

2023 USDA EXPLANATORY NOTES – RURAL BUSINESS-COOPERATIVE SERVICE

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PURPOSE STATEMENT

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

Business and Industry Guaranteed Loan Program – Authorized by section 310B of the Consolidated Farm and Rural Development Act, 7 U.S.C 1932(g). The guaranteed loan program supports financing for business and industrial acquisition, construction, conversion, enlargement, repair or modernization in rural areas not in a town or city with a population of more than 50,000.

Rural Business Development Grants (RBDG) – Authorized by section 310B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(c)) as amended by section 6012 of the Agricultural Act of 2014 (P.L. 113-79) and reauthorized by section 6411 of the Agriculture Improvement Act of 2018 (P.L. 115-334). This grant program is designed to benefit small and emerging private businesses and cooperatives in rural areas by providing grant and technical assistance for economic and community development. This grant program will assist a wide range of recipients, including economic development organizations, business and community intermediaries, universities, and Indian tribes.

Intermediary Relending Program (IRP) – Authorized by section 310H of the Consolidated Farm and Rural Development Act (7 U.S.C. 1936b) as added by section 6017 of the Agricultural Act of 2014 (P.L. 113-79). Revolving loan programs, such as the IRP, address the lack of available credit and financial market conditions that exist in many rural communities, especially for smaller entities, service businesses and start-up activities. These conditions often limit the ability of rural economies to create jobs, enhance amenities, and increase incomes to enable rural families to prosper.

Rural Economic Development Loans and Grants (REDLG) – Authorized by section 313B of the Rural Electrification Act of 1936, as amended by section 6504(c) of the Agriculture Improvement Act of 2018 (7 U.S.C. 940c(b)(2)). This program provides zero-interest loans and small grants to electric and telephone utilities eligible for financing through the RD utilities programs, which in turn use the funding to promote sustainable rural economic development and job creation projects and to capitalize revolving loan funds for economic development and job creation purposes.

Rural Business Investment Program (RBIP) – Authorized by section 384S of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009cc et seq.) as added by section 6029 of the Farm Security and Rural Development Investments Act of 2002 (P.L. 107-171), reauthorized by section 6028 of the Agricultural Act of 2014 (P.L. 113-79), and amended by section 6426 and reauthorized by section 6427 of the Agriculture Improvement Act of 2018 (P.L. 115-334). RBIP is designed to promote economic development and create wealth and job opportunities among individuals living in rural areas and help meet the equity capital investment needs primarily of smaller enterprises located in such areas. Under the RBIP, for-profit Rural Business Investment Companies (RBIC) make venture capital investments in rural areas with the objectives of fostering economic development in such areas and returning maximum profits to the RBIC's investors.

Rural Energy for America Program (REAP) – Authorized by section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107) as added by section 9001(a) of the Food, Conservation, and Energy Act of 2008 (P.L. 110-246), amended and reauthorized by section 9007 of the Agricultural Act of 2014 (P.L. 113-79), and amended and reauthorized by section 9007 of the Agriculture Improvement Act of 2018 (P.L. 115-334). Section 9007 guaranteed loan and grant programs help farmers, ranchers and rural small businesses purchase and install renewable energy systems and make energy efficiency improvements. Renewable energy projects benefit agricultural producers and rural small businesses with new and sustainable, income streams; reduced reliance on fossil fuels; and an improved environment. Energy efficiency projects also reduce the cost of production and business operations. Grants may also be used for energy audits.

Biobased Markets Program – Authorized by Section 9002 of the Farm Security and Rural Investments Act of 2002 (7 U.S.C. 8102), amended and reauthorized by section 9002 of the Agricultural Act of 2014 (P.L. 113-79), and amended and reauthorized by section 9002 of the Agriculture Improvement Act of 2018 (P.L. 115-334). The purpose of the Biobased Markets Program is to increase the purchase and use of biobased products to spur economic development, create new jobs, and provide new markets for farm commodities. The two major parts of the program

are: mandatory purchasing requirements for federal agencies and their contractors; and a voluntary “BioPreferred” labeling initiative for producers for biobased products.

Rural Cooperative Development Grants (RCDG) – Authorized by section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(e)). RCDGs improve the economic condition of rural areas by promoting a range of cooperative development activities. Grants are made to nonprofit corporations and institutions of higher education to operate centers for cooperative development.

Value-Added Producer Grant (VAPG) – Authorized by section 231 of the Agricultural Risk Protection Act of 2000 (P.L. 106-224), as amended. Value-added agricultural market development grants enable producers of agricultural commodities to participate in the economic returns found in the value-added market. Grants may be used to develop business plans and strategies for creating marketing opportunities. This program has been superseded by the Local Agriculture Market Program (see below).

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

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

Cooperative Education and Research Program – Authorized by the Cooperative Marketing Act of 1926 (7 U.S.C. 453). The cooperative program conducts applied research on practical issues and problems facing cooperatives and disseminates information to farmers and the general public on dealing with these issues. A range of educational activities and materials are developed to increase public awareness of cooperative strategies that can increase rural economic activity.

Technical Assistance to Cooperatives Program – Authorized by the Cooperative Marketing Act of 1926 (7 U.S.C. 453). The cooperative program is authorized to provide advice and assistance to existing cooperatives and groups of farmers contemplating the formation of cooperatives. Technical assistance studies are provided at the request of a cooperative or steering committee at no fee and may cover a range of business operational, organizational, financial, or developmental topics and problems.

Appropriate Technology Transfer for Rural Areas (ATTRA) Program – Authorized by section 310B of the Consolidated Farm and Rural Development Act of 2008 (7 U.S.C. 1932(i)) as added by section 6016 of the Food, Conservation, and Energy Act of 2008 (P.L. 110-246). ATTRA provides information to farmers and other rural users on a variety of sustainable agricultural practices that include both crop and livestock operations. The program encourages agricultural producers to adopt sustainable agricultural practices that allow them to maintain or improve profits, produce high quality food, and reduce adverse impacts to the environment.

Rural Microentrepreneur Assistance Program – Authorized by section 379E(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008s) as added by section 6022 of the Food, Conservation, and Energy Act of 2008 (P.L. 110-246). The purpose of the program is to support the development and ongoing success of rural microentrepreneurs and microenterprises. Direct loans and grants are provided to microentrepreneurs development organizations with the skills necessary to establish new rural microenterprises and continuing technical and financial assistance related to the successful operation of rural microenterprises.

Biorefinery Assistance Program – Authorized by section 9003 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8103) as added under section 9001(a) of the Agricultural Act of 2014 (P.L. 113-79) and amended and reauthorized by section 9003 of the Agriculture Improvement Act of 2018 (P.L. 115-334). The purpose of the

program is to assist in the development of new and emerging technologies for the production/manufacture of advanced biofuels, renewable chemicals, and biobased products. The program will increase energy independence, promote resource conservation, diversify markets for agricultural and forestry products, create jobs, and enhance economic development in rural economies.

Repowering Assistance Program – Authorized by section 9004 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8104) and repealed by section 9004 of the Agriculture Improvement Act of 2018 (P.L. 115-334). The program provided financial incentives to biorefineries in existence on June 18, 2008, to replace the use of fossil fuels used to produce heat or power at their facilities by installing new systems that use renewable biomass, or to produce new energy from renewable biomass.

Bioenergy Program for Advanced Biofuels – Authorized by section 9005 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8105) as added under section 9001(a) of the Agricultural Act of 2014 (P.L. 113-79) and amended and reauthorized by section 9005 of the Agriculture Improvement Act of 2018 (P.L. 115-334). The program makes payments to eligible producers to support and ensure an expanding production of advanced biofuels. Advanced biofuels are defined as “fuel derived from renewable biomass other than corn kernel starch” in 7 U.S.C. 8101(3). To receive a payment, an eligible producer shall enter into a contract with the Secretary of Agriculture for production of advanced biofuels.

Rural Innovation Stronger Economy (RISE) Program – Authorized by section 379I of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008w) as added by section 6424 of the Agriculture Improvement Act of 2018 (P.L. 115-334) to make grants available to help eligible entities establish jobs accelerators and Innovation Centers to support the rural workforce by helping rural communities identify and maximize local assets and connect to regional opportunities, networks, and industry clusters.

Local Agriculture Market Program (LAMP) – Authorized by section 210A of the Agricultural Marketing Act of 1946 (7 U.S.C. 1627c note) as added by section 10102 of the Agriculture Improvement Act of 2018 (P.L. 115-334). This program combines and streamlines two existing local and regional food system programs, the Farmers Market and Local Food Promotion Program and Value-Added Producers Grant Program.

RD is comprised of three agencies: Rural Housing Service, Rural Utilities Service, and Business-Cooperative Service. RD’s headquarter is located in Washington, DC. As of September 30, 2021, there were 4,615 permanent full-time employees, including 1,277 in the headquarters office and 3,338 in the field offices.

OIG AND GAO REPORTS

Table RBCS-1. Completed OIG Reports

ID	Date	Title	Result
34801-0001-23	09/27/2021	COVID-19 – Business and Industry Guaranteed Loan Modifications in Response to the Pandemic	<p>RBCS used the existing B&I Guaranteed Loan Program structure for approving and servicing guaranteed loans to immediately implement and track the new B&I CARES Act Guaranteed Loan Program. According to RBCS guidance, the agency’s goal was to collaborate with guaranteed lenders to help as many borrowers as possible with the working capital necessary to emerge from the adverse impacts of the pandemic and be positioned to operate successful businesses in rural America.</p> <p>During the COVID-19 pandemic, there was a lack of access to much-needed capital to support business operations and facilities. To ensure lenders and borrowers were informed of opportunities for assistance, RBCS conducted outreach in multiple forms, including webinars and Federal Register notices.</p> <p>There were 639 existing B&I guaranteed loans—totaling more than \$2.4 billion—deferred for payment. As of September 1, 2021, there were 10 loans provided to agricultural businesses and producers totaling more than \$55.6 million (6.6 percent) of the \$846.4 million in B&I CARES Act Guaranteed Loan Program funding. There were another 204 loans totaling more than \$790.8 million supporting non-agricultural businesses in rural areas.</p>

Table RBCS-2. In-Progress GAO Reports

ID	Title
105215	Native American Economic Development

ACCOUNT 1: RURAL BUSINESS PROGRAMS

APPROPRIATIONS LANGUAGE

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

Rural Business Program Account (including transfers of funds)

For the cost of loan guarantees and grants, for the rural business development programs authorized by section 310B and described in subsections (a), (c), (f) and (g) of section 310B of the Consolidated Farm and Rural Development Act, [~~\$81,150,000~~]\$83,100,000, to remain available until expended: *Provided*, That of the amount appropriated under this heading, not to exceed \$500,000 shall be made available for one grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development and \$9,000,000 shall be for grants to the Delta Regional Authority (7 U.S.C. 2009aa et seq.), the Northern Border Regional Commission (40 U.S.C. 15101 et seq.), and the Appalachian Regional Commission (40 U.S.C. 14101 et seq.) for any Rural Community Advancement Program purpose as described in section 381E(d) of the Consolidated Farm and Rural Development Act, of which not more than 5 percent may be used for administrative expenses: *Provided further*, That \$4,000,000 of the amount appropriated under this heading shall be for business grants to benefit Federally Recognized Native American Tribes, including \$250,000 for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: *Provided further*, That of the amount appropriated under this heading, \$5,000,000 shall be for the Rural Innovation Stronger Economy Grant Program (7 U.S.C. 2008w): *Provided further*, That sections 381E-H and 381N of the Consolidated Farm and Rural Development Act are not applicable to funds made available under this heading.

LEAD-OFF TABULAR STATEMENT

Table RBCS-3. Lead-Off Tabular Statement (In dollars)

Item	Grants	Loan Level	Subsidy
Estimate, 2022	\$51,000,000	\$517,412,935	\$10,400,000
Change in Appropriation	-	+ 982,587,065	+ 21,700,000
Budget Estimate, 2023	<u>51,000,000</u>	<u>1,500,000,000</u>	<u>32,100,000</u>

PROJECT STATEMENT

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

Item	2020 Program Level	2020 Actual BA	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Estimated BA	2023 Program Level	2023 Estimated BA	Program Level Inc. or Dec.	Budget Authority Inc. or Dec.	Chg Key
Discretionary Appropriations:											
Business and Industry (B&I) Guaranteed Loans.....	\$1,000,000	\$20,500	\$912,281	\$10,400	\$517,413	\$10,400	\$1,500,000	\$32,100	+\$982,587	+\$21,700	(1),(5)
Rural Business Development Grants (RBDG).....	32,500	32,500	30,500	30,500	30,500	30,500	32,500	32,500	+2,000	+2,000	(2)
RBDG Native American Tribes.....	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	-	-	(2)
RBDG Technical Assistance Transportation.....	500	500	500	500	500	500	500	500	-	-	(2)
RBDG Native American Tribes Transportation.....	250	250	250	250	250	250	250	250	-	-	(2)
RBDG Coastal Communities.....	-	-	2,000	2,000	2,000	2,000	-	-	-2,000	-2,000	(2)
Delta Regional Authority Grants.....	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	-	-	(3)
Rural Innovation Stronger Economy (RISE) grants..	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	-	-	(4)
Subtotal.....	1,051,000	71,500	963,281	61,400	568,413	61,400	1,551,000	83,100	+982,587	+21,700	
Supplemental Appropriations:											
B&I CARES Act.....	951,435	19,885	-	-	-	-	-	-	-	-	
B&I CARES Act Administrative expenses.....	615	615	-	-	-	-	-	-	-	-	
Subtotal.....	952,050	20,500	-	-	-	-	-	-	-	-	
Total Adjusted Approp.....	2,003,050	92,000	963,281	61,400	568,413	61,400	1,551,000	83,100	982,587	21,700	
Total Appropriation.....	2,003,050	92,000	963,281	61,400	568,413	61,400	1,551,000	83,100	982,587	21,700	
Recoveries, Other	248,322	8,213	354,535	8,244	276,813	7,426	246,952	6,899	-29,861	-526	
Bal. Available, SOY.....	376,169	14,680	1,307,336	27,571	7,277	3,500	260,861	8,174	+253,584	+4,675	
Total Available.....	2,627,542	114,893	2,625,152	97,215	852,503	72,325	2,058,813	98,174	1,206,310	25,848	
Lapsing Balances.....	-	-	-14,388	-360	-	-	-	-	-	-	
Bal. Available, EOY.....	-914,818	-27,571	-10,219	-3,500	-277,561	-8,174	-247,730	-7,677	+29,831	+497	
Total Obligations.....	1,712,723	87,323	2,600,545	93,356	574,941	64,151	1,811,083	90,496	+1,236,142	+26,345	

Table RBCS-5. Project Statement Obligations (thousands of dollars)

Item	2020 Program Level	2020 Actual BA	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Estimated BA	2023 Program Level	2023 Estimated BA	Program Level Inc. or Dec.	Budget Authority Inc. or Dec.
Discretionary Obligations:										
Business and Industry (B&I) Guaranteed Loans.....	\$1,333,343	\$27,318	\$2,021,876	\$23,049	\$521,268	\$10,477	\$1,758,213	\$37,626	+\$1,236,945	+\$27,148
Rural Business Development Grants (RBDG).....	35,518	35,518	31,688	31,688	32,222	32,222	34,062	34,062	+1,840	+1,840
RBDG Native American Tribes.....	4,887	4,887	4,161	4,161	4,451	4,451	4,058	4,058	-393	-393
RBDG Technical Assistance Transportation.....	500	500	500	500	500	500	500	500	-	-
RBDG Native American Tribes Transportation.....	-	-	250	250	500	500	250	250	-250	-250
RBDG Coastal Communities.....	-	-	2,000	2,000	2,000	2,000	-	-	-2,000	-2,000
Delta Regional Authority Grants.....	11,667	11,667	9,000	9,000	9,000	9,000	9,000	9,000	-0	-0
Rural Innovation Stronger Economy (RISE) grants.....	-	-	10,000	10,000	5,000	5,000	5,000	5,000	-	-
Subtotal Disc oblig.....	1,385,915	79,890	2,079,475	80,648	574,941	64,151	1,811,083	90,496	+1,236,142	+26,345
Supplemental Obligations:										
B&I CARES Act.....	326,193	6,817	521,070	12,708	-	-	-	-	-	-
B&I CARES Act Administrative expenses.....	615	615	-	-	-	-	-	-	-	-
Subtotal Supp Oblig.....	326,808	7,432	521,070	12,708	-	-	-	-	-	-
Total Obligations.....	1,712,723	87,323	2,600,545	93,356	574,941	64,151	1,811,083	90,496	1,236,142	26,345
Add back:.....										
Lapsing Balances.....	-	-	14,388	360	-	-	-	-	-	-
Balances Available, EOY:										
Business and Industry (B&I) Guaranteed Loans.....	280,829	5,757	6,796	77	274,913	5,526	245,302	5,249	-29,611	-276
Rural Business Development Grants (RBDG).....	2,793	2,793	2,380	2,380	2,258	2,258	2,135	2,135	-122	-122
RBDG Native American Tribes.....	704	704	792	792	391	391	293	293	-98	-98
RBDG Native American Tribes Transportation.....	250	250	250	250	-	-	-	-	-	-
Rural Innovation Stronger Economy (RISE) grants.....	5,000	5,000	-	-	-	-	-	-	-	-
B&I CARES Act.....	625,242	13,068	-	-	-	-	-	-	-	-
Total Bal. Available, EOY.....	914,818	27,571	10,219	3,500	277,561	8,174	247,730	7,677	-29,831	-497
Total Available.....	2,627,542	114,893	2,625,152	97,215	852,503	72,325	2,058,813	98,174	1,206,310	25,848
Less:										
Recoveries, Other	-248,322	-8,213	-354,535	-8,244	-276,813	-7,426	-246,952	-6,899	29,861	526
Bal. Available, SOY.....	-376,169	-14,680	-1,307,336	-27,571	-7,277	-3,500	-260,861	-8,174	-253,584	-4,675
Total Appropriation.....	2,003,050	92,000	963,281	61,400	568,413	61,400	1,551,000	83,100	982,587	21,700

All Rural Business-Cooperative Service programs supports:

Goal 1: Combat Climate Change to Support America’s Working Lands, Natural Resources and Communities: Strategic Objective 1.4: Increase Carbon Sequestration, Reduce Greenhouse Gas Emissions, and Create Economic Opportunities (and Develop Low-Carbon Energy Solutions) by supporting rural and tribal clean electricity generation and energy efficiency.

Goal 2: Ensure America’s Agricultural System is Equitable, Resilient, and Prosperous: Objective 2.2: Build Resilient Food Systems, Infrastructure, and Supply Chain by assessing the impact of the Department’s Build Back Better and American Rescue Plan investments on key outcomes using grant performance metrics for local and regional food systems (such as partnerships developed, business development changes, diversification and expanded market development), and the supply chain (such as feasibility studies conducted, value chain enhancements made, increased small food business activity, number of new market access points established).

Goal 5: Expand Opportunities for Economic Development and Improve Quality of Life in Rural and Tribal Communities: Objective 5.3: Increase Capacity, Sustainability, and Economic Vitality in Rural and Tribal Communities; and Objective 5.4: Promote Environmental Justice by Maximizing Sustainable and Green Economic Development in Rural and Tribal Communities.

Rural Business Programs

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

- (1) An increase of \$982,587,000 for the Business and Industry (B&I) Guaranteed Loan Program (\$517,413,000 available in 2022).

In 2023, funding for this program includes two sets of objectives: 1) continue making capital available for rural communities with; and 2) provide access to capital to distressed communities. In addition, priority is given to applicants requesting loan funds for projects that address climate change through clean energy and emissions mitigation.

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

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

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

Continuation of this program is critical because:

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

Over the last five years the B&I Guaranteed program has obligated over \$7.3 billion through over 1,700 guaranteed loans to businesses, public bodies, cooperatives, and other vital community partners across the Nation. In that time, the states with the top obligations have been Louisiana with \$665 million, followed by North Carolina with \$604 million and Florida with \$463 million. These funds are used to improve the quality of life in rural America by encouraging the establishment and capital growth of rural businesses and cooperatives, which ultimately increases the availability, stability, and quality of jobs in rural America. The

agency also strives to expand economic and trade opportunities for agricultural producers and other rural residents and build leveraging partnerships with State, local, and private conglomerates to expand the total amount of resources provided to rural areas. The two largest investment segments over the last five years have been accommodation and food service, and manufacturing. This program is instrumental in providing opportunities for distressed and Energy communities so that they can improved their standard of living and find new jobs when coal-centric economy is diminishing. This program is also targeted for promoting clean energy and energy efficiency that will contribute to reducing Greenhouse gases and impacting emissions mitigations.

The program has a five-year increasing trend in obligations, going from \$1.42 billion obligated in 2017 to \$2.02 billion obligated in 2021. The increased funding request of \$517 million in 2023 reflects this trend.

(2) No change for Rural Business Development Grants (\$37,000,000 available in 2022).

Continuing the Rural Business Development Grant funding level at \$37 million demonstrates a continued commitment to assistance for small business in rural areas with high demand for technical assistance to help developing capacity for small businesses in rural areas. Small means that the business has fewer than 50 new workers and less than \$1 million in gross revenue. This program has increased total obligations from \$27.5 million in 2017 to \$38.6 million in 2021. Over 2,600 grants have been made during that period. This program is instrumental in helping to develop job potential in socially disadvantaged communities, which helps these communities thrive and improve their economic standards and reduce/eliminate inequalities. Funding for this program assists in establishing business support centers, provides funds for job training and leadership development, and finances or develops small and emerging businesses in rural areas. The program also finances technical assistance (salaries and expenses) which specifically helps to improve human capital in low-capacity areas.

(3) No change for Delta Regional Authority, Northern Regional Authority and Appalachian Regional Commission grants (\$9,000,000 available in 2022).

The 2023 budget is requesting \$9 million to support the agency's partnership with the Delta, Appalachia, and Northern Border Regional Commissions. The funding will be provided to the three Regional Commissions who serve 8 States in the lower Mississippi Delta region, the 13 Appalachian, and 4 Northern Border Regional States. Grant funds are used to advance the economic vitality of these communities through the practical application of innovative ideas and strategies that foster inclusive communities, achieve sustained, long-term economic development, and produce meaningful opportunities for all traditionally underserved people in these areas. Projects are targeted to the Strategic Goals of improved workforce competitiveness, strengthened infrastructure, and increased community capacity. Funding in 2023 will provide an estimated five grants in partnership with the Delta, Appalachia, and Northern Border Regional Commissions.

(4) No change for Rural Innovation Stronger Economy (RISE) grants (\$5,000,000 available in 2022).

Section 6424 of the 2018 Farm Bill authorized grant funding for rural job growth by expanding opportunity for job accelerator partnerships. The grants facilitate the creation of a working group with key community partners and stakeholders that understand the type of industry clusters that are declining, emerging or existing in rural areas. Funding is also used for construction or purchase for buildings that will serve as innovation centers for the jobs accelerator. Equipment purchases must be necessary to support the functions of the jobs accelerator. The RISE program is designed to provide financial assistance to support job accelerator partnerships that improve the ability of distressed rural communities to create high wage jobs, accelerate the formation of new businesses, and help rural communities identify and maximize local assets. This type of grant will allow RD to target funding for developing sustainable communities that will thrive economically, particularly energy communities. As a member of Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization, RD is encouraging and awarding priority points to projects that improve the livelihoods of community residents and meet pollution mitigation or clean energy goals. In 2021, this program included priority points for projects located in energy communities and it will continue including priority point for the energy communities in 2022. Funding in 2023 will provide an estimated five grants to support rural job growth.

- (5) An increase of \$21,700,000 in Business and Industry (B&I) Guaranteed Loans program budget authority (\$10,400,000 available in 2022).

The increase in budget authority is due to an increase in subsidy rate from 2022 to 2023 and an increase in estimated loan obligations. This is the level of budget authority necessary to support the loan level requested.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RBCS-6. Business and Industry Guaranteed Loans Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Alabama	\$52,200	\$64,110	-	-
Alaska	20,963	14,359	-	-
Arizona	68,239	106,776	-	-
Arkansas	30,235	-	-	-
California	26,632	86,973	-	-
Colorado	26,780	42,913	-	-
Delaware	-	3,400	-	-
Florida	78,553	95,653	-	-
Georgia	51,745	40,995	-	-
Idaho	25,688	19,598	-	-
Illinois	53,797	39,157	-	-
Indiana	-	14,416	-	-
Iowa	22,973	21,352	-	-
Kansas	10,306	-	-	-
Kentucky	47,800	64,875	-	-
Louisiana	160,251	174,191	-	-
Maine	-	9,000	-	-
Maryland	-	14,810	-	-
Massachusetts	4,314	-	-	-
Michigan	21,688	32,446	-	-
Minnesota	4,302	24,800	-	-
Mississippi	12,345	17,600	-	-
Missouri	54,548	66,588	-	-
Montana	46,450	5,113	-	-
Nebraska	5,450	8,456	-	-
New Hampshire	-	5,000	-	-
New Jersey	-	9,500	-	-
New Mexico	27,301	17,212	-	-
New York	13,752	14,914	-	-
North Carolina	101,003	236,946	-	-
North Dakota	-	16,985	-	-
Ohio	7,328	38,833	-	-
Oklahoma	32,709	127,879	-	-
Oregon	37,022	54,803	-	-
Pennsylvania	37,436	35,121	-	-
Puerto Rico	6,390	9,722	-	-
South Carolina	60,542	71,732	-	-
South Dakota	-	961	-	-
Tennessee	12,250	69,378	-	-
Texas	67,530	159,149	-	-
Utah	28,320	2,500	-	-
Vermont	-	1,962	-	-
Virgin Islands	9,500	32,976	-	-
Virginia	11,431	21,265	-	-
Washington	6,364	49,132	-	-
West Virginia	29,692	33,300	-	-

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Wisconsin	7,725	19,359	-	-
Wyoming	11,791	25,666	-	-
Distribution Unknown	-	-	\$521,268	\$1,758,213
Obligations	1,333,343	2,021,876	521,268	1,758,213

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

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Alabama	\$1,174	\$868	-	-
Alaska	27	197	-	-
Arizona	535	510	-	-
Arkansas	452	661	-	-
California	1,239	1,654	-	-
Colorado	348	65	-	-
Connecticut	200	221	-	-
Delaware	135	125	-	-
Florida	967	519	-	-
Georgia	1,383	846	-	-
Hawaii	269	195	-	-
Idaho	276	253	-	-
Illinois	1,063	685	-	-
Indiana	963	730	-	-
Iowa	443	455	-	-
Kansas	335	307	-	-
Kentucky	1,231	1,398	-	-
Louisiana	754	368	-	-
Maine	511	545	-	-
Maryland	328	342	-	-
Massachusetts	269	221	-	-
Michigan	1,239	1,374	-	-
Minnesota	670	555	-	-
Mississippi	997	504	-	-
Missouri	1,069	1,007	-	-
Montana	287	271	-	-
Nebraska	231	214	-	-
Nevada	162	129	-	-
New Hampshire	235	248	-	-
New Jersey	236	444	-	-
New Mexico	631	449	-	-
New York	1,675	1,296	-	-
North Carolina	1,443	1,447	-	-
North Dakota	599	284	-	-
Ohio	1,105	881	-	-
Oklahoma	991	722	-	-
Oregon	455	484	-	-
Pennsylvania	1,687	1,158	-	-
Puerto Rico	719	411	-	-
Rhode Island	98	95	-	-
South Carolina	1,002	906	-	-
South Dakota	203	216	-	-
Tennessee	1,204	1,079	-	-
Texas	971	996	-	-

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Utah	174	172	-	-
Vermont	1,366	1,991	-	-
Virgin Islands	50	50	-	-
Virginia	928	847	-	-
Washington	729	809	-	-
West Virginia	627	635	-	-
Wisconsin	677	713	-	-
Wyoming	140	138	-	-
Distribution Unknown	15	-	\$32,222	\$34,062
Obligations	35,518	31,688	32,222	34,062

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

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Arizona	\$979	\$849	-	-
California	65	75	-	-
Colorado	-	270	-	-
Idaho	-	60	-	-
Maine	-	93	-	-
Massachusetts	-	30	-	-
Michigan	81	-	-	-
Minnesota	272	297	-	-
Montana	-	30	-	-
Nebraska	1,591	1,032	-	-
Nevada	143	108	-	-
New Mexico	456	-	-	-
North Dakota	64	53	-	-
Oklahoma	395	705	-	-
Oregon	166	100	-	-
South Dakota	142	309	-	-
Washington	244	125	-	-
Wisconsin	189	27	-	-
Wyoming	99	-	-	-
Distribution Unknown	-	-	\$4,451	\$4,058
Obligations	4,887	4,161	4,451	4,058

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

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Maryland	\$500	\$500	-	-
Distribution Unknown	-	-	\$500	\$500
Obligations	500	500	500	500

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

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Maryland	-	\$250	-	-
Distribution Unknown	-	-	\$500	\$250
Obligations	-	250	500	250

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Oregon	-	\$1,901	-	-
Washington	-	99	-	-
Distribution Unknown	-	-	\$2,000	-
Obligations	-	2,000	2,000	-

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Kentucky	\$5,667	\$3,000	-	-
Mississippi	3,000	3,000	-	-
New Hampshire	3,000	3,000	-	-
Distribution Unknown	-	-	\$9,000	\$9,000
Obligations	11,667	9,000	9,000	9,000

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Alaska	-	\$740	-	-
Arizona	-	991	-	-
California	-	750	-	-
Colorado	-	1,717	-	-
Idaho	-	1,247	-	-
Kansas	-	745	-	-
Louisiana	-	781	-	-
Minnesota	-	750	-	-
Oklahoma	-	468	-	-
Wyoming	-	1,812	-	-
Distribution Unknown	-	-	\$5,000	\$5,000
Obligations	-	10,000	5,000	5,000

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Alabama	\$15,960	\$39,110	-	-
Alaska	14,440	-	-	-
Arizona	-	3,525	-	-
Arkansas	-	6,544	-	-
California	2,000	10,150	-	-
Colorado	-	848	-	-
Delaware	345	-	-	-
Florida	7,395	16,656	-	-
Georgia	15,000	-	-	-
Hawaii	-	2,270	-	-
Idaho	500	3,200	-	-
Illinois	8,480	-	-	-
Indiana	-	1,000	-	-
Iowa	10,350	25,302	-	-
Kentucky	37,500	46,723	-	-
Louisiana	34,076	32,421	-	-

State/Territory/Country	2020	2021 Actual	2022	2023
	Actual		Estimated	Estimated
Maryland	-	14,970	-	-
Michigan	10,671	23,624	-	-
Minnesota	4,000	7,470	-	-
Mississippi	10,000	12,750	-	-
Missouri	18,194	1,730	-	-
Montana	3,000	-	-	-
Nebraska	24,000	2,500	-	-
Nevada	-	3,725	-	-
New Hampshire	4,158	-	-	-
New York	13,888	22,250	-	-
North Carolina	17,145	29,972	-	-
North Dakota	565	-	-	-
Ohio	1,900	34,079	-	-
Oklahoma	-	48,758	-	-
Oregon	3,820	1,954	-	-
Pennsylvania	-	6,050	-	-
Puerto Rico	-	78	-	-
South Carolina	2,900	28,240	-	-
South Dakota	3,100	3,600	-	-
Tennessee	9,295	550	-	-
Texas	30,148	48,401	-	-
Utah	1,142	-	-	-
Virgin Islands	5,000	500	-	-
Washington	1,775	-	-	-
West Virginia	-	291	-	-
Wisconsin	15,446	14,171	-	-
Wyoming	-	25,000	-	-
Distribution Unknown	-	2,660	-	-
Obligations	326,193	521,070	-	-

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

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Distribution Unknown	\$615	-	-	-
Obligations	615	-	-	-

CLASSIFICATION BY OBJECTS

Table RBCS-16. Classification by Objects (thousands of dollars)

Item No.	Item	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Other Objects:					
25.3	Other goods and services from Federal sources	\$615	-	-	-
41.0	Grants, subsidies, and contributions	86,708	\$93,356	\$64,151	\$90,496
	Total, Other Objects	87,323	93,356	64,151	90,496
99.9	Total, new obligations	87,323	93,356	64,151	90,496

ACCOUNT 2: INTERMEDIARY RELENDING PROGRAM

APPROPRIATIONS LANGUAGE

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

Intermediary Relending Program Fund Account (including transfer of funds)

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

For the cost of direct loans, [~~\$1,524,000~~]\$3,313,000, as authorized by the Intermediary Relending Program Fund Account (7 U.S.C. 1936b), of which [~~\$167,000~~]\$331,000 shall be available through June 30, [~~2022~~]2023, for Federally Recognized Native American Tribes; and of which [~~\$305,000~~]\$663,000 shall be available through June 30, [~~2022~~]2023, for Mississippi Delta Region counties (as determined in accordance with Public Law 100–460): *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

In addition, for administrative expenses to carry out the direct loan programs, \$4,468,000 shall be paid to the appropriation for "Rural Development, Salaries and Expenses".

LEAD-OFF TABULAR STATEMENT

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

Item	Program Level	Budget Authority	Administrative Expenses
Estimate, 2022	\$36,419,000	\$2,939,000	\$4,468,000
Change in Appropriation	-17,531,000	+ 374,000	-
Budget Estimate, 2023	<u>18,888,000</u>	<u>3,313,000</u>	<u>4,468,000</u>

PROJECT STATEMENT

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

Item	2020 Program Level	2020 Actual BA	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Estimated BA	2023 Program Level	2023 Estimated BA	Program Level Inc. or Dec.	Budget Authority Inc. or Dec.	Chg Key
Discretionary Appropriations:											
Intermediary Relending Program.....	\$18,889	\$5,219	\$18,889	\$2,939	\$36,419	\$2,939	\$18,888	\$3,313	-\$17,531	+\$374	(1),(2)
Administrative Expenses.....	-	4,468	-	4,468	-	4,468	-	4,468	-	-	
Subtotal.....	18,889	9,687	18,889	7,407	36,419	7,407	18,888	7,781	-17,531	+374	
Total Adjusted Approp.....	18,889	9,687	18,889	7,407	36,419	7,407	18,888	7,781	-17,531	374	
Total Appropriation.....	18,889	9,687	18,889	7,407	36,419	7,407	18,888	7,781	-17,531	374	
Transfers Out:											
Working Capital Fund.....	-	-	-4,008	-624	-	-	-	-	-	-	
Total Transfers Out.....	-	-	-4,008	-624	-	-	-	-	-	-	
Total Available.....	18,889	9,687	14,881	6,783	36,419	7,407	18,888	7,781	-17,531	374	
Lapsing Balances.....	-	-	-881	-137	-17,530	-1,415	-	-	+17,530	+1,415	
Total Obligations.....	18,889	9,687	14,000	6,646	18,889	5,992	18,888	7,781	-1	+1,789	

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

Item	2020 Program Level	2020 Actual BA	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Estimated BA	2023 Program Level	2023 Estimated BA	Program Level Inc. or Dec.	Budget Authority Inc. or Dec.
Discretionary Obligations:										
Intermediary Relending Program.....	\$18,889	\$5,219	\$14,000	\$2,178	\$18,889	\$1,524	\$18,888	\$3,313	-\$1	+\$1,789
Administrative Expenses.....	-	4,468	-	4,468	-	4,468	-	4,468	-	-
Subtotal	18,889	9,687	14,000	6,646	18,889	5,992	18,888	7,781	-1	+1,789
Disc oblig.....	18,889	9,687	14,000	6,646	18,889	5,992	18,888	7,781	-1	1,789
Total Obligations.....	18,889	9,687	14,000	6,646	18,889	5,992	18,888	7,781	-1	1,789
Add back:										
Lapsing Balances.....	-	-	881	137	17,530	1,415	-	-	-17,530	-1,415
Total Available.....	18,889	9,687	14,881	6,783	36,419	7,407	18,888	7,781	-17,531	374
Less:										
Total Transfers Out.....	-	-	4,008	624	-	-	-	-	-	-
Total Appropriation.....	18,889	9,687	18,889	7,407	36,419	7,407	18,888	7,781	-17,531	374

Intermediary Relending Program

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

- (1) A decrease of \$17,531,000 for the Intermediary Relending Loan program (\$36,419,000 available in 2022).

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

Since 2017, 117 IRP loans have been made, totaling \$89 million in obligations averaging \$18 million per year. The subsidy cost of these funds has decreased from over 27 percent in 2020 to 17.54 percent for 2023. The top three funded states during the last five years have been South Dakota with \$11 million, California at \$8 million, and Vermont with over \$7 million dollars obligated under the IRP program.

The decrease in funding in 2023 will provide a loan level adequate to support the program's average annual obligation level.

- (2) An increase of \$374,000 in intermediary relending loan program budget authority (\$2,939,000 available in 2022).

The increase in budget authority is due to an increase in subsidy rate from 2022. This is the level of budget authority necessary to support the loan level requested.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RBCS-20. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
California	\$1,846	\$500	-	-
Colorado	1,750	-	-	-
Idaho	400	2,000	-	-
Iowa	-	500	-	-
Kentucky	1,500	2,000	-	-
Louisiana	-	1,000	-	-
Michigan	250	-	-	-
Minnesota	777	-	-	-
Missouri	1,500	1,000	-	-
Montana	2,100	500	-	-
Nevada	1,000	-	-	-
New Hampshire	1,350	-	-	-
New York	750	-	-	-
North Carolina	-	1,000	-	-
North Dakota	466	-	-	-
Oklahoma	-	1,000	-	-
Oregon	950	-	-	-
Pennsylvania	-	500	-	-
South Carolina	500	1,000	-	-
South Dakota	500	1,750	-	-

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Vermont	1,000	500	-	-
Washington	500	-	-	-
West Virginia	750	750	-	-
Wyoming	1,000	-	-	-
Distribution Unknown	-	-	\$18,889	\$18,888
Obligations	18,889	14,000	18,889	18,888

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

Item No.	Item	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
25.3	Other goods and services from Federal sources	\$4,468	\$4,468	\$4,468	\$4,468
41.0	Grants, subsidies, and contributions	5,219	2,178	1,524	3,313
	Total, Other Objects	9,687	6,646	5,992	7,781
99.9	Total, new obligations	9,687	6,646	5,992	7,781

ACCOUNT 3: RURAL ECONOMIC DEVELOPMENT DIRECT LOANS

APPROPRIATIONS LANGUAGE

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

Rural Economic Development Loans Program Account

For the principal amount of direct loans, as authorized under section 313B(a) of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, [~~\$50,000,000~~]\$75,000,000.

The cost of grants authorized under section 313B(a) of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects shall not exceed [~~\$10,000,000~~]\$15,000,000.

LEAD-OFF TABULAR STATEMENT

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

Item	Amount
Estimate, 2022	\$50,000,000
Change in Appropriation	+ 25,000,000
Budget Estimate, 2023	<u>75,000,000</u>

PROJECT STATEMENT

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

Item	2020 Program Level	2020 Actual BA	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Estimated BA	2023 Program Level	2023 Estimated BA	Program Level Inc. or Dec.	Budget Authority Inc. or Dec.	Chg Key
Transfers In:											
Offsetting Collections from RED Grants account.	\$47,050	\$7,895	\$47,150	\$4,503	\$47,150	\$2,207	\$70,725	\$6,981	+\$23,575	+\$4,774	(1),(2)
Total Transfers In.....	47,050	7,895	47,150	4,503	47,150	2,207	70,725	6,981	23,575	4,774	
Recoveries, Other	3,701	621	10,460	999	13,768	644	6,028	595	-7,741	-49	
Bal. Available, SOY.....	2,030	341	7,186	686	88,367	4,136	46,468	4,586	-41,899	+451	
Total Available.....	52,781	8,857	64,796	6,188	149,285	6,987	123,221	12,162	-26,064	5,175	
Bal. Available, EOY.....	-4,090	-686	-43,304	-4,136	-98,000	-4,586	-48,221	-4,759	+49,779	-173	
Total Obligations.....	48,691	8,170	21,492	2,052	51,285	2,400	75,000	7,403	+23,715	+5,002	

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

Item	2020 Program Level	2020 Actual BA	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Estimated BA	2023 Program Level	2023 Estimated BA	Program Level Inc. or Dec.	Budget Authority Inc. or Dec.
Mandatory Obligations:										
Rural Economic Development (RED) Loans..	\$48,691	\$8,170	\$21,492	\$2,052	\$51,285	\$2,400	\$75,000	\$7,403	\$23,715	\$5,002
Subtotal Mand Oblig.....	48,691	8,170	21,492	2,052	51,285	2,400	75,000	7,403	+23,715	+5,002
Total Obligations.....	48,691	8,170	21,492	2,052	51,285	2,400	75,000	7,403	23,715	5,002
Balances Available, EOY:										
Rural Economic Development (RED) Loans..	4,090	686	43,304	4,136	98,000	4,586	48,221	4,759	-49,779	+173
Total Bal. Available, EOY.....	4,090	686	43,304	4,136	98,000	4,586	48,221	4,759	-49,779	+173
Total Available.....	52,781	8,857	64,796	6,188	149,285	6,987	123,221	12,162	-26,064	5,175
Total Transfers In.....	-47,050	-7,895	-47,150	-4,503	-47,150	-2,207	-70,725	-6,981	-23,575	-4,774
Recoveries, Other	-3,701	-621	-10,460	-999	-13,768	-644	-6,028	-595	7,741	49
Bal. Available, SOY.....	-2,030	-341	-7,186	-686	-88,367	-4,136	-46,468	-4,586	41,899	-451
Total Appropriation.....	-	-	-	-	-	-	-	-	-	-

Rural Economic Development Direct Loans

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

- (1) An increase of \$23,575,000 for Rural Economic Development (RED) Direct Loans (\$50,000,000 available in 2022).

Because of the change in subsidy rate from 2021 to 2022, this program is showing an increase. The budget is requesting an increase of \$25 million from the 2021 enacted level of \$50 million.

Base funds for the program continue to create good paying jobs. This program provides zero interest loans and small grants to electric and telephone utilities financed by Rural Development's utilities programs, which in turn, use the funding to promote sustainable rural economic development and job creation projects and to capitalize revolving loan funds for economic development and job creation purposes.

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

Continuation of this program is critical because the program:

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

- (2) An increase of \$4,774,000 in budget authority (\$2,207,000 available in 2022).

The increase in budget authority is due to an increase in the subsidy rate for this program in 2023 and to support an increase in requested loan level.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Arkansas	-	\$291	-	-
Colorado	-	6	-	-
Georgia	\$3,000	-	-	-
Illinois	8,344	1,748	-	-
Indiana	2,000	-	-	-
Iowa	13,324	4,000	-	-
Kansas	2,510	480	-	-
Kentucky	2,000	-	-	-
Michigan	-	900	-	-
Minnesota	1,592	2,100	-	-
Mississippi	1,000	1,000	-	-
Missouri	4,812	2,999	-	-
Montana	-	1,000	-	-
New Mexico	120	-	-	-
North Carolina	1,550	2,718	-	-
North Dakota	3,879	-	-	-
South Dakota	1,000	-	-	-
Tennessee	3,560	3,000	-	-
Texas	-	1,000	-	-
Wisconsin	-	250	-	-

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Distribution Unknown	-	-	\$51,285	\$75,000
Obligations	48,691	21,492	51,285	75,000

CLASSIFICATION BY OBJECTS*Table RBCS-26. Classification by Objects (thousands of dollars)*

Item No.	Item	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
41.0	Grants, subsidies, and contributions	\$8,170	\$2,052	\$2,400	\$7,403
	Total, Other Objects	8,170	2,052	2,400	7,403
99.9	Total, new obligations	8,170	2,052	2,400	7,403

ACCOUNT 4: RURAL ECONOMIC DEVELOPMENT GRANTS

LEAD-OFF TABULAR STATEMENT

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

Item	Amount
Estimate, 2022	\$10,000,000
Change in Appropriation	+ 5,000,000
Budget Estimate, 2023	<u>15,000,000</u>

PROJECT STATEMENT

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

Item	2020 Actual BA	2021 Actual BA	2022 Estimated BA	2023 Estimated BA	Budget Authority Inc. or Dec.	Chg Key
Mandatory Appropriations:						
Rural Economic Grants.....	-	-	\$5,000	\$5,000	-	
Subtotal.....	-	-	5,000	5,000	-	
Total Adjusted Approp.....	-	-	5,000	5,000	-	
Add back:.....						
Rescission, Transfers In and Out.....	-	-	-5,000	-5,000	-	
Total Appropriation.....	-	-	-	-	-	(1)
Transfers In:						
Rural Elect. and Telecomm Liq. Acct CoC	\$127,566	\$46,315	-	-	-	
Commodity Credit Corporation.....	-	-	5,000	5,000	-	
Rural Elec. and Tele. underwriter loan fees.....	19,318	20,321	19,000	19,000	-	
Total Transfers In.....	146,884	66,636	24,000	24,000	-	
Sequestration.....	-1,085	-842	-703	-1,277	-\$574	
Recoveries, Other	428	122,052	79,734	37,006	-42,728	
Offsetting Collections paid to Rural Economic Development account	-7,894	-4,503	-2,207	-6,981	-4,774	
Bal. Available, SOY.....	659,132	357,781	241,794	155,721	-86,073	
Total Available.....	797,465	541,124	342,618	208,469	-134,149	
Bal. Available, EOY.....	-357,781	241,794	-155,721	-27,520	+128,201	
Total Obligations.....	439,684	299,330	186,897	180,950	-5,947	

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

Item	2020 Actual BA	2021 Actual BA	2022 Estimated BA	2023 Estimated BA	Budget Authority Inc. or Dec.
Mandatory Obligations:					
Rural Economic Development Grants.....	\$10,000	\$7,341	\$2,517	\$15,000	+\$12,483
ReConnect Pilot Broadband 100% Grants.....	425,960	278,712	153,780	162,450	\$8,669
ReConnect Pilot Technical Assistance.....	-	-	20,400	2,000	-18,400
ReConnect Pilot Administrative.....	3,724	13,276	10,200	1,500	-8,700
Subtotal Mand Oblig.....	439,684	299,330	186,897	180,950	-5,947
Total Obligations.....	439,684	299,330	186,897	180,950	-5,947
Balances Available, EOY:					
Rural Economic Development Grants.....	253,781	191,794	26,387	27,520	+1,133
ReConnect Pilot Broadband 100% Grants.....	104,000	50,000	129,334	-	-129,334
Total Bal. Available, EOY.....	357,781	241,794	155,721	27,520	-128,201
Total Available.....	797,465	541,124	342,618	208,469	-134,149
Less:					
Total Transfers In.....	-146,884	-66,636	-24,000	-24,000	-
Sequestration.....	1,085	842	703	1,277	574
Recoveries, Other	-428	-122,052	-79,734	-37,006	42,728
Offsetting collections paid to Rural Economic Development account	7,894	4,503	2,207	6,981	4,774
Bal. Available, SOY.....	-659,132	-357,781	-241,794	-155,721	86,073
Total Appropriation.....	-	-	-	-	-

Rural Economic Development Grants

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

- (1) An increase of authority based on the language of \$5,000,000 in Rural Economic Development Grants (\$10,000,000 available in 2022). The project statement shows the collection of funding being transferred out and the resulting change is 0.

Base funds for the rural economic development grant program continue to support the creation of good paying jobs in rural areas. The program provides small grants to promote sustainable rural economic development and job creation projects and to capitalize revolving loan funds for economic development and job creation purposes.

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

Continuation of this program is critical because the program:

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

In 2023, this program will receive \$5 million in mandatory funding to support grants from Section 6504, of the Agriculture Improvement Act of 2018 (P.L 115-334). The rest of the funding is derived from the fees collected from the electric underwriting program.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RBCS-30. Rural Economic Development Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Illinois	\$104	\$191	-	-
Indiana	-	190	-	-
Iowa	3,501	2,609	-	-
Kansas	150	-	-	-
Minnesota	155	300	-	-
Missouri	740	-	-	-
Nebraska	600	-	-	-
North Carolina	2,763	2,951	-	-
North Dakota	187	-	-	-
Ohio	-	300	-	-
Oregon	-	250	-	-
South Dakota	1,500	-	-	-
Tennessee	300	-	-	-
Texas	-	300	-	-
Distribution Unknown	-	-	\$2,517	\$15,000
Obligations	10,000	7,341	2,517	15,000

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Alabama	\$31,087	-	-	-
Alaska	58,005	\$43,705	-	-

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Arizona	-	14,888	-	-
Arkansas	11,856	-	-	-
Colorado	-	10,595	-	-
Georgia	4,565	10,592	-	-
Idaho	15,314	5,491	-	-
Illinois	37,495	-	-	-
Indiana	2,999	-	-	-
Iowa	11,924	369	-	-
Kentucky	14,250	11,797	-	-
Louisiana	6,161	-	-	-
Michigan	6,930	-	-	-
Minnesota	7,938	2,381	-	-
Mississippi	4,693	-	-	-
Missouri	52,149	49,494	-	-
Montana	5,445	-	-	-
Nebraska	3,105	3,105	-	-
Nevada	2,745	-	-	-
New Mexico	11,847	-	-	-
New York	544	21,460	-	-
North Carolina	23,987	-	-	-
North Dakota	6,959	3,944	-	-
Oklahoma	22,786	35,569	-	-
Oregon	12,868	12,868	-	-
South Carolina	1,865	13,088	-	-
South Dakota	14,917	-	-	-
Tennessee	17,077	8,239	-	-
Utah	8,681	17,002	-	-
Virginia	10,532	14,124	-	-
Washington	597	-	-	-
West Virginia	7,624	-	-	-
Wisconsin	3,096	-	-	-
Wyoming	5,919	-	-	-
Distribution Unknown	-	-	\$153,780	\$162,450
Obligations	425,960	278,712	153,780	162,450

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

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Distribution Unknown	-	-	\$20,400	\$2,000
Obligations	-	-	20,400	2,000

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

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
District of Columbia	\$3,724	\$13,276	-	-
Distribution Unknown	-	-	\$10,200	\$1,500
Obligations	3,724	13,276	10,200	1,500

CLASSIFICATION BY OBJECTS***Table RBCS-34. Classification by Objects (thousands of dollars)***

Item No.	Item	2020 Actual BA	2021 Actual BA	2022 Estimated BA	2023 Estimated BA
25.3	Other goods and services from Federal sources	\$3,724	\$13,276	\$10,200	\$1,500
41.0	Grants, subsidies, and contributions	435,960	286,054	176,697	179,450
	Total, Other Objects	439,684	299,330	186,897	180,950
99.9	Total, new obligations	439,684	299,330	186,897	180,950

ACCOUNT 5: RURAL COOPERATIVE DEVELOPMENT GRANTS

APPROPRIATIONS LANGUAGE

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

Rural Cooperative Development Grants

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), [~~\$26,600,000~~]\$30,700,000, of which \$2,800,000 shall be for cooperative agreements for the appropriate technology transfer for rural areas program: *Provided*, That not to exceed [~~\$3,000,000~~]\$4,100,000 shall be for grants for cooperative development centers, individual cooperatives, or groups of cooperatives that serve socially disadvantaged groups and a majority of the boards of directors or governing boards of which are comprised of individuals who are members of socially disadvantaged groups; and of which \$18,000,000, to remain available until expended, shall be for value-added agricultural product market development grants, as authorized by section 210A of the Agricultural Marketing Act of 1946, of which \$3,000,000, to remain available until expended, shall be for Agriculture Innovation Centers authorized pursuant to section 6402 of Public Law 107–171.

LEAD-OFF TABULAR STATEMENT

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

Item	Amount
Estimate, 2022	\$26,600,000
Change in Appropriation	<u>+ 4,100,000</u>
Budget Estimate, 2023	<u><u>30,700,000</u></u>

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

Item	2020 Actual BA	2021 Actual BA	2022 Estimated BA	2023 Estimated BA	Budget Authority Inc. or Dec.	Chg Key
Discretionary Appropriations:						
Rural Cooperative Development Grants.....	\$5,800	\$5,800	\$5,800	\$5,800	-	(1)
Appropriate Technology Transfer for Rural Areas Agreements	2,800	2,800	2,800	2,800	-	(2)
Grants to Assist Minority Producers	3,000	3,000	3,000	4,100	\$1,100	(3)
VAPG Ag Marketing Development Grants.....	9,300	9,300	9,300	11,500	+2,200	(4)
Agricultural Marketing Resource Center Grants.....	300	300	300	500	+200	(4)
VAPG Beginning & Socially Disadvantaged Farmers & Ranchers.....	1,200	1,200	1,200	1,500	+300	(4)
VAPG Marketing Development Mid-tier Chains.....	1,200	1,200	1,200	1,500	+300	(4)
Agriculture Innovation Demonstration Grants	3,000	3,000	3,000	3,000	-	(4)
Subtotal	26,600	26,600	26,600	30,700	+4,100	
Mandatory Appropriations:						
Local Agriculture Market Program VAPG	16,468	16,488	16,488	16,488	-	
Local Agriculture Market Program VAPG Admin	1,432	1,450	1,450	1,450	-	
Value-Added Producer Grants (COVID)	-	35,000	-	-	-	
Value-Added Producer Grants (COVID) Admin	-	3,043	-	-	-	
Subtotal	17,899	55,981	17,938	17,938	-	
Total Adjusted Approp	44,499	82,581	44,538	48,638	4,100	
Add back:						
Rescission, Transfers In and Out	-19,022	-19,022	-19,022	-19,022	-	
Sequestration.....	1,122	1,084	1,084	1,084	-	
Total Appropriation	26,600	64,643	26,600	30,700	4,100	
Transfers In:						
Commodity Credit Corporation.....	19,022	19,022	19,022	19,022	-	
Sequestration.....	-1,122	-1,084	-1,084	-1,084	-	
Recoveries, Other.....	3,763	3,189	2,346	1,877	-469	
Bal. Available, SOY.....	46,201	19,139	16,370	5,293	-11,077	
Total Available	94,464	104,908	63,253	55,808	-7,446	
Lapsing Balances	-90	-256	-	-	-	
Bal. Available, EOY	-19,139	-16,370	-5,293	-1,576	+3,717	
Total Obligations	75,234	88,282	57,960	54,232	-3,728	

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

Item	2020 Actual BA	2021 Actual BA	2022 Estimated BA	2023 Estimated BA	Budget Authority Inc. or Dec.
Discretionary Obligations:					
Rural Cooperative Development Grants.....	\$5,799	\$5,800	\$5,800	\$5,800	-
Appropriate Technology Transfer for Rural Areas Agreements.....	2,800	2,800	2,800	2,800	-
Grants to Assist Minority Producers	2,911	2,744	3,000	4,100	\$1,100
VAPG Ag Marketing Development Grants.....	28,735	12,577	9,900	12,100	+2,200
Agricultural Marketing Resource Center Grants	2,347	-	600	500	-100
VAPG Beginning & Socially Disadvantaged Farmers & Ranchers.....	1,200	1,200	1,200	1,500	+300
VAPG Marketing Development Mid-tier Chains	250	-	1,200	1,550	+350
Agriculture Innovation Demonstration Grants	2,108	-	8,250	5,050	-3,200
Subtotal Disc oblig.....	46,149	25,122	32,750	33,400	+650
Mandatory Obligations:					
Local Agriculture Market Program VAPG.....	24,073	23,811	18,150	17,697	-453
Local Agriculture Market Program VAPG Admin.....	1,432	1,435	1,435	1,435	-
Value Added Agriculture Producers Marketing Grants	3,580	2,597	2,900	1,700	-1,200
Value-Added Producer Grants (COVID).....	-	32,275	2,725	-	-2,725
Value-Added Producer Grants (COVID) Admin.....	-	3,043	-	-	-
Subtotal Mand Oblig.....	29,085	63,161	25,210	20,832	-4,378
Total Obligations.....	75,234	88,282	57,960	54,232	-3,728
Add back:.....					
Lapsing Balances.....	90	256	-	-	-
Balances Available, EOY:					
VAPG Ag Marketing Development Grants	2,674	1,450	1,532	1,428	-104
Agricultural Marketing Resource Center Grants.....	-	300	-	-	-
Agriculture Innovation Demonstration Grants.....	4,392	7,392	2,142	92	-2,050
Value-Added Producer Grants (COVID).....	-	2,725	-	-	-
Local Agriculture Market Program VAPG	9,894	2,842	1,194	-	-1,194
Value Added Agriculture Producers Marketing Grants (Mand.)	2,049	985	424	55	-369
Agricultural Marketing Resource Center (Mand.)	128	675	-	-	-
Special Earmark Grants	-	-	-	-	-
Total Bal. Available, EOY.....	19,139	16,370	5,293	1,576	-3,717
Total Available	94,464	104,908	63,253	55,808	-7,446
Less:					
Total Transfers In	-19,022	-19,022	-19,022	-19,022	-
Sequestration.....	1,122	1,084	1,084	1,084	-
Recoveries, Other	-3,763	-3,189	-2,346	-1,877	469
Bal. Available, SOY	-46,201	-19,139	-16,370	-5,293	11,077
Total Appropriation	26,600	64,643	26,600	30,700	4,100

Rural Cooperative Development Grants

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

(1) No change for Rural Cooperative Development Grants (\$5,800,000 available in 2022).

Cooperatives offer an alternative to investor-owned companies through which those using the entity's goods or services are actively involved in the governance of the organization. Over the last decade, Rural Development has used the RCDG program to develop a network of cooperative development centers, whose trained staff work with new and emerging cooperatives covering a broad range of activities, including traditional farm supply, marketing, dependent care, and conversions of traditional companies to employee ownership.

(2) No change for Appropriate Technology Transfer for Rural Areas Agreements (\$2,800,000 available in 2022).

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

(3) An increase of \$1,100,000 for Grants to Assist Minority Producers (\$3,000,000 available in 2022).

The 2023 budget is requesting \$4.1 million for this program. Between 2017 and 2021 almost 100 individual grants were made for nearly \$14 million. Grant funds are provided directly toward the assistance of small, minority agricultural producers in rural areas. Recipients include cooperative development centers, cooperatives, or associations of cooperatives whose primary focus is to help such producers, and whose governing board and/or membership is comprised of at least 75 percent socially disadvantaged members. Grants may be used for developing business plans, conducting feasibility studies, or developing marketing plans for farmers, ranchers, loggers, agricultural harvesters, and fishermen. In the last five years, the states that have obligated over \$1 million each so far through this program are Washington, California, Mississippi, Alabama, South Carolina and Hawaii which highlights the agency's ability to cultivate effective rural economic partnerships.

This funding is instrumental in helping these producers:

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

(4) An increase of \$3,000,000 for Value Added Producer Grants and Agriculture Innovation Centers (\$15,000,000 available in 2022).

The Value-Added Producer Grant (VAPG) program helps agricultural producers enter into value-added activities related to the processing and marketing of new products. The goals of this program are to generate new products, create and expand marketing opportunities and increase producer income. The funding increase of \$3 million furthers the agency's ability to directly assist viable Independent Producers, Agricultural Producer Groups, Farmer and Rancher Cooperatives, and Majority-Controlled Producer-Based Businesses in starting or expanding value-added activities related to the processing and/or marketing of Value-Added Agricultural Products.

In 2021, VAPG awarded 437 grants totaling \$75.74 million which created or saved an estimated 2,578 jobs. The maximum Grant amounts are \$75,000 for Planning and \$250,000 for Working Capital projects. Funding reserves exist for both: applications submitted by Beginning and Socially-Disadvantaged Farmers or Ranchers; and for applications from farmers or ranchers proposing development of Mid-Tier Value Chains. This program provides priority to applicants proposing to increase the development of local and regional food systems. The

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

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

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

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RBCS-38. Rural Cooperative Development Grants Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Alabama	\$400	\$199	-	-
California	400	400	-	-
Colorado	200	200	-	-
Georgia	-	70	-	-
Hawaii	200	200	-	-
Illinois	200	-	-	-
Indiana	200	200	-	-
Kentucky	200	200	-	-
Massachusetts	200	200	-	-
Minnesota	400	600	-	-
Mississippi	200	-	-	-
Montana	400	400	-	-
Nebraska	200	200	-	-
North Carolina	200	400	-	-
North Dakota	200	200	-	-
Ohio	199	199	-	-
Oregon	200	200	-	-
Pennsylvania	200	200	-	-
South Carolina	200	135	-	-
South Dakota	200	200	-	-
Texas	-	199	-	-
Virginia	400	400	-	-
Washington	400	400	-	-
Wisconsin	400	397	-	-
Distribution Unknown	-	-	\$5,800	\$5,800
Obligations	5,799	5,800	5,800	5,800

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

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Montana	\$2,800	\$2,800	-	-
Distribution Unknown	-	-	\$2,800	\$2,800
Obligations	2,800	2,800	2,800	2,800

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Alabama	\$175	\$175	-	-
Arizona	260	95	-	-
California	341	350	-	-
Hawaii	350	175	-	-
Massachusetts	175	175	-	-
Minnesota	265	-	-	-
Mississippi	167	350	-	-
Montana	-	175	-	-
Nebraska	-	175	-	-
Oklahoma	151	-	-	-
Pennsylvania	175	173	-	-
South Carolina	153	203	-	-
Texas	175	175	-	-
Virginia	175	175	-	-
Washington	350	348	-	-
Distribution Unknown	-	-	\$3,000	\$4,100
Obligations	2,911	2,744	3,000	4,100

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Illinois	-	\$450	-	-
Kansas	\$99	-	-	-
Maryland	250	-	-	-
New York	-	250	-	-
North Carolina	286	-	-	-
Pennsylvania	-	250	-	-
South Carolina	-	250	-	-
Vermont	40	-	-	-
Washington	26	-	-	-
Wisconsin	500	-	-	-
Distribution Unknown	-	-	\$1,200	\$1,500
Obligations	1,200	1,200	1,200	1,500

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Florida	\$250	-	-	-
Distribution Unknown	-	-	\$1,200	\$1,550
Obligations	250	-	1,200	1,550

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Alabama	\$498	-	-	-
Alaska	-	\$325	-	-
Arkansas	-	250	-	-
California	250	589	-	-
Colorado	445	-	-	-
Delaware	82	-	-	-
Florida	1,413	373	-	-
Georgia	3,202	1,301	-	-
Hawaii	350	-	-	-
Idaho	929	250	-	-
Illinois	250	-	-	-
Indiana	500	247	-	-
Iowa	553	263	-	-
Kansas	312	50	-	-
Kentucky	801	183	-	-
Louisiana	183	-	-	-
Maine	2,193	-	-	-
Maryland	205	299	-	-
Massachusetts	-	16	-	-
Michigan	2,131	250	-	-
Minnesota	790	274	-	-
Mississippi	50	250	-	-
Missouri	712	-	-	-
Montana	478	590	-	-
Nebraska	-	352	-	-
Nevada	86	250	-	-
New Hampshire	205	75	-	-
New Jersey	604	25	-	-
New Mexico	900	-	-	-
New York	-	1,034	-	-
North Carolina	289	748	-	-
North Dakota	-	250	-	-
Oklahoma	490	-	-	-
Oregon	3,277	766	-	-
Puerto Rico	2,336	990	-	-
Rhode Island	-	48	-	-
South Carolina	3,570	460	-	-
South Dakota	344	-	-	-
Tennessee	-	34	-	-
Texas	100	571	-	-
Vermont	-	500	-	-
Virginia	-	300	-	-
Washington	205	366	-	-
West Virginia	-	50	-	-
Wisconsin	-	250	-	-
Distribution Unknown	-	-	\$9,900	\$12,100
Obligations	28,735	12,577	9,900	12,100

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Iowa	\$2,347	-	-	-
Distribution Unknown	-	-	\$600	\$500
Obligations	2,347	-	600	500

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Maryland	\$471	-	-	-
Massachusetts	895	-	-	-
New York	742	-	-	-
Distribution Unknown	-	-	\$8,250	\$5,050
Obligations	2,108	-	8,250	5,050

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
California	\$3,275	\$500	-	-
Colorado	-	250	-	-
Hawaii	-	214	-	-
Kansas	-	250	-	-
New Jersey	-	43	-	-
New York	-	164	-	-
North Carolina	-	250	-	-
North Dakota	-	250	-	-
Puerto Rico	124	-	-	-
South Carolina	-	338	-	-
Vermont	-	38	-	-
Virginia	-	50	-	-
Washington	182	250	-	-
Distribution Unknown	-	-	\$2,900	\$1,700
Obligations	3,580	2,597	2,900	1,700

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Alabama	\$384	\$484	-	-
Arizona	50	-	-	-
California	1,214	1,013	-	-
Colorado	-	149	-	-
Florida	-	477	-	-
Georgia	-	2,250	-	-
Hawaii	-	250	-	-
Idaho	100	595	-	-
Illinois	-	67	-	-
Indiana	-	981	-	-

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Iowa	542	492	-	-
Kansas	-	783	-	-
Kentucky	-	269	-	-
Maine	-	1,028	-	-
Maryland	-	238	-	-
Massachusetts	-	183	-	-
Minnesota	-	569	-	-
Mississippi	50	250	-	-
Missouri	-	457	-	-
Montana	-	691	-	-
Nebraska	1,150	600	-	-
New Hampshire	295	250	-	-
New Mexico	-	530	-	-
New York	3,902	319	-	-
North Carolina	-	576	-	-
Ohio	250	63	-	-
Oklahoma	-	643	-	-
Oregon	-	1,580	-	-
Pennsylvania	1,246	1,673	-	-
Puerto Rico	-	1,760	-	-
Rhode Island	-	250	-	-
South Carolina	250	830	-	-
South Dakota	250	-	-	-
Tennessee	2,086	276	-	-
Texas	989	564	-	-
Utah	697	-	-	-
Vermont	1,690	102	-	-
Virginia	3,114	500	-	-
Washington	3,278	672	-	-
West Virginia	250	100	-	-
Wisconsin	2,197	1,300	-	-
Wyoming	90	-	-	-
Distribution Unknown	-	-	\$18,150	\$17,697
Obligations	24,073	23,811	18,150	17,697

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

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
District of Columbia	\$1,432	\$1,435	\$1,435	\$1,435
Obligations	1,432	1,435	1,435	1,435

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

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Arizona	-	\$61	-	-
California	-	1,336	-	-
Colorado	-	259	-	-
Florida	-	250	-	-
Georgia	-	750	-	-
Hawaii	-	485	-	-
Idaho	-	575	-	-

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Illinois	-	500	-	-
Indiana	-	300	-	-
Iowa	-	1,165	-	-
Kansas	-	947	-	-
Kentucky	-	650	-	-
Maine	-	1,000	-	-
Maryland	-	300	-	-
Massachusetts	-	50	-	-
Michigan	-	825	-	-
Minnesota	-	250	-	-
Mississippi	-	500	-	-
Missouri	-	808	-	-
Montana	-	1,752	-	-
Nebraska	-	982	-	-
Nevada	-	50	-	-
New Hampshire	-	239	-	-
New Jersey	-	272	-	-
New Mexico	-	234	-	-
New York	-	756	-	-
North Carolina	-	49	-	-
Ohio	-	586	-	-
Oklahoma	-	1,325	-	-
Oregon	-	1,550	-	-
Pennsylvania	-	561	-	-
Puerto Rico	-	692	-	-
Rhode Island	-	765	-	-
South Carolina	-	1,649	-	-
South Dakota	-	175	-	-
Tennessee	-	478	-	-
Texas	-	369	-	-
Utah	-	250	-	-
Vermont	-	2,151	-	-
Virginia	-	1,312	-	-
Washington	-	1,544	-	-
West Virginia	-	374	-	-
Wisconsin	-	2,572	-	-
Wyoming	-	575	-	-
Distribution Unknown	-	-	\$2,725	-
Obligations	-	32,275	2,725	-

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

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
District of Columbia	-	\$3,043	-	-
Obligations	-	3,043	-	-

CLASSIFICATION BY OBJECTS*Table RBCS-51. Classification by Objects (thousands of dollars)*

Item No.	Item	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
25.3	Other goods and services from Federal sources	\$1,432	\$1,435	\$1,435	\$1,435
41.0	Grants, subsidies, and contributions	73,802	86,847	56,525	52,797
99.9	Total, new obligations	75,234	88,282	57,960	54,232

ACCOUNT 6: RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM

APPROPRIATIONS LANGUAGE

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

Rural Microentrepreneur Assistance Program

[For gross obligations for the principal amount of direct loans as authorized by section 379E of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 2008s), \$150,000,000.]

For the principal amount of direct loans authorized by section 379E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008s), \$25,000,000.

For the cost of loans and grants, \$6,000,000 under the same terms and conditions as authorized by section 379E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008s).

Change Description

The first change (line 1 and 2 of paragraph 1) deletes the loan level requested for this account in the 2022 budget.

The second change (line 1 and 2 of paragraph 2) provides the loan level authorized by the Farm Bill.

LEAD-OFF TABULAR STATEMENT

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

Item	Grants	Loan Level	Subsidy
Estimate, 2022	\$6,000,000	\$25,000,000	-
Change in Appropriation	-1,335,000	-	\$1,335,000
Budget Estimate, 2023	<u>4,665,000</u>	<u>25,000,000</u>	<u>1,335,000</u>

PROJECT STATEMENT

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

Item	2020 Program Level	2020 Actual BA	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Estimated BA	2023 Program Level	2023 Estimated BA	Program Level Inc. or Dec.	BA Inc. or Dec.	Chg Key
Discretionary											
Appropriations:											
Microenterprise Loans	\$2,800	\$417	\$12,739	\$400	\$25,000	-	\$25,000	\$1,335	-	+\$1,335	(1)
Microenterprise Grants	2,584	2,584	5,600	5,600	6,000	\$6,000	4,665	4,665	-\$1,335	-\$1,335	(2)
Subtotal	5,384	3,000	18,339	6,000	31,000	6,000	29,665	6,000	-1,335	-	-
Total Adjusted Approp	5,384	3,000	18,339	6,000	31,000	6,000	29,665	6,000	-1,335	-	-
Recoveries, Other	2,426	508	3,914	339	215	215	205	205	-10	-10	-
Bal. Available, SOY	1,317	341	11,189	636	336	794	8,847	729	+8,511	-65	-
Total Available	9,126	3,850	33,441	6,975	31,551	7,009	38,717	6,934	7,166	-75	-
Lapsing Balances	684	684	-11,332	-2,334	-2,200	-2,200	-20,047	-1,700	-17,847	+20,047	-
Bal. Available, EOY	-2,593	-636	-14,921	-794	-271	-729	-4,293	-429	-4,022	+4,293	-
Total Obligations	7,217	3,898	7,188	3,847	29,080	4,080	14,377	4,805	-14,703	24,265	-

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

Item	2020 Program Level	2020 Actual BA	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Estimated BA	2023 Program Level	2023 Estimated BA	Program Level Inc. or Dec.	BA Inc. or Dec.
Discretionary Obligations:										
Microenterprise Loans	\$2,800	\$417	\$3,450	\$108	\$25,000	-	\$5,618	\$300	-\$19,382	+\$300
Microenterprise Grants	3,267	3,267	3,557	3,557	3,800	\$3,800	4,000	4,000	+200	+200
Subtotal Disc oblig	6,067	3,684	7,007	3,666	28,800	3,800	9,618	4,300	-19,182	+500
Mandatory Obligations:										
Microenterprise Loans	1,100	164	-	-	-	-	4,494	240	+4,494	+240
Microenterprise Grants	50	50	181	181	280	280	+265	265	-15	-15
Subtotal Mand Oblig	1,150	214	181	181	280	280	4,759	505	4,479	225
Total Obligations	7,217	3,898	7,188	3,847	29,080	4,080	14,377	4,805	-14,703	725
Lapsing Balances	-684	-684	11,332	2,334	2,200	2,200	20,047	1,700	+17,847	-500
Balances Available, EOY:										
Microenterprise Loans	2,299	342	14,585	458	-	458	4,082	218	+4,082	-240
Microenterprise Grants	294	294	336	336	271	271	211	211	-60	-60
Total Bal. Available, EOY	2,593	636	14,921	794	271	729	4,293	429	+4,022	-300
Total Available	9,126	3,850	33,441	6,975	31,551	7,009	38,717	6,934	+7,166	-75
Less:										
Recoveries, Other	-2,426	-508	-3,914	-339	-215	-215	-205	-205	+10	10
Bal. Available, SOY	-1,317	-341	-11,189	-636	-336	-794	-8,847	-729	-8,511	65
Total Appropriation	5,384	3,000	18,339	6,000	31,000	6,000	29,665	6,000	-1,335	-

Rural Microenterprise Assistance Program

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

- (1) No change for the Rural Microenterprise Assistance loans (\$25,000,000 available in 2022).

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

Funding for this program is critical because:

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

The rural microenterprise assistance program addresses the lack of available credit and financial market conditions for microenterprise activities. These conditions often limit the ability of rural economies to create jobs, enhance amenities, and increase incomes to enable rural families to prosper. The funding supports the Administration priority of improving the economic opportunities in rural America and help create good paying jobs. Nationwide, nearly 60 loans and over 340 grants have been obligated since 2017. In the same time period, nearly \$35 million has been obligated for this program with over \$7 million obligated in 2021 alone.

- (1) An increase of \$1,335,000 in budget authority (\$0 available in 2022).

The increase in subsidy is due to the subsidy rate for this program is positive in 2023; however, it was negative in 2022. The increase is necessary to support the \$25 million program level requested in the budget.

- (2) A decrease of \$1,335,000 for the Rural Microenterprise Assistance grants (\$6,000,000 available in 2022).

The Rural Microentrepreneur Assistance Program funds loans and grants to support the development and ongoing success of rural microentrepreneurs and microenterprises nationwide. Loans are available of up to \$500,000 and \$100,000 for grant funds toward eligible micro borrower projects. In 2021, the program issued 8 loans and 66 grants totaling \$3.5 million and \$3.7 million respectively. Grant funds are available to provide technical assistance funding for any existing microlender based on the amount of their outstanding loans.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

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

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Massachusetts	\$500	-	-	-
New Hampshire	350	-	-	-
Oregon	50	-	-	-
Virginia	200	-	-	-
Distribution Unknown	-	-	-	\$4,494
Obligations	1,100	-	-	4,494

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Maryland	-	\$132	-	-
New Hampshire	\$50	-	-	-
Tennessee	-	49	-	-
Distribution Unknown	-	-	\$280	\$265
Obligations	50	181	280	265

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
California	\$1,000	\$500	-	-
Colorado	400	-	-	-
Georgia	-	500	-	-
Maine	-	750	-	-
Massachusetts	-	400	-	-
Minnesota	-	500	-	-
Missouri	-	300	-	-
North Dakota	500	-	-	-
Oklahoma	-	500	-	-
South Dakota	500	-	-	-
Vermont	400	-	-	-
Distribution Unknown	-	-	\$25,000	\$5,618
Obligations	2,800	3,450	25,000	5,618

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Arizona	\$49	\$126	-	-
California	447	390	-	-
Delaware	12	25	-	-
Georgia	88	100	-	-
Idaho	90	59	-	-
Illinois	17	9	-	-
Kentucky	57	227	-	-
Maine	296	339	-	-
Maryland	189	22	-	-
Massachusetts	180	240	-	-
Michigan	50	71	-	-
Minnesota	56	151	-	-
Missouri	-	75	-	-
Montana	93	102	-	-
Nebraska	263	271	-	-
Nevada	89	-	-	-
New Hampshire	64	31	-	-
New Jersey	90	75	-	-
North Carolina	139	193	-	-
North Dakota	187	239	-	-
Ohio	112	49	-	-
Oklahoma	-	100	-	-

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Oregon	21	-	-	-
Pennsylvania	63	92	-	-
South Carolina	43	86	-	-
South Dakota	74	53	-	-
Vermont	176	137	-	-
Washington	54	69	-	-
West Virginia	73	62	-	-
Wisconsin	197	165	-	-
Distribution Unknown	-	-	\$3,800	\$4,000
Obligations	3,267	3,557	3,800	4,000

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

Item No.	Item	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
41.0	Grants, subsidies, and contributions	\$3,898	\$3,847	\$4,080	\$4,805
99.9	Total, new obligations	3,898	3,847	4,080	4,805

ACCOUNT 7: RURAL ENERGY FOR AMERICA PROGRAM

APPROPRIATIONS LANGUAGE

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

Rural Energy for America Program

For the cost of a program of loan guarantees and grants, under the same terms and conditions as authorized by section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107), [~~\$30,168,000~~]\$30,018,000: *Provided*, That the cost of loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

For the principal amount of loan guarantees, under the same terms and conditions as authorized by section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107), \$20,000,000.

Change Description

The change (lines 1 and 2 of paragraph 2) provides the loan level for the guaranteed loans.

LEAD-OFF TABULAR STATEMENT

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

Item	Grants	Loan Level	Subsidy
Estimate, 2022	\$10,000,000	\$46,666,667	\$392,000
Change in Appropriation	+ 20,000,000	-26,666,667	-374,000
Budget Estimate, 2023	<u>30,000,000</u>	<u>20,000,000</u>	<u>18,000</u>

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

Item	2020 Program Level	2020 Actual BA	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Estimated BA	2023 Program Level	2023 Estimated BA	Program Level Inc. or Dec.	BA Inc. or Dec.	Chg Key
Discretionary Appropriations:											
Guaranteed Renewable Energy Loans	\$20,000	\$706	\$20,000	\$392	\$46,667	\$392	\$20,000	\$18	-\$26,667	-\$374	(1)
Sec 781 Renewable Energy Grants Pilot Program	-	-	10,000	10,000	10,000	10,000	-	-	-10,000	-10,000	(2)
Renewable Energy Grants	-	-	-	-	-	-	30,000	30,000	+30,000	+30,000	(3)
Subtotal	20,000	706	30,000	10,392	56,667	10,392	50,000	30,018	-6,667	+19,626	
Mandatory Appropriations:											
Guaranteed Renewable Energy Loans	182,735	6,451	500,000	9,800	1,166,667	9,800	10,888,889	9,800	+9,722,222	-	
Renewable Energy Grants	30,001	30,001	35,464	35,464	35,464	35,464	35,464	35,464	-	-	
Renewable Energy Audits and Technical Assistance	10,598	10,598	1,886	1,886	1,886	1,886	1,886	1,886	-	-	
Subtotal	223,335	47,050	537,350	47,150	1,204,017	47,150	10,926,239	47,150	+9,722,222	-	
Total Adjusted Approp	243,335	47,756	567,350	57,542	1,260,683	57,542	10,976,239	77,168	9,715,556	19,626	
Add back:											
Rescission, Transfers In and Out	-237,338	-50,000	-569,830	-50,000	-1,276,794	-50,000	-11,586,680	-50,000	-10,309,886	-	
Sequestration	14,003	2,950	32,480	2,850	72,777	2,850	660,441	2,850	587,663	-	
Total Appropriation	20,000	706	30,000	10,392	56,667	10,392	50,000	30,018	-6,667	19,626	
Transfers In*:											
Commodity Credit Corporation	237,338	50,000	569,830	50,000	1,276,794	50,000	11,586,680	50,000	+10,309,886	-	
Sequestration	-14,003	-2,950	-32,480	-2,850	-72,777	-2,850	-660,441	-2,850	-587,663	-	
Recoveries, Other	35,672	4,882	51,924	6,661	100,813	6,375	866,541	6,205	+765,728	-170	
Bal. Available, SOY	248,502	16,831	153,068	7,741	160,900	13,958	7,476,743	20,510	+7,315,843	+6,552	
Total Available	527,509	69,469	772,341	71,944	1,522,396	77,875	19,319,523	103,883	17,797,127	26,008	
Lapsing Balances	-	-	-441	-9	-27,107	-228	-18,441	-18,000	8,666	-17,773	
Bal. Available, EOY	-153,068	-7,741	-90,955	-13,958	-808,065	-20,510	-18,602,609	-22,260	-17,794,544	-1,751	
Total Obligations	374,442	61,728	680,946	57,977	687,224	57,138	698,474	63,622	+11,250	+6,484	

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

Item	2020 Program Level	2020 Actual BA	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Estimated BA	2023 Program Level	2023 Estimated BA	Program Level Inc. or Dec.	BA Inc. or Dec.
Discretionary Obligations:										
Guaranteed Renewable Energy Loans.....	\$20,000	\$706	\$19,559	\$383	\$19,560	\$164	\$19,559	\$18	-	-\$147
Sec 781 Renewable Energy Grants Pilot Program.....	-	-	-	-	12,000	12,000	8,000	8,000	-\$4,000	-4,000
Renewable Energy Grants.....	-	-	-	-	-	-	12,000	12,000	+12,000	+12,000
Subtotal Disc oblig.....	20,000	706	19,559	383	31,560	12,164	39,559	20,018	+8,000	+7,853
Mandatory Obligations:										
Guaranteed Renewable Energy Loans.....	304,156	10,737	615,864	12,071	615,864	5,173	615,864	554	-	-4,619
Renewable Energy Grants.....	39,059	39,059	33,811	33,811	27,500	27,500	30,500	30,500	+3,000	+3,000
Renewable Energy Grants for Under 20k.....	9,375	9,375	9,848	9,848	2,200	2,200	2,150	2,150	-50	-50
Renewable Energy Audits and Technical Assistance.....	1,852	1,852	1,864	1,864	10,100	10,100	10,400	10,400	+300	+300
Subtotal Mand Oblig.....	354,442	61,022	661,387	57,594	655,664	44,973	658,914	43,604	+3,250	-1,369
Total Obligations.....	374,442	61,728	680,946	57,977	687,224	57,138	698,474	63,622	11,250	6,484
Lapsing Balances.....	-	-	441	9	27,107	228	18,441	18,000	-8,666	+17,773
Balances Available, EOY:										
Guaranteed Renewable Energy Loans.....	148,232	2,905	78,287	1,290	794,273	6,717	18,597,086	16,737	+17,802,814	+10,021
Renewable Energy Grants.....	4,836	4,836	1,755	1,755	4,648	4,648	4,441	4,441	-207	-207
Renewable Energy Grants for Under 20k.....	-	-	572	572	301	301	297	297	-4	-4
Renewable Energy Audits and Technical Assistance.....	-	-	340	340	844	844	785	785	-59	-59
Sec 781 Renewable Energy Grants Pilot Program....	-	-	10,000	10,000	8,000	8,000	-	-	-8,000	-8,000
Total Bal. Available, EOY.....	153,068	7,741	90,955	13,958	808,065	20,510	18,602,609	22,260	17,794,544	1,751
Total Available.....	527,509	69,469	772,341	71,944	1,522,396	77,875	19,319,523	103,883	17,797,127	26,008
Less:										
Total Transfers In.....	-237,338	-50,000	-569,830	-50,000	-1,276,794	-50,000	-11,586,680	-50,000	-10,309,886	-
Sequestration.....	14,003	2,950	32,480	2,850	72,777	2,850	660,441	2,850	587,663	-
Recoveries, Other	-35,672	-4,882	-51,924	-6,661	-100,813	-6,375	-866,541	-6,205	-765,728	+170
Bal. Available, SOY.....	-248,502	-16,831	-153,068	-7,741	-160,900	-13,958	-7,476,743	-20,510	-7,315,843	-6,552
Total Appropriation.....	20,000	706	30,000	10,392	56,667	10,392	50,000	30,018	-6,667	19,626

Rural Energy for America Program

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

- (1a) A decrease of \$26,667,000 for the Rural Energy for America Loan Program (\$46,667,000 available in 2022).

The budget is proposing a \$20 million program level.

- (1b) A decrease of \$374,000 in the Rural Energy for America Program budget authority (\$392,000 available in 2022).

The decrease in budget authority is due to a decrease in subsidy rate from 2022. This is the necessary level of budget authority to support the loan level requested.

- (2) A decrease of \$10,000,000 for Renewable Energy Pilot Program GP 781 (\$10,000,000 available in 2022).

As the budget is proposing an increase of \$30 million in the REAP grant program and replaces the renewable Energy pilot program for which funds are not requested.

- (3) An increase of \$30,000,000 for the Rural Energy for America Program (REAP) (\$0 available in 2022).

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

In 2023 priority is given to applicants requesting loan funds for projects that address climate crisis through clean energy and emissions mitigation.

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

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

Expanding renewable energy production creates green jobs, improves the environment, and provides numerous opportunities to enhance rural prosperity. USDA provides financial and technical assistance to aid in sustainably producing and distributing renewable resources. This assistance goes to farmers, ranchers, forest landowners, small businesses, rural utilities, tribal governments, and rural municipalities and covers biomass, solar, wind, hydro, and geothermal technologies as well as providing support for energy efficiency/conservation improvements. This program also receives \$50 million in mandatory support from section 9007, Agriculture Improvement Act of 2018 (P.L. 115-334) funding in 2023.

President Biden is committed to securing environmental justice and spurring economic opportunity for disadvantaged communities that have been historically marginalized, overburdened by pollution and underinvestment in housing, transportation, water and wastewater infrastructure, and health care, and unable to realize the environmental, economic, and other benefits of certain federal investments. In Executive Order 14008, the Administration established that 40 percent of Federal funding would be for distressed communities. The Justice40 Initiative is a critical part of the Administration's whole-of-government approach to

advancing climate action and environmental justice. This program is also targeted for promoting clean energy and energy efficiency that will contribute to reducing greenhouse gases and impacting emissions mitigations. Since FY 2017, over 330 loans and 2,700 grants have been obligated across the U.S. with some concentrations in coastal populations. Due to increasing program demand, total obligations have nearly doubled during the same period to nearly \$650 million in 2021.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RBCS-63. Rural Energy for America Guaranteed Loans, Discretionary. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Arizona	\$155	-	-	-
California	-	\$7,400	-	-
Nebraska	920	-	-	-
New Jersey	-	1,505	-	-
North Carolina	10,000	8,775	-	-
Oregon	2,450	-	-	-
Puerto Rico	-	397	-	-
South Carolina	6,475	-	-	-
Texas	-	1,085	-	-
Wisconsin	-	398	-	-
Distribution Unknown	-	-	\$19,560	\$19,559
Obligations	20,000	19,559	19,560	19,559

Table RBCS-64. Renewable Energy Grants, Discretionary. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Distribution Unknown	-	-	-	\$12,000
Obligations	-	-	-	12,000

Table RBCS-65. Sec 781 Renewable Energy Grants Pilot Project, Discretionary. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Distribution Unknown	-	-	\$12,000	\$8,000
Obligations	-	-	12,000	8,000

Table RBCS-66. Rural Energy for America Guaranteed Loans, Mandatory. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Alabama	-	\$7,000	-	-
Arizona	\$10,000	50,000	-	-
California	2,739	33,755	-	-
Hawaii	-	17,537	-	-
Illinois	-	8,008	-	-
Indiana	5,000	-	-	-
Iowa	18,353	6,000	-	-
Kentucky	40	-	-	-
Louisiana	11,415	-	-	-
Maine	-	71,307	-	-

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Massachusetts	10,000	25,000	-	-
Michigan	-	1,500	-	-
Minnesota	24,250	11,575	-	-
Nebraska	4,996	670	-	-
New York	19,507	22,821	-	-
North Carolina	129,855	252,126	-	-
North Dakota	-	25,000	-	-
Oregon	7,675	25,123	-	-
South Carolina	40,000	58,442	-	-
Vermont	1,191	-	-	-
Virgin Islands	6,500	-	-	-
Wisconsin	12,635	-	-	-
Distribution Unknown	-	-	\$615,864	\$615,864
Obligations	304,156	615,864	615,864	615,864

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

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Alabama	\$247	\$881	-	-
Alaska	467	251	-	-
Arizona	514	578	-	-
Arkansas	1,010	674	-	-
California	1,171	1,915	-	-
Colorado	653	727	-	-
Connecticut	403	426	-	-
Delaware	483	328	-	-
Florida	1,238	815	-	-
Georgia	1,139	985	-	-
Hawaii	490	279	-	-
Idaho	588	444	-	-
Illinois	1,184	667	-	-
Indiana	996	1,378	-	-
Iowa	972	940	-	-
Kansas	657	447	-	-
Kentucky	1,391	890	-	-
Louisiana	213	664	-	-
Maine	718	517	-	-
Maryland	575	478	-	-
Massachusetts	576	446	-	-
Michigan	1,338	943	-	-
Minnesota	1,615	1,348	-	-
Mississippi	603	897	-	-
Missouri	1,195	844	-	-
Montana	391	329	-	-
Nebraska	536	465	-	-
Nevada	41	378	-	-
New Hampshire	587	421	-	-
New Jersey	363	378	-	-
New Mexico	450	341	-	-
New York	1,268	1,065	-	-
North Carolina	1,422	1,671	-	-
North Dakota	613	381	-	-
Ohio	1,128	833	-	-
Oklahoma	28	164	-	-

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Oregon	696	514	-	-
Pennsylvania	1,325	844	-	-
Puerto Rico	676	483	-	-
Rhode Island	437	382	-	-
South Carolina	503	805	-	-
South Dakota	552	423	-	-
Tennessee	1,060	907	-	-
Texas	2,004	1,129	-	-
Utah	497	75	-	-
Vermont	563	431	-	-
Virginia	920	778	-	-
Washington	758	576	-	-
West Virginia	872	600	-	-
Wisconsin	787	659	-	-
Wyoming	148	19	-	-
Distribution Unknown	-	-	\$27,500	\$30,500
Obligations	39,059	33,811	27,500	30,500

Table RBCS-68. Rural Energy for America Grants Under \$20,000. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Alabama	\$104	\$123	-	-
Alaska	131	128	-	-
Arizona	165	173	-	-
Arkansas	185	132	-	-
California	221	227	-	-
Colorado	147	144	-	-
Connecticut	53	116	-	-
Delaware	128	65	-	-
Florida	90	67	-	-
Georgia	239	309	-	-
Hawaii	76	36	-	-
Idaho	141	96	-	-
Illinois	274	446	-	-
Indiana	215	300	-	-
Iowa	868	1,070	-	-
Kansas	169	184	-	-
Kentucky	237	243	-	-
Louisiana	127	20	-	-
Maine	156	159	-	-
Maryland	141	118	-	-
Massachusetts	136	83	-	-
Michigan	229	234	-	-
Minnesota	957	812	-	-
Mississippi	194	187	-	-
Missouri	406	678	-	-
Montana	140	139	-	-
Nebraska	226	245	-	-
Nevada	13	3	-	-
New Hampshire	141	139	-	-
New Jersey	61	71	-	-
New Mexico	116	98	-	-
New York	219	227	-	-
North Carolina	187	268	-	-
North Dakota	117	128	-	-

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Ohio	230	275	-	-
Oklahoma	18	18	-	-
Oregon	155	159	-	-
Pennsylvania	229	233	-	-
Puerto Rico	119	141	-	-
Rhode Island	93	57	-	-
South Carolina	35	164	-	-
South Dakota	136	20	-	-
Tennessee	154	141	-	-
Texas	138	264	-	-
Utah	130	70	-	-
Vermont	110	140	-	-
Virginia	214	70	-	-
Washington	168	173	-	-
West Virginia	175	178	-	-
Wisconsin	182	203	-	-
Wyoming	78	74	-	-
Distribution Unknown	-	-	\$2,200	\$2,150
Obligations	9,375	9,848	2,200	2,150

Table RBCS-69. Rural Energy for America Audits and Technical Assistance Grants. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Alabama	\$61	-	-	-
Alaska	100	-	-	-
Arizona	100	-	-	-
Arkansas	48	-	-	-
Florida	-	\$100	-	-
Indiana	25	-	-	-
Iowa	89	-	-	-
Kentucky	100	-	-	-
Louisiana	-	100	-	-
Maine	95	100	-	-
Massachusetts	85	-	-	-
Michigan	-	100	-	-
Minnesota	-	100	-	-
Missouri	98	100	-	-
New Hampshire	191	-	-	-
New Jersey	-	100	-	-
New Mexico	100	-	-	-
New York	100	-	-	-
North Carolina	-	64	-	-
Ohio	-	100	-	-
Oklahoma	100	-	-	-
Oregon	200	200	-	-
Pennsylvania	100	100	-	-
Puerto Rico	59	-	-	-
Rhode Island	-	100	-	-
Texas	-	100	-	-
Vermont	100	-	-	-
Washington	100	200	-	-
West Virginia	-	200	-	-
Wyoming	-	100	-	-
Distribution Unknown	-	-	\$10,100	\$10,400

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Obligations	1,852	1,864	10,100	10,400

CLASSIFICATION BY OBJECTS**Table RBCS-70. Classification by Objects (thousands of dollars)**

Item No.	Item	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
41.0	Grants, subsidies, and contributions	\$61,728	\$57,977	\$57,138	\$63,622
	Total, Other Objects	61,728	57,977	57,138	63,622
99.9	Total, new obligations	61,728	57,977	57,138	63,622

ACCOUNT 8: HEALTHY FOODS FINANCING INITIATIVE

APPROPRIATIONS LANGUAGE

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

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

LEAD-OFF TABULAR STATEMENT

Table RBCS-71. Lead-Off Tabular Statement (In dollars)

Item	Amount
Estimate, 2022	\$5,000,000
Change in Appropriation	-
Budget Estimate, 2023	<u>5,000,000</u>

PROJECT STATEMENT**Table RBCS-72. Project Statement Appropriations (thousands of dollars)**

Item	2020 Actual BA	2021 Actual BA	2022 Estimated BA	2023 Estimated BA	Budget authority Inc or Dec	Chg Key
Discretionary Appropriations:						
Healthy Foods Financing Initiative.....	\$5,000	\$5,000	\$5,000	\$5,000	-	(1)
Total Adjusted Approp.....	5,000	5,000	5,000	5,000	-	
Total Appropriation.....	5,000	5,000	5,000	5,000	-	
Bal. Available, SOY.....	2,000	3,259	364	-	-\$364	
Total Available.....	7,000	8,259	5,364	5,000	-364	
Lapsing Balances.....	-	-3,259	-64	-	+64	
Bal. Available, EOY.....	-3,259	-364	-	-	-	
Total Obligations.....	3,741	4,636	5,300	5,000	-300	

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

Item	2020 Actual BA	2021 Actual BA	2022 Estimated BA	2023 Estimated BA	Budget authority Inc or Dec
Discretionary Obligations:					
Healthy Foods Financing Initiative.....	\$3,741	\$4,636	\$5,300	\$5,000	-\$300
Subtotal Disc oblig.....	3,741	4,636	5,300	5,000	-300
Total Obligations.....	3,741	4,636	5,300	5,000	-300
Lapsing Balances.....	-	3,259	64	-	-64
Balances Available, EOY:					
Healthy Foods Financing Initiative.....	3,259	364	-	-	-
Total Bal. Available, EOY.....	3,259	364	-	-	-
Total Available.....	7,000	8,259	5,364	5,000	-364
Bal. Available, SOY.....	-2,000	-3,259	-364	-	364
Total Appropriation.....	5,000	5,000	5,000	5,000	-

Healthy Foods Financing Initiative

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

- (1) No change for the Healthy Foods Financing Initiative (\$5,000,000 available in 2022).

The 2023 budget maintains funding for the Healthy Foods Financing Initiative (HFFI) made available under General Provision 738 of the Consolidated Appropriations Act, 2021 (P.L. 116-260). These funds will increase the availability of affordable, healthy foods in underserved rural communities to create and preserve quality jobs and revitalize low-income communities, particularly through the development or equipping of grocery stores and other healthy food retailers. For this initiative, USDA will make available \$5 million in financial and technical assistance to community development financial institutions, other nonprofits, public agencies, and businesses with sound strategies for addressing the healthy food needs of communities. These organizations will use Federal grants, below-market rate loans, loan guarantees and tax credits to attract private sector capital for an even greater investment in projects that increase access to fresh produce and other healthy foods. The goal is to support efforts to provide access to healthy foods in underserved areas, to create and preserve quality jobs, and to prioritize the revitalization of low-income communities.

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

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

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RBCS-74. Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
Pennsylvania	\$3,741	\$4,636	-	-
Distribution Unknown	-	-	\$5,300	\$5,000
Obligations	3,741	4,636	5,300	5,000

CLASSIFICATION BY OBJECTS

Table RBCS-75. Classification by Objects (thousands of dollars)

Item No.	Item	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
41.0	Grants, subsidies, and contributions	\$3,741	\$4,636	\$5,300	\$5,000
	Total, Other Objects	3,741	4,636	5,300	5,000
99.9	Total, new obligations	3,741	4,636	5,300	5,000

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

PROJECT STATEMENT

Table RBCS-76. Project Statement Appropriations (thousands of dollars)

Item	2020 Program Level	2020 Actual BA	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Estimated BA	2023 Program Level	2023 Estimated BA	Program Level Inc. or Dec.	Budget Authority Inc. or Dec.	Chg Key
Mandatory Appropriations:											
Guaranteed Biorefinery Loans a/.....	\$157,569	\$23,525	-	-	-	-	-	-	-	-	-
Total Adjusted Approp.....	157,569	23,525	-	-	-	-	-	-	-	-	-
Add back:.....											
Rescission, Transfers In and Out.....	-167,448	-25,000	-	-	-	-	-	-	-	-	-
Sequestration.....	9,879	1,475	-	-	-	-	-	-	-	-	-
Total Appropriation.....	-	-	-	-	-	-	-	-	-	-	-
Transfers In:											
Commodity Credit Corporation.....	\$167,448	\$25,000	-	-	-	-	-	-	-	-	-
Sequestration.....	-9,879	-1,475	-	-	-	-	-	-	-	-	-
Bal. Available, SOY.....	1,794,583	267,931	\$1,952,151	\$291,456	\$779,683	\$256,983	\$635,568	\$209,483	-\$144,114	-\$47,500	
Total Available.....	1,952,151	291,456	1,952,151	291,456	779,683	256,983	635,568	209,483	-144,114	-47,500	
Bal. Available, EOY.....	-1,952,151	-291,456	-1,847,561	-256,983	-635,568	-209,483	-485,568	-160,043	+150,000	+49,440	
Total Obligations.....	-	-	104,590	34,473	144,114	47,500	150,000	49,440	+5,886	+1,940	

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

Item	2020 Program Level	2020 Actual BA	2021 Program Level	2021 Actual BA	2022 Program Level	2022 Estimated BA	2023 Program Level	2023 Estimated BA	Program Level Inc. or Dec.	Budget Authority Inc. or Dec.
Mandatory Obligations:										
Guaranteed Biorefinery Loans.....	-	-	\$104,590	\$34,473	\$144,114	\$47,500	\$150,000	\$49,440	+\$5,886	+\$1,940
Total Obligations.....	-	-	104,590	34,473	144,114	47,500	150,000	49,440	5,886	1,940
Add back:.....										
Balances Available, EOY:										
Guaranteed biorefinery loans.....	\$1,952,151	\$291,456	1,847,561	256,983	635,568	209,483	485,568	160,043	-150,000	-49,440
Total Available.....	1,952,151	291,456	1,952,151	291,456	779,683	256,983	635,568	209,483	-144,114	-47,500
Less:										
Total Transfers In.....	-167,448	-25,000	-	-	-	-	-	-	-	-
Sequestration.....	9,879	1,475	-	-	-	-	-	-	-	-
Bal. Available, SOY.....	-1,794,583	-267,931	-1,952,151	-291,456	-779,683	-256,983	-635,568	-209,483	144,114	47,500
Total Appropriation.....	-	-	-	-	-	-	-	-	-	-

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RBCS-78. Mandatory Guaranteed Biorefinery Loans Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Wisconsin	-	\$104,590	-	-
Distribution Unknown	-	-	\$144,114	\$150,000
Obligations	-	104,590	144,114	150,000

CLASSIFICATION BY OBJECTS

Table RBCS-79. Classification by Objects (thousands of dollars)

Item No.	Item	2020 Actual	2021 Actual	2022 Estimated	2023 Estimated
41.0	Grants, subsidies, and contributions	-	\$34,473	\$47,500	\$49,440
99.9	Total, new obligations	-	34,473	47,500	49,440

ACCOUNT 10: ENERGY ASSISTANCE PAYMENTS:

PROJECT STATEMENT

Table RBCS-80. Project Statement Appropriations (thousands of dollars)

Item	2020 Actual BA	2021 Actual BA	2022 Estimated BA	2023 Estimated BA	Budget Authority Inc. or Dec.	Chg Key
Mandatory Appropriations:						
Bioenergy for Advanced Biofuels a/	\$6,587	\$6,601	\$6,601	\$6,601	-	
Higher Blends Infra. Incentive Program b/	100,000	-	100,000	-	-\$100,000	
Total Adjusted Approp	106,587	6,601	106,601	6,601	-100,000	
Add back:						
Rescission, Transfers In and Out	-107,000	-7,000	-107,000	-7,000	100,000	
Sequestration	413	399	399	399	-	
Total Appropriation	-	-	-	-	-	
Transfers In:						
Commodity Credit Corporation	107,000	7,000	107,000	7,000	-100,000	
Total Transfers In	107,000	7,000	107,000	7,000	-100,000	
Sequestration	-413	-399	-399	-399	-	
Recoveries, Other	2,000	384	-	-	-	
Bal. Available, SOY	10,576	84,809	38,753	86,495	+47,742	
Total Available	119,163	91,794	145,354	93,096	-52,258	
Bal. Available, EOY	-84,809	-38,753	-86,495	-44,078	+42,418	
Total Obligations	34,354	53,041	58,859	49,019	-9,840	

a/ Mandatory funding provided by section 9005 of the Agriculture Improvement Act of 2018, Public Law 115-334, dated December 20, 2018. The Act provides funds from the Commodity Credit Corporation of \$7,000,000 for 2019 through 2023, to remain available until expended.

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

Table RBCS-81. Project Statement Obligations (thousands of dollars)

Item	2020 Actual BA	2021 Actual BA	2022 Estimated BA	2023 Estimated BA	Budget Authority Inc. or Dec.
Mandatory Obligations:					
Bioenergy for Advanced Biofuels.....	\$11,926	\$6,668	\$7,281	\$7,119	-\$162
Higher Blends Infra. Incentive Program.....	22,428	46,374	51,578	41,900	-9,678
Total Obligations.....	34,354	53,041	58,859	49,019	-9,840
Add back:.....					
Balances Available, EOY:					
Bioenergy for Advanced Biofuels.....	7,237	7,175	6,495	5,978	-518
Higher Blends Infra. Incentive Program.....	77,572	31,578	80,000	38,100	-41,900
Total Bal. Available, EOY.....	84,809	38,753	86,495	44,078	-42,418
Total Available.....	119,163	91,794	145,354	93,096	-52,258
Less:					
Total Transfers In.....	-107,000	-7,000	-107,000	-7,000	100,000
Sequestration.....	413	399	399	399	-
Recoveries, Other	-2,000	-384	-	-	-
Bal. Available, SOY.....	-10,576	-84,809	-38,753	-86,495	-47,742
Total Appropriation.....	-	-	-	-	-

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS**Table RBCS-82. Mandatory Bioenergy Program for Advanced Biofuel Payments Geographic Breakdown of Obligations (thousands of dollars)**

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Alabama	\$72	\$39	-	-
Arizona	98	75	-	-
Arkansas	450	330	-	-
Baker Island	170	-	-	-
California	303	88	-	-
Colorado	-	440	-	-
Florida	7	0	-	-
Georgia	729	302	-	-
Hawaii	53	34	-	-
Illinois	648	594	-	-
Indiana	520	176	-	-
Iowa	873	533	-	-
Kansas	1,777	286	-	-
Kentucky	382	177	-	-
Maine	209	116	-	-
Maryland	-	25	-	-
Massachusetts	589	319	-	-
Michigan	172	103	-	-
Minnesota	722	476	-	-
Mississippi	122	67	-	-
Missouri	591	290	-	-
Nebraska	303	280	-	-
New Hampshire	26	13	-	-
North Carolina	4	-	-	-
North Dakota	-	29	-	-
Ohio	371	171	-	-
Oklahoma	414	255	-	-
Oregon	37	64	-	-
Pennsylvania	346	456	-	-
Rhode Island	72	27	-	-
South Dakota	234	213	-	-
Tennessee	215	206	-	-
Texas	1,161	337	-	-
Vermont	24	12	-	-
Virginia	18	10	-	-
Washington	30	4	-	-
West Virginia	132	59	-	-
Wisconsin	52	62	-	-
Distribution Unknown	-	-	\$7,281	\$7,119
Obligations	11,926	6,668	7,281	7,119

Table RBCS-83. Mandatory Higher Blends Infrastructure Incentive Program Geographic Breakdown of Obligations (thousands of dollars)

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
California	\$23	\$2,114	-	-
Connecticut	-	227	-	-
Florida	3,537	1,855	-	-
Georgia	-	1,062	-	-
Hawaii	-	393	-	-

State/Territory/Country	2020	2021	2022	2023
	Actual	Actual	Estimated	Estimated
Illinois	38	2,624	-	-
Indiana	79	220	-	-
Iowa	9,361	1,896	-	-
Kansas	113	1,008	-	-
Kentucky	4,269	2,142	-	-
Maine	-	52	-	-
Massachusetts	-	5,524	-	-
Michigan	-	152	-	-
Minnesota	1,861	30	-	-
Mississippi	-	76	-	-
Missouri	824	429	-	-
Nebraska	300	3,452	-	-
New Hampshire	-	149	-	-
New York	259	758	-	-
North Carolina	-	615	-	-
Ohio	672	392	-	-
Oklahoma	-	4,884	-	-
Texas	-	8,100	-	-
Utah	43	-	-	-
Wisconsin	1,050	8,220	-	-
Distribution Unknown	-	-	\$51,578	\$41,900
Obligations	22,428	46,374	51,578	41,900

CLASSIFICATION BY OBJECTS*Table RBCS-84. Classification by Objects (thousands of dollars)*

Item No.	Item	2020	2021	2022	2023
		Actual	Actual	Estimated	Estimated
41.0	Grants, subsidies, and contributions	\$34,354	\$53,041	\$58,859	\$49,019
99.9	Total, new obligations	34,354	53,041	58,859	49,019

STATUS OF PROGRAMS

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

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

The mandatory programs funding in RBCS focus on reducing climate pollution and increasing resilience to the effects of Climate Change. In addition, the discretionary funding also supports Climate Change resilience and equitable access to RD programs.

Below is a summary table of RBCS program funding:

Table RBCS-85. Summary of RBCD Program Funding

Program	Total Obligations (in Millions)	Total Number Loans or Grants
Business and Industry (B&I) Guaranteed Loans	\$2,021.9	368
B&I Guaranteed CARES Loans	\$521.1	133
Intermediary Relending Program (IRP) Loans	\$14.0	17
Rural Economic Development (RED) Loan Funds	\$21.5	28
RED Grant Funds	\$286.1	58
Rural Business Development Grant Funds	\$38.6	507
RISE Grant Funds	\$10.0	11
Delta Regional Authority Grants	\$9.0	4
Rural Cooperative Development Grants (RCDG)	\$5.8	30
Appropriate Technology Transfer to Rural America (ATTRA)	\$2.8	1
Socially-Disadvantaged Groups Grant (SDGG) Program	\$2.7	17
Local Agriculture Market Program - Value Added Producer Grant (LAMP-VAPG)	\$72.5	437
Rural Microenterprise Grant Funds	\$3.7	66
Rural Microenterprise Loan Funds	\$3.5	8
Rural Energy for America (REAP) Grant Funds	\$45.5	1,317
REAP Loan Funds	\$635.4	93
Mandatory Guaranteed Biorefinery Variable Rate Loans	\$104.6	2
Energy Assistance Payments (including HBIIP)	\$53.0	444
Healthy Food Financing Initiative	\$4.6	2
Total	\$3,856.3	3,543

Business and Industry (B&I) Guaranteed Loan ProgramCurrent Activities:

The B&I Guaranteed Loan Program supports business growth in rural areas by providing funding through small or regional scale lenders to ensure rural communities have access to capital. In 2021, RD obligated 501 regular and

Coronavirus Aid, Relief, and Economic Security (CARES) Act B&I loan guarantees totaling over \$2.54 billion, assisting 656 rural businesses, and creating or saving 23,672 jobs. Within these totals, over \$481 million in loans were made to distressed communities throughout rural America, and over \$520 million dollars in CARES Act loans were provided to small businesses adversely affected by the COVID-19 pandemic.

Selected Examples of Recent Progress:

In Lake George, New York, AHM RBR Associates, otherwise known as Roaring Brook Ranch Resort and Conference Center, received a B&I Cares Act Loan for working capital needs. Roaring Brook is a 135-room resort that was adversely affected by the COVID-19 pandemic, and the working capital loan will help support the operational needs of the business until the market returns to previous COVID-19 levels. As a result of this investment, 15 jobs were retained.

Intermediary Relending Program (IRP)

Current Activities:

The IRP lends money to economic development intermediaries (non-profits and public bodies) who re-lend it to rural businesses (ultimate recipients) that might not otherwise be able to obtain such financing. In 2021, IRP issued 17 loans totaling \$14 million to intermediaries to establish and recapitalize revolving loan funds. The IRP financing for 2021 resulted in 197 rural businesses being assisted, thereby creating or saving 3,164 jobs. Within these totals, \$3.7 million dollars was made available to small businesses located in rural communities with persistent poverty, saving or creating 294 jobs.

Selected Examples of Recent Progress:

The East-Central Idaho Planning & Development Association of Rexburg, Idaho was awarded \$1 million to supplement revolving loan funds that will be made available to businesses located in nine southeast Idaho counties.

Rural Economic Development Loan and Grant (REDLG) Program

Current Activities:

The Rural Economic Development Loan and Grant program provides funding for rural projects through local utility organizations. USDA provides zero-interest loans to local utilities which they, in turn, pass through to local businesses (ultimate recipients) for projects that will create and retain employment in rural areas. USDA also provides grants to local utility organizations that use the funding to establish Revolving Loan Funds (RLF). Loans are made from the revolving loan funds to projects that will create or retain rural jobs. When the revolving loan fund is terminated, the grant is repaid to USDA.

In FY 2021, REDLG obligated \$307.5 million in loans and grants to local utility organizations in rural America. Of that amount, \$21.5 million in loans and over \$286 million in grants went to qualifying utilities that assisted 89 rural businesses and created or saved 916 jobs. In addition to creating and saving jobs, in 2021 the REDLG funded projects that helped small underserved rural communities improve sanitation services, provide cleaner drinking water and improve safety for residents.

Selected Examples of Recent Progress:

In North Carolina, the town of Lilesville will use a \$145,000 grant to purchase a rear-load garbage truck and 300 trash carts. The truck will replace one that is 20 years old. The new truck will help the town semi-automate trash collection, which will make trash pickup more efficient and will create a safer work environment for employees who are collecting trash manually now.

In Tennessee, The Johnson City Energy Authority will use a \$1 million loan to help the Integrated Marketing Company purchase and renovate a manufacturing facility in Chuckey, Tenn. This project will help the company take on additional clients to grow the business and increase economic output in the region.

In Ohio, Midwest Electric Inc. is receiving a \$300,000 grant to help Mercer Community Land Development LLC improve roads and the sanitary, stormwater and sewer systems at the Marion Township Industrial Park. Mercer also will add 24 lots at the park.

In Missouri, White River Valley Electric Cooperative will use a \$1 million loan to help the Gainesville R-V School District construct a storm shelter and renovate facilities. The school district offers vocational opportunities in business, agriculture, auto mechanics and certified nursing assistant programs.

Rural Business Development Grant (RBDG) Program

Current Activities:

RBDG provides grants to support towns, communities, State agencies, authorities, nonprofit corporations, institutions of higher education, Federally-recognized tribes, and rural cooperatives (if organized as a private nonprofit corporation) in rural areas. These grants fund targeted technical assistance, training, and other activities leading to the development or expansion of small and emerging private businesses that have fewer than 50 employees and less than \$1 million in gross revenues. Programmatic activities are separated into enterprise or opportunity type grant activities. In 2021 the RBDG program awarded 507 grants totaling \$38.6 million that assisted 4,498 businesses in creating or saving 11,046 jobs. Within this total, \$2 million were obligated for two grants to Rural Coastal Communities, and \$2.9 million provided critical funding to minority producers in underserved areas.

Selected Examples of Recent Progress:

In Arizona, the city of Page received a \$50,000 grant to assist with the costs to prepare an Economic Development and Resiliency Recovery Plan (EDRRP) for the city. Page has been negatively affected by reduced tourism spending and the closure of the Navajo Generating Station because of the COVID-19 pandemic.

In California, the Indian Dispute Resolution Services Corporation, was awarded a \$74,606 grant to provide training and technical assistance to small, rural, tribal-member owned enterprises located on reservations in the State of California. The grant will help offset costs associated with developing rural learning programs that provide educational instruction to existing and prospective entrepreneurs and adults that are seeking to increase their skills to gain employment. The training will consist of business planning, computer literacy and skills development, personal and business financial literacy, and leadership development training.

Lincoln County, Oregon received a \$41,000 grant to provide technical assistance to support the creation of a Blue Economy Sector Analysis that will guide investments in this sector for the next three to five years. The analysis will provide critical information on the supply of requisite talent and formation of a robust R&D enterprise across the state, with a focus on Oregon's rural coastal communities.

Rural Innovation Stronger Economy Program (RISE)

Current Activities:

The RISE Grant Program offers grant assistance to create and augment high-wage jobs, accelerate the formation of new businesses, support industry clusters and maximize the use of local productive assets in eligible low-income rural areas. The RISE Grant Program meets a recognized need for federal support of jobs accelerator partnerships for the promotion of private investment in regional economies. The flexible use of funds by RISE grant recipients allows a region to establish and operate innovation centers for job development and training, including through the use of new or improved broadband service by jobs accelerators. The RISE program will improve the ability of rural communities to create high-wage jobs, accelerate the formation of rural businesses, and strengthen regional economies. In 2021, Rural Development obligated \$10 million supporting 11 RISE grants.

Selected examples of Recent progress:

RD provided \$1.8 million to the Central Wyoming College, Fremont County. In Fremont County 14 percent of residents' annual earnings rank below poverty level. In December 2019, the county unemployment rate was 4.7 percent- the second highest in the state. The Wind River Reservation comprises 38 percent of the county and has a 40 percent unemployment rate. The median family income is \$51,758 (34 percent below the national 2020 median income of \$78,500). Although one town in Fremont County (Lander, Wyoming) has much higher income than the rest of the county, most of Fremont County is considered low-income per RISE regulations. Most critically, the project scope focuses on the reservation.

RD provided a \$1.72 million grant to the nonprofit "Region 10 League for Economic Assistance and Planning" that is dedicated to the economic vitality of Olathe and its surrounding communities in Montrose and Delta Counties and will work to establish a center in Olathe, Colorado. Delta and Montrose Counties are located in Western Colorado

and have a strong history of mining and agriculture. Region 10 built a middle mile fiber network throughout its six-county region and owns and operates the R10 Broadband Network improving access to affordable, reliable, and abundant internet service. The targeted industry is the value-added agriculture manufacturing cluster with a sub-focus on Food and Beverage businesses. The applicant has identified several food enterprises and there is a planned future innovation center that is looking to attract larger food-based businesses and a potential repurpose of a building in Delta as a food/chef incubator attracting outside businesses.

Local Agriculture Market Program-Value Added Producer Grant (LAMP-VAPG) Program

Current Activities:

The LAMP- VAPG program helps agricultural producers grow their businesses by turning raw commodities into value added products, expanding marketing opportunities, and developing new uses for existing products. In 2021, the LAMP-VAPG Program funded 437 grants for a total of \$72.46 million. These grants created or saved an estimated 2,578 jobs. Included in this total, LAMP-VAPG COVID funding obligated \$31.7 million supporting 186 grants; and over \$5.6 million supported 88 grant funded projects for under-represented groups and veterans.

Selected Examples of Recent Projects:

In New Mexico, Blue Fly Farms received a \$5,000 grant to expand its production of lavender to create, soaps, lotions, essential oils, and flavored sparkling water from certified organic lavender, rosemary, and mint the farm grows. The grant was used to pay for the creation of a business plan and to conduct a comprehensive marketing plan for its new lavender-based products.

In West Virginia, Yuraction Faction LLC was awarded a \$50,000 grant to expand the customer base and brand packaging for maple syrup and sweet sorghum, and to improve operational efficiency and increase revenue.

Agricultural Marketing Resource Center (AgMRC)

Current Activities:

Funding for AgMRC is made available through the Farm Bill, which makes 2.5 percent of available Value-Added Producer Grant (VAPG) funds authorized for this purpose (note that prior to the 2018 Farm Bill five percent of the available VAPG funds were authorized for this purpose). AgMRC strives to serve a national value-added agriculture audience through its web platform and relationship with other land-grant universities and other technical assistance providers from across the country. AgMRC team members work with internal and external partners to achieve the goals of AgMRC, which are to:

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

Rural Cooperative Development Grant (RCDG)

Current Activities:

RCDGs are awarded to non-profit groups and higher education institutions that use the funds to operate centers to develop or expand cooperatives and mutually owned businesses. These centers work with and support new cooperative businesses. The funding can be used to conduct feasibility studies, create and implement business plans, offer technical assistance, establish low-interest loans, and help rural businesses develop new markets for their products and services. In 2021, grants totaling approximately \$5.8 million were made to 30 cooperative development centers. These centers assisted 2,988 small businesses and cooperatives, creating and saving more than 960 jobs. Within this total, over \$1.3 million supported grants to underserved areas and communities with persistent poverty.

Selected Examples of Recent Progress:

In North Carolina, Carolina Common Enterprise, a cooperative development center, received a \$200,000 grant to provide technical assistance and training for economically marginalized communities. Their proposal projects to assist cooperatives such as the Cherokee artisans in the mountains to Lumbee Indian farmers on the coastal plain. Carolina Common Enterprise offers the Zero To Co-op self-guided online training program to enable more people in more places to plan and launch co-ops locally.

Socially-Disadvantaged Groups Grant (SDGG) ProgramCurrent Activities:

The SDGG program, also known as the Socially Disadvantaged Producer Grants, provides technical assistance grants to socially-disadvantaged groups (cooperatives, groups of cooperatives, and cooperative development centers) for the purpose of developing cooperatives. Socially-disadvantaged groups include members who have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. In 2021, the SDGG program awarded \$2.7 million in 17 grants.

Appropriate Technology Transfer to Rural America (ATTRA)Current Activities:

The ATTRA program, also called the National Sustainable Agriculture Information Service, provides sustainable agriculture information to those engaged in or serving commercial agriculture, such as farmers, ranchers, extension agents, farm organizations, farm-based businesses, and small-scale, beginning, limited-resource, and returning veteran farmers. Created in the 1985 Farm Bill, the ATTRA program is managed by the National Center for Appropriate Technology (NCAT) through a cooperative agreement with USDA/RD.

Selected Examples of Recent Progress:

In 2021, the National Center for Appropriate Technology (NCAT) based in Montana received a \$2.8 million grant to carry out the objectives of the ATTRA program. Headquartered in Butte, Montana, NCAT maintains regional offices and a staff of over 70 individuals. Many of their staff are national experts in their fields and include engineers, architects, as well as experts in areas of organic farming, small acreage production, urban agriculture production, entomology, agriculture economics, soil health, diversified crop and livestock operations, and other agricultural specialties. NCAT provides hands-on assistance to farmers, ranchers, individuals, government agencies and business owners in all 50 States. In recent years, NCAT has expanded their focus to sustainable agriculture, small-scale intensive farming, urban farming, and local foods; assistance to small farmers, beginning and new farmers, socially disadvantaged farmers, and veterans wishing to become farmers.

Rural Microentrepreneur Assistance Program (RMAP)Current Activities:

The RMAP program supports the development and ongoing success of rural microentrepreneurs and microenterprises that consist of ten or fewer employees. Direct loans and technical assistance grants are made to select Microenterprise Development Organizations. In 2021, a total of \$3.5 million in loans was obligated to eight RMAP applicants. The RMAP program also awarded \$3.7 million in grants to 64 RMAP awardees to support their ongoing development of successful rural microenterprises. These loans and grants created or saved an estimated 1,288 jobs. Within these totals, over \$1.3 million of loan and grant funds went to microentrepreneurs in distressed communities.

Selected Examples of Recent Progress:

In Minnesota, Northeast Entrepreneur Fund, a business that stimulates the growth of successful businesses, received both a \$500,000 loan to supplement their revolving loan fund for small businesses and a \$100,000 grant to provide technical assistance to rural entrepreneurs.

Rural Energy for America Program (REAP)

Current Activities:

In 2021, REAP funded 1,410 projects: \$635.4 million in loan guarantees and \$45.5 million in grants. Of this total, REAP obligated \$661.4 million in mandatory funding (\$615.9 million in loan guarantees and \$45.5 million in grants) and \$19.6 million was obligated in discretionary loan guarantees.

REAP mandatory funding supported 1,317 grants as follows:

- Regular grants: \$33.8 million supporting 566 grants
- Audit grants: \$0.8 million supporting 8 grants
- Technical Assistance: \$1.1 million supporting 11 grants
- Energy Savings grants less than \$20,000: \$9.85 million supporting 732 grants

Within these loan and grant totals, over \$61 million supported anaerobic digester projects; \$25 million for ethanol and alternative fuel projects. The REAP program contributed to an estimated energy savings of over 3.7 billion kilowatt hours. These climate smart investments will conserve enough energy to power over 35,677 homes per year.

Selected Examples of Recent Progress:

In North Dakota, Red Trail Energy LLC will use a \$25 million loan to build a carbon-capture processing and storage facility at an ethanol manufacturing facility. The project will provide a 40 to 50 percent reduction in the carbon intensity score of the ethanol the company produces and will enable the company to distribute ethanol to low-carbon fuel standard markets.

In Iowa, Textile Brewery LLC is a partnership owned rural small business brewery in Dyersville IA. Project funds will be used for the purchase and installation of a 38-kW solar array. This project will realize \$19,336 per year in savings and will replace 61,097 kWh, 50 percent per year, which is enough electricity to power 5 homes for nearly 9.5 years.

Gulf Coast Solar LLC in Mississippi will use a \$500,000 grant to make energy efficiency improvements at three wastewater treatment facilities in Hancock County. Funds will help the company design, build, and install fixed-tilt, ground-mount solar photovoltaic equipment through a contract with LightEdison. The equipment will help replace 103 percent of electricity at the North location, 57 percent of electricity at the South location, and 107 percent of electricity at the West location.

In South Dakota, Charles Mix Electric will use an \$8.6 million loan to build 84 miles of electric line and construct a headquarters facility. Charles Mix Electric serves approximately 2,500 rural consumers over 1,310 miles of line.

Biorefinery Assistance Program

Current Activities:

The purpose of the program is to assist in the development of new and emerging technologies for the production/manufacture of advanced biofuels, renewable chemicals, and biobased products. The program will increase energy independence, promote resource conservation, diversify markets for agricultural and forestry products, create jobs, and enhance economic development in rural economies. The Biorefinery, Renewable Chemical, and Biobased Product Manufacturing program has received seven applications for biobased product manufacturing projects in FY 2021. These projects include bio-polymers and organic acids to bioplastics; hemp to biofuel pellets, plant tissue cultures and oils; organic sugars to polymer powders; and algae to oils and proteins, amongst others. To proceed with federal funding, each project must demonstrate their respective technological procedures by running a technical identical, scaled-down version of their process that ultimately validates that the system will operate according to design, as well as expel the forecasted output at appropriate qualities and quantities. In 2021 the program awarded \$104.6 Million for an innovative renewable fuel project that will produce up to 2 million gallons of transportation fuel annually.

Selected examples of Recent Progress:

In Wisconsin, BC Organics LLC (BCO) is the first of its kind commercial biorefinery facility that processes dairy manure and food waste into Renewable Natural Gas (RNG), a concentrated nutrient stream, and clean water. When

completed, the RNG from the facility will replace up to 2 million gallons of transportation fuel used on American highways annually.

Higher Blends Infrastructure Incentive Program (HBIIP)

Current Activities:

The purpose of the HBIIP is to significantly increase the sales and use of higher blends of ethanol and biodiesel by expanding the infrastructure for renewable fuels derived from U.S. agricultural products. The program will encourage a more comprehensive approach to market higher blends by sharing the costs related to building out biofuel-related infrastructure. In 2021 HBIIP funded 64 grant projects totaling over \$46.4 million.

In California, AltAir Paramount LLC will use a \$1.5 million grant to install a pump, safety infrastructure and piping at its fuel distribution facility. Funds will also be used to retrofit and upgrade a biodiesel storage tank. This project is expected to increase biodiesel sales by 135 million gallons per year.

In Ohio, United Dairy Farmers Inc. will use a \$634,000 grant to replace 21 dispensers and four storage tanks at four fueling stations. The company also will install 13 dispensers at two more fueling stations in Ohio and Kentucky. This project is expected to increase ethanol sales by 4 million gallons per year.

In Georgia, RC Bells Inc. will use a \$130,500 grant to replace four dispensers and a storage tank at a fueling station in Acworth. The infrastructure supported by this investment will expand the use of renewable fuels by approximately 420,000 gallons per year.

Healthy Food Financing Initiative grant (HFFI)

Current Activities:

The Healthy Food Financing Initiative aims to improve access to healthy foods in underserved areas, to create and preserve quality jobs, and to revitalize low-income communities. The program aims to build a more equitable food system that supports the health and economic vibrancy of all Americans. Authorized by the 2014 Farm Bill and reauthorized by the 2018 Farm Bill, the 2021 HFFI Targeted Small Grants Program is administered by Reinvestment Fund on behalf of USDA Rural Development. HFFI provides capacity building and financial resources to eligible healthy food retail projects to overcome the higher costs and initial barriers to entry in underserved areas.

For funded projects up through 2020, over 460 permanent jobs are projected to be created or retained and approximately 182,750 square feet of space has been created to sell, store, or distribute food. Forty percent of the projects serve very low-income areas. Ten percent of the awarded projects are owned/controlled by Native Americans and 53 percent of the projects are owned/controlled by people of color.

In 2021, \$4.6 million was obligated for innovative food retail and food system enterprises that seek to improve access to healthy food in underserved areas. Grant awards will range from \$20,000 to \$200,000. The program will support projects that are designed to improve access to fresh, healthy food through food retail. Grants will be one-time investments of capital into a food retail or food enterprise project. Grant funds could assist with a variety of project needs, including predevelopment, brick and mortar facility development, other hard capital costs, equipment needs, and one-time soft costs including training, consulting needs, marketing, or merchandising.

Selected examples of Recent Progress:

Two grants, totaling \$4.6 million, were awarded in Pennsylvania in 2021. Funding for this program goes to a National Reinvestment fund in Pennsylvania that works with the ultimate recipients of this funds. With the 2020/2021 funding provided by Congress, the National Reinvestment Fund manager awarded \$3 million in financial assistance to 20 projects. Below are some of the recipients:

Marty Food Lockers; funding provided \$150,000. Buche Foods operates five independent grocery stores in Gregory, Mission, Pine Ridge, Oacoma and Wagner, South Dakota, near or on Indian Reservations. Buche Foods grocery stores serve rural locations, providing access to fresh, quality food and employment opportunities. In partnership with Yankton Sioux Tribal leaders, Buche Foods seeks to pilot a community-based drop-off program, extending the reach of fresh food access in rural, remote locations.

Mississippi Delta Online Grocery Delivery Program: funding provided \$170,000. A minority and women owned CDFI established in 1994, HOPE works to leverage the power of the financial system to improve the lives of distressed, underserved people across the Deep South. An HFFI grant will support the Mississippi Delta Online Grocery Delivery Program (MDOGDP) which will use a hub and spoke model – where individual grocery orders are aggregated using online grocery ordering software for a retail partner to fill, and then transported the last mile from the retail partner back to the community site for pickup by local residents.

Julietta Market received \$140,030. North Limestone Community. Development Corporation (NoLi CDC) is a community development organization based in the North Limestone neighborhood of Lexington, Kentucky, a low-income neighborhood with limited access to fresh food for retail sale. An HFFI grant will help NoLi CDC develop Julietta Market, which will be a non-profit multi-vendor public market in the heart of the redevelopment of a former bus station building. Julietta Market will offer for retail food sales, as well as shared kitchen space for food production and aggregation facilities, serving neighborhood retail food customers as well as local producers, including the community of local Black urban farmers.