

CRS Report for Congress

Rural Development and the 2007 Farm Bill

Updated January 3, 2008

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Prepared for Members and
Committees of Congress

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Summary

Congress has expressed its concern with rural communities most directly through periodic omnibus farm bill legislation, most recently in the 2002 Farm Security and Rural Investment Act (P.L. 107-171, the 2002 farm bill) and in the House- and Senate-passed versions of the pending 2007 farm bill (H.R. 2419 and S.Amdt. 3500, respectively). Congress uses periodic farm bills to address emerging rural issues as well as to reauthorize and/or amend a wide range of rural programs administered by USDA's three rural development mission agencies: Rural Housing Service, Rural Business-Cooperative Service, and Rural Utilities Service.

Title VI considers a wide range of policy issues concerning rural America. In the 2002 farm bill, these issues included provisions such as equity capital development in rural areas, regional economic planning and development, essential community facilities, infrastructure needs, value-added agricultural development, and broadband telecommunications development. H.R. 2419 and S.Amdt. 3500 consider similar issues as well as several new ones. The House-passed bill proposes grants to improve technical infrastructure of rural health care facilities, expanding broadband access in rural areas, and creating new entrepreneurial capacity in rural communities with a microenterprise grants program. The Senate-passed bill also proposes a microenterprise assistance program, as well as a new rural collaborative investment program, a broadband Connect the Nation program, assistance for locally produced agricultural products, child day care facility grants, a new Northern Border Economic Development Commission, and a one-time funding of pending water and wastewater infrastructure projects.

Several programs authorized with mandatory spending in the 2002 farm bill are reauthorized with discretionary funding in H.R. 2419 (Rural Firefighters and Emergency Personnel, Rural Strategic Investment Program, and the Access to Broadband Services in Rural Areas). The Value-Added Grants Program, similarly authorized in the 2002 farm bill, is also reauthorized by H.R. 2419 with \$150 million of mandatory funding over five years. S.Amdt. 3500 provides \$400 million in mandatory spending for 5 programs: rural hospitals, the microenterprise assistance program, the rural collaborative investment program, child day care facilities, and the pending water infrastructure applications.

The Senate-reported bill also redefines the 2002 definition of "rural" to include housing density criteria. As with the House-passed bill, the Senate measure also directs the Secretary of Agriculture to produce a report on the various definitions of "rural" used by USDA in providing assistance.

Other discretionary programs in both the House and Senate measures (e.g., water and waste disposal grants, technical assistance for rural water systems, emergency community water assistance, business opportunity grants, water assistance to Native villages in Alaska, community facilities for Tribal colleges, distance learning and telemedicine) are also reauthorized and/or amended through FY2012.

The report will be updated regularly.

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Rural Development and the 2007 Farm Bill

Background and Overview

While farm commodity issues may occupy center stage in policy discussions of the periodic omnibus farm bills, rural community and economic development are also topics of congressional concern and a separate title within the farm bill. Since 1973, omnibus farm bills have included a rural development title, the most recent being Title VI of the Farm Security and Rural Investment Act of 2002 (P.L. 107-171). Positioning rural areas to better compete in a global economic environment is one of the key issues framing the current debate about the future of rural America. When agricultural production and related businesses dominated rural economies, policies that strengthened and improved agriculture tended to strengthen and improve the well-being of most of America's small communities and rural residents. As the strength of this linkage has declined, the need for new sources of rural economic development has become more apparent to policymakers and rural development practitioners.

Congressional interest in rural policy encompasses a wide range of issues, including agriculture, forestry, and mining, community infrastructure, natural resource conservation and management, bioenergy and economic development. Current challenges to and reform of existing federal rural policies are evolving in an environment of increasing concern about economic competitiveness, a shift away from agriculture toward manufacturing and services, new federal political strategies, and the emergence of new political interests in farm bill deliberations. A changing rural America is also producing pressures for different policies and raising new questions about what Congress's role should be in shaping rural policy.

Both agriculture and manufacturing issues are increasingly seen as part of global and regional restructuring issues, which have significant implications for rural areas, especially those areas where these production sectors remain dominant. Today, nearly 90% of total farm household income comes from off-farm sources.¹ Manufacturing now accounts for about 25% of rural private sector earnings and about 12% of all rural jobs. The service sector, as with the U.S. domestic economy as a whole, now dominates the rural labor market, although the rural service sector differs from the metropolitan service sector in terms of job categories, skills, and wages.

The rural development title of past farm bills generally has supported (1) the infrastructure of rural areas, with traditional support for housing, electrical generation and transmission, water and wastewater, and community capacity, (2) agricultural development, and (3) rural business creation and expansion. More recently,

¹ This figure reflects the significant proportion of small, "life-style" farms whose owners are not primarily involved in production agriculture. For those farms where agricultural production is central to the household's income, the proportion of off-farm income is less.

policymakers have pushed for programs that support innovative and alternative business development, and innovative mechanisms to finance it. Pressure for such alternative approaches is expected to continue as policymakers recognize the changing structure of agriculture and the great diversity among rural communities, with some rural areas growing and prospering, and others falling further behind as their primary industries (including agriculture) either decline or adapt to a global economy. Such adaptation and dislocation over the past decade has often meant fewer rural employment opportunities and significant population outmigration for many rural communities.

To emphasize the importance of agricultural production in the local economies that still characterizes many rural areas, legislative proposals are being circulated that promote technologies to help farmers with planting decisions and local investments in industries that will add value to their products, among others. Research is also increasingly focused on improvements in agricultural waste management and environmental protections. Traditional strategies, notably value-added agriculture (e.g., regional food processing plants, cooperatives, organic farming, biofuels) are being promoted by many in the farm sector. While holding promise for agriculture and surrounding communities, there remain limits on the extent to which agriculture and other mature industries can become a significant engine for renewed rural economic prosperity.

While commodity policy dominates much of the debate and most of the funding, production agriculture remains a comparatively small and shrinking part of the rural economy, with less than 8% of the rural population employed in agriculture. There is growing recognition that farmers in many rural areas depend more on a healthy rural economy than the rural economy is dependent on farmers for its vitality. The need to strengthen the capacity of rural areas more generally to compete in a global economy is becoming more widely appreciated as the limitations of commodity subsidies, peripheral manufacturing, and physical infrastructure as mainstays of rural development policy become more obvious.

Issues Influencing the Rural Development Title

Emerging policy issues surround the question of whether current farm policies, which rely heavily on commodity support payments and subsidies to a few production sectors, help, hinder, or have little impact on the future development of economically viable rural communities. Rural manufacturing, which tends to be lower-skilled and lower-waged, is also undergoing restructuring with the loss of manufacturing to foreign competition. While transformation to a service economy continues in rural America, service employment in many rural areas tends to be in lower-wage personal services rather than business and producer services. Continuing population and economic decline in many farming and rural areas is compelling policymakers and rural areas to create new sources of competitive advantage, innovative ways of providing public services to sparse populations, and new ways of integrating agriculture into changing rural economies.

More recently, economic development efforts in some areas have targeted various entrepreneurial strategies. These approaches attempt to capitalize on a

particular area's distinctive social, economic, and environmental assets and advantages to build endogenously on existing strengths. Developing a local entrepreneurial culture seems to be an important approach in these efforts' successes. Linking public and private sources to build "business incubators" is a common strategy, as is developing new commercial ties with area colleges and universities. Communities are also applying such entrepreneurial energy to making their local governments, schools, and hospitals more efficient through, for example, telecommunication innovations.

The trends noted above suggest a range of issues affecting the rural development title of the 2007 farm bill that may include the following:

- Conservation and environmental restoration as rural employment opportunities
- Stemming rural population out-migration
- Vertical integration and coordination of agriculture into supply networks and their implication for rural areas
- Developing rural entrepreneurial capacity
- Rebuilding an aging rural physical infrastructure
- Public service delivery innovations in sparsely populated areas
- Increasing suburbanization and the conflicts between agriculture and suburban development
- Human capital deficiencies in rural areas
- Regional-based efforts for economic development
- Connecting businesses and rural communities with broadband telecommunications infrastructure

The rural development titles of the House- and Senate-passed versions of the 2007 farm bill are taking shape against this backdrop of shifts in the rural economy, widespread and long-term poverty in some rural areas, outmigration in other rural areas, dwindling economic opportunity in rural areas, gaps in critical infrastructure, and a growing appreciation in many quarters of the limits of existing rural development programs to respond to the great diversity of rural places and socioeconomic circumstances. Such issues give rise to several policy relevant questions.

- How effective are current federal programs in improving the competitive position of rural areas?
- Can broad-based federal rural programs be better targeted to the critical needs of particular rural areas?
- How might regional funding approaches be better integrated into federal policy for rural areas?
- How can federal policies better assist entrepreneurial efforts in rural communities?
- How might the biofuels emphasis in the upcoming farm bill be connected to rural development programs?

Current Federal Programs

More than 88 programs administered by 16 different federal agencies target rural economic development. The Rural Development Policy Act of 1980 (P.L. 96-355), however, named USDA as the lead federal agency for rural development. USDA administers most of the existing rural development programs and has the highest average of program funds going directly to rural counties (approximately 50%).² Three agencies are responsible for USDA's rural development mission area: the Rural Housing Service (RHS), the Rural Business-Cooperative Service (RBS), and the Rural Utilities Service (RUS). An Office of Community Development provides community development support through Rural Development's field offices.

It is important to note that most loan and grant programs administered by USDA Rural Development are funded through annual (discretionary) appropriations. The rural development title of omnibus farm bills does not address every program administered by the three USDA mission agencies. These various programs are "permanently" authorized, often through amendments to the Consolidated Farm and Rural Development Act of 1972 (the ConAct, P.L. 87-128) or the Rural Electrification Act of 1936 and are funded through annual appropriations. The 1996 farm bill (P.L. 104-127) authorized the first provision in the rural development title funded by mandatory spending, the Fund for Rural America, which expired in 2002. The 2002 farm bill (P.L. 107-171) authorized six new programs supported through mandatory spending. Mandatory funding for most of these programs, however, was largely blocked by appropriators between 2002 and 2007. Several of the programs were funded instead through discretionary appropriations, although in amounts less than the original authorization.

Recent Congressional Activity

House-Passed (H.R. 2419) and Senate-Passed (S.Amdt. 3500) Farm Bills. The House approved the Farm Nutrition and Bioenergy Act of 2007 (H.R. 2419) on July 27, 2007, and the Senate passed S.Amdt. 3500 (Food and Energy Security Act of 2007) on December 14, 2007. Many of the programs authorized in the 2002 farm bill are reauthorized in the two bills. Appendix A provides a side-by-side comparison of the 2002 provisions with the provisions in the House and Senate bills. Unlike the 2002 farm bill, the rural development provisions of H.R. 2419 contain only one mandatory funded program (Value-Added Product Grants). However, several programs that were authorized to receive mandatory funding in the 2002 farm bill were reauthorized in H.R.2419 with discretionary funding (e.g., the Rural Strategic Investment Program and the Rural Firefighters and Emergency Medical Personnel Program).

The Senate bill provides \$400 million in mandatory funding for five programs: rural hospitals, a microenterprise assistance program, a rural collaborative investment

² More information on individual USDA Rural Development programs can be found in CRS Report RL31837, *An Overview of USDA Rural Development Programs*.

program, child day care facility grants, and a one-time funding of pending water and wastewater infrastructure applications.

Concerns about how effectively USDA targets its rural development loan and grant assistance have been a recurring consideration by policymakers and rural development practitioners. The general concern is that rural development funding may not be targeted to the neediest rural communities because of the way rural is defined. Section 6001 of H.R. 2419 would direct the Secretary to assess the varying **definitions of “rural” used by USDA** and to describe the effects these different definitions have on USDA Rural Development programs. Section 6021 of the Senate bill also contains this provision. The provision directs the Secretary to make recommendations for ways to better target rural development funds. This provision is related to Section 6014 of H.R. 2419, which directs the Secretary to review income, population density, and seasonal population increases of eligible rural communities when awarding loans and grants and to issue regulations that establish applicable limitations on rural areas. In the Senate bill, Section 6021 proposes a new definition of “rural” that incorporates housing density criteria into the definition of a rural area as one that lies outside of a Bureau of the Census-defined “urban area.” The Senate measure also permits the Under Secretary for Rural Development discretion in determining whether individual rural areas should fall under the new definition.

Other new provisions in the rural development titles of both the House- and Senate-passed bills include the following programs.

- Section 6012 of H.R. 2419 authorizes grants to improve technical infrastructure and improve the quality of **Rural Health Care Facilities**. S.Amdt. 3500 authorizes grants and loan guarantees for similar purposes. The House-passed measure authorizes \$30 million annually for 2008 through 2012, and S.Amdt. 3500 would provide a total of \$50 million in mandatory spending.
- Section 6013 of H.R. 2419 and Section 6022 of S.Amdt. 3500 authorize a **Rural Entrepreneur and Microenterprise Assistance Program**. A microenterprise is defined as a sole proprietorship or a business with fewer than 10 full-time employees. The program would target economically disadvantaged microentrepreneurs, i.e., those who could compete in the private sector but have been impaired because of lack of credit opportunities and limited equity capital options. Federal assistance would be provided to microenterprise development organizations to support the development of entrepreneurial activities in rural areas. These qualified organizations would be required to match at least 25% of the federal grant. Appropriated funding is authorized at \$20 million annually for 2008 through 2012 in the House measure, and \$40 million total in mandatory spending under the Senate-passed bill.
- Section 6024 of H.R. 2419 authorizes the **Community Connect Grant** program. The program would provide grant assistance to

eligible broadband providers and give priority to financing broadband service that delivers telemedicine and distance learning. Applicants would be required to provide a 15% matching fee. Grants to support financing duplicative service provided by another entity would be prohibited. Appropriated funding is authorized at \$25 million annually for 2008 through 2012. The Senate-passed measure proposes a **Connect the Nation Act** to create a competitive state-federal matching grant program for rural broadband development. The program would be housed in the U.S. Department of Commerce and would support public-private partnerships to assess current broadband use and to build geographic information system (GIS) maps of service. Funding is authorized at \$40 million annually for 2008-2012.

In addition to these newly authorized programs within both House and Senate bills, the rural development titles of H.R. 2419 and S.Amdt. 3500 also include other provisions to create or to reauthorize and/or amend a wide variety of loan and grant programs that provide further assistance in four key areas: (1) broadband and telecommunications, (2) rural utilities infrastructure, (3) business and community development, and (4) regional development.

Broadband and Telecommunications.

- Section 6023 of H.R. 2419 and Section 6110 of S.Amdt. 3500 reauthorize the **Access to Broadband Telecommunications Services in Rural Areas**. The program was originally authorized in the 2002 farm bill (Section 6103) and funded by mandatory authorization. Its effectiveness, however, has been limited by difficulties in implementation. Both the House and Senate bills make changes in the defining eligible rural communities, make provisions for prioritizing loans, and reduce equity requirement on broadband providers offering service to unserved areas. Both the House and Senate measures further authorize the Secretary to designate a National Center for Rural Telecommunications Assessment and authorize discretionary funding at \$1 million annually.
- Section 6028 of H.R. 2419 authorizes assistance for **Rural Public Television Stations** to support their transition from analog to digital equipment.
- Section 6029 of H.R. 2419 and Section 6302 of S.Amdt. 3500 reauthorize the **Distance Learning and Telemedicine Loan and Grant Program**, which provides funding to educational and medical facilities. The Senate measure would also emphasize library connectivity as an objective of program funding.
- Section 6031 of H.R. 2419 authorizes a **Comprehensive Rural Broadband Strategy**. The provision directs the Secretary of

Agriculture to develop a comprehensive strategy for enhancing broadband service to rural areas. Section 6112 of S.Amdt. 3500 directs the Comptroller General to conduct a **Study of Federal Assistance for Broadband Infrastructure**. The study would assess how RUS makes decisions regarding applications for broadband assistance.

Rural Utilities Infrastructure.

- Section 6002 of H.R. 2419 and Section 6001 of S.Amdt. 3500 reauthorize **Water, Waste Disposal and Wastewater Facility Grants** through 2012. Discretionary funding is provided under the utilities account of Rural Community Advancement Program (RCAP). This is the largest program in the RCAP portfolio. The Senate measure would also amend the current interest rate schedule for water and waste water loans by setting rates to a proportion of a municipal bond index.
- Section 6004 of H.R. 2419 and Section 6004 of S.Amdt. 3500 reauthorize the **Rural Water and Wastewater Circuit Rider Program**, which provides technical assistance to rural water systems. Funding is authorized at \$25 million annually in the House measure and \$20 million annually in the Senate-reported bill.
- Section 6006 of H.R. 2419 and Section 6011 of S.Amdt. 3500 reauthorize the **Emergency and Imminent Community Water Assistance Grant Program**, which provides funding to rural communities facing threats to the provision of potable water. It is funded under the utilities account of RCAP.
- Section 6007 of H.R. 2419 and Section 6012 of S.Amdt. 3500 reauthorize **Water Systems for Rural and Native Villages in Alaska**. This provision targets funding under the utilities account of RCAP for Alaskan native communities.
- Section 6008 of H.R. 2419 and Section 6013 of S.Amdt. 3500 reauthorize grants to nonprofit organizations for the construction and refurbishing of **household water well systems**. The program targets well systems for low-income individuals in rural areas.
- Section 6033 of S.Amdt. 3500 would provide \$135 million in mandatory funding for **Pending Water and Wastewater Loan and Grant Applications**. This would be a one-time expenditure designed to remove some of the backlog of applications.

Business and Community Development.

- Section 6003 of H.R. 2419 and Section 6002 of S.Amdt. 3500 reauthorize **Rural Business Opportunity Grants**, which are used

for economic planning and technical support and training for rural businesses.

- Section 6005 of H.R. 2419 and Section 6007 of S.Amdt. 3500 reauthorize **Tribal College and University Essential Community Facilities** through 2012. This program targets funding under the Community Facilities Program, an RCAP account, to tribal facilities. Essential facilities include those that support public safety infrastructure and provide community health care.
- Section 6009 of H.R. 2419 and Section 6015 of S.Amdt. 3500 reauthorizes **Rural Cooperative Development Grants**. This provision permits multi-year grants (up to three years) for awards to rural cooperative centers. Section 6009 would further provide a 20% set-aside for rural centers working with socially disadvantaged communities when the appropriation level exceeds \$7.5 million, and directs the Secretary of Agriculture to conduct research on the national economic impact of cooperatives.
- The Senate measure (S.Amdt. 3500) includes three new programs to assist local food production and community development: Section 6017 would provide loans and loan guarantees for **Locally Produced Agricultural Food Products**. Section 6018 would establish a **Center for Healthy Food Access and Enterprise Development** that would provide technical and marketing assistance for food wholesalers and retailers. Section 6023 would establish **Artisanal Cheese Centers** to provide technical assistance relating to the manufacture and marketing of artisanal cheese by small and medium-sized companies.
- Section 6011 of H.R. 2419 and Section 6019 of S.Amdt. 3500 reauthorize the **Appropriate Technology Transfer for Rural Areas Program (ATTRA)**. The program supports a cooperative agreement between the Rural Business-Cooperative Service and the University of Arkansas to provide information and technical support for sustainable and organic agricultural production. Both the House and Senate measures authorize \$5 million annually.
- Section 6026 of H.R. 2419 reauthorizes the **Rural Firefighters and Emergency Medical Service Assistance Program**. Originally authorized by the 2002 farm bill, the measure provides grants to enable entities to provide improved emergency medical assistance in rural areas. It also provides grants to pay the cost of training emergency personnel to respond to hazardous materials and bioagents in rural areas. Unlike the 2002 farm bill, which provided mandatory funding, the provision is authorized for discretionary funding up to \$30 million annually.

- Section 6027 of H.R. 2419 and Section 6401 of S.Amdt. 3500 reauthorize the **Value-Added Agricultural Market Development Program**. The House-passed provision targets funding for “mid-tier value chains” which are local and regional supply networks linking independent producers with businesses and cooperatives. It also reserves 10% of the Value-Added Products Grants for projects benefitting beginning or socially disadvantaged farmers and ranchers. Funding is authorized at \$30 million annually in mandatory spending from the Commodity Credit Corporation. The Senate measure also prioritizes loans that contribute to opportunities for beginning farmers and ranchers and socially disadvantaged farmers or ranchers. The Senate measure would also reduce the maximum size of a grant. The Senate measure authorizes such sums as necessary.
- Other provisions in the Senate-reported bill include \$40 million in mandatory spending for **Child Care Facility Grants**. This provision would be supported under the Community Facilities Grants program. Section 6028 authorizes \$2 million annually in grants to nonprofit organizations for **Expansion of Employment Opportunities for Individuals with Disabilities in Rural Areas**. Section 6032 reauthorizes the **Rural Business Investment Program** through 2012. This program was authorized in the 2002 farm bill and given mandatory spending. The reauthorization provides such sums as necessary.

Regional Development.

- Section 6019 of H.R. 2419 and Section 6029 of S.Amdt. 3500 reauthorize the **Delta Regional Authority**, a federal-state partnership serving a 240-county/parish area in an eight-state region of the Mississippi delta.
- Section 6020 of H.R. 2419 and Section 6030 of S.Amdt. 3500 reauthorize the **Northern Great Plains Regional Authority (NGPRA)**, which covers Iowa, North and South Dakota, Minnesota, and Nebraska. Both provisions authorize the NGPRA to organize and operate without a federal member if no such individual is nominated within 180 days of enacting the bill. The House-passed measure would eliminate prioritization of activities to be funded by the program and would eliminate the requirement that 75% of the authority’s funding go to “distressed counties and isolated areas.”
- Section 6034 of S.Amdt. 3500 would create a new **Northern Border Economic Development Commission**. The commission’s region would include counties in Maine, New Hampshire, Vermont, and New York. Funding is authorized at \$40 million annually for FY2008-FY2012.

- Section 6005 of S.Amdt. 3500 reauthorizes **Multijurisdictional Regional Planning Organizations** through 2012. This program was authorized in the 2002 farm bill.
- Section 6032 of H.R. 2419 directs the Secretary of Agriculture, in coordination with the Secretary of Transportation, to conduct a **Study of Railroad Issues** regarding the movement of agricultural products, renewable fuels, and economic development in rural America. S.Amdt. 3855 deleted this similar measure from S.Amdt. 3500.
- Section 6032 of S.Amdt. 3500 authorizes a **Rural Collaborative Business Investment Program** and provides \$135 million in mandatory spending. The provision would create **Regional Investment Strategy Grants, Rural Innovation Grants, and a Rural Endowment Loan Program**. The provision directs the Secretary to appoint a **National Rural Investment Board** and create a **National Institute on Regional Rural Competitiveness and Entrepreneurship**. The program would provide rural regions with a financial vehicle to develop and implement local strategies for innovation.

The Administration's Proposal

The Administration proposes three major provisions in its rural development title: (1) \$1.6 billion in loan guarantees and \$5 million for grants to upgrade 1,238 rural Critical Access Hospitals; (2) \$500 million to reduce the backlog of rural development loan and grant applications; and (3) the consolidation of various rural development legislative authorities into four platforms, one for rural business loans, one for rural business grants, one for rural community programs, and a multi-departmental energy grants platform. The Administration's rural development proposal would also give priority to specialty crops in the Value-Added Product Grants program, while the energy grants platform would invest \$210 million in subsidies for \$2.17 billion in loan guarantees over 10 years for cellulosic ethanol facilities. Each of these programs would be funded by annual appropriations.

Appendix A

Table 1. Comparison of Major Rural Development Provisions in the Farm, Nutrition, and Bioenergy Act of 2007 (H.R. 2419) and the Food and Energy Security Act of 2007 (S.Amdt. 3500) with Provisions in the Farm Security and Rural Investment Act of 2002 (P.L. 107-171)

Current Law (Title VI of 2002 Farm Bill, P.L. 107-171)	Title VI Sections, Farm, Nutrition, and Bioenergy Act of 2007 (H.R. 2419)	Title VI Sections, Food and Energy Security Act of 2007 (S.Amdt. 3500)
Rural Infrastructure		
Rural areas are defined as any area other than an area with 50,000 more in population and its adjacent and contiguous urban areas.	Section 6001: Directs Secretary of Agriculture to assess varying definitions of “rural” used by USDA. Also elaborates demographic and income criteria to be applied in considering applications for rural development projects (Section 6014).	Section 6021: Proposes a new definition of “rural” that would include housing density criteria to areas outside U.S. Census-defined “urban areas.”
Appropriation authority through 2007 for loans and grants for communities of 10,000 or less that are unable to get commercial credit to build or improve community water and wastewater systems.	Section 6002: Reauthorizes Water/Waste Disposal grants through 2012.	Section 6001: Reauthorizes Water/Waste Disposal grants through 2012.
No provision	No provision	Section 6033: Provides \$135 million in mandatory spending for pending water and wastewater loans.
Appropriation authority for Water/Wastewater Circuit Rider Program. Program is a technical assistance program based on the circuit rider program of the National Rural Water Association.	Section 6004: Reauthorizes Water/Wastewater Circuit Rider Program through 2012 (Section 6004).	Section 6004: Reauthorizes Water/Wastewater Circuit Rider Program through 2012.
Grants to Nonprofit Organizations to Construct and Refurbish Individually Owned Household Well-Water Systems. Eligible households must earn less than 100% of the median non-metro household income for the state or territory. Limited to \$8,000 per household.	Section 6008: Reauthorizes through 2012 grants to Nonprofit Organizations to Construct and Refurbish Individually Owned Household Well-Water Systems.	Section 6013: Reauthorizes through 2012 grants to Nonprofit Organizations to Construct and Refurbish Individually Owned Household Well-Water Systems.

Current Law (Title VI of 2002 Farm Bill, P.L. 107-171)	Title VI Sections, Farm, Nutrition, and Bioenergy Act of 2007 (H.R. 2419)	Title VI Sections, Food and Energy Security Act of 2007 (S.Amdt. 3500)
Authorizes appropriations through 2007 for Emergency and Imminent Community Water Assistance Grants. Grants to assist communities in complying with Water Pollution Control Act or Safe Drinking Water Act. For communities of less than 10,000 population. Set-asides for communities less than 3,000.	Section 6006: Reauthorizes Emergency and Imminent Community Water Assistance Grants through 2012.	Section 6011: Reauthorizes Emergency and Imminent Community Water Assistance Grants through 2012.
Authorizes appropriations through 2007 for grants to Native Villages in Alaska for water systems.	Section 6007: Reauthorizes Grants for Water Systems for Rural and Native Villages in Alaska through 2012.	Section 6012: Reauthorizes Grants for Water Systems for Rural and Native Villages in Alaska through 2012.
Authorizes loans and grants for “essential community facilities.” Defines child day care facility as an essential community facility.	No provision	Section 6003: Authorizes \$40 million in mandatory spending for child day care facility grants.
Business and Community Development		
Authorizes appropriations through 2007 for Rural Business Opportunity Grants. Grants support business development/labor training in rural areas.	Section 6003: Reauthorizes Rural Business Opportunity Grants through 2012 (Section 6003).	Section 6002: Reauthorizes Rural Business Opportunity Grants through 2012.
Authorizes appropriations for direct and guaranteed loans to assist business development in rural areas.	Section 6010: Establishes new criteria for Business and Industry loans. Gives priority to loans supporting local and regionally produced agricultural products.	No provision
Authorizes appropriations for grants to cooperative development centers.	Section 6009: Reauthorizes and Amends Rural Cooperative Development Grants to permit multi-year funding.	Section 6015: Reauthorizes and Amends Rural Cooperative Development Grants to permit multi-year funding.
Authorizes a Rural Business Investment Program to make loans and grants to rural companies through regional investment boards.	No provision	Section 6031: Reauthorizes the Rural Business Investment Program. Authorizes such sums as necessary.
Authorizes a program with a third party entity (National Center for Appropriate Technology) to provide information and technical assistance on sustainable agriculture.	Section 6011: Reauthorizes and amends provision for the Appropriate Technology Transfer for Rural Areas program (ATTRA) and provides \$5 million annually.	Section 6019: Reauthorizes and amends provision for the Appropriate Technology Transfer for Rural Areas program (ATTRA) and provides \$5 million annually.

Current Law (Title VI of 2002 Farm Bill, P.L. 107-171)	Title VI Sections, Farm, Nutrition, and Bioenergy Act of 2007 (H.R. 2419)	Title VI Sections, Food and Energy Security Act of 2007 (S.Amdt. 3500)
No provision	Section 6012: Authorizes grants to improve the technical infrastructure of rural health care facilities. Provides \$3 million annually.	Section 6006: Authorizes loans and loan guarantees to improve the technical infrastructure of rural health care facilities. Provides \$50 million in mandatory spending.
No provision	Section 6013: Authorizes a Rural Entrepreneur and Microenterprise Assistance Program. Provides \$20 million annually.	Section 6022: Authorizes a Rural Microenterprise Assistance Program. Provides \$40 million in mandatory spending.
Authorizes multijurisdictional planning assistance to regional organizations	No provision	Section 6005: Reauthorizes multijurisdictional regional planning organizations
No provision	No provision	Section 6017: Provides loan and loan guarantees to assist local food producers in improving access to locally-produced food for underserved communities.
No provision	No provision	Section 6018: Establishes a Center for Healthy Food Access and Enterprise Development to provide technical assistance to retailers and wholesalers in storage, processing , and marketing locally-produced food products. Provides \$1 million annually 2008-2012.
No provision	No provision	Section 6023: Establishes Artisanal Cheese Centers to provide educational technical assistance to small and medium sized businesses manufacturing and marketing artisanal cheese.
Authorizes a state-federal partnership of rural development agencies	Section 6016: Reauthorizes the National Rural Development Partnership.	Section 6024: Reauthorizes the National Rural Development Partnership.
Authorizes an equity generating program for rural business development modeled on the Small Business Investment Companies of the Small Business Administration.	Section 6021: Amends the Rural Strategic Investment Program to provide discretionary funding of not more than \$25 million annually 2008-2012.	Section 6032: Authorizes a new rural Collaborative Investment Program and provides \$135 million in mandatory spending.

Current Law (Title VI of 2002 Farm Bill, P.L. 107-171)	Title VI Sections, Farm, Nutrition, and Bioenergy Act of 2007 (H.R. 2419)	Title VI Sections, Food and Energy Security Act of 2007 (S.Amdt. 3500)
<p>Authorizes various Broadband and telecommunication technology programs to serve rural areas.</p>	<p>Section 6024: Authorizes the “Community Connect Grant Program” to provide broadband service for enhanced education, public safety, and health care.</p> <p>Section 6023: Amends and reauthorizes Enhancement of Access to Broadband Service in Rural Areas. Redefines eligibility and prioritizes loan applications.</p> <p>Section 6031: Directs the Secretary to prepare a report describing a comprehensive broadband strategy.</p> <p>Section 6018: Grants for National Oceanic and Atmospheric Administration Weather Radio Transmitters.</p> <p>Section 6102: Expansion of 911 Access. Wider access to 911 emergency telephone service.</p>	<p>Section 6201: Authorizes the “Connect the Nation Act” and provides grant assistance to encourage state initiatives to improve broadband service.</p> <p>Section 6110: Amends and reauthorizes Enhancement of Access to Broadband Service in Rural Areas. Redefines eligibility and prioritizes loan applications.</p> <p>Section 6112: Directs the Comptroller General to prepare a report describing federal assistance for broadband infrastructure and RUS’s decision making criteria for broadband applications.</p> <p>Section 6026: Grants for National Oceanic and Atmospheric Administration Weather Radio Transmitters.</p> <p>Section 6107: Expansion of 911 Access. Wider access to 911 emergency telephone service.</p>
<p>Grants to Broadcasting Systems. Grants for public television broadcasting in predominantly rural areas.</p>	<p>Section 6028: Assists rural public television stations in making the transition from analog to digital broadcast equipment.</p>	<p>Section 6016: Assists rural public television stations in making the transition from analog to digital broadcast equipment.</p>
<p>Provides loans and grants to schools and medical facilities for acquiring advanced telecommunication technologies to support medical and educational functions in rural areas.</p>	<p>Section 6029: Reauthorizes Telemedicine and Distance Learning Services in Rural Areas.</p>	<p>Section 6302: Reauthorizes Telemedicine and Distance Learning Services in Rural Areas. Renames the program the Telemedicine, Library Connectivity, Public Television, and Distance Learning Services in Rural Areas.</p>
Regional Development		
<p>Authorizes a Delta Regional Authority (DRA). Federal and state funding for 240 distressed counties across 8 states in the Mississippi Delta.</p>	<p>Section 6019: Authorizes appropriations for the DRA through 2012.</p>	<p>Section 6029: Authorizes appropriations for the DRA through 2012.</p>

Current Law (Title VI of 2002 Farm Bill, P.L. 107-171)	Title VI Sections, Farm, Nutrition, and Bioenergy Act of 2007 (H.R. 2419)	Title VI Sections, Food and Energy Security Act of 2007 (S.Amdt. 3500)
Authorizes a Northern Great Plains Regional Authority to make grants and loans and implement a regional development plan.	Section 6020: Reauthorizes and amends the Northern Great Plains Regional Authority.	Section 6030: Reauthorizes and amends the Northern Great Plains Regional Authority.
No provision	No provision	Section 6034: Authorizes a new Northern Border Economic Development Commission. Provides \$40 million annually for FY2008-FY2012.
No provision	Section 6032: Directs the Secretary to prepare a report on railway issues in the transportation of agricultural products and renewable fuels.	No provision
Authorizes a program to restore historic barns.	Section 6023: Historic Barn Preservation Program. To preserve barns eligible for inclusion on the National Register of Historical Places.	Section 6025: Historic Barn Preservation Program. To preserve barns eligible for inclusion on the National Register of Historical Places.
Authorizes a program for training emergency personnel. Funded by mandatory spending.	Section 6026: Reauthorizes and amends the Rural Firefighters and Emergency Personnel Grant Program. Provides discretionary funding of not more than \$30 million annually.	No provision
Authorizes a grant program to support value-added projects for agricultural commodities. Grants made to agricultural producers to add value to their commodities. Provides new definitions of value-added to include any process that increases the value of an agricultural product (e.g., organic production).	Section 6027: Reauthorizes and amends the Value-Added Agricultural Product Market Development Grants. Authorizes and reserves funding for “mid-tier value chains.” Provides \$20 million in mandatory funding annually from the USDA’s Commodity Credit Corporation.	Section 6401: Reauthorizes and amends the Value-Added Agricultural Product Market Development Grants. Authorizes. Priority for beginning farmers and ranchers and disadvantaged farmers and ranchers. Reduces the maximum grant amount. Provides such sums as necessary.