

## CENTER FOR RURAL AFFAIRS

# RURAL BRIEF

VOLUME 4, ISSUE I      JANUARY 2008

## RURAL DEVELOPMENT IN THE SENATE FARM BILL

### PROGRAM AUTHORIZATIONS

HR 2419, as approved by the U.S. Senate on December 14, 2007, authorized a total of \$479 million annually for Farm Bill authorized rural development programs. About 55 percent (\$265 million) of that authorized spending is mandatory spending, or spending that must be included in the annual federal budget through the appropriation process. The rest of the authorized spending is discretionary spending, inclusion of which in the federal budget is at the annual discretion of appropriators. Because of this, it is conceivable that the \$214 million in Farm Bill discretionary spending will never be appropriated, and the programs listed herein with discretionary funding will either terminate or never be implemented.

The vast majority of the rural development title approved by the Senate reauthorizes existing programs and sets annual authorized appropriation levels. Rural Development programs in the Senate Farm Bill and authorized annual spending levels are (amounts in millions of dollars):

| Program   | House's Annual Authorized Appropriation<br>FY 2008 through FY 2012 | Senate's Annual Authorized Appropriation<br>FY 2008 through FY 2012 |
|---|--|---|
| Water or Waste Disposal Grants  | \$30   | \$135 Reauthorized  |
| Rural Business Opportunity Grants (RBOG)  | \$15   | Reauthorized  |
| Child Day Care Facility Assistance  |  | \$40 Mandatory  |
| Rural Water and Wastewater Circuit Rider Program                                    | \$25 (Increased from \$15)   | \$20 (Increased from \$15)  |
| Multi-Jurisdictional Regional Planning  |  | Reauthorized  |
| Rural Hospital Loan Guarantee   |  | \$50 Mandatory  |
| Tribal College and University Essential Community Facilities                        | \$10   | Reauthorized  |
| Community Facility Loans and Grants for Freely Associated States and Outlying Areas |  | New   |
| SEARCH Grants   |  | Modified  |
| Cooperative Equity Security Guarantee   |  | New   |
| Locally-Produced Agricultural Food Products   |  | New   |
| Emergency Imminent Community Water Assistance Grant Program                         | \$35   | Reauthorized  |
| Water Systems for Rural and Native Villages in Alaska                               | \$30   | Reauthorized  |
| Water Well Systems for Low and Moderate Income Households                           | \$10   | \$10  |

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| Program   | House's Annual Authorized Appropriation<br>FY 2008 through FY 2012 | Senate's Annual Authorized Appropriation<br>FY 2008 through FY 2012 |
|---|--|---|
| Rural Cooperative Development Grants  | \$50   | Reauthorized  |
| Grants to Broadcasting Systems  |  | Reauthorized  |
| Center for Healthy Food Access and Enterprise Development   |  | \$1   |
| National Sheep Industry Improvement Center  | \$10   |   |
| National Rural Development Partnership  | \$10   | Reauthorized  |
| Historic Barn Preservation  | As Necessary   | Reauthorized  |
| NOAA Weather Transmitters   | As Necessary   | Reauthorized  |
| Delta Regional Authority  | \$30   | Reauthorized  |
| Northern Great Plains Authority   | \$30   | Reauthorized  |
| Rural Strategic Investment Program  | \$25   |   |
| Value-Added Producer Grant Program  | \$30 Mandatory   | Reauthorized  |
| Grants to train farm workers in new technologies and to train farm workers in specialized skills necessary for higher value crops |  | Reauthorized  |
| Grants for expansion of employment opportunities for individuals with disabilities in rural areas                                 |  | \$2 (New)   |
| Rural Collaborative Investment Program<br>(previously known as Rural Strategic Investment Program)                                |  | \$135 Mandatory (New)   |
| Artisanal Cheese Centers  |  | New   |
| Telemedicine and Distance Learning  | Reauthorized and Extended Only                                     | Reauthorized  |
| Agricultural Innovation Center Demonstration Program  | \$6  |   |
| Expansion of 911 Access   | Reauthorized and Extended Only                                     | Reauthorized  |
| Appropriate Technology Transfer for Rural Areas Program (ATTRA)   | \$5  | \$5   |
| Rural Economic Area Partnership Zones   |  | New   |
| Grants to Improve Technical Infrastructure and Improve Quality of Rural Healthcare Facilities                                     | \$30 (New)   |   |
| Rural Entrepreneur and Microenterprise Assistance Program   | \$20 (New)   | \$40 Mandatory (New)  |
| Access to Broadband Telecommunication Services in Rural Areas   | As Necessary (New)   | \$1   |
| Community Connect Grant Program   | \$25 (New)   |   |
| Rural Firefighters and Emergency Medical Service Assistance Program   | \$30 (New)   |   |

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| Program  | House's Annual Authorized Appropriation<br>FY 2008 through FY 2012 | Senate's Annual Authorized Appropriation<br>FY 2008 through FY 2012 |
|--|--|---|
| Substantially Underserved Trust Areas  |  | New   |
| Connect the Nation   |  | \$40 (New)  |
| Rural Electronic Commerce Extension Program                                  |  | Reauthorized  |
| Study of Railroad issues   |  | New   |
| Issuance of loans for housing and related facilities for domestic farm labor |  | New   |

It is important to note that the Farm Bill does not authorize or reauthorize every program within the portfolio of USDA Rural Development. Some USDA Rural Development programs are authorized under different legislation. For example, several USDA housing programs are authorized and reauthorized pursuant to specific housing legislation, and several USDA utility and infrastructure programs under the Rural Utilities Service (RUS) are authorized and reauthorized pursuant to the Rural Electrification Act of 1936. The Senate version includes reauthorization of rural electric and telephone program, while the House version does not.

Those programs in the table above with a note in the House and/or Senate columns but without an accompanying dollar amount are authorized (or reauthorized) programs without an authorized appropriation amount, and will need to have an appropriation made through the annual appropriations process in subsequent years.

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## WHAT'S NEXT?

Farm Bill action now moves on to a conference committee, a joint House and Senate committee that will resolve differences between the two versions and prepare the final bill. The conference committee members will be chosen from the House and Senate Agriculture Committees. Conference Committee action is scheduled to start in late January or early February.

The next issue of the Center for Rural Affairs' *Rural Brief* will discuss and analyze the final version of the 2007 Farm Bill.

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## NEW RESEARCH AT THE CENTER FOR RURAL AFFAIRS

- *Promising Opportunities*. This is a follow-up report to our Fresh Promises report that highlighted rural strategies happening in the Midwest and other rural communities. Promising Opportunities takes a look at the legislative policies that could be in place to help these strategies become realities in other rural communities.
- *An Analysis of USDA Farm Program Payments and Rural Development Funding in Low Population Growth Rural Counties*. This report compares the amount of money going to the top 20 business recipients of farm program payments in selected states for the period 2003 to 2005 to rural development grant funding in certain counties in the same states.
- *Economic Outcomes of Rural Microenterprise Development in the 2007 Farm Bill: An Analysis of the Rural Entrepreneur and Microenterprise Assistance Program*. This report examines the potential economic outcomes of the program, including the potential job creation and effects on income and assets for rural people and rural households, should the program be a part of the final 2007 Farm Bill adopted by Congress and signed into law and subsequently implemented.

These reports can all be found on the Center for Rural Affairs' virtual library, [www.cfra.org/publications/virtual\\_library](http://www.cfra.org/publications/virtual_library) or by calling Jon Bailey or Kim Preston at the office, 402-687-2100.

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FARM BILL

The *Rural Brief* is a publication of the Rural Research and Analysis Program of the Center for Rural Affairs. The *Rural Brief* will be published quarterly and on special occasions, and will analyze Federal Executive, Legislative and Administrative action concerning rural development and asset-building programs and initiatives.

If you or anyone you know wish to receive the *Rural Brief*, please contact **Jon Bailey** at [jonb@cfra.org](mailto:jonb@cfra.org) or **Kim Preston** at [kimp@cfra.org](mailto:kimp@cfra.org), or the Center for Rural Affairs at the phone number or address above. There is no charge for a subscription to the *Rural Brief*. Past copies of *The Rural Brief* are available on our website, <http://www.cfra.org>

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