

## 2007 Farm Bill Rural Development Title Making Investments in Rural Communities

### Community facilities

- Provides mandatory funding for day care construction,
- Provides mandatory funding for rehabilitating and providing equipment for hospitals with fewer than 100 acute beds in towns of less than 20,000.
- Extends broadband grants to facilities to libraries
- Provides lower interest rates to rural electric cooperatives for renewable electric energy production

### Broadband

- Requires that eligible applicants propose to service rural areas where at least 25% of households are not currently offered broadband service.
- Stipulates that neither loans nor loan guarantees may be provided to applicants proposing service in an area where there are 3 or more existing service providers.
- Requires highest priority for applicants proposing to provide broadband service to the greatest proportion of unserved households.
- Simplifies the application process and provides for a more reasonable asset test
- Requires application information is to be available on a government website.
- Authorizes grants to determine precisely what areas do not have broadband

### Value Added Grants

- Reduces maximum grant size from \$500,000 to \$300,000
- Promotes locally grown foods by allowing assistance to help aggregate and sell

### Rural Collaborative Investment Program (new)

- Self-identified areas would form local boards including local government officials, business and nonprofit leaders to apply for the grants
- Funds are provided for planning grants to help areas develop plans to improve their economy and quality of life
- Those areas with the best plans to create quality jobs and improve the quality of life in their area are given funds to implement their plan. They also get a preference for USDA Rural Development programs.

### Microenterprise Assistance (new)

- Provides technical assistance and small loans to beginning entrepreneurs

### Rural Venture Capital

- Authorizes venture capital at a leverage rate of 5 to 1 to approved entities

### Authorizes Rural Water/ Waste Water backlog

- Applies mandatory funding to pending applications for rural water and wastewater assistance

### Definition of Rural

- Changes definition of rural area to exclude: cities of 50,000, urbanized areas (Census Bureau defined) contiguous and adjacent to cities of 50,000 and any collection of census blocks contiguous to each other with a housing density of more than 200 housing units per square mile.
- Maintains lower city-size limitations for the commodity facility and rural water and waste water programs.

*The farm bill is the single most important piece of legislation for improving the quality of life and economic vitality of our rural communities.*

- ◆ Today, rural communities face enormous challenges, with loss of population and jobs contributing to a negative cycle which feeds on itself. Investments in rural development can help reverse this dynamic.