

Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service

Rural Housing Service

Rural Utilities Service

Farm Service Agency

7 CFR Parts 1951 and 4284

RIN 0570-AA40

Value-Added Producer Grants and Agriculture Innovation Centers

AGENCY: Rural Business-Cooperative Service, USDA.

ACTION: Proposed rule.

SUMMARY: The Rural Business-Cooperative Service proposes to implement new regulations for value-added producer grants (Value-Added Producer Grants) and a new demonstration program whereby agriculture innovation centers provide technical and other assistance to agricultural producers to help them establish businesses that produce and sell value-added agricultural commodities or products (Agriculture Innovation Centers). The Agricultural Innovation Center program is authorized under the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill). The 2002 Farm Bill also modified and extended the authority of the Secretary of the U.S. Department of Agriculture (Secretary) (USDA) to make Value-Added Producer Grants.

This proposed rule also implements regulations in one central location to consolidate requirements that are common to all grant programs administered by Cooperative Services within the Rural Business-Cooperative Service (RBS), thereby avoiding the necessity of repeating elements shared in common.

This proposed rule also amends the regulations to reduce the matching requirement required of certain institutions of higher education with respect to Rural Cooperative

Development Grants from 25 percent to 5 percent and to adjust the scoring criteria to reflect this change.

Finally, this proposed rule amends the regulations to add Value-Added Producer Grants and Agriculture Innovation Center Grants to the list of RBS programs covered by the servicing regulation.

DATES: Written or email comments on this proposed rule must be submitted on or before August 12, 2003. The comment period for information collections under the Paperwork Reduction Act of 1995 continues through August 12, 2003.

ADDRESSES: Submit written comments, in duplicate, via either the U.S. Postal Service or express courier. Comments sent via the U.S. Postal Service should be addressed to the Branch Chief, Regulations and Paperwork Management Branch, Rural Development, U.S. Department of Agriculture, STOP 0742, 1400 Independence Ave., SW., Washington, DC 20250-0742. Written comments via Federal Express Mail, or via another mail courier service requiring a street address, should be addressed to the same attention at 300 7th Street, SW., 3rd Floor, Room 701, Washington, DC 20024. Also, comments may be submitted via the Internet by addressing them to comments@rus.usda.gov and must contain the word "Value-Added" in the subject line. All written comments will be available for public inspection during regular work hours at the 300 7th Street, SW., address listed above.

FOR FURTHER INFORMATION CONTACT: Jim Haskell, Assistant Deputy Administrator, Rural Business-Cooperative Service, USDA, Stop 3250, Room 4016, 1400 Independence Ave., SW., Washington, DC 20250-3250, telephone (202) 720-8460, or Internet e-mail james.haskell@usda.gov.

SUPPLEMENTARY INFORMATION:

Classification

This rule has been reviewed under Executive Order 12866 and has been determined to be a significant regulatory action by the Office of Management and Budget.

Programs Affected

The Catalog of Federal Domestic Assistance Program numbers assigned to these programs are 10.352 (Value-Added Grants), 10.771 (Rural Cooperative

Development Grants) and 10.776 (Agriculture Innovation Centers).

Program Administration

These programs are administered through the Cooperative Services Program of the Rural Business-Cooperative Services Agency within the Rural Development mission area of USDA and delivered via the USDA Rural Development state directors.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 the Agency will seek OMB approval of the collection requirements contained in these proposed regulations for the Agriculture Innovation Center Grant program.

The information collection requirements associated with Value-Added Producer Grants and Rural Development Cooperative Grants were granted standard OMB approval under control numbers 0570-0039 and 0570-0006.

Title: Agriculture Innovation Centers.
OMB No.: New Collection.

Abstract: This program will be administered by Cooperative Services within the Rural Business-Cooperative Service. The Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171, signed May 13, 2002) authorized the Secretary of the U.S. Department of Agriculture (USDA) to award grant funds for a demonstration program under which agricultural producers are provided technical and business development assistance enabling them to produce and market value-added products.

This is a competitive grant program with a matching funds requirement. The rulemaking sets forth the policies and procedures associated with the grant application and evaluation procedures and ongoing administration requirements for the program. 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 10 hours per response.

Respondents: Public and private entities engaged in research and technical assistance for developing value added agricultural products.

Estimated Number of Respondents: 25.