

## § 4284.501

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AUTHORITY: 5 U.S.C. 301 and 7 U.S.C. 1989.

SOURCE: 62 FR 42387, Aug. 7, 1997, unless otherwise noted.

### Subparts A–E [Reserved]

### Subpart F—Rural Cooperative Development Grants

#### § 4284.501 Purpose.

(a) This subpart outlines the Rural Business-Cooperative Service's (RBS) policies and authorizations and contains procedures to provide grants for cooperative development in rural areas.

(b) Grants will be made available to nonprofit corporations and institutions of higher education for the purpose of establishing and operating centers for rural cooperative development.

(c) Copies of all forms and Instructions referenced in this subpart are available in the RBS National Office or any Rural Development State Office.

#### § 4284.502 Policy.

The grant program will be used to facilitate the creation or retention of jobs in rural areas through the development of new rural cooperatives, value-added processing, and rural businesses.

#### § 4284.503 [Reserved]

#### § 4284.504 Definitions.

*Agency*—Rural Business-Cooperative Service (RBS) or a successor agency.

*Approval official*—Any authorized agency official.

*Center*—The entity established or operated by the grantee for rural cooperative development.

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*Cooperative*—A user-owned and controlled business from which benefits are derived and distributed equitably on the basis of use.

*Cooperative development*—The startup, expansion, or operational improvement of a cooperative to promote development in rural areas of services and products, processes that can be used in the production of products, or enterprises that can add value to on-farm production through processing or marketing activities. Development activities may include, but are not limited to, technical assistance, research services, educational services, and advisory services. Operational improvement includes making the cooperative more efficient or better managed.

*Economic development*—The growth of an area as evidenced by increases in total income, employment opportunities, decreased outmigration of populations, value of production, increased diversification of industry, higher labor force participation rates, increased duration of employment, higher wage levels, or gains in other measurements of economic activity, such as land values.

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

*Project*—A planned undertaking by a center which utilizes the funds provided to it to promote economic development in rural areas through the creation and enhancement of cooperatives.

*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.

*RBS*—The Rural Business-Cooperative Service, an agency of the United States Department of Agriculture, or a successor agency.

*Regionally operated*—A regionally operated program includes programs that cover or are eligible to cover two or more counties.