

or products on agricultural producers and the commodity markets.

This is a competitive grant program; it does not have a matching funds requirement. The Notice Inviting Applications sets forth the policies and procedures associated with the grant application and evaluation procedures and ongoing administration requirements for the grant award. The paperwork burden associated with the application process and ongoing reporting is included in this collection.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average 17.7 hours per response.

Estimated Number of Respondents: 15.

Estimated Number of Responses per Respondent: 1.8.

Estimated Number of Responses: 27.

Estimate of Total Annual Burden on Respondents: 478.5 hours.

Copies of this information collection can be obtained from Tracy Givlekian, Regulations and Paperwork Management Branch, Support Services Division at (202) 692-0039.

Comments

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of RBS, including whether the information will have practical utility; (b) the accuracy of RBS' estimate of the burden of the proposed collection of information including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Comments may be sent to Tracy Givlekian, Regulations and Paperwork Management Branch, Support Services Division, U.S. Department of Agriculture, Rural Development, STOP 0742, 1400 Independence Ave., SW., Washington, DC 20250-0742. All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

Program Administration

The program is administered by the Office of Cooperative Services within the Agency.

Background

Section 6402 of the Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171) (2002 Farm Bill) authorized a new grant initiative to establish up to 15 agriculture innovation demonstration centers (Agriculture Innovation Centers or AICs) with the intent of fostering the ability of agricultural producers to reap the benefits of producing and marketing value-added products. Section 6402(g) also provided that the Secretary shall use \$300,000 of the funds made available for that section to support research into the effects of value-added projects on agricultural products and commodity markets. This Notice relates to the \$300,000 research grant authorized in section 6402(g).

Definitions

Agency—Rural Business-Cooperative Service (RBS), an agency of the United States Department of Agriculture (USDA), or its successor agency.

Cooperative Services—The office within RBS, and its successor organization, that administers programs authorized by the Cooperative Marketing Act of 1926 (7 U.S.C. 451 *et seq.*) and such other programs so identified in USDA regulations.

Fixed equipment—Tangible personal property used in trade or business that would ordinarily be subject to depreciation under the Internal Revenue Code, including processing equipment, but not including property for equipping and furnishing offices such as computers, office equipment, desks or file cabinets.

Independent Producers—Agricultural producers, to include individuals, for profit and not for profit corporations, LLCs, partnerships or LLPs, when these entities are solely owned or controlled by producers who do not produce the agricultural product under contract or joint ownership with any other organization. An independent producer can also be a steering committee composed of independent agricultural producers in the process of organizing an association to operate a value-added venture that is owned and controlled by the independent producers supplying agricultural products to the market.

National Office—The Agency office at USDA headquarters in Washington, DC.

Nonprofit institution—Any organization or institution, including an accredited institution of higher education, no part of the net earnings of which may inure to the benefit of any private shareholder or individual.

Product segregation—Physical separation of a product or commodity from similar products. Physical

separation requires a barrier to prevent mixing with the similar product.

Public body—Any state, county, city, township, incorporated town or village, borough, authority, district, economic development authority, or Indian tribe on federal or state reservations or other federally recognized Indian tribe in rural areas.

Rural and rural area—Includes all the territory of a state that is not within the outer boundary of any city or town having a population of 50,000 or more and the urbanized area contiguous and adjacent to such city or town, as defined by the U.S. Bureau of the Census using the latest decennial census of the United States.

Rural Development—A mission area within the USDA consisting of the Office of the Under Secretary, the Office of Community Development, the Rural Business-Cooperative Service, the Rural Housing Service and the Rural Utilities Service and their successors.

State—Includes each of the several States, the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and, as may be determined by the Secretary to be feasible, appropriate and lawful, the Freely Associated States and the Federated States of Micronesia.

State Office—USDA State Rural Development offices for the applicable states.

Value-Added—The incremental value that is realized by the producer from an agricultural commodity or product as the result of (1) a change in its physical state, (2) differentiated production or marketing, as demonstrated in a business plan, or (3) product segregation. Also, the economic benefit realized from the production of farm or ranch-based renewable energy. Incremental value may be realized by the producer as a result of either an increase in value to buyers or the expansion of the overall market for the product. Examples include milling wheat into flour, slaughtering livestock or poultry, making strawberries into jam, the marketing of organic products, an identity-preserved marketing system, and collecting and converting methane from animal waste to generate energy. Identity-preserved marketing systems include labeling that identifies how the product was produced and by whom.

Eligibility Requirements

1. The applicant must be an accredited university.
2. The applicant must have the capacity, including a well developed econometric model or the equivalent, to conduct the study.