriculture, and other agencies (or Indian tribes, bands, or intertribal councils or groups recognized by the Department of the Interior). Participating state agencies must initiate the process by applying for participation in the program.

Federal funds support 100 percent of the program's food cost and 70 percent of its administrative cost. States operating the FMNP must match the federal funds allocated to them by contributing at least 30 percent of the administrative cost of the program. Indian state agencies may receive a lower match, but not less than 10 percent of the administrative cost of the program. The matching funds can come from a variety of sources, such as state and local funds, private funds, similar programs, and program income.

For Fiscal Year 2010, Congress provided \$20 million for the FMNP.

Eligibility, Uses, and Restrictions

As a prerequisite to receiving federal funds for the FMNP, each applying or participating state agency must submit a state plan describing the manner in which the state agency intends to implement, operate, and administer all aspects of the FMNP within its jurisdiction.

New state agencies are selected based on evaluation criteria and the availability of funds. Local FMNP sites are selected by participating state agencies based on concentration of eligible WIC participants and access to farmers' markets.

Women, infants (over 4 months old), and children that are certified to receive WIC Program benefits or who are on a waiting list for WIC certification are eligible to participate in the FMNP. State agencies may serve some or all of these categories.

Each state agency is responsible for authorizing individual farmers, farmers' markets, or both. State agencies have the option to authorize roadside stands. Only farmers and/or farmers' markets authorized by the state agency may accept and redeem FMNP coupons. Individuals who exclusively sell produce grown by someone else, such as wholesale distributors, cannot be authorized to participate in the FMNP.

Website

www.fns.usda.gov/wic/FMNP/FMNPfaqs.htm

Regional Contacts

Maureen Rankin, Regional Director
Northeast Region
Phone: (617) 565-6440

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MidAtlantic Region
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Southeast Region
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Headquarters

Patricia N. Daniels, Director
Supplemental Food Programs Division
Food and Nutrition Service
U.S. Department of Agriculture
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Farmers' Market Promotion Program (FMPP)

Encouraging the development, promotion and expansion of direct marketing

Program Basics

The Farmers' Market Promotion Program (FMPP) is designed to help promote the domestic consumption of agricultural commodities by expanding direct producer-to-consumer marketing opportunities. FMPP was created in the 2002 Farm Bill, but it was not funded until 2006. Approximately $1 million was awarded each year in 2006 and 2007. With the passage of the 2008 Farm Bill, FMPP grant funds were increased to over $3 million, awarded in late September 2008, and FMPP has received $5 million for fiscal years 2009 and 2010; $10 million is expected in fiscal years 2011 and 2012.

Project Examples

Sample projects that were awarded FMPP funds include:

a) **establishing new electronic benefit transfers** (EBT), debit, and credit payment systems at farmers' markets;

b) **creating agricultural marketing cooperatives**;

c) researching farmers' and customers' needs and **creating educations programs** to meet those needs; and,

d) establishing and **creating new producer-only farmers' markets**.

Application and Financial Information

Applications must include a proposal narrative, supplemental budget, and three forms that can be found in the FMPP Guidelines at www.ams.usda.gov/FMPP. Proposed projects should be 24 months in duration, beginning in October.

The maximum award per grant is $100,000, but may be increased in FY-2011. Matching funds are not required. AMS will announce awards in September of each year.

Eligibility, Uses and Restrictions

Entities eligible to apply for FMPP funds are agricultural cooperatives, producer networks, or producer associations; local governments; nonprofit corporations; public benefit corporations; economic development corporations; regional farmers' market authorities; and Tribal governments. All applicant corporations must be domestic entities, i.e., owned, operated, and located within one or more of the 50 United States and the District of Columbia only. Individuals are not eligible to apply.

Eligible grant uses include:

a) Improving Access to Relevant Marketing and Financial Information;

b) Consumer-Based Education and Market Access; and

c) Innovative Approaches to Market Operations and Management.

Not less than 10 percent of the grant funds in a fiscal year shall be used to support new projects for federal nutrition programs at farmers' markets.

FMPP Funds cannot be used to pay for: a) the acquisition of land or the acquisition, construction, rehabilitation, or repair of a building or facility; b) the development of and/or participation in political or lobbying activities; and, c) any activities prohibited by 7 CFR parts 3015 and 3019.

Website

http://www.ams.usda.gov/FMPP

Contact

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USDA, AMS, Marketing Services Division
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Federal-State Marketing Improvement Program (FSMIP)

Matching grants for marketing agricultural products through state departments of agriculture

Program Basics

The Federal-State Marketing Improvement Program (FSMIP) provides matching funds, on a competitive basis, to state departments of agriculture and similar state agencies to study or develop innovative approaches for marketing agricultural products. Federal funds totaling $1.3 million have been provided for this program in the USDA budget in recent years.

FSMIP funds can be requested for a wide range of research and service work aimed at improving the marketing system or identifying new market opportunities for agricultural, horticultural and viticultural products; dairy products; livestock and poultry products; bees; forest products; fish and shellfish; and value-added processed products.

Although all proposals that meet the matching funds requirement and fall within FSMIP guidelines will be considered, states are especially encouraged to develop projects involving partnerships with producer groups, academia, community-based organizations, or other states to address practical marketing problems faced by small- and medium-scale producers.

Project Examples

Kentucky - $33,375 to the Kentucky Department of Agriculture, in cooperation with Kentucky State University and Western Kentucky University, to **improve the accuracy and usefulness** of U.S. market goat grades to provide graders and buyers with a more accurate tool for evaluating live goats and **give producers an economic incentive** to improve the quality of their goats.

Maryland - $50,000 to the University of Maryland School of Nursing, in cooperation with the Maryland Department of Agriculture, several non-profit organizations and others, to **facilitate increased use of locally produced foods** in Maryland hospitals**.**

Oklahoma - $56,365 to the Oklahoma Department of Agriculture, Food and Forestry, in cooperation with Oklahoma State University, Kerr Center for Sustainable Agriculture and the Oklahoma State Department of Education, to develop food distribution models for small, medium and large producers, and to **create safe handling guidelines** to foster use of locally grown and produced food products in school systems throughout the state.

New Mexico - $58,550 to the New Mexico Department of Agriculture, in cooperation with New Mexico State University, the New Mexico Chile Commission and industry partners, **to develop a comprehensive regional marketing program** for red chilies.

New Mexico - $46,545 to New Mexico State University to **assess the national market** for New Mexico-grown natural dye plants and natural dye plant products.

North Carolina - $61,400 to the North Carolina Department of Agriculture and Consumer Services, in cooperation with North Carolina State University and the North Carolina Nursery and Landscape Association, to **determine key factors that influence current and anticipated consumer purchases** of nursery products and landscape services to help the state's nursery sector update its marketing strategies and better plan future product and service offerings.

Application and Financial Information

In recent years, available funds have been allocated to about 25 to 30 projects annually. Lists of the projects by state, and the amounts of federal funds provided for each project during the past 5 years can be viewed on the Internet at www.ams.usda.gov/tmd/fsmip.htm.

Funds are allocated on the basis of one round of competition annually. The deadline for submitting applications is usually mid-February, awards generally are announced in July, and funds are available in September.

Eligibility, Uses, and Restrictions

Only state departments of agriculture and similar state agencies are eligible to apply for direct funding. However, others, including producer associations, economic development groups, academia, and nonprofit organizations, are encouraged to work with their state departments of agriculture to develop FSMIP proposals.

FSMIP will not approve use of grant funds for most advertising and promotion. FSMIP is not designed to support long-term, basic research or, with limited exceptions, to support capital improvements or equipment purchases. See the website for additional restrictions.

Website

www.ams.usda.gov/FSMIP

Contact Information

Organizations interested in developing a proposal should contact their state department of agriculture or the national program office for additional information and guidance.

Janise Zygmont
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Washington, DC 20250
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Forest Biomass for Energy (FBE)

Funding projects that support converting biomass into renewable energy

Program Basics

Authorized under section 9012 of the 2008 Farm Bill, the Forest Biomass for Energy program provides a new competitive research and development program to encourage use of forest biomass for energy. The program is administered by USDA's Forest Service.

Project Examples

As of this printing, the agency has not developed guidelines to implement the program. Thus, it has not disbursed funds for any projects.

Priority project areas include:

1) Developing technology and techniques to use low-value forest biomass--such as byproducts of forest health treatments and hazardous fuels reduction--for energy production;

2) Developing processes to integrate energy production from forest biomass into biorefineries or other existing manufacturing streams;

3) Developing new transportation fuels from forest biomass; and improving growth and yield of trees intended for renewable energy.

Application and Financial Information

Pre-proposals will be used for initial screening, using a peer review panel of scientific and technical experts in the field. Full proposals will be requested from those that are selected in the pre-proposal review. Detailed evaluation criteria will be posted on a Forest Service website. Primary application requirements will include relevance to priorities identified in the announcement for proposals; scientific quality and contribution of the proposed research; evidence of external collaboration; clearly defined outcomes, deliverables, and benefits that can be reported annually; and appropriateness/adequacy of proposed budget.

Awards can be made for multiple-year funding up to three years with second- and third-year funding dependent on available funds. Either multiple- or single-year funding awards can have a no-cost extension up to one year.

The Forest Biomass for Energy program has authorized appropriations of up to $15 million annually for FY 2009 to 2012. No funds were appropriated for Fiscal Year 2010. Individual project funding is expected to be in the range of $500,000 to $1,000,000.

Eligibility, Uses, and Restrictions

Priority will be given to projects that: (1) develop technology and techniques to use low-value forest biomass, such as byproducts of forest health treatments and hazardous fuels reduction, for the production of energy; (2) develop processes that integrate production of energy from forest biomass into biorefineries or other existing manufacturing streams; (3) develop new transportation fuels from forest biomass; and (4) improve the growth and yield of trees intended for renewable energy production.

Applicants must be affiliated with Forest Service Research and Development, other Federal agencies, State and local governments, Indian tribes, land-grant colleges and universities, or private entities including for-profit and non-profit organizations.

Contact Information

The principal contact at the U.S. Forest Service is
Marilyn Buford
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Forest Legacy Program (FLP)

Protecting environmentally important forests from conversion to nonforest uses

Program Basics

Created by Congress in 1990, the Forest Legacy Program (FLP) supports states' efforts to protect environmentally sensitive, privately owned forestland from conversion to non-forest uses. The FLP protects "working forests" that provide environmental services and public benefits. FLP tracts can be managed for sustainable timber production as well as water quality and watershed protection, maintenance of open space, scenic lands, wildlife habitat and opportunities for outdoor recreational activities such as hunting, fishing, and hiking.

Participating states work with a variety of partners to accomplish the goals of the FLP. Conservation organizations such as The Nature Conservancy and The Trust for Public Land, as well as local non-profit land conservancies, help develop projects and leverage additional dollars to complement federal money. Partners also play crucial roles in the pre- and post-acquisition work. The program pays up to 75% of the project costs. States and local government receive funds and hold title to conservation easements or lands in fee simple.

Land enrolled in the Forest Legacy Program must remain forested and requires a forest stewardship or multiple-use management plan. Since its inception, the Forest Legacy Program has helped protect nearly 1.7 million acres in 48 states and territories.

Project Examples

Walls of Jericho, Tennessee- The Walls of Jericho (also called Cumberland Mountain) project entails multiple hardwood tracts that comprise nearly 15,000 acres on Carter Mountain in Franklin County, Tennessee and Jackson County, Alabama. This area once formed the Harry Lee Carter estate and has attracted over three decades of public and private protection efforts. **The site contains the highest concentration of cave ecosystems known in the world** and has the highest subterranean invertebrate diversity in the world. The Walls of Jericho Tract, a fee simple acquisition, was matched with a fee simple donation of the David Carter Tract by the Nature Conservancy. The Tennessee Wildlife Resources Agency holds title to this property and manages it for sustainable forestry and wildlife habitat protection.

Sugar Hill, Minnesota- The Sugar Hills Project consists of a conservation easement acquisition on 1,659 acres that are an outstanding example of a Northern Rich Mesic Hardwood Forest, a community considered rare in Minnesota. The property contains 28 kilometers of the best and most scenic cross-country ski trails in the Upper Midwest. This project is a partnership between the Nature Conservancy, the Blandin Foundation of Grand Rapids, the Trust for Public Land, the State of Minnesota, and many others. The landowners run a family owned timber and forest products business that has been operating in the Grand Rapids region for four generations. They are **committed to ensuring the long term sustainable management of northern Minnesota forests** for economic, environmental, and social benefits. The easement will protect the ski trails, provide public recreational access, and continue the production of high value forest products.

Website

http://www.fs.fed.us/spf/coop/

Contact Information

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Forest Products Laboratory (FPL)

Providing information on wood housing, forest products technologies, commercial opportunities, and current research and development programs

Program Basics

The USDA Forest Service's Forest Products Laboratory (FPL), established in 1910 in Madison, WI, is a centralized wood research laboratory and clearinghouse for information on uses of wood. FPL's research and demonstration programs are accomplished through coordinated partnerships with industry, university, and government.

Innovations developed at FPL are patented and licensed for use in private companies for commercial application. FPL's Technology Marketing Unit helps transfer information by matching customer needs with existing research. The general public, industry, regulatory agencies, state and private foresters, educators, and other government agencies and organizations use FPL information to build better wood homes, solve wood use problems, or develop improved wood processing systems.

Project Examples

Partnership Aiming for Faster Research Results One major hurdle to wood durability research is the amount of time it takes to obtain results; studying materials in real-life, or in-service, scenarios can take years. Researchers at FPL and the University of Wisconsin are developing methods that correlate in-service performance of metal fasteners and controlled corrosion experiments in wood. This effort aims to develop a test that mimics corrosion behavior of metals in contact with treated wood without using actual wood specimens. Such a test would help rapidly evaluate the corrosiveness of new wood preservatives.

Promoting Commercial Success Through Economic Analysis - After having worked with a commercial partner, Wyoming Sawmills, to develop value-added laminated lumber products from undesirable timbers, FPL economists created a computer program, called LamLum, to analyze economics of laminated lumber manufacturing facilities. The model is now available to anyone interested in a business venture of this nature.

Product Promotes Healthy Ecosystems and Rural Economy - Western juniper and pinyon pine have spread over millions of acres of rangeland in the west, lowering water tables and increasing erosion and pollution of streams and lakes. FPL's Engineered Composites Sciences unit developed a composite panel made from juniper and recycled high-density polyethylene plastic; creating a commercially valuable use for these species can help reduce their impact on the land. With the help of FPL's Technology Marketing Unit, P&M Signs, Inc., of Mountainair, New Mexico, now produces Altree™ based on this research.

Application and Financial Information

FPL staff provides information upon request, helps develop information needed, or suggests alternative sources of information or expertise. No financial assistance is available, although some technologies need partners to demonstrate or evaluate them, and FPL helps private-sector partners find sources of capital either through other USDA agencies or participating state government incentive programs.

Website

www.fpl.fs.fed.us/

Contact

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Forest Stewardship Program (FSP)

Helping private forest landowners develop plans for sustainable management of their forests

Program Basics

About 49 percent of all forest land in the United States—363 million acres—is under nonindustrial private ownership, contributing significantly to America's clean water and air, wildlife habitat, recreational resources, and timber supplies. The Forest Stewardship Program (FSP) provides technical assistance, through state forestry agency partners, to nonindustrial private forestland owners to encourage and enable active long-term forest management.

A primary focus of the program is to develop comprehensive, multi-resource management plans to give landowners the information they need to manage their forests for a variety of products and services. The planning assistance offered through the Forest Stewardship Program may also provide landowners with enhanced access to other USDA conservation programs and/or forest certification programs.

Project Examples

The **Broad Creek Memorial Scout Reservation** (BCMSR), located between Baltimore and Philadelphia, contains about 1,800 acres of contiguous forests surrounded by development pressures. The governing Camp Conservation Committee (CCC) preferred preservation over conservation. However, after the first Stewardship plan was developed and the first timber harvest was completed, the CCC realized the value of managing the forests and was encouraged by the results.

Preparing a Forest Stewardship Plan helped to coordinate efforts of local, state, and federal staff working on weed control in the **Picture Canyon area in Arizona.** Named for its many petroglyphs, this 55-acre area located along a river had been seriously degraded by yellow star thistle, scotch thistle, and bull thistle. Participants learned to use a much wider array of management activities, including prescribed fire, herbicide application, and mechanical treatment to control the thistles.

Delaware entered into partnership with the **Maryland Forest Service, the Pinchot Institute and Sustainable Solutions**, LLC, to establish a **spatial land registry** (SLR). This will enable small acreage landowners to do an online registration of their woodlands and be combined with other similar landowners in the area to qualify for carbon credit sales through the Bay Bank.

Application and Financial Information

The USDA Forest Service administers the FSP in partnership with state forestry agencies. Contact a state forestry agency for more information. For a list of state contacts, see www.stateforesters.org.

Eligibility, Uses, and Restrictions

Participation in the FSP is open to any non-industrial private forest landowner who is committed to the active management and stewardship of forested properties for at least 10 years.

A landowner may be any private individual, group, association, corporation, Native American Tribe, or other private legal entity. There is no restriction on the maximum number of acres owned, although some states may have a minimum acreage requirement.

Website

http://www.fs.fed.us/na/sap/contactus/index.shtml

www.stateforesters.org

Contact

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Fresh Fruit and Vegetable Program (FFVP)

Increasing consumption of fresh and dried fruits and vegetables by U.S. schoolchildren

Program Basics

USDA's Fresh Fruit and Vegetable Program (FFVP) aims to help combat childhood obesity by helping children learn more healthful eating habits. The FFVP has been successful in introducing school children to a variety of produce that they otherwise might not have had the opportunity to sample.

The various partnerships that USDA's Food and Nutrition Service (FNS) and state agencies have developed in the public and private sectors, as well as the dedicated work of school administrators, have contributed to the overall success and acceptance of the program.

The FFVP is consistent with and supports the recommendations of a 2007 report by the Institute of Medicine (IOM) to provide healthier snack choices in schools, including fruits and vegetables.

Description

- Provides free fresh fruits and vegetables throughout the school day in elementary schools. Participating schools are required to publicize the availability of the program to the student body.
- Teaches students about the importance of good nutrition and promotes the consumption of fresh fruit and vegetables.
- Operates nationwide in selected schools with a high proportion of low-income students.
- Provides state agencies a specific level of funding and allows them to select schools that meet criteria based on poverty indicators.

Background

The original FFVP started as a pilot program in 2002 in four states (25 schools each) and selected schools in one Indian Tribal Organization. It became a permanent program in limited states in 2004 and was expanded to all 50 states, the District of Columbia, Guam, Puerto Rico and the Virgin Islands in 2008. It is administered by USDA's Food and Nutrition Service at the national level. Within participating states, FFVP is administered through state education departments except in Texas and New Jersey, where it is administered by the state agriculture departments.

Participants

The 2008 Farm Bill authorized states to select participating schools with a high proportion of low-income students (at least 50 percent free and reduced price participation). Every child in the selected school is eligible to participate. The program served 183,299 students in Fiscal Year 2007 (FY07).

Budget

The FFVP pays $50.00 to $75.00 per student. The 2008 Farm Bill authorized funding of $40 million for Fiscal Year 2008 (FY08), $65 million for FY09, $101 million for FY10, and $150 million for FY11 and thereafter.

Website

http://www.fns.usda.gov/cnd/FFVP/FFVPdefault.htm

Contact

Mara McElmurray
National Child Nutrition Department
Phone: 703-305-2688
Mara.mcelmurray@fns.usda

Contact the state agencies administering the Child Nutrition Programs for more information.

http://www.fns.usda.gov/cnd/Contacts/StateDirectory.htm

Grassland Reserve Program (GRP)

Helping landowners and operators restore and protect grassland, including rangeland, pastureland, and certain other lands, while maintaining the areas as grazing lands

Program Basics

The Grassland Reserve Program (GRP) is a voluntary program that emphasizes support for grazing operations, plant and animal biodiversity, and grassland and land containing shrubs and forbs under the greatest threat of conversion. The program assists owners and operators to protect grazing uses and related conservation values by restoring and conserving eligible land through rental contracts, easements, and restoration agreements.

GRP is authorized by the Food Security Act of 1985, as amended by the 2008 Farm Bill. The USDA Natural Resources Conservation Service (NRCS) and USDA Farm Service Agency (FSA) administer the program in cooperation with the USDA Forest Service.

Participants voluntarily limit future use of the land while retaining the right to conduct common grazing practices; produce hay, mow, or harvest for seed production (subject to certain restrictions during the nesting season of bird species that are in significant decline or those that are protected under Federal or State law); and conduct fire rehabilitation and build firebreaks and fences.

Application and Financial Information

Applications may be filed for an easement or rental contract with the local NRCS or FSA office at any time during each year's designated signup period. The program offers several enrollment options:

Permanent Easement Directly with Landowner. This is a conservation easement in perpetuity. Easement payments for this option are determined by the lowest of: a fair market value determined by an appraisal or area wide market survey, a geographic area rate cap, or an offer by the landowner. The fair market value of the easement will be the fair market value, less the grazing value of the land encumbered by the easement.

Permanent Easement through a Cooperating Entity. This is a conservation easement in perpetuity. Easement payments for this option are determined by an appraisal done to USPAP standards.

Cooperating entities may be State, Tribal, or local governments or non-governments that meet eligibility criteria. The cooperating entities must administer the acquisition process and provide half of the purchase price of the easement. The purchase price is defined as the fair market value of the easement minus the landowner donation.

Rental contract. Participants can choose a 10-, 15-, or 20--year easement. FSA will provide annual payments in an amount that is not more than 75 percent of the grazing value of the land covered by the agreement for the life of the agreement. Payments will be disbursed on the agreement anniversary date each year. There is a $50,000 annual payment limitation for rental contracts.

Restoration agreement. If restoration is determined necessary by NRCS, a restoration agreement will be incorporated within the rental contract or easement. The Commodity Credit Corporation (CCC) will provide up to 50 percent of the restoration costs. Participants will be paid upon certification of the completion of the approved practice(s) by NRCS or an approved third party. Participants may contribute to the application of a cost-share practice through in-kind contributions. There is a $50,000 annual payment limitation for restoration agreements.

Funding comes from the CCC and the program is authorized to enroll 1,220,000 acres through 2012. The funds to enroll those acres will be appropriated annually. The 2008 Farm Bill stipulates that 40 percent of the funding must be used to enroll rental agreements and 60 percent of the funding must be used to enroll easements. Either CCC or the cooperating entity holds the easement.

Applicants will be selected at the state level by the NRCS State Conservationist and the FSA State Executive Director. Selection criteria for each state will be made available upon request to the public before signup. Each state's application selection criteria will be available on the state's NRCS Website.

Eligibility, Uses, and Restrictions

Either easement option is available for application from landowners who can provide clear title. Landowners and others who have general control of the acreage may apply for a rental contract.

The Adjusted Gross Income provision of the 2008 Farm Bill affects eligibility for GRP and several other 2008 Farm Bill programs. Individuals or entities that are not eligible to receive program benefits or payments if they have an average adjusted gross income exceeding $1.0 million for the 3 tax years immediately preceding the year the contract is approved.

However, an exemption is provided in cases where two-thirds of the adjusted gross income is derived from farming, ranching, or forestry operations.

Eligible land includes:

- Grassland or land that contains forbs or shrubs (including improved rangeland and pastureland) for which grazing is the predominant use
- Land that is located in an area that historically has been dominated by grassland, forbs, and shrubs and has potential to provide habitat for animal or plant populations of significant ecological value if the land is retained in its current use or restored to a natural condition.
- Land that contains historical or archaeological resources;
- Land that would address issues raised by State, regional, or national conservation priorities; or
- Land that is incidental to land described in paragraph (1) or (2), if the incidental land is determined by the Secretary to be necessary for the efficient administration of a rental contract or easement under the program.

Participants in GRP must meet Wetland and the Highly Erodible Land Compliance provisions of the 2008 Farm Bill.

Participants are required to follow a grazing management plan developed by NRCS (or a designated third party) and the participant to preserve the integrity of the grassland.

Website

www.nrcs.usda.gov/programs/GRP/

Contact

Elizabeth Crane, NRCS
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E-mail: Elizabeth.Crane@wdc.usda.gov

Jim Williams, FSA
Phone: (202) 720-9562
E-mail: jim.williams@wdc.usda.gov

Guaranteed Farm Ownership and Operating Loans

Offering federally guaranteed loans for family farmers for farm ownership, farm operation, and the purchase of stock in cooperatives

Program Basics

The purpose of the Farm Service Agency's (FSA) guaranteed farm ownership (FO) and guaranteed operating loan (OL) programs is to help family farmers obtain commercial credit to establish or maintain a family farm or ranch. FSA guarantees against potential loss of the commercial loan at 90 percent of the loss of principal and interest. A 95 percent guarantee is provided in the case of loans to refinance an existing direct FO or OL or for loans made in conjunction with a beginning farmer down payment loan.

Farmers may also use FSA guaranteed loans to buy stock in a member-owned cooperative. The cooperative can be engaged in production, processing, packaging, and/or marketing of agricultural and forest products.

In some instances, a special interest rate assistance program may be used in which FSA provides assistance to the lender to lower the interest rate. The interest assistance is intended to assist farmers with low production or who suffered the effects of a natural disaster or adverse economic conditions get through a difficult period and become financially viable.

Project Examples

A **beginning farmer** working with a bank in **Iowa** obtained a 95-percent loan guarantee for an ownership loan and operating loan made in conjunction with an FSA down payment loan, enabling the bank to make a loan it would not have without the federal guarantee.

A **rancher in California** used an FSA guaranteed loan to buy stock in a newly formed marketing cooperative that processes and sells specially raised beef to Japan.

A commercial lender in **Ohio** obtained an FSA guarantee on an operating loan to a **farmer who will use integrated pest management (IPM)** on a new agricultural enterprise. The guarantee was important to the lender, who was unfamiliar with IPM.

Application and Financial Information

Applicants apply for agricultural loans as they normally would with local commercial lenders that make agricultural loans in their community. The lender analyzes the farm customer's business plan and financial condition.

If the farm loan proposal looks realistic, is financially feasible, and there is sufficient collateral, but it cannot be approved because it does not meet the lending institution's loan underwriting standards, the lender may apply for an FSA loan guarantee.

In some cases, applicants may seek an FSA direct loan first, but a guaranteed loan must always be considered before a direct loan can be provided. Once an applicant provides all the financial and organizational information to the lender, the lender submits a guaranteed loan application to the local FSA office and the request will be approved or disapproved within 30 days after receipt of a complete application.

The number of guaranteed loans that FSA can provide each year varies depending on the demand for loan guarantees and the amount of guarantee authority appropriated by Congress.

Eligibility, Uses, and Restrictions

To qualify for an FSA Guarantee, a loan applicant must:

- Be a citizen of the United States (or legal resident alien), which includes Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and certain former Pacific Trust Territories
- Have the legal capacity to incur the obligations of the loan
- Have a satisfactory credit history, demonstrate repayment ability, and provide sufficient security
- Have not had a previous Direct or Guaranteed Loan

that resulted in a loss to FSA and not be delinquent on any federal debt, including outstanding recorded Federal judgments

- Be unable to obtain sufficient credit elsewhere with or without a guarantee at reasonable rates and terms to finance needs
- Be the operator of a family farm after the loan is closed. For an FO, the producer needs to also own the farm

For guaranteed OL loans, authorized purposes include:

- Payment of costs associated with reorganizing a farm to improve its profitability
- Purchase of livestock, equipment, quotas, and bases and cooperative stock for credit, production, processing, and marketing purposes
- Real estate improvements that can be repaid within 7 years
- Payment of annual operating expenses, processing or marketing purposes
- Payment of costs for land and water development for conservation or use purposes
- Payment of loan closing costs
- Payment of other farm and home needs
- Refinancing of debt incurred for any authorized OL purpose, when the lender and applicant can demonstrate the need to refinance

For guaranteed FO loans, authorized purposes include:

- Acquiring or enlarging a farm
- Making capital improvements
- Promoting soil and water conservation and protection
- Paying of loan closing costs
- Refinancing debt incurred for authorized FO or OL purposes, provided the need for refinancing can be demonstrated

Website

www.fsa.usda.gov/dafl/guaranteed.htm

Contact

FSA is organized on a national, state, and county basis. However, guaranteed applications are accepted and processed only in county offices. Individuals should contact an agricultural lender but may also contact the nearest FSA county office by checking in the telephone white pages under U.S. Government, Department of Agriculture, Farm Service Agency.

Integrated Organic and Water Quality Program (IOWP)

Exploring the changes in water quality associated with certified organic farming practices

Program Basics

The Integrated Organic and Water Quality Program (IOWP) is a competitive grants program whose purpose is to explore the changes in water quality and/or water quantity associated with certified organic farming practices. This program is a joint effort between the National Integrated Water Quality Program (NIWQP) and the Organic Transition Program (OTP), both of the National Institute of Food and Agriculture (NIFA).

USDA is interested in funding comparisons between certified organic farms and traditional farms of sediment delivery, nutrient use and transport, and overall water availability at the farm or field scale. Availability is defined here as the joint consideration of water quality and quantity. Projects are expected to combine physical measurements of soil and surface and/or groundwater conditions at the field or farm scale with modeling information generated at the same spatial and temporal scale. Projects should demonstrate (using field and modeling information) benefits or challenges to soil and water availability posed by implementing certified organic practices.

Projects that explore the linkage between surface water and groundwater availability are encouraged. Successful projects must describe expected outcomes in terms of changes in knowledge, changes in behaviors, and changes in environmental conditions. All projects must identify the cause of water resource degradation. All projects are expected to develop and implement an evaluation plan that captures project outcomes and demonstrates the impact of the project through measured improvements in water resources and/or measurable behavior change.

Applications are solicited for the IOWP under the following areas:

(1) The impact of organic cropping systems on water quality.

(2) The impact of organic animal production systems on water quality.

(3) The impact of mixed use (crop and animal production systems) on water quality.

Project Examples

This is a new competitive grants program area, so there are no examples of previously funded projects.

Application and Financial Information

There is no commitment by USDA to fund any particular application or to make a specific number of awards. The IOWP considers Integrated Research, Education and Extension projects with a project period of 1 to 3 years and a budget not to exceed $220,000 per year. The program was funded at $1.8 million for Fiscal Year 2009 (FY09) and $5 million for FY10.

Eligibility, Uses, Restrictions

Colleges and universities are eligible to submit applications for the Integrated Organic and Water Quality Program. Applications also may be submitted by 1994 Land-Grant Institutions, Hispanic-serving Agricultural Colleges and Universities (HSACUs).

Cost Sharing or Matching

If a grant provides a particular benefit to a specific agricultural commodity, the grant recipient is required to provide funds awarded on a dollar-for-dollar basis from non-Federal sources with cash and/or in-kind contributions. NIFA may waive the matching funds requirement for a grant if NIFA determines that: (a) the results of the project, while of particular benefit to a specific agricultural commodity, are likely to be applicable to agricultural commodities generally; or (b) the project involves a minor commodity, the project deals with scientifically important research, and the grant recipient is unable to satisfy the matching funds requirement.

Website

www.nifa.usda.gov

Contact

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Website
www.nifa.usda.gov

Intermediary Relending Loan Program (IRP)

Offering revolving loan funds for rural small business and community development projects

Program Basics

The Intermediary Relending Program (IRP) provides direct loans at 1 percent interest to intermediaries for establishing revolving loan funds for small businesses and community development projects in rural areas. Intermediaries are nonprofit organizations or public agencies that relend money through loan pools to ultimate recipients, including businesses, individuals and others such as Indian groups. Final recipients of loans from IRP revolving loan funds involved in agricultural production are not eligible. However, businesses processing, packaging, and marketing agricultural products will be considered.

Project Examples

As part of the Pacific Northwest Economic Adjustment Initiative, an IRP loan of $1.5 million supplemented an existing revolving loan fund for relending to small businesses in rural **Jackson and Josephine counties in Oregon.** Businesses that create or retain permanent jobs involving skills related to manufacturing, industrial production, and wood products are given preference. Southern Oregon Regional Economic Development, Inc., the intermediary, estimates that by targeting a maximum of $20,000 per full-time equivalent job created or saved, the IRP loan will create or save at least 50 jobs in the fund's first round of loans in these communities.

The **North Kennebec Regional Planning Commission in Maine** made a $150,000 working capital loan to KD Wood Products out of its revolving loan fund, created with a $2 million IRP loan. KD Wood Products buys lumber from local sawmills and processes it into about 200 different products, including unfinished furniture and lawn and garden items, such as fences, edging, and planters. KD used the loan to expand its operations and create new jobs.

In **Salem, Oregon**, BC Hop Farms, Ltd. received a loan from the local revolving loan fund established with IRP funds. BC Hop Farms provides processing facilities for local farmers who grow hops and contract with breweries for sale of their processed hops. The loan supported purchasing equipment and expanding facilities, providing the capacity to process a larger volume of hops.

American Cedar, Inc., of **Arkadelphia, AR,** received loans of $225,000 from a local revolving loan fund, partially funded by IRP. American Cedar produces dimensioned lumber, finished lumber, finished panels, closet accessories, decorative moth repellents, and custom products for the domestic and international markets.

Application and Financial Information

Intermediaries with experience and expertise in running revolving loan funds apply to the USDA state offices of Rural Development. Applications are considered in a quarterly national competition.

An intermediary may borrow up to $2 million under its first financing and up to $1 million at a time thereafter. Total aggregate debt is capped at $15 million. In recent years, loans to intermediaries have been capped at $750,000. Ultimate recipients may borrow up to $250,000.

Loans to intermediaries average $812,000. Intermediaries receive a 30-year loan with a fixed annual interest rate of 1 percent. The funding available for fiscal year 2002 was $38 million.

Intermediaries develop their own application procedures for ultimate recipients.

Factors considered in judging applications from intermediaries include:

- Financial condition
- Assurance of repayment ability
- Equity
- Collateral
- Experience and record of managing a loan

- A programmer providing other assistance to rural businesses
- Ability to leverage with funds from other sources
- The extent assistance would flow to low-income people

Eligibility, Uses, and Restrictions

The following entities are generally eligible to apply for loans from intermediary lenders provided they owe no delinquent debt to the Federal Government:

- Individual citizens or individuals who have been legally admitted to the U.S.,
- Those located in a rural area defined as an area with a population of 25,000 or less,
- An entity that is able to incur debt, give security, and repay the loan,
- A corporation, partnership, LLC, individual, non-profit corporation, public body.

Nonprofit corporations, public agencies, Native American tribes, and cooperatives are eligible to receive IRP funds as intermediaries. Intermediaries must have adequate legal authority and a proven record of successfully assisting rural businesses and industries.

Both intermediaries and ultimate recipients must be unable to obtain the loan at reasonable rates and terms through commercial credit or other federal, state, or local programs.

Final recipients of loans from IRP revolving loan funds involved in agricultural production are not eligible. However, businesses processing packaging and marketing agricultural products will be considered. Intermediaries may not use IRP funds to finance more than 75 percent of the cost of an ultimate recipient's project or for a loan of more than $250,000 to one ultimate recipient.

Website

http://www.rurdev.usda.gov/rbs/busp/irp.htm

www.rurdev.usda.gov/rbs/busp/irp.htm

Contact

For a list of intermediaries and their service areas, more detailed information, or an application, contact your USDA state or district office of Rural Development. http://www.rurdev.usda.gov/recd_map.html.

Loans for Socially Disadvantaged Persons

Providing farm purchase and operating loans targeting socially disadvantaged producers

Program Basics

The Farm Service Agency (FSA) makes direct and guarantee loans to socially disadvantaged applicants to buy and operate family-size farms and ranches. Each fiscal year the Agency targets a portion of its direct and guaranteed farm ownership (FO) and operating loan (OL) funds to SDA farmers. Non-reserved funds can also be used by SDA persons.

A socially disadvantaged farmer or rancher is one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group, without regard to their individual qualities. For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asians, Native Hawaiians and Pacific Islanders.

The purposes of the program are to:

- Help remove barriers that prevent full participation of SDA farmers in FSA's farm loan programs; and
- Provide information and assistance to SDA farmers to help develop sound farm management practices, analyzing problems, and plan the best use of available resources essential for success in farming or ranching.

In Fiscal Year 2008, the obligations incurred for Socially Disadvantaged loans exceeded $88 million and $78 million for direct and guaranteed operating loans (OL), respectively. Loan obligations exceeded $56 million and $156 million for direct and guaranteed farm ownership (FO) loans, respectively.

Application and Financial Information

Direct loans are made to applicants by FSA and include both OL and FO loans.

Guaranteed loans also may be made for ownership or operating purposes. They may be made by any lending institution subject to federal or state supervision (banks, savings and loans, insurance companies, and units of the Farm Credit System including the Bank for Cooperatives) and are guaranteed by FSA. Some state governments also operate farm loan programs that are eligible for FSA guarantees. Typically, FSA guarantees 90 or 95 percent of a loan against any loss that might be incurred if the loan fails.

Repayment terms for direct OL loans usually run from 1 to 7 years depending on the collateral securing the loan and the applicant's ability to repay. Repayment terms for direct FO loans vary and never exceed 40 years.

Guaranteed loan terms are set by the lender. Interest rates for direct loans are set monthly according to the government's cost of borrowing. Interest rates for guaranteed loans are established by the lender.

Eligibility, Uses, and Restrictions

Eligible applicants include individuals, partnerships, joint operations, corporations, and cooperatives primarily and directly engaged in farming and ranching on family-size operations. A family-size farm is considered to be one that produces an agricultural product in a quantity sufficient to be recognized as a farm rather than a rural residence.

In addition to being members of a socially disadvantaged group, individual applicants under this program must meet all requirements for FSA's regular farm loan program assistance. To be eligible, an applicant must, among other requirements:

- Have a satisfactory history of meeting credit obligations
- Have sufficient education, training, or experience for at least 1 year's full production cycle in managing or operating a farm or ranch. For a direct FO loan, applicants must have participated in the business operations of a farm or ranch for at least 3 of the past 10 years
- Be a citizen of the United States (or a legal resident

alien), including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and certain former Pacific Island Trust Territories

- Be unable to obtain credit elsewhere with or without an FSA guarantee at reasonable rates and terms to meet actual needs
- Possess the legal capacity to incur the obligations of the loan

In the case of corporations, cooperatives, joint operations, or partnerships, the stockholders, members, or partners holding a majority interest must meet these same eligibility requirements. The borrowing entity must be authorized to operate a farm or ranch in the state where the actual operation is located.

In addition, the entity must be owned by U.S. citizens or legal resident aliens, and the socially disadvantaged members must hold a majority interest in the entity.

FO loan funds may be used to purchase or enlarge a farm or ranch, purchase easements or rights of way needed in the farm's operation, erect or improve buildings such as a dwelling or barn, promote soil and water conservation and development, and pay closing costs.

OL funds may be used to purchase livestock, poultry, farm equipment, fertilizer, and other materials necessary to operate a successful farm. OL funds can also be used for family living expenses, refinancing debts under certain conditions, paying salaries of hired farm laborers, costs associated with land and water development, use or conservation, purchase of livestock and farm equipment, annual operating expenses such as seed and fertilizer, costs associated with reorganizing a farm to improve profitability, and other farm needs.

FSA is organized on a national, state and county basis. Applicants for direct loans apply directly through the county or USDA Service Center. Individuals can locate the nearest FSA office by checking in the telephone white pages under U.S. Government, Department of Agriculture, and Farm Service Agency.

Guaranteed loan applications are made with the lender. In cases where a lender is not known to an applicant, personnel at the county office will help find one and will help with an application, either for a direct loan or a guaranteed loan.

Website

http://www.fsa.usda.gov/FSA/webapp?area=home&subject=fmlp&topic=sfl

Contact

James F. Radintz, Director
National Program Office
Farm Service Agency
Phone: (202) 720-1632

Local Food Enterprise Loans

Loaning funds to support farm and ranch incomes and renew local food system infrastructure and community development

Program Basics

The 2008 Farm Bill created new loan and loan guarantee authority for local and regional food enterprises through the Business and Industry (B&I) Loan program administered by the Rural Development branch of the USDA. While the authority allows USDA to make or guarantee loans, the B&I program currently is entirely federal guarantees of commercial loans.

The purpose of the B&I program in general is to help improve, develop, or finance businesses and employment in rural areas by bolstering the existing private credit market through federal guarantees. The purpose of the local and regional food subprogram is to support farm and ranch incomes as well as the renewal of local food system infrastructure and community development.

Application and Financial Information

Loans can be used to support and establish enterprises that process, distribute, aggregate, store, and market foods produced either in-state or transported less than 400 miles from the origin of the product.

Loans may be used for business conversion, enlargement, modernization, purchase and development of land, buildings, facilities, purchase of equipment, machinery, supplies, inventory, and similar purposes, and may also be used for business acquisitions when the loan will keep a business from closing or prevent the loss of employment or expand job opportunities.

Priority will be given to projects that in some way benefit communities with limited access to affordable and healthy foods and that have a high rate of hunger, food insecurity, or poverty.

The recipient of the loan or loan guarantee is required to inform consumers in some way of the locally- or regionally-produced attribute of the food products.

The maximum loan guarantee is 80 percent for loans of $5 million or less, 70 percent for loans between $5 and $10 million, and 60 percent for loans exceeding $10 million. Generally loans to a single borrower are capped at $10 million, though several exceptions apply.

Eligibility, Uses, and Restrictions

Individuals, cooperatives, cooperative organizations, businesses, and other entities are eligible for these loan guarantees.

B&I loans are generally available only in rural areas, which include all areas other than towns of more than 50,000 people and those contiguous or adjacent to urbanized areas. Grants may be made to cooperatives for value-added processing facilities in non-rural areas, provided they service agricultural producers within 80 miles of the facility and help improve producer income.

Website

www.rurdev.usda.gov/rbs/busp/b&i_gar.htm

Rural Development State Offices: www.rurdev.usda.gov/recd_map.html

Contact Information

Carolyn Parker
Director, Business and Industry Division
Phone: (202) 690-4103
carolyn.parker@wdc.usda.gov

Microloan Program

Providing loans to buy inventory, equipment, machinery, and fixtures; provide working capital; or receive technical assistance

Program Basics

The Microloan Program of the Small Business Administration was developed to make very small loans available to prospective small business borrowers. Under this program, the SBA makes funds available to nonprofit intermediaries, who in turn make loans to eligible borrowers. The intermediaries also provide technical assistance to borrowers.

Project Examples

Client confidentiality does not permit the SBA or nonprofit lenders to release information to the public on specific projects.

Application and Financial Information

Loans are made by selected nonprofit lenders in amounts up to a maximum of $35,000. The average loan size is $12,300. Each nonprofit lending organization has its own loan requirements. Generally, lenders will take collateral against a loan. In most cases, the personal guaranties of the business owners are also required.

Depending on the earnings of the business, the loan maturity may be as long as 6 years. Rates for microloans are determined by the intermediary's cost of funds and the size of the microloan.

Eligibility, Uses, and Restrictions

Virtually all types of for-profit businesses that meet SBA basic requirements are eligible. Lending decisions under this program are made solely by the intermediary lender. They are based on credit experience, character, and/or relationships built during the pre-loan technical assistance and training.

Loans may be used for furniture, fixtures, supplies, inventory, machinery, equipment and working capital. Loans may not be used as a down payment or for the purchase of real estate.

Website

SBA Home page: www.sba.gov

SBA Microloan Program: http://www.sba.gov/services/financialassistance/sbaloantopics/microloans/index.html

Contact Introduction

Check the telephone directory under "U.S. Government" for the nearest SBA office or call the Small Business Answer Desk (800) U-ASKSBA. For the hearing impaired, the TDD number is (704) 344-6640.

National Organic Program (NOP)

Providing national organic certification standards, information, and accreditation for certifying agencies

Program Basics

The National Organic Program (NOP) was established under the Organic Foods Production Act of 1990 (OFPA) and developed national organic standards, which were implemented in 2002.

The NOP develops, implements, and administers national production, handling, and labeling standards for organic agricultural products. The NOP accredits certifying agents (foreign and domestic) who inspect organic production and handling operations to ensure that they meet USDA standards. There are currently 97 certifying agents and 26,000 NOP-certified organic operations worldwide. The NOP also handles compliance and enforcement of the standards. The NOP recently signed its first organic equivalency agreement—with Canada.

The OFPA provided that an advisory board, the National Organic Standards Board (NOSB), be given jurisdiction over the National List of Allowed and Prohibited Substances section of the NOP standards. No substance can be added from this list without the recommendation of the NOSB. The NOP also consults with the NOSB when developing new or amending current standards. The board is composed of 15 members, each representing different segments of the organic industry.

Information Available

Interested parties can obtain a wealth of information about U.S. organic regulations and practices from the National Organic Program. This includes information about:

- Certifying agents: Includes accredited certifying agents, accreditation status table, application for accreditation, appeals process, compliance and enforcement, and cost share.
- Consumer issues: Includes background information about NOP, the USDA organic seal, organic labeling photo, and fact sheets such as Organic Standards, Labeling and Certification.
- NOP regulations and policies: Includes NOP standards, National List information, policy statements, and trade issues.
- Producers, handlers, and processors: Includes National List information, labeling packaged products, labeling alcoholic beverages, and questions and answers.
- State programs: Includes approval procedures, approved state programs, accredited state Departments of Agriculture, state contacts, and the cost-share program.

Website

www.ams.usda.gov/nop/

Contact Information

USDA-AMS-TMP-NOP
Room 40084-South Building
1400 Independence Avenue, SW
Washington, DC 20250-020068
Phone: (202) 720-3252
Fax: (202) 205-7808

Organic Certification Cost Share (NOCCSP)

Funding states to reimburse producers for the cost of organic certification

Program Basics

The National Organic Certification Cost Share Program (NOCCSP) makes financial assistance available to help defray the costs of organic certification for producers and handlers of organic products. Producers and handlers can receive up to 75 percent of their annual certification costs up to a maximum payment of $750 per year.

Handlers in all states, and producers in every state except the 12 Northeast states plus HI, NV, UT, and WY, are eligible to receive cost share assistance under this program. A separate but nearly identical program called the Agricultural Management Assistance Program provides cost share assistance to producers in the 12 Northeast states plus HI, NV, UT, and WY.

In either case, the assistance is made generally available to producers and handlers through state departments of agriculture, particularly if that state has an accredited organic certifying program. Recipients must be certified by a USDA accredited certifying agent under the National Organic Program.

The Agricultural Marketing Service of the USDA manages the National Organic Certification Cost Share Program.

Website

http://www.ams.usda.gov/AMSv1.0/ams.fetchTemplateData.o?template=TemplateA&navID=Home&topNav=Home&page=Home&acct=AMSPW

From this link you can access both the National Organic Program website with an additional link to the cost-share program and the special Agricultural Management Assistance Program version of the same program

Contact Information

Producers and handlers should contact their certifiers for additional information, or contact their State Department of Agriculture if they have an accredited organic certification program. A complete list of state contacts is available from the National Association of State Organic Programs at www.nasda.org/nasop/.

There is also an association of private accredited organic certifiers who may be helpful with cost share program issues:

http://www.accreditedcertifiers.org/index.htm

Organic Conversion Assistance

Supporting organic production and transition to organic production

Program Basics

Agricultural producers can receive conservation financial and technical assistance for organic systems through the USDA's Environmental Quality Incentives Program (EQIP). Prior to the 2008 Farm Bill, a few pioneering states had been using their EQIP programs to provide special assistance to organic producers for years.

The 2008 Farm Bill now authorizes nationwide use of EQIP funding for organic production and transition to organic production. Farmers who are embracing organic production for the first time, as well as farmers who are expanding their organic crop production or increasing the size of organically-managed livestock or poultry operations, are eligible for the EQIP assistance.

Application and Financial Information

In Fiscal Year 2009 (FY09), USDA's Natural Resources Conservation Service (NRCS) made $50 million available for this initiative. Despite a short application timeframe, 3,700 organic or transitioning farmers applied by the initial deadline. As of this writing, it is unknown what amount of funding will be available in FY10.

Funding under the organic conversion section of the 2008 Farm Bill is capped at not more than $20,000 per farm per year, and not more than $80,000 per farm in any 6-year period. Organic farmers may opt to compete in this special pool, with the tighter payment caps, or may opt instead to compete in the regular EQIP pool for which the 6-year cap is $300,000.

During the first, 2009, application period, EQIP offered six core conservation practices (conservation crop rotation, cover cropping, integrated pest management, nutrient management, rotational grazing, and forage harvest management) for which financial and technical assistance could be funded by this program to transitioning organic farmers on a nationwide basis. Each state could then also add a variety of "facilitating" conservation practices specific to the type of agriculture in their region. Check with NRCS to see the practices for which transitioning farmers can receive assistance in future years.

Website

The NRCS website for EQIP is: www.nrcs.usda.gov/PROGRAMS/EQIP/

Contact Information:

From the national NRCS website you can access your state's NRCS office and from there the location of your nearest NRCS field office. Most states also have a specific person who is in charge of EQIP in that state, and their contact information can usually be found on the state website.

Organic Research & Extension Initiative (OREI)

Integrating research and extension activities to solve critical organic agriculture issues, priorities and problems

Program Basics

The Organic Agriculture Research and Extension Initiative (OREI) funds research, education, and extension projects that enhance the ability of producers and processors to grow and market high quality organic agricultural products.

Several legislatively defined purposes have guided grant-making under the program since it was first established in 2002. In 2009, these purposes are:

1. Facilitating the development of organic agriculture production, breeding, and processing methods;
2. Evaluating the potential economic benefits to producers and processors who use organic methods;
3. Exploring international trade opportunities for organically grown and processed agricultural commodities;
4. Determining desirable traits for organic commodities;
5. Identifying marketing and policy constraints on the expansion of organic agriculture;
6. Conducting advanced on-farm research and development that emphasizes observation of, experimentation with, and innovation for working organic farms, including research relating to production and marketing and to socioeconomic conditions;
7. Examining optimal conservation and environmental outcomes relating to organically produced agricultural products, and
8. Developing new and improved seed varieties that are particularly suited for organic agriculture.

Project Examples

In 2008, **Washington State University** was awarded $644,232 to improve the agronomic and economic competitiveness of fresh market organic farms by developing integrated, systems-based solutions to their most significant soil and weed problems.

In 2007, the **Midwest Organic and Sustainable Education Service** was awarded $50,000 to make organic research accessible to farmers through a Midwest Organic Research Symposium

Application and Financial Information

The program is administered by USDA's National Institute of Food and Agriculture (NIFA).

Fieldwork of proposed projects must be done on certified organic land or on land in transition to organic certification, as appropriate to project goals and objectives. OREI is funded by the 2008 Farm Bill at $20 million annually.

Eligibility, Uses and Restrictions

State agricultural experiment stations, all colleges and universities, other research institutions and organizations, Federal agencies, national laboratories, private organizations, corporations, and individuals are eligible to apply to receive these grants.

Website

http://www.nifa.usda.gov/fo/organicagricultureresearchandextensioninitiative.cfm

Contact Information

Tom Bewick, NIFA National Program Leader – Horticulture
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E-mail: tbewick@nifa.usda.gov

Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers (OASDFR)

Providing grants to educational institutions and nonprofit organizations that offer outreach, training and technical assistance to socially disadvantaged farmers and ranchers

Program Basics

The Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers program, also known as the "Section 2501" program after its Farm Bill section number, provides grants to eligible entities that work with minority farmers and assist them in owning and operating farms and participating in agricultural and USDA-specific programs.

The purpose of the OASDFR program is to assure that socially disadvantaged farmers and ranchers have opportunities to successfully acquire, own, operate, and retain farms and ranches and equitably participate in all USDA programs.

The OASDFR program supports a range of outreach and assistance activities, including:

- Farm management
- Financial management
- Marketing
- Application and bidding procedures

Applicants are also encouraged to coordinate with existing regional projects to complement pertinent and relevant cross-regional activities.

Project Examples

The **Agriculture and Land-Based Training Association (ALBA)** in Salinas, CA received $253,217 in 2005 to enhance business management skills of socially disadvantaged farmers and ranchers. ALBA has been successful in helping former migrant workers, some of whom have never farmed before, become prosperous farm owners. With the help of this grant and other funding, ALBA has created several influential and thriving programs in **agricultural training, business and marketing education, and leadership development,** which benefit a diverse group of farmers and ranchers.

Federation of Southern Cooperatives -

In 2007, the Federation of Southern Cooperatives received $299,723 to strengthen the farm management and marketing skills of minority farmers in the southern region of the United States. The funding helped FSC to operate programs such as the Small Farm and Sustainable Agriculture Program, which **helps farmers develop successful family farm businesses** with technical assistance in farm management, setting farm goals, and financial analysis.

Eligibility Uses and Restrictions

Eligible recipients of OASDFR funding include Land Grant Institutions (1862, 1890, or 1994), Native American Tribal Governments and organizations, Latino-Serving Institutions, State Controlled Institutions of Higher Education, and community-based and non-profit organizations.

Application and Financial Information

The 2008 Farm Bill directed that OASDFR should receive $20 million annually. Matching funds from applicants are not required.

Website

http://www.nifa.usda.gov/funding/rfas/outreach.html

Contact Information

Dr. Dionne Toombs
National Program Leader
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dtoombs@csrees.usda.gov

Partners for Fish and Wildlife

Providing technical and/or financial assistance for wildlife habitat restoration

Program Basics

The Partners for Fish and Wildlife Program is a proactive, voluntary program of the U.S. Fish and Wildlife Service that provides technical and financial assistance to private (nonfederal) landowners to restore fish and wildlife habitats on their land.

The program emphasizes the reestablishment of native vegetation and ecological communities for the benefit of fish and wildlife in concert with the needs and desires of private landowners.

The Fish and Wildlife Service also enlists the help of a wide variety of other partners to help restore wildlife habitat on private lands. These partners include other federal agencies, tribes, state and local governments, conservation organizations, academic institutions, businesses and industries, school groups, and private individuals.

Projects consist primarily of habitat restoration and enhancement. Activities include, but are not limited to:

- Restoring wetland hydrology by plugging drainage ditches, breaking tile drainage systems, installing water control structures, dike construction, and re-establishing old connections with waterways
- Planting native trees and shrubs in formerly forested wetlands and other habitats
- Planting native grasslands and other vegetation
- Installing fencing and off-stream livestock watering facilities to allow for restoration of stream and riparian areas
- Removing exotic plants and animals that compete with native fish and wildlife and alter their natural habitats
- Using prescribed burning as a method of removing exotic species and restoring natural disturbance regimes necessary for some species survival
- Reconstructing in-stream aquatic habitat through bioengineering techniques

The vast majority of existing and potential fish and wildlife habitat is on private, Tribal and other non-federal lands. The Fish and Wildlife Service recognizes the potential value of enlisting the active support of private landowners in restoring and maintaining wildlife habitat for future conservation efforts in the United States.

The Fish and Wildlife Service provides financial and technical assistance to private landowners through voluntary cooperative agreements. Under cooperative agreements, landowners agree to maintain restoration projects as specified in the agreement, but they retain full control of the land. Landowners and national, state, and local organizations can serve as partners with the Service in carrying out restoration work on private lands.

Project Examples

Thousands of restoration projects have been supported by the Partners for Fish and Wildlife Program since 1987, including:

The Partners for Fish and Wildlife Program in **New York** restored a 100 acre wetland in St. Lawrence County. The project involved **construction of a low berm that plugged an agricultural ditch, restoring a 100 acre field to emergent marsh habitat**. This high priority wetland restoration project is located in the North American Waterfowl Management Plan's St. Lawrence Valley Focus Area. This project is one of a number of wetland restoration projects in close proximity, forming a large complex of restored wetland acres. Multiple partners contributed to the project, including Ducks Unlimited and the National Fish and Wildlife Foundation. The project provides waterfowl and other migratory birds with migration staging, resting, nesting, foraging, and brood habitat, and it also provides habitat for reptiles, amphibians, and other wildlife.

The Partners for Fish and Wildlife Program worked with the **Fish and Wildlife's Coastal Program** to assist J. F. Welder Heirs Cattle Company reclaim and conserve a total of 3,000 acres of native coastal prairie in **Texas**. This coastal prairie **provides habitat for migratory grassland birds and potential habitat for**

the critically endangered Attwater's prairie chicken (*Tympanuchus cupido attwateri*). The 24,000 acres of cattle ranch properties include some of the largest and best examples of native coastal prairie left on earth. The project includes reducing brush canopy coverage to 5 percent and improving brush distribution to provide optimum habitat for bobwhite populations and potential habitat for prairie chickens. The Fish and Wildlife Service is working with the cattle company to develop a grazing management system that will provide nesting and brood-rearing habitat for grassland birds, maintain the dominance of desirable native grasses and forms, and contribute to the long-term viability of the ranching operation.

Application and Financial Information

Contact the appropriate regional office (see list in this entry). Your regional contact should be able to give you an idea of the appropriateness of your proposed project and probability of its support by Partners for Fish and Wildlife. The program aims for a 50 percent nonfederal match for each project. Landowners and partner organizations provide this matching support.

Eligibility, Uses, and Restrictions

Any private landowner with acreage that has the potential for restoration to its original habitat can apply for consideration in this program.

Landowners voluntarily offer the land base for restoration for a fixed term (at least 10 years, although many extend the term). The program emphasizes the restoration of formerly degraded wetlands, native grasslands, riparian areas, and other habitats to conditions as close to natural as feasible.

Website

http://www.fws.gov/ partners/

Contact

Kathy Hollar, Coordinator
Region 1 (HI, ID, OR, WA)
Phone: (503) 231-6156

Mike McCollum, Coordinator
Region 2 (AZ, NM, OK, TX)
Phone: (817) 277-1100

Greg Brown, Coordinator
Region 3 (IL, IN, IO, MI, MN, MO, OH, WI)
Phone: (612) 713-5475

Ronnie Haynes, Coordinator
Region 4 (AL, AR, FL, GA, KY, LA, MS, NC, SC, TN, and the Caribbean – PR, VI)
Phone: (404) 679-7138

Steve Hill, Coordinator
Region 5 (CT, DE, ME, MD, MA, NH, NJ, NY, PA, RI, VA, VT, WV)
Phone: (413) 253-8614

Heather Johnson, Coordinator
Region 6 (CO, KS, MT, NE, ND, SD, UT, WY)
Phone: (303) 236-4316

John DeLapp, Coordinator
Region 7 (AK)
Phone: (907) 786-3925;

Deb Schlafmann, Coordinator
Region 8 (CA, NV)
Phone: (916) 414-6464

Tamara McCandless, Chief, Branch of Habitat Restoration
National Program Office
Phone: (703) 358-2201

Regional Integrated Pest Management Program

Providing competitive grants for research and extension activities related to integrated pest management (IPM) administered through regional networks

Program Basics

This competitive grants program for research and extension activities related to integrated pest management (IPM) is administered through the National Institute of Food and Agriculture (NIFA), through the four Regional IPM Centers, located at land grant universities. This program funds projects amounting to about $2.8 million annually.

Projects may span the spectrum from development of new IPM tactics to combined research-extension implementation projects to extension education and training. Because production systems and specific pest management problems vary significantly across the country, each of the four regions is given maximum flexibility in setting research and education priorities. Each region runs its own competition, establishing regional priorities for funding of projects.

Some priorities are crop-specific; others are based on various approaches to problem solving through IPM. Collaborators are encouraged in both programs.

Project Examples

$64,062 was awarded to **Clemson University** to implement a regional fungicide resistance monitoring and brown rot **disease management program for sustainable peach production** in southern states. This joint research-extension project addresses emerging fungicide resistant strains of *Monilinia fructicola*, which threaten southern peach production as addressed in the recently updated Pest Management Strategic Plan for Eastern Peaches. Resistance to benzimidazole and demethylation inhibitor fungicides have already caused disease control failures in commercial orchards.

Purdue University was awarded $93,990 to address integrating late-season **weed control into Midwest vegetable production**. Since most Midwestern row crop producers do not manage weeds late into the season, a gap in weed management results as fields are rotated to vegetable crops. Late season weeds increase the weed soil seed-bank which put additional weed pressure on the following vegetable crop. Adopting management strategies that close this gap and reduce weed soil seedbanks has the potential to reduce the need for intensive weed management in some vegetable crops and to contribute to the sustainability of vegetable crop production in the North Central region.

A project to study using double crops of winter grain and short-season corn forages as an integrated weed management strategy for organic dairies was funded for $53,459 at the **University of Maine.** Since sustainable organic dairy production is largely dependent on production of high quality feed while minimizing weed pressure and with high feed costs, producers must maximize on-farm forage and grain production. The study aims to show organic dairy farmers who grow corn that adopting such a feed production system can improve weed management and production of high quality forages, leading to increased milk production and improved economic and environmental sustainability.

A project to improve adoption of IPM principles in schools was awarded to the **University of Florida,** with collaborators from regional land grant universities. This grant for about $150,000 over two years addresses adoption of integrated pest management in public schools, capitalizing on the current interest in building **green schools** to increase awareness of IPM as a green technology.

Eligibility, Uses, and Restrictions

Only staff of land grant universities in the U.S. may apply for this competition. Other organizations and individuals may work as collaborators or as subcontractors. This is highly encouraged by NIFA.

Application and Financial Information

Requests for proposals are available at: http://www.nifa.usda.gov/fo/integratedpestmanagementcenters.cfm

Your regional contact person can suggest the best means to obtain information on funding opportunities, priorities for research and extension projects, and application deadlines.

Proposals are evaluated through a peer review process and ranked according to the goals and objectives of the program, scientific merit and appropriateness of budget.

Website

http://www.nifa.usda.gov/fo/integratedpestmanagementcenters.cfm

Contact

Carrie Koplinka-Loehr, Co-Director
Northeast Region IPM Center
Phone: (607) 255-8879
ckk3@cornell.edu

John Ayres, Co-Director
Northeast Region IPM Center
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jea@psu.edu

Susan Ratcliffe, Director
North Central Region IPM Center
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sratclif@uiuc.edu

Jim VanKirk, Director
Southern Region IPM Center
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jim@sripmc.org

Rick Melnicoe, Director
Western Region IPM Center
Phone: (530) 754-8378
rsmelnicoe@ucdavis.edu

National Program Office
National Institute of Food and Agriculture
U.S. Department of Agriculture, Mail Stop 2220
1400 Independence Avenue, S.W.
Washington, DC 20250-2220
Phone: (202) 401-4939; Fax: (202) 401-4888

Regional Rural Development Centers (RRDC)

Strengthening the capacity of local citizens to guide the future of their rural communities

Program Basics

The USDA's four Regional Rural Development Centers (RRDCs) play a unique role in the USDA's service to rural America. Each center links the research and outreach capacity of land-grant universities with local decision-makers to address cutting-edge rural and community development issues. They build partnerships with community organizations, politicians, local and state government officials, and private entrepreneurs to encourage locally led and sustainable development. They serve as leaders and primary facilitators of rural development research, education, and policy dialogues to help families, communities, farms and ranches, and businesses attain prosperity and security.

The centers were established by the Rural Development Act of 1972. The centers are located at Michigan State University, Utah State University, Mississippi State University and Pennsylvania State University. Each center is administered by a joint agreement between USDA and a host institution operating for the extension services and the experiment stations in the region.

Core funding comes from the Cooperative State Research, Education, and Extension Service (CSREES) and the regions' land-grant universities. Increasingly, other federal and state agencies, private foundations, and public interests contribute funding.

Information Available

Each of the rural development centers offers a variety of information resources and programs that address critical national and regional rural development issues. For example, the centers offer research-based publications on local economic development, persistent poverty, land use, and sustainable agriculture. The centers also work together to offer national training programs for people working on community development.

Foundations of Community Development Practice is a three part training that addresses the basic knowledge and skills in the processes, tools and techniques of community development work.

The National E-Commerce Extension Initiative provides online training, an online learning center, as well as mini-grants for e-commerce curricula. The goal of this program is to help rural businesses use e-commerce strategies to strengthen their economic health and stability, improve their market share and catapult the efficiency of their products and services. The RRDCs also play an important role in Extension's online effort to support entrepreneurs and their communities.

Through the website http://www.extension.org/entrepreneurship people can access research based materials and online training that support entrepreneurs and their communities so they can be successful. The RRDCs websites contain a wealth of information. Visit the website for the center in your region for more information about their programs and publications, as well as reports on training opportunities offered by the federal government and nonprofit organizations, calendars listing rural development conferences and other events, news about funding opportunities, and regional and national links to other resources for rural community development.

Contact

Southern Rural Development Center
Lionel J. (Bo) Beaulieu, Director
Box 9656
410 Bost Extension Bldg.
Mississippi State, MS 39762
Phone: (662) 325-3207
Fax: (662) 325-8915
Website: http://srdc.msstate.edu/
E-mail: ljb@srdc.msstate.edu

North Central Regional Center for Rural Development
Scott Loveridge, Transition Director
Michigan State University
11F Agriculture Hall
East Lansing, MI 48823
Phone: (517) 355-4631
E-mail: loverid2@msu.edu
Website: http://www.ncrdc.org

Northeast Regional Center for Rural Development
Stephen J. Goetz, Director
The Pennsylvania State University
7 Armsby Building
University Park, PA 16802-5602
Phone: (814) 863-4656
Fax: (814) 863-0586
Website: http://www.nercrd.psu.edu
E-mail: sgoetz@psu.edu

Western Rural Development Center
Don E. Albrecht, Director
Utah State University
8335 Old Main Hill
Logan, UT 84322-8335
Phone: (435) 797-9732
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Website: http://wrdc.usu.edu/
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For additional information:

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CSREES-USDA
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Washington , DC 20250-2215
Phone: (202) 720-0741
E-mail: smaggard@csrees.usda.gov

Internet

Website addresses for each rural development center are listed in the contact information section.

Resource Conservation and Development (RC&D)

Providing technical assistance to local communities to stimulate economies and protect natural resources

Program Basics

The Resource Conservation and Development (RC&D) program provides technical assistance to local communities through designated USDA areas led by RC&D Councils. The purpose of the program is to accelerate the conservation, development and use of natural resources while improving the general level of economic activity and standard of living in communities across the nation. RC&D Councils coordinate conservation and rural development assistance available from USDA, other federal, state, and local government and nongovernmental sources.

Central to RC&D is the idea that local people know what is best for their communities. The RC&D Councils (volunteers representing Tribes, public and private sector sponsors, and other local groups) undertake community driven actions that are strategically focused on regional resource conservation and economic viability.

To date, 375 areas across the United States, Guam, American Samoa, Mariana Islands, Puerto Rico, and Virgin Islands have been designated by the Secretary of Agriculture as RC&D areas. RC&D Councils, as nonprofit organizations, serve more than 85 percent of U.S. counties and more than 77 percent of the United States.

The USDA, through the Natural Resources Conservation Service (NRCS), provides technical assistance in the form of a local staff person (an "RC&D coordinator") to support each multi-county RC&D area. The RC&D Council identifies the environmental, economic, and social needs of that area. Goals, objectives, strategies and the resources needed are documented in a five-year area plan. The RC&D coordinator serves the council by helping with project design and getting projects underway by assisting the council to locate the necessary resources. Resources may include technical or financial assistance from other USDA agencies, state or local governments, local conservation districts, foundations, or private industry.

RC&D activities as outlined in the council's 5-year strategic "area plan" address land conservation, water management, community development, and land management issues. These activities are translated into projects that include:

<u>Resource base protection projects</u> for soil erosion control, noxious plant and pest control, streambank improvement, preservation of prime land, and mined land reclamation; and natural resource studies.

<u>Energy projects</u> for energy conservation and alternative energy sources such as methane capture, municipal waste, biomass or wind power.

<u>Fish and wildlife projects</u> for the protection, improvement, or development of habitat.

<u>Waste management and utilization projects</u> for the efficient and environmentally sound disposal of animal waste; development or improvement of a landfill; waste collection; solid waste disposal; composting and recycling of glass, metals, paper, wood, and furniture.

<u>Community improvement projects</u> that improve community infrastructure including studies on zoning, facilities or services needed, and project implementation. Projects include constructing and improving public trails; community centers and other old community buildings; constructing, improving or repairing subsidized housing; improving roads and parks; and, installing dry fire hydrants.

<u>Forestry projects</u> improve forested areas through education on safety or harvesting techniques; developing or expanding forest related industries; fire protection; developing wood waste energy sources; developing or improving value added forestry related products; studies such as forest inventories, species, or forest products; and, improving rural road infrastructure with timber bridges.

<u>Economic development projects</u> include marketing and producer surveys or feasibility studies; assisting with

grants, loans, or other financing; assisting in the formation or expansion of agriculture or natural resource related businesses, or other businesses involved with value-added products. Projects can include improvement of agricultural production. Marketing and merchandising projects result in cooperatives or associations; business or marketing plans; and advertising and promotional materials.

Water projects improve surface and groundwater quality and quantity. Many projects deal with pollution control and dispersing water. Projects include watershed management; construction or rehabilitation of irrigation, flood control systems; wastewater treatment; and, efficient use of aquifers.

Recreation and tourism projects include feasibility studies and the creation or improvement of water-based recreational areas for swimming, boating, and canoeing, and boat launch sites; establishment or improvement of non water-based recreational areas such golf courses, rodeo arenas, trails, or ball parks; historic site preservation;

Application and Financial Information

Written applications must be in the form outlined in the NRCS Conservation Programs Manual (CPM-440, Part 513 - National Resource Conservation and Development). This can be found at http://directives.sc.egov.usda.gov/. Details of the procedure are also available from state and field offices of NRCS. Designation of a new RC&D area depends on the level of appropriations for the program.

Eligibility, Uses, and Restrictions

Eligible applicants are Councils with representation from state and local governments, Tribes, and nonprofit organizations with authority to plan or carry out activities relating to resource use and development in multi-jurisdictional areas working through designated RC&D Councils.

Website

http://www.nrcs.usda.gov/programs/rcd/

Contact

To find out about RC&D activities in your area, contact your local NRCS office. Check your telephone directory under U.S. Government, Department of Agriculture.

Terry D'Addio
Team Leader & National RC&D Program Manager
Phone: 202/720-0557
terry.d'addio@wdc.usda.gov

Risk Management Education Program (RME)

Providing grants for training and outreach about agricultural risk management strategies

Program Basics

Since it was authorized by Congress in 2001, USDA's National Institute of Food and Agriculture (NIFA) has managed the Risk Management Education (RME) Program to provide farmers with the knowledge, skills and tools needed to make informed risk management decisions for their operations, with the goal of enhancing farm profitability.

Such risk management strategies can range from futures, options, forward contracts to broader risk management strategies. These include crops and enterprise diversification, conservation planning, new and value-added markets, debt reduction, and asset building strategies.

The program currently has five priority topics for grants: production risk, price or marketing risk, human resources risk; legal risk (e.g., liability and environmental risk); and financial risk.

The program operates through four regional risk management education centers and a fifth digital center. In 2009, NIFA solicited proposals from institutions in each of the four national regions to manage these centers. Thus, the location for some of the regional center will change; new centers had not been chosen as of this writing. Updated information about these centers can be found at

The RME provides accessibility to a wide range of information about RME-funded projects and risk management strategies at its fifth, non-regional, center - the Digital Center for Risk Management Education. As of this writing, this part of RME is housed at the University of Minnesota http://www.agrisk.umn.edu/. However, continued responsibility for this function may change; the following link can direct you to the correct website. http://www.nifa.usda.gov/nea/economics/in_focus/farm_if_risk.html#risk

The 2008 Farm Bill directed NIFA to emphasize grants to risk management education projects that assist:

- Beginning farmers or ranchers;
- Legal immigrant farmers or ranchers that are attempting to become established producers in the U.S.;
- Socially disadvantaged farmers or ranchers;
- Farmers or ranchers who are preparing to retire and are pursuing transition strategies to help new farmers or ranchers get started; and
- New or established farmers or ranchers who are converting production and marketing systems to pursue new markets.

Project Examples

- $4,900 was granted to **Colorado State University Cooperative Extension** to develop and train farmers in using a computer-based decision-making tool to help farmers make **informed choices around purchases of breeding females**.
- $44,572 was granted to **Wisconsin's Department of Agriculture, Trade and Consumer Protection** to help farmers develop the skills and connections to successfully **market products to local food buyers.** This project helped link 100 farmers with local food buyers, creating new market opportunities.
- **The University of Vermont's Center for Sustainable Agriculture** received funding for a series of 6 workshops on **different risk management strategies for pasture-raised livestock.** Topics ranged from parasite and pest problems to nutrition and,diseases, with discussion of methods that meet organic certification requirements

Application and Financial Information

The RME is funded at $5 million annually. Grant awards will normally not exceed $50,000 for single region projects. Generally, the range of awards, for single region projects is from $5,000 to $50,000; however there is no absolute upper or lower limit on the funds provided to a project. The awards will reflect a mix of project sizes to meet our investment goal of a balanced portfolio.

Eligibility, Uses and Restrictions

Organizations eligible for grants are private and public groups, organizations and institutions including land grant colleges and universities, Cooperative Extension, other colleges and universities, and other qualified public and private entities in the region with a demonstrated capacity to develop and deliver educational programs for agricultural producers and their families. These entities include farm organizations, commodity groups, lenders, consultants, marketers, risk management service providers such as crop insurance agents, and other non-governmental and community-based organizations. Collaboration between the public and private sectors is strongly encouraged.

Website

http://www.nifa.usda.gov/nea/economics/in_focus/farm_if_risk.html#risk

Contact Information

Antonio McLaren, NIFA
RME National Program Leader
amclaren@nifa.usda.gov
(202) 720-5997

Risk Management Partnership Agreements (RMA)

Advancing research and development, education, and community outreach on agricultural risk management strategies

Program Basics

The USDA's Risk Management Agency offers Partnership Agreements (RMA) to advance its work in three program areas: Product Management, Education, and Community Outreach.

Product Management: The Product Management Research Partnerships fund qualified public and private organizations to research and develop non-insurance risk management tools. For example, these tools may include decision support tools to assist producers in mitigating a range of risks including climate, pests, and disease for crops and livestock. Currently, no new projects or funding opportunities are expected to be announced. Projects funded in previous years are still under development.

Education: The Commodity Small Session Partnerships for Risk Management Education and the Crop Insurance Education in Targeted States are aimed at educating producers about how to use financial management, crop insurance, marketing contracts, and other existing and emerging risk management tools. The Targeted States program delivers crop insurance education and information through cooperative agreements to producers in sixteen states that have been specifically designated as historically underserved with respect to crop insurance.

Outreach: The Community Outreach and Assistance Partnership Program aims to ensure that information and training on how to use risk management tools and strategies are effectively targeted to women, limited-resource, socially disadvantaged, and other traditionally underserved producers, ranchers and beginning farmers. The RMA maintains an active presence in collaborating with the partners it funds to implement the work designated by its agreements.

Risk management tools aren't limited to insurance products, but include a variety of risk management options and strategies to assist producers in mitigating risks inherent in agricultural production. They may include financial management tools to mitigate price and production risks; tools to enhance measurement and prediction of risks in order to facilitate risk diversification; and tools to improve production management, harvesting, record keeping, and marketing.

Project Examples

Product Management Agreements

- The **Rodale Institute** received grants to expand the geographic scope of the Organic Price Index and to develop an Organic Transition Simulation Model. The model helps farmers analyze a wide variety of risk factors and costs when considering a transition to organic. The free 15-hour course is available at: http://www.tritrainingcenter.org/course/
- **Agrilogic, Inc**. was funded to develop a web-based forage risk assessment tool for ranchers. Ranchers can monitor and assess the performance of free-grazing animals, forage conditions in response to site-specific weather and potential least-cost feeding or destocking decisions relative to market and weather risk.
- The Southeast Climate Consortium through the University of Florida have developed **AgroClimate**. AgroClimate is an interactive website with climate, agriculture, and forestry information. It uses crop simulation models along with historic and forecast climate data to allow decision makers to compare changes in probable outcomes under different climate conditions.

Commodity Partnerships for Risk Management Education

- **Maryland Nursery and Landscape Association** is training over 500 horticulture specialty crop growers on effective production and marketing strategies. These range from integrated pest management and weed control solutions to financial management and crop insurance. The grant awarded this group was $10,000.

Crop Insurance Education and Information Programs in Targeted States

- **University of Nevada-Reno** received $207,556 to deliver crop and livestock insurance educational programming.

Community Outreach and Assistance Partnership Agreements

- In **Minnesota**, a project targeted to Hmong, Latino, Native, and African American farmers will provide **legal education and training.**
- A project in **Appalachia** will **support limited resource farmers** in the region in accessing and operating in growing markets for locally grown food.
- A California project targeting limited resource farmers, as well as food service personnel and students, will fund a **two-day national conference** on building new markets.

A complete listing of 2008 agreements can be found at the following websites:

- Education: www.rma.usda.gov/news/2008/10/2008targetedstates.pdf
- Outreach: www.rma.usda.gov/news/2008/10/2008outreach.pdf

Application and Financial Information

Application information is available at the RMA website at www.rma.usda.gov. Applicants may also request application materials from the contacts listed below.

Education and Outreach Agreements are for up to 1 year. Product Management Partnership Agreements may last up to 3 years. Except for Education Agreements, wherein levels are partially determined by formulas explained in the application materials, these agreements have no maximum or minimum funding levels. In 2007 and 2008, there was no new funding for Product Management Research Partnerships. In 2008, Outreach awarded fifty partnership agreements for $4,087,497 to educate women, limited-resource, and other traditionally under-served farmers and ranchers. Education awarded $5,000,000 in Education Partnership Agreements, including $4.5 million for the Targeted States Program for crop insurance education in 16 historically underserved states.

Eligibility, Uses, and Restrictions

For all three programs, individuals are ineligible to apply. Eligible applicants for the Research Partnerships are all colleges and universities; federal, state and local agencies; nonprofit and for-profit private organizations; or corporations and other entities.

For both kinds of Education Partnerships, eligible applicants include state departments of agriculture, universities, nonprofit agricultural organizations, and other public or private organizations able to lead a local program of risk management or crop insurance education. For the Outreach Partnerships, eligible applicants include educational institutions; community-based organizations; and associations of farmers, ranchers and other nonprofit organizations with demonstrated abilities to develop and implement risk management and other marketing options for priority commodities.

Partnership agreement funds may not be used for building or equipment purchases, rental or repair, to repair or maintain privately owned vehicles, or to prepare a partnership agreement application.

Website

www.rma.usda.gov/aboutrma/agreements

Contact

Kristin Chow
Product Management Research Partnerships
Phone (816) 926-6399; Fax (816) 926-7343
E-mail: kristin.chow@rma.usda.gov

Lydia Astorga
Commodity Small Sessions Partnerships for Risk Management Education and the Crop Insurance Education in Targeted States
Phone (202) 260-4728; Fax (202) 690-3605
E-mail: Lydia.Astorga@rma.usda.gov

David Wiggins
Community Outreach and Assistance Partnerships
Phone (202) 690-2686
E-mail: david.wiggins@rma.usda.gov

Rural Business Enterprise Grants (RBEG)

Providing grants to assist small and emerging rural businesses

Program Basics

The purpose of the Rural Business Enterprise Grants (RBEG) program is to finance and facilitate the development of small and emerging private business enterprises in rural areas through grants to public bodies, nonprofits, and federally recognized Indian Tribal groups. This includes starting and operating revolving loan funds, business incubators, and industrial parks.

Grant funds may also be used to acquire and develop land and construct buildings, plants, equipment, access streets and roads, parking areas, and utility and service extensions; refinance; fees for professional services; technical assistance and training; startup operating costs and working capital through a loan from a revolving loan fund, provide financial assistance to a third party; produce television programs to provide information to rural residents; and create, expand, and operate rural distance learning networks.

Application and Financial Information

Applicants must submit supporting data before making a formal application. After determining the order of funding priorities, the Rural Business – Cooperative Services office will tentatively determine eligibility and request applicants to submit formal applications.

Application forms are available from and may be filed in any state USDA Rural Development office, but applications are usually processed in a district or area office. Grant amounts are based on need and the availability of funds. The funding level in both Fiscal Year 2009 (FY09) and FY10 was $38.7 million.

Eligibility, Uses, and Restrictions

The RBEG program is for nonprofits and public bodies to assist small and emerging businesses in rural areas. A rural area is defined as any area other than a city or town that has a population of more than 50,000 and the urbanized area contiguous and adjacent to such a city or town.

Public bodies include incorporated towns and villages, boroughs, townships, counties, states, authorities, districts, and Native American Tribes on federal and state reservations, and other federally recognized Indian Tribal groups in rural areas.

RBEG funds cannot be used for agricultural production (through growing, cultivation, and harvesting directly or through horizontally integrated operation), area wide planning; loans by grantees with unreasonable terms, rates, and charges; development of a proposal that could pull business activity or jobs away from one area to another; development of a proposal that could result in an area with too many goods or materials and not enough demand. All funded projects are subject to an environmental assessment in accordance with the National Environmental Policy Act.

Applicants for grants to establish a revolving loan fund must include details on their experience operating a revolving loan program, proposed projects, and financial ability to operate a revolving fund and plans for leveraging.

Website

http://www.rurdev.usda.gov/rbs/busp/rbeg.htm

Contact

To receive an application, contact one of the 47 USDA Rural Development State Offices where the project is administered.

Cindy Mason
National Program Office
USDA, Rural Business-Cooperative Service
Room 6866 South Building, Stop 3225
Washington, DC 20250
Phone: (202) 690-1433

Rural Business Opportunity Grants (RBOG)

Providing grants for community planning, technical assistance, and training for rural businesses

Program Basics

The purpose of the Rural Business Opportunity Grant (RBOG) Program is to promote sustainable economic development in rural communities with exceptional needs. This is accomplished by making grants to pay costs of providing economic planning for rural communities, technical assistance for rural businesses, or training for rural entrepreneurs or economic development officials.

Application and Financial Information

Projects eligible for RBOG funding are ranked from the highest to the lowest scoring according to the sustainability and quality of the economic activity expected; the amount of leveraging of other funds; economic conditions in the service area, and the project's usefulness as a new best practice.

Applications are funded up to the maximum amount available in any given funding cycle. The statutory limit for Fiscal Year 2008 (FY08) was $2.6 million, and for FY09 and FY10 was $2.5 million. The size of grants approved is limited by the amount of program funds available. Most FY 2008 grants were $50,000 or less.

Applications are filed with the Rural Development State Office in the state where the grant purposes will be carried out. First, obtain a copy of the program regulation (4284-G) and refer to the application section. A complete application must be filed before it will be scored. An application can be obtained at: http://www.rurdev.usda.gov/rbs/busp/rbog.htm.

Eligibility, Uses, and Restrictions

To be eligible for a Rural Business Opportunity Grant (RBOG), an applicant must be a public body, nonprofit corporation, Indian Tribe or cooperative with members that are primarily rural residents.

Applicants must also have significant expertise in the activities proposed and financial strength to ensure the objectives of the proposed grant can be accomplished.

Applicants must also be able to show that the funding will result in economic development of a rural area (which is defined as any area other than a city or town that has a population of greater than 50,000 inhabitants and the urbanized area contiguous and adjacent to such a city or town). Projects must include a basis for determining the success or failure of the project and assessing its impact.

Grant funds may not be used for:

- Duplication of current services or replacement or substitution of support previously provided
- Costs of preparing the application
- Costs incurred before the date of the grant
- Political activities
- Acquisition of real estate, building construction, or development

Website

www.rurdev.usda.gov/rbs/busp/rbog.htm

Contact

Check your telephone directory under "Federal Government" or visit the Rural Development Field Office website (http://www.rurdev.usda.gov/) to obtain addresses and telephone numbers of state offices. For further information on this program, please call the state office servicing your state.

Cindy Mason
National Program Office
Rural Business-Cooperative Service
Phone: (202) 690-1433

Rural Collaborative Investment Program (RCIP)

Funding regional rural and economic development

Program Basics

Section 6028 of the 2008 Farm Bill authorized the establishment of a Rural Collaborative Investment Program (RCIP) within the USDA. The RCIP would encourage multi-sector (regional) community and economic development across rural America. Regional development efforts promote the crafting of broad development strategies, provide efficiency in obtaining professional and technical assistance needed for the implementation of those strategies, and encourage collaboration among the various funding entities, including USDA.

The Program is to be administered through a National Rural Investment Board, consisting of 14 members appointed by the Secretary of Agriculture. The Board would certify the eligibility of Regional Boards and provide technical assistance and grants to support the Boards. The statute also authorizes the National Board to establish a National Institute on Regional Rural Competiveness and Entrepreneurship, which would provide analytical and programmatic support to the National and Regional Boards.

Grants provided by the National Board could be used to:

- Develop long-term investment strategies for the region, including the research and studies needed to document current conditions and provide the basis for the new strategy.
- Provide up to 50 percent of the cost to implement specific portions of the strategy, such as, building of critical infrastructure; provide essential public and community facilities; supporting value-added agriculture; or job training.

NOTE: While Congress authorized the expenditure of up to $135 million for Fiscal Years 2009 through 2012, no funds have yet been provided by the Appropriations Committees for the RCIP.

Website

www.rurdev.usda.gov/rd/farmbill.html

Contact

Duane Ischer
Phone: (919) 873-2067
Duane.ischer@usda.gov

Rural Cooperative Development Grant Program (RCDG)

Providing grants to establish and operate centers for cooperative development

Program Basics

Rural Cooperative Development Grants are made for establishing and operating centers for cooperative development to improve the economic condition of rural areas by developing new cooperatives and improving operations of existing cooperatives. The USDA aims to encourage and stimulate the development of effective cooperative organizations in rural America as a part of its total package of rural development efforts. In Fiscal Year 2009 (FY09), RCDG received $5.9 million, and in FY10 it received $11.4 million in federal appropriations.

Project Examples

Examples of cooperative development activities that could be funded under this program include:

- Providing services to newly developing cooperatives in its geographic area on organizational guidance, cooperative development strategies, business plans, and feasibility analyses
- Arranging **training** on cooperative organization and management skills
- Developing expertise in financial management, bookkeeping/accounting, and cooperative law to enable hands-on assistance to developing cooperatives
- Evaluating the potential for development of a base of support for cooperative programs within local communities to ensure that needed leadership is mobilized.

Eligibility, Uses, and Restrictions

Nonprofit corporations and institutions of higher education are eligible to receive grants. Grants may go to eligible recipients in rural areas to form and operate centers for cooperative development — for providing education, research, and technical assistance to rural cooperatives and assisting the cooperative development process.

Grants may be awarded for up to 75 percent of the total cost of the project. The applicant must contribute at least 25 percent from nonfederal sources.

Grants are awarded on a competitive basis and are based on specific selection criteria. These criteria are published each year in Federal Register notices. Preference will be given to applications that:

- Demonstrate a proven track record in administering a national, regional or statewide project
- Demonstrate previous expertise in providing technical assistance to cooperatives in rural areas
- Demonstrate an ability to assist in business retention
- Facilitate the establishment of cooperatives and new cooperative approaches, and generate employment opportunities that will improve the economic conditions of rural areas
- Demonstrate the ability to work with cooperative businesses among various sectors in the rural United States and link to domestic and international markets
- Commit to providing assistance to underserved and economically distressed rural areas
- Commit to providing more than a 25 percent matching contribution with private funds and in-kind contributions
- Show evidence of transferability or demonstration value to assist rural areas outside of project area
- Demonstrate positive environmental stewardship

Website

Groups may seek financial, legal, or other assistance from a RCDG-funded center for a cooperative venture. To find the center serving your multi-state region, visit this website and click on “grant recipients.”

www.rurdev.usda.gov/rbs/coops/rcdg/rcdg.htm

Contact

Andrew Jermolowicz
Assistant Deputy Administrator
USDA Rural Development
Phone: (202) 720-7558
andrew.jermolowicz@wdc.usda.gov

Rural Energy for America Program (REAP)

Providing grants to support energy efficiency and renewable energy development

Program Basics

The Rural Energy for America Program (REAP), Section 9007 of the Farm Bill (formerly Section 9006 Renewable *Energy* Systems and *Energy* Efficiency Improvements Program) offers the following assistance for projects located in rural areas:

1. Guaranteed loans to promote energy efficiency and renewable energy development for agricultural producers and rural small businesses. The 2008 Farm Bill expanded the program to include ocean and hydroelectric source technologies as eligible renewable technologies. The loan limit has been increased to $25 million.

2. Grants to agricultural producers and rural small businesses to purchase and install renewable energy systems and make energy efficiency improvements or to complete a feasibility study for a renewable energy system.

In addition, the grant program will also provide grants for units of State, Tribal, or local government; institutions of higher education; rural electric cooperatives; or public power entities to conduct energy audits and provide renewable energy development assistance to agricultural producers and rural small businesses.

Project Examples

Maine Woods Pellet Company, LLC Homeowners and businesses are increasingly looking to the wood pellet industry for a source of clean, efficient energy. USDA Rural Development provided a $400,000 Renewable Energy Systems and Energy Efficiency Program Grant to Maine Woods Pellet Company, LLC **to purchase and install wood pellet manufacturing equipment**.

The establishment of Maine Woods Pellet Company, LLC, in Athens, has led to the hiring of 26 full- and two part-time employees. Maine Woods Pellet Company, LLC produces 100,000 tons of pellets per year, replacing an estimated 12,000,000 gallons of fuel oil and reducing greenhouse gas emissions by 260,000,000 pounds. In addition, Maine Woods Pellet Company estimates that consumers will save 35-40 percent on their heating costs when using the product.

Rural Electric Convenience Cooperative finds Green Solution - The Rural Electric Convenience Cooperative (RECC) was looking for a way to add renewable energy to its portfolio. The cooperative decided to **install a utility scale wind turbine**. Beyond its environmental benefits, it would reduce their wholesale power requirements and be a hedge against rising fuel costs.

The co-op had access to a unique 60-foot reclaimed refuse mound at an abandoned coal mine in their service area near Farmersville. The height of the mound and the movement of the wind up the hill could generate adequate winds to support a 220 foot, 900 kilowatt wind turbine. The only problem left was how to make it affordable.

RECC's board voted to purchase a wind turbine pending affordable financing. They applied for and received a Rural Development Renewable Energy grant for $375,000. By combining this grant with zero percent Clean Renewable Energy Bonds from Co-Bank backed by Rural Development, state grants, and green tags purchased by the Illinois Clean Energy Community Foundation, RECC put together adequate financing.

The wind turbine was installed and can produce 5,000,000 kilowatts a year, satisfying five percent of the co-op's power needs. That's a significant amount of power considering that the co-op serves 5,700 agricultural, commercial, and residential customers in a five county area. **The turbine will improve the cooperative's environmental footprint,** replace some of the power the coop purchases, and act as a hedge against unpredictable fuel costs.

Abbigator, Inc.
USDA Rural Development helped Abbigator, Inc become more efficient with a $49,934 grant to install an energy-efficient water pump and heating system at the

company's alligator production facility. Abbigator expects to **reduce its energy usage by 39 percent** as a result of these improvements.

Applications and Financial Information

Grants are awarded on a competitive basis and can be up to 25% of total eligible project costs. Grants are limited to $500,000 for renewable energy systems and $250,000 for energy efficiency improvements. Grant requests as low as $2,500 for renewable energy systems and $1,500 for energy efficiency improvements will be considered. At least 20% of the grant funds awarded must be for grants of $20,000 or less.

Guaranteed loans can be up to 75 percent of total eligible project costs, have a minimum of $5,000, and are limited to a maximum of $25 million.

Applications and information on deadlines can be found by contacting through state offices.

REAP was funded at $60 million for Fiscal Year 2009 (FY09) and $99.3 million for FY10.

Eligibility, Uses and Restrictions

Funds must be used for the purchase of a renewable energy system or to make energy efficiency improvements.

Renewable energy systems provide energy derived from wind, solar, biomass, biogas, ocean, hydro, or geothermal sources, or hydrogen derived from biomass or water using wind, solar, hydroelectric or geothermal energy.

Energy efficiency improvements typically involve installing or upgrading equipment that results in a significant reduction in energy use from current operations. Energy efficiency improvements to the business include HVAC systems, insulation, refrigeration, lighting, irrigation systems, pumping systems, air systems, motor systems, etc.

Note: Funds may not be used for agricultural tillage equipment, vehicles, or residential improvements.

Contact Information

To request further information or apply for funding under the REAP Program, please contact your state Rural Development office: http://www.rurdev.usda.gov/recd_map.html

A list of state Rural Energy Coordinators is available here: http://www.rurdev.usda.gov/rbs/busp/EnergyCoordinatorList.doc

Rural Energy Self-Sufficiency Initiative

Enabling rural communities to increase their energy self-sufficiency

Program Summary

Authorized under section 9009 of the 2008 Farm Bill, the Rural Energy Self-Sufficiency Initiative establishes a new program to enable rural communities to increase their energy self-sufficiency. This grant program may be used to conduct community energy assessments, develop and analyze methods for reducing energy use from conventional sources, and develop and install integrated renewable energy systems. Integrated renewable energy systems are defined as community-wide systems that reduce conventional energy use and incorporate renewable energy use. Visit the program website listed below for updates.

Project Examples

As of this printing, the agency has not developed guidelines to implement the program. Thus, it has not disbursed funds for any projects. Program funding is expected to be available in FY 2010.

Application and Financial Information

Authorized appropriations are $5 million annually for FY 2009-12.

Eligibility, Uses, and Restrictions

The highest priority will be given to institutions of higher education or nonprofit foundations of institutions of higher education, Federal, State, or local government agencies, public or private power generation entities, or government entities with responsibility for water or natural resources. Federal cost-share for any grant is limited to 50% of project cost.

Website:

http://www.rurdev.usda.gov/rbs/busp/bprogs.htm

Contact Information

USDA Rural Development, Business Programs,
Energy Branch
1400 Independence Ave. SW
Mail Stop 3225
Washington, DC 20250

The principal contact is Anthony (Tony) Ashby at (202)720-0661 or Anthony.ashby@wdc.usda.gov

Rural Microentrepreneur Assistance Program (RMAP)

Providing rural entrepreneurs with skills for establishing new or continuing existing micro-enterprises

Program Basics

The Rural Microentrepreneur Assistance Program (RMAP) is a new USDA Rural Development program created in the 2008 Farm Bill to provide entrepreneurs in rural areas with the skills necessary to establish new businesses and continue operation of existing rural microenterprises.

RMAP provides loans and grants to Microenterprise Development Organizations (MDOs), which in turn provide technical services and distribute microloans to rural microentrepreneurs. The MDOs are not required to be located in a rural area to be eligible to participate but microentrepreneurs must be. Microenterprises may be, but do not have to be, food or agriculture-related.

A few MDOs have already been successful at assisting microentrepreneurs start businesses in rural areas. Lenders and entrepreneurs have received funds through other USDA programs such as the Intermediary Relending Program or Rural Business Enterprise Grants, through the Small Business Administration's Microenterprise Assistance Program, or through private, philanthropic, or venture capital funds. The SBA program is generally fully subscribed and provides rural microenterprise assistance in only one state. RMAP now gives USDA the funds to fill that void.

Application and Financial Information

The RMAP program provides three categories of funding through MDOs in either loans or grants:

- **Loans to microentrepreneurs** through MDOs provide fixed interest rate microloans of less than $50,000 to rural entrepreneurs for the development of startup or successful microenterprises in rural areas. Loans through MDOs cannot exceed a twenty-year timeframe and need to bear an annual interest rate of at least 1 percent. Each MDO must establish a loan loss reserve fund and keep at least 5 percent of the outstanding loan balance in reserves. Through MDOs, RMAP will particularly assist rural sole proprietorships or businesses with less than ten employees which could not obtain funding from other lending sources due to lack of credit or limited business development experience.
- **Grants to support microenterprise development** provide funding to MDOs to provide training, operational support, business planning, market development assistance, and other services to rural microentrepreneurs. Grants will be targeted to organizations which serve microenterprises in rural areas that have suffered significant outward migration; to the greatest extent possible, USDA is directed to ensure that recipients will be organizations of varying sizes and those which serve racially and ethnically diverse populations.
- **Grants to assist microentrepreneurs** fund MDOs to provide marketing, management, and other technical assistance to microentrepreneurs who have already received or applied for a loan through section (1) above. The maximum annual grant award can be no more than 25 percent of the organization's outstanding microloan balance. This assistance could include but is not limited to networking, online collaboration and marketing, grant-writing, entrepreneurship workshops or conferences.

Funding

The 2008 Farm Bill authorizes $15 million in mandatory funding over four years for the RMAP program. The program is also authorized to receive up to an additional $40 million a year in discretionary funding. For fiscal year 2010, RMAP was funded at $9 million.

Eligibility, Uses, and Restrictions

MDOs can include nonprofit entities, Indian tribes, or public institutions of higher education; they must facilitate access to capital and have a demonstrated record or future plan of delivering vital services to rural microentrepreneurs.

Examples of Current Microenterprise Development Organizations

The Center for Rural Affairs in Lyons, NE, has been operating its Rural Enterprise Assistance Project (REAP) since 1990. REAP is a microenterprise program "that delivers small business training, networking, one-on-one technical assistance, and micro lending to businesses that are members of a REAP 'association' or members of the REAP Individual Program."

North Carolina Rural Economic Development Center, Inc.'s Business Loan Program has been providing loans to rural small businesses since 1989. Their Microenterprise Loan Program works in partnership with small business centers at local community colleges and technology development centers to provide technical assistance and business planning to microenterprises.

Example of Microloan Beneficiaries

Lil' Ladybug

With the help of the Association for Enterprise Opportunity's cash equity microloan of $2000 and the Center for Rural Affairs' REAP training sessions, Karen Runkle of Hay Springs, NE, started a tomato marketing business called Lil' Ladybug. The microenterprise is marketing tomatoes indirectly to farmers' markets and Community Supported Agriculture operations (CSAs) and directly from her greenhouse to consumers.

The Quilter's Cottage

Phyllis Hamaker opened The Quilter's Cottage in January, 2001 after purchasing inventory and remodeling the space with her husband. After purchasing more inventory, however, she found that she needed additional working capital to make improvements to the store. A REAP loan was approved by The Center for Rural Affairs in 2004, and the business continued to grow. Hamaker has now expanded to an even larger building where she teaches quilting classes and continues to sell her artwork.

Website Information

A website specifically for RMAP has not yet been launched, but will likely be located with other USDA Rural Development Business Programs at this site: http://www.rurdev.usda.gov/rbs/busp/bpdir.htm.

Contact Information

Jody Raskind, Director
Specialty Lenders Division (SLD)
USDA Rural Development – Business Programs
jody.raskind@wdc.usda.gov
202-720-1400

Senior Farmers' Market Nutrition Program (SFMNP)

Providing low-income seniors with coupons that can be exchanged for eligible foods at farmers' markets, roadside stands, and community supported agriculture programs

Program Basics

The Senior Farmers' Market Nutrition Program (SFMNP) aims to:

- Provide resources to low-income seniors in the form of fresh, nutritious, unprepared, locally grown fruits, vegetables, herbs, and honey from farmers' markets, roadside stands, and community-supported agriculture programs
- Increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic farmers' markets, roadside stands, and community-supported agriculture programs

Project Examples

In 2008 grants were made to 49 states, including several Indian Tribal Organizations, the District of Columbia, and Puerto Rico. State departments of agriculture, aging, and health and Tribal governments administering the grants developed creative partnerships to expand service to seniors and certify and distribute benefits to the estimated 697,000 low-income seniors the program was expected to serve in 2008.

To eliminate barriers to access, several programs provide seniors with transportation to and from the markets through a partnership with senior centers or arrange for local growers to take their produce directly to senior housing facilities.

Application and Financial Information

The 2008 Farm Bill authorized mandatory funding of $20.6 million annually for the SFMNP, through Fiscal Year 2012. The USDA's Food and Nutrition Service administers the program and awards grants to individual state agencies to fund it. The state agencies then distribute the money to low-income seniors in the form of coupons.

Eligibility, Uses, and Restrictions

Low-income seniors, generally defined as individuals who are at least 60 years old with household incomes at or below 185 percent of the federal poverty income guidelines (published each year by the Department of Health and Human Services), are the targeted recipients of SFMNP benefits. Some state agencies accept proof of participation or enrollment in another means-tested program, such as the Commodity Supplemental Food Program or the Supplemental Nutrition Assistance Program (SNAP – formerly called the Food Stamp Program) for SFMNP eligibility.

SFMNP benefits are provided to eligible participants for use during the harvest season. In states with short growing seasons, the SFMNP season is also relatively short. In other states with longer growing seasons, participants have a longer period in which to use their SFMNP benefits.

Website
www.fns.usda.gov/wic/seniorFMNP/SFMNPmenu.htm

The website for the state contacts is www.fns.usda.gov/wic/seniorFMNP/SFMNPcontacts.htm.

Contact Information

Mark Byron
Supplemental Food Programs Division
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Phone: (703) 305-2733

Small Business Innovative Research Program (SBIR)

Stimulating participation in technological innovation and commercialization by small businesses

Program Basics

The Small Business Innovation Research (SBIR) program is a government-wide program that provides competitive research funding for qualified small businesses. There are eleven federal agencies that participate in SBIR that include, Dept. of Agriculture, Dept. of Commerce, Dept. of Defense, Dept. of Education, Dept. of Energy, Dept. of Health and Human Services (primarily the National Institutes of Health), Dept. of Homeland Security, Dept. of Transportation, Environmental Protection Agency, National Aeronautics and Space Administration, and National Science Foundation. Each agency administers its own SBIR program but the U.S. Small Business Administration's Office of Innovation, Research, and Technology (www.sba.gov/sbir) oversees the SBIR program across the federal government.

The objectives of the SBIR Program are to stimulate technological innovations in the private sector, strengthen the role of small businesses in meeting federal research and development needs, increase private sector commercialization of innovations derived from agency-supported research and development efforts, and foster and encourage participation by women-owned and socially and economically disadvantaged small business firms in technological innovations.

The SBIR grant program is divided into two phases. Phase I supports technical feasibility studies. Phase II provides financial assistance for Phase I projects to enter the development stage to the point of commercialization. Businesses are encouraged to pursue Phase III — commercialization — through other sources, as SBIR does not provide funding for expansion, marketing, and application of the developed technology.

The USDA SBIR program awards grants in the following 12 topic categories: forests and related resources; plant production and protection - biology; animal production and protection; air, water, and soils; food science and nutrition; rural and community development; aquaculture; biofuels and biobased products; marketing and trade; animal manure management; small and mid-size farms and plant production and protection - engineering.

USDA SBIR Project Examples
Phase I

- **High Efficiency Trail Assessment Process for Rural Trails:** Beneficial Designs Inc, NV was awarded a $80,000 Phase I grant to integrate new and existing technologies to create a high efficiency trail assessment (HETAP) instrument that will enable the collection of objective information in a timely and cost-efficient manner. With over 80% of Americans using trails for walking and other activities, both trail users and land managers would obtain substantial benefits from the availability of objective information in outdoor, natural environments. It is anticipated that the need for an efficient measurement system will increase as the proposed Americans with Disabilities Act Accessibility Guidelines for Outdoor Developed areas are formalized.

- **Passive Self-Regulating Denitrification Technology for Aquaculture:** Aquaculture Systems Technologies, LLC, LA received a grant for $77,267 to investigate the potential for using Polyhydroxyalkanotes (PHAs), a biodegradable biopolymer, produced from sugar fermentation, as an alternative carbon source for denitrification in recirculating aquaculture systems. The denitrification capability of PHA will be quantified and a predictive computer model will be developed for estimating PHA carbon release as a system design tool. Additionally, the commercial feasibility of employing PHAs as a simple, low-cost alternative to the relatively complex existing treatment methods will be investigated.

- **Goldenseal, Germplasm Improvement Through Micropropagation:** Under the Rural Development Topic area Sleepy Hollow Farm, GA received a $80,000 grant to adapt an existing technology, micro-propagation, to address an important need in the fledging medicinal plant industry, high quality planting stock development. It will determine the suitability of a basic micro-propagation system for Hydrastis canadensis, developed at the university level, for commercial production.

USDA SBIR Phase II

- **Developing an Artificial Diet for the Honey Bee:** S.A.F.E R&D, NV Received a $296,000 grant to address the Colony Collapse Disorder (CCD) which has been linked to the 40-60 percent decline in America 's honeybee populations whose pollination is valued at $15 billion annually to U.S. agriculture. This research advanced honey bee nutrition and provided beekeepers a tool to improve honey bee vigor.
- **Pneumatic Conveyance Technology for Native Seed Harvesters:** Arbuckle Ranch, Inc., MO received a grant for $296,000 to address issues with harvesting seeds. The native seed industry is growing rapidly to meet increasing demand for more seed species in commercial quantities. However, the morphology of the seed of many important species of native grasses makes them difficult to harvest resulting in limited supplies and high prices. Combines and other conventional harvesters such as strippers are often unable to effectively carry out one or more of the key steps of harvest: 1) dislodgement, 2) separation, 3) conveyance, and 4) offloading. This creates an opportunity for new devices such as the pneumatic conveyance system on the Arbuckle Native Seedster that improve seed handling efficiency and overall productivity.

Application and Financial Information

Phase I grants are for 8 months and do not exceed $90,000. Phase II grants are for 24 months and do not exceed $400,000. Permission for no-cost extensions may be granted.

Applications in the form of program solicitations are generally available and open in early June and close in early September. Pre-applications and proposals are not accepted, but advice may be sought from the SBIR program office at any time at 202-401-4002.

Eligibility, Uses and Restrictions

To be eligible for Phase I or Phase II grants, the business, which can be a small farm, cannot have more than 500 employees (full time, part-time, temporary, or other). Only Phase I winners are eligible to submit Phase II proposals. The principal investigator must work for the small business a minimum of 51% of his/her time.

Website

The program solicitation, proposal preparation instructions, evaluation criteria, considerations, information sources, research topic descriptions, technical abstracts, and information on upcoming national conferences are available on the USDA SBIR website.

www.nifa.usda.gov/fo/sbir

sbir@nifa.usda.gov

Contact Information

SBIR Program Office sbir@csrees.usda.gov
202-401-4002

Dr. Charles F. Cleland
SBIR National Program Leader
202-401-6852
ccleland@csrees.usda.gov

Dr. William Goldner
SBIR National Program Leader
202-401-1719
wgoldner@csrees.usda.gov

Small Farm Program

Enhancing the economic viability of small farms and ranches

Program Basics

The goal of the NIFA National Small Farm Program is to enhance the economic viability of all small farm and ranch enterprises, and promote research, extension, and outreach programs, primarily through partnerships with the Land-Grant University System and with other public and private sector organizations.

The Small Farm Program facilitates several small farm programs at Land-Grant Colleges and Universities. An overview of some of these state programs is available on the Small Farm website: http://www.nifa.usda.gov/nea/ag_systems/in_focus/small_farms.html

The National Small Farm Program facilitates a national small farm conference, a train-the-trainer event held every three or four years in different regions across the country to promote successful programs for small farmers and ranchers.

The program also publishes monthly newsletters (Small Farm Highlights and Small Farm News) that are sent through Listservs to outreach professionals working with small scale producers. The program also publishes on-line a Small Farm Digest that highlights a topic of importance to small scale farmers and ranchers every six months.

The Small Farm Program facilitates the USDA Grant writing workshop series, conducted at selected sites nationwide to benefit smaller institutions and community-based organizations. USDA agencies have designated leaders who are involved in this effort to ensure that this workshop is undertaken with the mindset of increasing success rates in proposal submissions from smaller institutions and community-based organizations.

Other services include the Small Farm Resource Guide, and the NIFA Small Farm toll-free InfoLine (800-583-3071) that helps farmers and ranchers speak to NIFA small farm experts Monday through Friday, 7:00 a.m. to 4:30 p.m. eastern time.

For more information and other details of our program, please visit http://www.nifa.usda.gov/nea/ag_systems/in_focus/small_farms.html

Contacts

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National Program Leader for Small Farms,
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Specialty Crop Block Grant Program (SCBG)

Enhancing the competitiveness of specialty crops through state departments of agriculture

Program Basics

The Specialty Crop Block Grant Program – Farm Bill (SCBGP-FB) provides block grants to state departments of agriculture to enhance the competitiveness of specialty crops. Federal funds totaling $49 million in fiscal year 2009 have been provided for this program, and $55 million each in fiscal years 2010 through 2012 is expected.

SCBGP-FB funds can be requested for a wide range of projects that enhance the competiveness of fruits, vegetables, tree nuts, dried fruit, horticulture, nursery crops, and floriculture including, but not limited to: increasing child and adult nutrition knowledge and consumption of specialty crops; participation of industry representatives at meetings of international standard setting bodies in which the US government participates; improving efficiency and reducing costs of distribution systems; assisting all entities in the specialty crop distribution chain in developing "Good Agricultural Practices," "Good Handling Practices," "Good Manufacturing Practices," and in cost-share arrangements for funding audits of such systems for small farmers, packers and processors; investing in specialty crop research, including organic research to focus on conservation and environmental outcomes; enhancing food safety; developing new and improved seed varieties and specialty crops; pest and disease control; and sustainability. All state departments of agriculture in the fifty states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands are eligible to apply. States are especially encouraged to develop projects involving partnerships with producer groups, academia, non-profit organizations, community-based organizations, or other states to address practical problems faced by the specialty crop industry.

Project Examples

- California Department of Food and Agriculture: Partner with the California Sustainable Winegrowing Alliance to develop, implement and promote a California Sustainable Winegrowing Certification Program as an incentive to speed winegrowers' adoption of sustainable practices that demonstrate environmental stewardship and social responsibility while enhancing the competitiveness of the State's wine grapes and wine.
- Delaware Department of Agriculture: Partner with Delaware State University Smyrna Outreach and Research Center to provide Delaware organic vegetable growers assistance with all natural pest control and management.
- Wyoming Department of Agriculture: Partner with the Wyoming Business Council to develop a Wyoming Organic Trade Association to assist in education and promotion of specialty crops through creating an inventory and database of organic producers.
- Michigan Department of Agriculture: Partner with Michigan State University to encourage the development of a scientifically-based policy using sensors to determine soil conditions so that excessive water is not applied. Conduct a testing protocol based on previous research on strategies to optimize spray irrigation by monitoring soil assimilation capacity.

Application and Financial Information.

A list of contacts in each state department of agriculture, the amounts of federal funds provided to each state, and project awards can be viewed on the Internet at www.ams.usda.gov/scbgp.

For each fiscal year, each state that submits an application that is reviewed and approved by SCBGP-FB is to receive at least an amount that is equal to the higher of $100,000, or 1⁄3 of 1 percent of the total amount of funding made available for that fiscal year to enhance the competitiveness of specialty crops. In addition, each state will receive an amount that represents the proportion of the value of specialty crop production in the state in relation to the national value of specialty crop production using the latest available complete specialty crop production data set in all states whose applications are accepted.

Each fiscal year, the SCBGP-FB will publish a **Federal Register** notice announcing the program and soliciting grant applications. The notice will include the amount of grant funds available to each State and the application period.

Eligibility, Uses, and Restrictions

Only state departments of agriculture are eligible to apply for direct funding. However, others, including, but not limited to: producer groups, academia, non-profit organizations, community-based organizations, or other states are encouraged to work with their state departments of agriculture to develop SCBGP-FB proposals.

Capital expenditures for the acquisition cost of capital assets (equipment, buildings, land), or expenditures to make improvements to capital assets that materially increase their value or useful life are not allowable.

Grant funds will not be awarded for projects that solely benefit a particular commercial product or provide a profit to a single organization, institution, or individual. Single organizations, institutions, and individuals are encouraged to participate as project partners.

Website
www.ams.usda.gov/scbgp

Contact
Organizations interested in developing a proposal should contact their state department of agriculture for additional information and guidance.

Trista Etzig, SCBGP-FB Project Manager
Agricultural Marketing Service, USDA
1400 Independence Avenue SW
Room 2077-S
Washington, DC 20250
Phone: (202) 690-4942; Fax: (202) 720-0016
E-mail: trista.etzig@usda.gov

Specialty Crop Research Initiative (SCRI)

Integrating research and extension work and encouraging systems work on specialty crops

Program Basics

The Specialty Crop Research Initiative (SCRI) seeks to solve critical United States specialty crop issues, priorities, or problems through the integration of research and extension activities that take systems-based, trans-disciplinary approaches. Specialty crops are defined in law as fruits and vegetables, tree nuts, dried fruits, and horticulture and nursery crops, including floriculture.

The intent of the SCRI is to solve the needs of the various specialty crop industries through the promotion of collaboration, open communication, the exchange of information and the development of resources that accelerate application of scientific discovery and technology.

SCRI will give priority to projects that are multistate, multi-institutional, or trans-disciplinary. Note: SCRE does not fund start-up businesses.

SCRI has five legislatively mandated focus areas:

1. Research in plant breeding, genetics, and genomics to improve crop characteristics
2. Efforts to identify and address threats from pests and diseases, including threats to specialty crop pollinators
3. Efforts to improve production efficiency, productivity, and profitability over the long term (including specialty crop policy and marketing)
4. New innovations and technology, including improved mechanization and technologies that delay or inhibit ripening; and
5. Methods to prevent, detect, monitor, control, and respond to potential food safety hazards in the production and processing of specialty crops, including fresh produce.

In FY 2009, approximately $47,300,000 were available to fund five types of project:

1. **Standard Research and Extension Projects** to support targeted problem-solving efforts. Funding period - up to five years, with grants not normally exceeding $2,000,000
2. **Coordinated Agricultural Projects t**o address specific multiple components of a primary system or multiple components of areas where primary systems overlap. Funding period – three to five years, with grants generally not exceeding $2,000,000 per year
3. **Regional Partnerships for Innovation** to form partnerships that provide the local or regional infrastructure needed to fully exploit future technology commercialization and adoption. Funding period – two to three years, with grants not exceeding $2,000,000 per project
4. **eXtension Projects** to develop Communities of Practice (COPs) for the eXtension system and to support existing COPs. Funding period – three to five years, with grants normally not exceeding $500,000 per project
5. **Research and Extension Planning Projects** to provide assistance to applicants in the development of quality proposals. Funding period – one year, with grants up to $50,000 per project.

Examples of Funded Projects

In 2008, the University of Vermont received $100,000 for a Research and Planning project to identify the critical needs for growers, using a public-private partnership among growers, researchers, extension specialists and educators, biological control suppliers, state agricultural personnel, economists and representatives of other key industry sectors

In 2008, The Ohio State University received $1,113,214 to investigate social networking and the market and commercialization infrastructure for Midwestern fruit and vegetable crops in local food systems

Website

http://www.nifa.usda.gov/fo/specialtycropresearchinitiative.cfm

Contact Information

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Sustainable Agriculture Research and Education Program (SARE)

Advancing innovations that improve profitability, stewardship and quality of life by investing in groundbreaking research and education.

Program Basics

SARE is a **grant making** and **outreach** program advancing sustainable agriculture across the whole of American agriculture. Successful SARE grantees are producers, researchers, nonprofit organizations and educators engaged in projects that simultaneously address the three Ps of sustainability:

- Profit over the long term
- Protection of the land and water
- People (communities) who depend on agriculture

SARE is grassroots: Four regional councils of producers, researchers, educators and government representatives set SARE policies and make grants.

SARE Outreach produces and distributes practical information based on the program's more than 20 years of research results.

SARE also conducts educational and extension programs in an effort to increase knowledge about—and help farmers and ranchers adopt—sustainable farming practices.

SARE is funded by USDA's National Institute of Food and Agriculture (NIFA) and since its beginning in 1988 has invested a total of $161 million in more than 4,000 initiatives.

Grant Making Program

SARE's four regional offices administer three primary grant programs: Research and Education, Professional Development and Farmer/Rancher. Some regions offer additional grant opportunities for community innovation, graduate student research, agricultural professionals conducting on-farm research, and region-specific initiatives.

Project examples

SARE has funded more than 4,000 projects since 1988. Some examples are:

- In Vermont, one SARE-funded farmer is **producing biofuel** from his fields of canola, which functions well as both an energy source and cover crop. The farmer also sells the byproduct, canola meal, for cattle feed, which helps ensure profitability.
- Hundreds of Southern growers adopted SARE-funded researchers' **recommendations for pest-plagued cotton:** conservation tillage, cover crops and various seeding tactics. The result: fewer pesticide applications, less erosion, better yields and higher profits.
- A project in Illinois, Michigan and Missouri helped extension and other educators design **assistance programs for Latino communities**, one of the country's fastest growing farming populations.
- With a SARE professional development grant, a Nevada educator oversaw development of a wide-reaching **curriculum for agricultural educators focusing on growing plants and animals on small properties in environmentally sensitive areas.** The curriculum, co-developed with extension educators in seven neighboring states, covers the basics of goal-setting, soils, water, vegetation and animals.

Grant information

Each SARE region solicits proposals and awards grants. All grant programs have only one application period per year; each grant type (see below for the three primary grant types) has its own application, deadline and focus.

- **Research and Education Grants ($60,000 to $150,000):** These grants fund projects that usually involve scientists, producers and others in an interdisciplinary approach. Many projects involve on-farm research trials, economic analysis and outreach. The program also funds education and demonstration projects. Producers can team up with technical experts (such as a university researcher) to apply.

- **Producer Grants ($1,000 to $30,000):** This grant is for producers who want to test an idea. Projects typically involve on-farm research with crops or livestock, marketing and/or educational activities. Producers are expected to partner with an extension professional or other agricultural adviser, and share their results with others.
- **Professional Development Grants ($10,000 to $100,000):** These grants spread knowledge about sustainable concepts and practices among Cooperative Extension Service (CES) staff and other agriculture professionals using a variety of approaches, from workshops to educational videos to on-farm training sessions. Proposals that involve both extension staff and producers are preferred. Partnerships of nonprofits with extension and/or Natural Resource Conservation Service staff are welcome. Grants also provide opportunities for NRCS and other field agency staff.

Check SARE's regional offices for information on other grant opportunities. SARE's regional contacts and websites are listed at the end of this section.

Eligibility, Uses and Restrictions

Universities, nonprofit organizations, government agency staff and agricultural producers are eligible for SARE grants.

The uses and restrictions vary by region and year, depending on the specific call for proposals for a given year. Call the regional office for details (see below for contact information).

Outreach: Information Resources

The SARE Outreach office and regional communications specialists promote effective communication about sustainable agriculture through a variety of printed and electronic information tools (for the full range of resources, see www.sare.org).

SARE handbooks

Free downloads are available at www.sare.org. To order, call (301) 374-9696. A sample of SARE titles include:

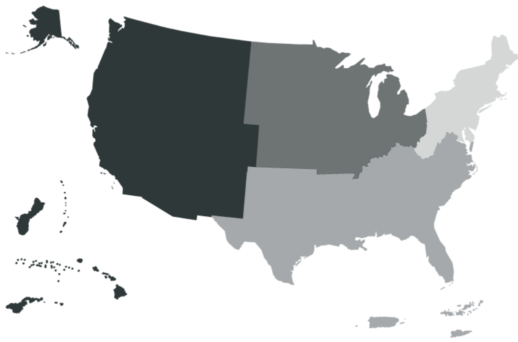
- *Crop Rotation on Organic Farms*
- *Manage Insects on Your Farm*
- *Managing Cover Crops Profitably*
- *Building a Sustainable Business: A Guide to Developing a Business Plan for Farms and Rural Businesses*
- *Building Soils for Better Crops*
- *How to Direct Market Your Beef*
- *Youth Renewing the Countryside*

Bulletins

Free information bulletins for producers and agricultural professionals are available at www.sare.org, or call (301) 504-5236. Topics include:

- *Clean Energy Farming: Cutting Costs, Improving Efficiencies, Harnessing Renewables*
- *Diversifying Cropping Systems*
- *A Whole-Farm Approach to Managing Pests*
- *Marketing Strategies for Farmers and Ranchers*
- *Rangeland Management Strategies*
- *Transitioning to Organic Produc*tion
- *Smart Water Use on Your Farm or Ranch*

Contacts
For grant information contact your regional SARE office.



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Northeast Region
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Southern Region
University of Georgia Griffin
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Western Region
Utah State University
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Logan, UT 84322-4865
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Web: http://wsare.usu.edu/

For books, bulletins and other information resources, contact SARE Outreach:

SARE Outreach
10300 Baltimore Ave., BARC Bldg. 046
Beltsville, MD 20705
Phone: (301) 504-5236
E-mail: info@sare.org
Web: www.sare.org

For information on national program management and national initiatives:

National Program Office
Director, Sustainable Agriculture Programs
1400 Independence Ave., SW
USDA Mail Stop 2223
Washington, D.C. 20250-2223
Phone: (202) 720-6527
E-mail: director@sare.org

Internet
www.sare.org

Urban and Community Forestry Program (U&CF)

Providing financial and technical assistance to local governments and others to encourage stewardship of urban and community trees and forest resources

Program Basics

The Urban and Community Forestry (U&CF) Program (http://www.fs.fed.us/ucf/) addresses the stewardship needs of natural resources where 80 percent of the nation's population lives, works, and plays. Because urban quality of life is closely connected with land conversion associated with development, there is a strong economic case for conserving and restoring tree cover and green open space to help guide growth, improve the livability of community neighborhoods, and revitalize city centers and older suburbs. The U&CF Program responds to these needs for more than 70 million acres of America's urban and community forest resources.

Administered through USDA Forest Service regional offices and its State and Private Forestry Northeastern Area, the U&CF Program provides technical, educational and financial assistance to state forestry agencies and other partners to help local units of government and community organizations maintain, restore, and improve the health of urban and community trees, forests, green spaces, and sustainable urban forest ecosystems.

Healthy urban and community forests have multiple benefits, including reducing energy use, improving air quality, and reducing storm water runoff and flooding. The program provides support for a variety of purposes, including preserving urban forest cover, planting and maintaining trees, providing education programs, facilitating better use of wood from urban trees, and reducing urban tree waste in landfills.

Project Examples

A Challenge Cost-Share Grant was provided to the **Alliance for Community Trees** to develop a Community Tree Leadership Forum. The Forum has successfully engaged 110 participants from 93 nonprofits and urban and community forestry groups from 35 states, increasing the impact of these community tree groups.

Urban and community forestry projects that promote **livable communities** have also been granted U&CF funds. Livable communities projects have been funded to recipients in Bath, ME, Sacramento, CA, Minneapolis, MN and Fort Mitchell, KY.

A Challenge Cost-Share grant was awarded to the **American Public Works Association** for their project "Urban Forest Management and Public Works: Improving Communication and Building Capacity," to bridge the communication gap between public works and urban Forestry professionals.

Examples of state and regional U&CF projects have included: in North Carolina, helping to establish and restore city parks; in Nebraska and Kansas, helping to fund hazard tree assessments, planning assistance and tree planting following devastating tornados, and; in New Mexico, increasing Firewise and Backyard Tree Farm activities that create defensible space for wildland urban interface homeowners.

Application and Financial Information

Assistance for local governments and community organizations is available primarily through State Forestry organizations. Each state issues its own application procedures. Funds are limited by availability and sometimes by Congressional or Administration-identified priorities. The federal contribution cannot exceed 50 percent of the total project costs.

Some USDA Forest Service regions also provide competitive grants directly to local governments and local or regional organizations for regionally significant projects.

The U&CF program funds a competitive, challenge cost-share program in cooperation with the National Urban & Community Forestry Advisory Council to support urban and community forestry activities that are national or widespread in their impact or application.

Eligibility, Uses & Restrictions

Cities, towns, municipalities, local governments, and nongovernmental organizations are eligible. Priority is given to projects that build local capacity and have the support and involvement of communities and volunteer groups.

Website

http://www.fs.fed.us/ucf/nucfac.html#grants

Contact

Regional and state contacts can be found at the websites: http://www.fs.fed.us/ucf/contact_regional.html http://www.fs.fed.us/ucf/contact_state.html

Or contact Keith W Cline at kcline@fs.fed.us

Value-Added Producer Grants (VAPG)

Encouraging producer groups and cooperatives to create and develop value-added producer owned businesses

Program Basics

The Value-Added Producer Grants (VAPG) program provides competitive grants to individual independent agricultural producers, groups of independent producers, producer-controlled entities, organizations representing agricultural producers, and farmer or rancher cooperatives to create or develop value-added producer-owned businesses. Agricultural producers include farmers, ranchers, loggers, agricultural harvesters and fishermen that engage in the production or harvesting of an agricultural commodity. These enterprises help increase farm income, create new jobs, contribute to community and rural economic development, and enhance food choices for consumers.

The term "value-added" includes an agricultural commodity or product that has undergone a change in physical state or was produced, marketed, or segregated (e.g. identity-preserved, eco-labeling, etc.) in a manner that enhances its value or expands the customer base of the product.

The program was first authorized in 2000 and was expanded as part of the 2002 Farm Bill to include inherently value-added production, such as organic crops or grass-fed livestock. In the 2008 Farm Bill the program was expanded again to include locally produced and marketed food products and mid-tier value chains (see below).

Grants may be used to fund one of the following two activities:

- Develop business plans and feasibility studies (including marketing plans or other planning activities) needed to establish viable marketing opportunities for value-added products; or
- Acquire working capital to operate a value-added business venture or alliance. Working capital applications generally must be supported by an independent feasibility study as well as a business plan.

Grant funds may not be used for repair, acquisition, or construction of a building or facility or to purchase, rent or install fixed equipment. Cash and/or in-kind matching funds are required, must be at least equal to the amount of Federal funds awarded, and must be expended in advance, such that for each grant dollar advanced, an equal amount of match shall have been expended first.

The program is administered by the Cooperative Division of USDA's Rural Business Cooperative Service and grant applications are first screened through each state's USDA Rural Development Office.

Examples of Past Grant Recipients

Nebraska Small Farms Cooperative, Oneill, Nebraska

The Nebraska Small Farms Cooperative received a $250,000 grant in 2004 to expand its product line and market overseas. The coop has grown from 29 farmers/members in 2004 to over 90 today. It markets precooked, USDA verified, non-hormone treated meat to businesses in the U.S. and Europe. Not only has the coop passed value-added profits back to farmers, but its success has also spilled over to a local meat processing plant as annual processing contracts were signed to benefit both parties.

Pinn-Oak Ridge Farm, Delavan, Wisconsin

In 2005, Steve and Darlene Pinnow received a $150,000 grant to brand and direct market their pasture-raised lamb. It has allowed them to expand their market from 40 restaurants and grocery stores to 60 retailers in Wisconsin and Illinois. The Pinnows are now working with a distributor in Chicago who learned about their pastured lamb from the USDA announcement of their VAPG grant.

Ives Cream, Norwich, New York

The Ives family operates a sustainable dairy farm that has been handed down through six generations. With the help of a $47,550 VAPG grant in 2004, they planned and executed a successful marketing campaign for their premium ice cream. Today, they operate a seasonal retail ice cream parlor in downtown Norwich, NY where great locally-produced ice cream, customer service, and a community focus have proven to be a winning business combination.

Prairie Pride, Inc., Deerfield, Missouri

This new-generation, producer cooperative that will be converting soybean oil into bio-diesel fuel with the help of a $300,000 working capital grant in 2006. The new facility will ultimately crush 21,000,000 bushels of soy beans per year to obtain soy oil. The refinery will then convert that soy oil into 30,000,000 gallons of bio-diesel.

Application and Eligibility Information

This program has detailed requirements for determining eligibility of applicants, products, and project purposes. Be sure to consult the following section of the RBS website for more information, or contact your state Rural Development office (see Website section below for state office locator).

http://www.rurdev.usda.gov/rbs/coops/applicantsrequired.htm

An online assessment tool is available to assist you in determining whether or not you are eligible to apply for a VAPG grant and it is located online at:

www.rurdev.usda.gov/rbs/coops/vapgea.htm

Website

For information on when applications are open: www.rurdev.usda.gov/rbs/coops/vadg.htm.

To locate your state USDA Rural Development office:

www.rurdev.usda.gov/recd_map.html

Contact Information

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Wetlands Reserve Program (WRP)

Restoring and protecting wetlands on private property, and providing financial incentives to enhance wetlands in exchange for retiring agricultural land

Program Basics

The WRP helps eligible landowners take restore, protect and enhance eligible wetlands. Only private land and land owned by Indian tribes is eligible for participation in WRP.

The program is administered by USDA's Natural Resources Conservation Service (NRCS) with advice from the State Technical Committees. The NRCS provides technical information about restoring wetlands and financial assistance for conservation measures.

There are four enrollment options: a permanent easement, a 30-year easement, or a restoration cost share agreement. In addition, land owned by Indian Tribes may be enrolled in a 30-year contract. Under all enrollment options, the landowner retains ownership of the land; remains responsible for taxes; controls access; reserves the right to quiet enjoyment and undeveloped hunting, fishing, and other undeveloped recreational uses; and may sell or lease land enrolled in WRP. Other uses may be permitted providing NRCS determines the use is compatible with the restoration and protection of the wetland, and both protects and enhances the wetland functions and values.

If the NRCS approves your offer for a:

- Permanent easement, the government will provide an easement payment based on the lesser of the appraised value of the land, a geographic rate cap, or an amount offered by the landowner. The government will pay 100 percent of the restoration costs and the administrative costs associated with filing the easement (survey costs, legal fees, recording fees, etc.).
- 30-year easement or 30-year contract, the government will provide an easement payment that is 75 percent of the amount that would have

Project Examples

- On the Mississippi delta floodplain in Louisiana, one farmer cultivated rice in a zone of ridge and swale topography with heavy clay soil. The drainage to the Mississippi river had been blocked and water often backed up, flooding the field, resulting in no harvest or the inability to even plant during some wet years. The WRP agreement was to restore the hydrology of 640 acres by installing small dikes and outlets at the swales creating shallow water areas. Planting of bottomland hardwoods along the ridges further improved the land or wildlife habitat. A permanent easement paid the farmer a one-time fee of $500/acre, covered 100 percent of the restoration costs, and still enabled him to hold title to the land.
- In the previous example, if the landowner chose a 30-year easement, the same deed arrangement would be made, but just for the 30 years rather than as a permanent easement. WRP would have paid 75 percent of the restoration costs and 75 percent of the agricultural value of the land to the landowner.
- A dairy farmer in northern New England had continuous problems with a 30-acre hayfield within the floodplain of an adjacent river. Despite extensive ditching and other attempts to remove the water, some years the land was too wet to plow. The farmer opted for a permanent easement in the WRP to restore the 30 acres to wetland. He received a one-time payment of $500/acre, the costs of ditch plugging were reimbursed, and he now has the multiple benefits of a one-acre shallow pond, which been made for a permanent easement, up to 75 percent of the restoration costs and all of the administrative costs associated with filing the easement. For a 30-year contract no encumbrance on the land is established.
- Restoration cost share agreement, the government will provide up to 75 percent of the restoration costs

Application and Financial Information

To participate in the WRP, visit your local NRCS office, sign an application form and select one of the three enrollment options. Landowners work with NRCS personnel to draw up a preliminary Wetland Restoration Plan of Operations (WRPO), which describes the types of practices to be established, a timetable for establishing practices, and the estimated costs of restoration. The amount of taxes to be paid on the easement area is determined by the local taxing authority; the NRCS has no authority regarding property or other tax issues. You should seek this information before entering the WRP.

Eligibility, Uses, and Restrictions

To be eligible for the program, a landowner must have a clear title and own the land for at least 7 years with some exceptions. The land must be restorable to wetland conditions.

Eligible lands mustbe private or land owned by Indian Tribes, and include wetlands farmed under natural conditions, farmed wetlands, prior converted cropland, commenced converted wetlands, farmed wetland pasture, or land substantially altered by flooding. Your local NRCS office can help you decide if your land is eligible. The landowner continues to control access to the land. At any time, a landowner may request additional activities be evaluated to determine if they are compatible uses for the site. This request may include such items as permission to cut hay, graze livestock or harvest wood products. Compatible uses may be allowed if they are fully consistent with the protection and enhancement of the wetland.

Website

http://www.nrcs.usda.gov/programs/wrp/

Contact

For more information on restoring wetlands, contact a Local USDA Service Center, which can be found through the NRCS website: http://www.nrcs.gov/contact.

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Wildlife Habitat Incentives Program (WHIP)

Offering cost-sharing and technical assistance to improve wildlife habitat

Program Basics

Wetland Wildlife Habitat—WHIP wetlands include acreage not eligible for the NRCS Wetland Reserve Program cost-share agreements, such as winter flooding of crop fields for waterfowl. Other wetland types that will be enhanced include tidal flushing areas, salt marshes, wetland hardwood hammocks, mangrove forests, and wild rice beds. Created wetlands include freshwater marshes and vernal pools in abandoned gravel mines. Practices to enhance or create wetland wildlife habitat include installation of culverts or water control structures, invasive plant control, fencing, creation of green tree reservoirs, moist soil unit management, and creation of shallow water areas.

Riparian and Insert Aquatic Wildlife Habitat—This category includes riparian areas along streams, rivers, lakes, sloughs, and coastal areas, as well as the streams, lakes, and rivers themselves. Practices to improve aquatic and riparian wildlife habitat include tree plantings, fencing with livestock management and off-stream watering, in-stream structures, seeding, stream bank protection and stabilization, stream deflectors, creation of small pools, installation of buffers, removal of dams, fencing, creation of fish passages past structures, alternative watering facilities, and establishment of instream structures such as logs or rocks.

Threatened and Endangered Species—Threatened and endangered species targeted through WHIP include, but are not limited to the following: American burying beetle, Neosho madtom, Topeka shiner, gray bat, kit fox, bog turtle, gopher tortoise, dusky-gopher frog, Eastern indigo snake, Southern hognose snake, black pine snake, Louisiana black bear, red-cockaded woodpecker, Mississippi sandhill crane, Florida panther, wood stork, snail kite, Florida sandhill crane, caracara, grasshopper sparrow, Snake River chinook salmon, Umpua River cutthroat trout, coho salmon, steelhead, bulltrout, Lahontan cutthroat trout,

The Wildlife Habitat Incentive Program (WHIP) is designed to help landowners and those who are in control of acreage develop and preserve important wildlife habitat for future generations. The program offers technical assistance and cost-sharing opportunities for establishing a wildlife habitat development plan and for managing the land in accordance with that plan.

The USDA's Natural Resources Conservation Service (NRCS) works with state and local partners to establish wildlife habitat priorities in each state. NRCS will provide cost-share payments up to 75 percent of the cost of installing wildlife habitat development practices on the land. Agreements are generally for a 5- to 10-year period. WHIP also provides long-term 15-year agreements where NRCS will provide up to 100 percent of the cost for implementing practices that benefit rare habitats.

Project Examples

Each state has established several wildlife priorities, including one or more upland and riparian habitats. Nationally, acres have been distributed among four major habitat types:

- **Upland Wildlife Habitat**—Several types of early successional grasslands, such as tall grass prairies, have declined more than 98 percent, according to a 1995 U.S. Fish and Wildlife Service Report. One of the primary focuses of WHIP nationally is restoration of some of these now scarce areas. Wildlife dependent on native grasslands includes neotropical migratory birds, waterfowl, amphibians, reptiles, and many mammals. Other upland priorities include the establishment of windbreaks and edge around croplands, forests including pine barrens and long leaf pine, wildlife corridors, and shrub scrub steppe habitat. Practices installed on upland habitat include various types of seeding and plantings, fencing, livestock management, prescribed burning, and shrub thickets with shelterbelts. Yuma clapper rails, Sonoran pronghorn, Mexican voles, and lesser long-nosed bats.

Application and Financial Information

WHIP applications will be accepted at local USDA Service Centers or conservation district offices. They may also be accepted by cooperating conservation partners approved or designated by NRCS.

Participants work with NRCS to prepare a wildlife habitat development plan in consultation with the local conservation district. The agreement describes the landowner's goals for improving wildlife habitat, includes a list of practices and schedule for installing them, and details the steps necessary to maintain the habitat for the life of the agreement. The NRCS and the participant enter into a cost-share agreement for wildlife habitat development.

This agreement generally lasts 5 to 10 years from the date the contract is signed. Under the agreement:

- The landowner agrees to maintain the costshared practices and allow the NRCS or its agent access to monitor its effectiveness.
- The NRCS agrees to provide technical assistance and pay up to 75 percent of the cost of installing the wildlife habitat practices.

Additional financial or technical assistance may be available through cooperating partners.

Applications will be ranked according to a state-developed plan, and those that provide the greatest wildlife benefits will be funded. The goal is to provide the best habitat possible for the species of fish and wildlife that the landowner or land steward is trying to protect. Cost-share payments may be used to establish, maintain, or replace practices.

The budget for WHIP is authorized at a total of $360 million from 2002-2007. Funds are allocated to states based on wildlife conservation priorities which will vary by state, and may include special pilot programs for wildlife habitat development, targeted species and their habitats, specific practices, and cooperative agreements with other federal, state, or local agencies, conservation districts, or private conservation groups.

Eligibility, Uses, and Restrictions

To participate in WHIP, applicants must own or have control of the land under consideration.

Applications may be accepted from individuals, groups, or businesses.

Lands that are eligible are: Private agricultural lands; Nonindustrial private forest land; Tribal lands.

Land is not eligible for WHIP if it is publicly owned lands (Federal, State, County, or local government owned lands); land enrolled in Waterbank, Emergency Watershed Program floodplain easements, Conservation Reserve Program, Wetlands Reserve Program, or other similar programs; or land where the expected impact from off-site conditions make the success of habitat improvement unlikely. WHIP funds cannot be used for mitigation of any kind. Such land can be included in a WHIP cost-share agreement, however cost-share funds cannot be expended on those acres.

Applicants create a wildlife habitat development plan for the land with assistance from the USDA or an approved certified technical service provider. Participants are encouraged to select native plants and native plant communities because these are well adapted to the area, less invasive, and likely to provide quality habitat without costly maintenance expenses.

WHIP funds are to be directed to support state wildlife habitat priorities which may include wildlife habitat areas; targeted species and their habitats; specific practices; and cooperative agreements with other federal, state, or local agencies, conservation districts, or private conservation groups. State priorities are developed in consultation with the State Technical Committee. The total WHIP payment made or attributed per person or legal entity (participant) directly or indirectly may not exceed in the aggregate $50,000 for any fiscal year.

Website

http://www.nrcs.usda.gov/programs/whip/

Contact

For more information, contact the NRCS through your local USDA Service Center.

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Wood Education and Resource Center (WERC)

Enhancing business opportunities based on hardwood forest resource utilization, value-added processing, and wood recycling and reuse

Program Basics

The USDA Forest Service's WERC program fosters interaction and information exchange with the forest products industry to enhance opportunities for sustained forest products production in the eastern hardwood forest region of the United States (35 state). Primary goals include:

- Improve the knowledge, skills, and capacity of the workforce and management within the forest products industry.
- Increase communication, cooperation, and collaborative problem solving within the forest products industry.
- Improve efficiency in forest products manufacturing and wood utilization.
- Promote the sustainable utilization of woody biomass for energy and value-added products.

The program is administered by the Northeastern Area, State and Private Forestry branch of the U. S. Forest Service. The WERC facilities include offices, training facilities, and a rough mill, which are located in Princeton, WV.

Project Examples

Eastern Hardwood Forest Region Woody Biomass Energy Opportunity Project (06-DG-300): Summit Ridge Investments, LLC, located in Marblehead, MA, completed an analysis of woody biomass opportunities in the eastern United States. The report examines the woody biomass energy opportunity for the 35 states comprising the WERC service area. The report provides an educational overview of the market as it exists today, and offers a baseline reference resource for advanced, targeted feasibility studies in the woody biomass energy arena.

Catskill Woodnet: A Utilization and Marketing Program Promoting Forest Products from the New York City Watershed (05-DG-359): The New York City's Agricultural Watershed program completed the development of a web-based network called, Catskill Woodnet. This system lists local wood products businesses and their products on the World Wide Web. Catskill Woodnet will assist the Catskill wood using community to expand, thereby increasing the viability of the regional wood-based economy that sustains a working landscape while protecting water quality. The program is similar to the "buy local, buy fresh" food campaigns already established by the Watershed Agricultural Council.

Maintaining Competitiveness through Employee Ownership in the Forest Products Industry (Award number 07-DG-102):

Wood Innovations, LLC, Madison, WI, recently completed a study and publication titled, *Maintaining Competitiveness through Employee Ownership in the Forest Products Industry*. The purpose of the document is to provide information to wood products managers and workers on employee stock ownership plans (ESOP), what are they, how they work, how to establish an ESOP, as well as Opportunities and Challenges within the ESOP structure. The publication as well as a webinar on this topic can be viewed at: http://www.fwe.wisc.edu/extension/esop.html.

Application and Financial Information

Financial assistance is provided on a competitive basis. Normally, applications are accepted beginning around December 1st through February 1st. Additional information including application and instructions regarding the annual competitive grants process can be found at http://www.na.fs.fed.us/werc/grants.shtm. This grant opportunity is also announced thru Grants.gov. Grants required a one-to-one nonfederal match.

Eligibility, Uses, and Restrictions

Organizations eligible for competitive grants include nonfederal agencies; public and private agencies including state, local and tribal governments; institutions of higher education; non-profit organizations; for-profit organizations; corporations; businesses; and others.

Priorities for grants include:

- Maintain the economic competitiveness of primary and secondary hardwood industries. Examples include: 1.) Encouraging the adoption of new technology to improve competitiveness and profitability, 2.) Bringing information and technology about processing, marketing, and business-related skills as well as urban wood utilization to existing and emerging businesses, and 3.) Developing utilization options that improve forest stewardship and health.

- Increase the knowledge and information about how the hardwood industry can contribute to the green building movement. Examples include certification and chain of custody for sustainable wood products as well as life cycle analysis for a range of wood products.

- Increase the knowledge, information, and promotion of how carbon sequestration by wood products can provide a competitive edge to a sustainable hardwood industry. An example includes developing specific carbon storage factors for a range of wood products.

- Develop technology and markets to address urgent issues on a global or domestic scale, including: 1.) Sanitizing wood packaging materials, firewood, and similar products to eliminate these pathways for the transport of insect and disease pests, and 2.) Developing markets for and using unexpected increases in the volume of urban and rural wood due to new pest introductions (for example emerald ash borer) and weather events such as tornados and ice storms.

- Increase the sustainable use of woody biomass to meet our nation's needs for energy and raw materials. Examples include public/private partnerships for using woody biomass in heating and cooling, process energy, cogeneration, district energy systems, and solid and liquid fuel production. Projects may also develop or maintain local markets and forest industry infrastructure by using woody biomass for both energy and value-added products.

Website

http://www.na.fs.fed.us/werc/

http://www.na.fs.fed.us/werc/grants.shtm

Contact

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