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FARM BILL BENEFITS RURAL NEW YORK STATE

On May 13, 2002, President Bush signed into law the “Farm Security and Rural Investment Act of 2002”, also known as the Farm Bill, which has become Public Law 107.171.

In addition to the \$360 million in Budget Authority to clear some backlog of pending USDA Rural Development applications, other authorities were created and/or renewed which have benefited rural New York State.

For example, The Emergency Community Water Assistance Grant (ECWAG) was reauthorized by the Farm Bill, and the Fiscal Year 2003 appropriations bill, directed approximately \$21.7 million nationally to the program. The object of this program is to assist residents of rural areas that have experienced a significant decline in quantity or quality of water to obtain adequate quantities of water that meet the standards set by the Safe Drinking Water Act.

This is a grant program. Grants can be made to alleviate a significant decline in quantity or quality of water available from water supplies in rural areas that occurred within two years of filing an application and cannot exceed \$500,000. However, if the proposed repair/remediation is more extensive, our normal loan/grant program, as well as other funding, can be directed to the community.

Also, grants made for repairs, partial replacement or significant maintenance on an established system to remedy an acute shortage or significant decline in quantity or quality of potable water, cannot exceed \$75,000. Total assistance per community cannot exceed \$500,000.

Note that these funds cannot address “age related” system failures. Typical awards have been made for nitrate contamination of the watershed, underground storage tank leaks, and earthquake damage to transmission pipelines or reservoirs.

Another program authorized by the Farm Bill is known as the “Predevelopment Planning Grant” program. \$993,500 was authorized nationally by the Fiscal Year 2003 Appropriations Bill for this program. New York State has received an initial allocation of approximately \$26,500. The purpose of this program is to pay costs associated with developing an application for a water and waste disposal project that can be funded by Rural Development. Given the limited resources available to New York State, communities with a 1990 Median Household Income of \$31,534 or less and who are unable to pay for developing a Preliminary Engineering/Environmental Report from their own resources are eligible. We can grant \$3,000 to \$5,000 and co-fund or share the cost

of developing application material with your community. Additional funding may be available after July 11, 2003.

As always, good, well-documented proposals will receive prompt attention. Assistance is also available from your Rural Water Association in moving proposals forward. Details on both of these programs are available at all fifteen USDA Rural Development Local Service Offices across New York State and on our website at www.rurdev.usda.gov/ny or you may contact me at 315-477-6427 or e-mail me at david.miller@ny.usda.gov.

Wishing you a good, safe summer. I look forward to your comments regarding USDA Rural Development programs.