



Fact Sheet: Farm Bill Legislation in the 113th Congress

BACKGROUND: The 112th Congress extended the 2008 Farm Bill (P.L. 110-627) for the remainder of FY2013. The 2008 Farm Bill expired on September 30, 2012 after Congress failed to reauthorize a new five-year bill. Currently, the farm bill extension discontinues funding for USDA's Rural Development mandatory spending accounts for nine months. USDA's Rural Development programs received \$135 million in mandatory funding within the 2008 Farm Bill for the Rural Microenterprise Assistance Program (RMAP – at \$15 million) and the Water/Wastewater Backlog Program (\$120 million). RMAP, utilized by regional development organizations (RDOs) and local governments for micro-lending programs could end without mandatory funding in place. However, the majority of USDA Rural Development programs utilized by RDOs and local governments are funded through the yearly appropriations process, therefore the Intermediary Relending Program (IRP), the Rural Business Enterprise Grant (RBEG), and the Water/Wastewater Backlog Program will continue at current appropriated levels for FY2013.

NADO members support in a farm bill mandatory funding for USDA Rural Development's portfolio of grants and loan programs designed to foster regional economic development in rural areas.

- RDOs manage USDA Rural Development's Intermediary Relending Programs (IRP)
- RDOs manage USDA Rural Development's Business Enterprise Grants (RBEG)
- RDOs are eligible to manage USDA Rural Development's Rural Micro-entrepreneur Assistance Program (RMAP)
- RDOs are eligible for funding through USDA Rural Development's Water/Wastewater Programs

NADO members support in a farm bill the reauthorization of federal-state economic development commissions that work to address the community and economic development needs of the most severely distressed regions of the United States.

- Delta Regional Authority
- Northern Border Regional Commission
- Northern Great Plains Regional Authority
- Southeast Crescent Regional Commission

NADO members support in a farm bill streamlined and broadened USDA Rural Development applications, policies, and reporting requirements to reflect the scale of rural investments, emerging needs and opportunities of rural regions, and capacity of local organizations. Members also support retaining the existing financial and performance accountability standards. Congress should ensure USDA Rural Development has a modern set of policies, programs, and incentives to help rural communities pursue regionally-based, locally-driven community and economic development strategies.

NADO members continue to place a high priority on increasing intergovernmental cooperation among all levels of government, while retaining and coordinating the existing set of rural development programs. NADO promotes flexibility within the USDA Rural Development mission area to foster regional innovation and development, including regionally-based initiatives to promote regional strategic planning, entrepreneurship, deployment of broadband and advanced technologies, infrastructure upgrades and resources for business development finance assistance.