
**12. RURAL DEVELOPMENT AND SMALL FARM RESEARCH
AND EDUCATION**

Title V of the Rural Development Act of 1972

12. RURAL DEVELOPMENT ACT OF 1972

(Public Law 92-419, August 30, 1972)

[As Amended Through P.L. 110-246, Effective May 22, 2008]

AN ACT To provide for improving the economy and living conditions in rural America.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Rural Development Act of 1972".

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TITLE V¹—RURAL DEVELOPMENT AND SMALL FARM RESEARCH AND EDUCATION

SEC. 501. [7 U.S.C. 2661] PURPOSES AND GOALS.—(a) The overall purpose of this title is to foster a balanced national development that provides opportunities for increased numbers of the people of the United States to work and enjoy a high quality of life dispersed throughout our Nation by providing the essential knowledge necessary for successful programs of rural development. It is further the purpose of this title to—

(1) provide multistate regional agencies, States, counties, cities, multicounty planning and development districts, businesses, industries, Indian tribes on Federal and State reservations or other federally recognized Indian tribal groups and others involved with public services and investments in rural areas or that provide or may provide employment in these areas the best available scientific, technical, economic, organizational, environmental, and management information and knowledge useful to them, and to assist and encourage them in the interpretation and application of this information to practical problems and needs in rural development;

(2) provide research and investigations in all fields that have as their purpose the development of useful knowledge and information to assist those planning, carrying out, managing, or investing in facilities, services, businesses, or other enterprises, public and private, that may contribute to rural development;

(3) increase the capabilities of, and encourage, colleges and universities to perform the vital public service roles of research, and the transfer and practical application of knowledge, in support of rural development;

(4) expand small farm research and extend training and technical assistance to small farm families in assessing their needs and opportunities and in using the best available knowledge on sound economic approaches to small farm operations and on existing services offered by the Department of Agriculture and other public and private agencies and organizations to improve their income and to gain access to essential facilities and services; and

(5) support activities to supplement and extend programs that address special research and education needs in States experiencing rapid social and economic adjustments or unique

¹Titles I-IV were amendatory.

problems caused by rural isolation and that address national and regional rural development policies, strategies, issues, and programs.

(b) the goals of this title are to—

(1) encourage and support rural United States, in order to help make it a better place to live, work, and enjoy life;

(2) increase income and improve employment for persons in rural areas, including the owners or operators of small farms, small businesses, and rural youth;

(3) improve the quality and availability of essential community services and facilities in rural areas;

(4) improve the quantity and quality of rural housing;

(5) improve the rural management of natural resources so that the growth and development of rural communities needed to support the family farm may be accommodated with minimum effect on the natural environment and the agricultural land base;

(6) improve the data base for rural development decision-making at local, State, and national levels; and

(7) improve the problem solving and development capacities and effectiveness of rural governments, officials, institutions, communities, community leaders, and citizen groups in—

(A) improving access to Federal programs;

(B) improving targeting and delivery of technical assistance;

(C) improving coordination among Federal agencies, other levels of government, and institutions and private organizations in rural areas; and

(D) developing and disseminating better information about rural conditions.

SEC. 502. [7 U.S.C. 2662] PROGRAMS AUTHORIZED.—The Secretary of Agriculture may conduct, in cooperation and coordination with colleges and universities, the following programs to carry out the purposes and achieve the goals of this title.

(a) RURAL DEVELOPMENT EXTENSION PROGRAMS.—Rural development extension programs shall consist of the collection, interpretation, and dissemination of useful information and knowledge from research and other sources to units of multistate regional agencies, State, county, municipal, and other units of government, multi-county planning and development districts, organizations of citizens contributing to community and rural development, businesses, Indian tribes on Federal or State reservations or other federal recognized Indian tribal groups, and industries that employ or may employ people in rural area. The rural development extension programs shall also promote coordinated and integrated rural community initiatives that advance and empower capacity building through leadership development, entrepreneurship, business development and management training, and strategic planning to increase jobs, income, and quality of life in rural communities. These programs also shall include technical services and educational activities, including instruction for persons not enrolled as students in colleges or universities, to facilitate and encourage the use and practical application of this information. These programs may also include feasibility studies and planning assistance.

(b) RURAL DEVELOPMENT RESEARCH.—Rural development research shall consist of research, investigations, and basic feasibility

studies in any field or discipline that may develop principles, facts, scientific and technical knowledge, new technology, and other information that may be useful to agencies of Federal, State, and local government, industries in rural areas, Indian tribes on Federal and State reservations or other federally recognized Indian tribal groups, and other organizations involved in community and rural development programs and activities in planning and carrying out such programs and activities or otherwise be practical and useful in achieving the purposes and goals of this title.

(c) **SMALL FARM RESEARCH PROGRAMS.**—Small farm research programs shall consist of programs of research to develop new approaches for initiating and upgrading small farm operations through management techniques, agricultural production techniques, farm machinery technology, new products, new marketing techniques, and small farm finance; to develop new enterprises that can use labor, skills, or natural resources available to the small farm family; or that will help to increase the quality and availability of services and facilities needed by the small farm family.

(d) **SMALL FARM EXTENSION PROGRAMS.**—Small farm extension programs shall consist of extension programs to improve small farm operations, including management techniques, agricultural production techniques, farm machinery technology, marketing techniques and small farm finance; to increase use by small farm families of existing services offered by the Department of Agriculture and other public and private agencies and organizations; to assist small farm families in establishing and operating cooperatives for the purpose of improving their family income from farming or other economic activities; to increase the quality and availability of services and facilities needed by small farm families; and to develop new enterprises that can use labor, skills, or natural resources available to the small farm family.

(e) **SPECIAL GRANTS PROGRAMS.**—Special grants programs shall consist of extension and research programs to strengthen research and education on national and regional issues in rural development, including the assessment of alternative policies and strategies for rural development and balanced growth; to develop alternative strategies for national and regional investment, and the creation of employment, in rural areas; to develop alternative energy policies to meet rural development needs; and to strengthen rural development programs of agencies of the Department of Agriculture and those in other Federal departments and agencies.

[(f) Repealed by section 792(a) of P.L. 104-127]

[(g) Repealed by section 871 of P.L. 104-127]

(h) **RURAL DEVELOPMENT EXTENSION WORK.**—

(1) **NATIONAL PROGRAM.**—The Secretary of Agriculture shall establish a national program, to be administered by the ~~Extension Service~~ *National Institute of Food and Agriculture*⁵⁰²⁻¹ Extension Service, to provide rural citizens with training in, technical and management assistance regarding, and educational opportunities to enhance their knowledge of—

(A) beginning businesses through entrepreneurship;

(B) the procedures necessary to establish new businesses in rural areas;

⁵⁰²⁻¹ Effective October 1, 2009, sec. 7511(c)(6)(A) of the Food, Conservation, and Energy Act of 2008 (P.L. 110-246; 122 Stat. 2028) amends this paragraph by striking “Extension Service” and inserting “National Institute of Food and Agriculture”.

- (C) self-employment opportunities in rural areas;
- (D) the uses of modern telecommunications and computer technologies;
- (E) business and financial planning; and
- (F) such other training, assistance, and educational opportunities as the Secretary determines are necessary to carry out the program established under this subsection.

(2) LEADERSHIP ABILITIES.—The program established under this subsection shall provide assistance designed to increase the leadership abilities of residents in rural areas. Such assistance shall include—

- (A) information relevant to the development of community goals;
- (B) instruction regarding the methods by which State or Federal funding for rural development projects might be obtained;
- (C) instruction regarding the successful writing of applications for loan or grant funds from government and private sources;
- (D) an updated listing of State, Federal, and other economic development programs available to rural areas; and
- (E) such other training, information, and assistance as the Secretary determines necessary to increase the leadership abilities of residents in rural areas.

(3) CATALOG OF PROGRAMS.—The National Rural Information Center Clearinghouse of the National Agricultural Library, in cooperation with the Extension Service in each State, should develop, maintain, and provide to each community, and make accessible to any other interested party, a catalog of available State, Federal, or private programs that provide leadership training or other information or services similar or complementary to the training or services required by this subsection. Such catalog should include, at a minimum, the following entities within the State that provide such training or services:

- (A) Any rural electric cooperative.
- (B) Any nonprofit company development corporation.
- (C) Any economic development district that serves a rural community.
- (D) Any nonprofit subsidiary of any private entity.
- (E) Any nonprofit organization whose principal purpose is to promote economic development in rural areas.
- (F) Any investor or publicly owned electric utility.
- (G) Any small business development center or small business investment company.
- (H) Any regional development organization.
- (I) Any vocational or technical school.
- (J) Any Federal, State, or local government agency or department.
- (K) Any other entity that the Secretary deems appropriate.

The extension service in each State should include in the catalog information on the specific training or services provided by each entity in the catalog.

(4) EMPLOYEE TRAINING.—The Secretary shall provide training for appropriate State extension service employees, assigned to programs other than rural development, to ensure

that such employees understand the availability of rural development programs in their respective States and the availability of ~~Extension Service staff~~ *National Institute of Food and Agriculture staff*⁵⁰²⁻² qualified to provide to rural citizens and to State extension staff training and materials for technical, management, and educational assistance.

(5) COORDINATION OF ASSISTANCE.—The Secretary shall ensure, to the extent practicable, that assistance provided under this subsection is coordinated with and delivered in cooperation with similar services or assistance provided by other Federal agencies or programs for rural residents.

(i) RURAL HEALTH AND SAFETY EDUCATION PROGRAMS.—

(1) PROGRAMS AUTHORIZED.—

(A) INDIVIDUAL AND FAMILY HEALTH EDUCATION.—The Secretary may make grants for the establishment of individual and family health education programs that shall provide individuals and families with—

- (i) information concerning the value of good health;
- (ii) information to increase the individual or families motivation to take more responsibility for their own health;
- (iii) access to health promotion activities; and
- (iv) training for volunteers and health services providers concerning health promotion and health care services, in cooperation with the Department of Health and Human Services.

(B) FARM SAFETY EDUCATION.—The Secretary may make grants for the establishment of farm safety education programs that shall provide information and training to farm workers, timber harvesters, and farm families concerning safety in the work place, including information and training concerning—

- (i) the reduction of occupational injury and death rates;
- (ii) the reduction and prevention of exposure to farm chemicals;
- (iii) the reduction of agricultural respiratory diseases and dermatitis;
- (iv) the reduction and prevention of noise induced hearing loss;
- (v) the occupational rehabilitation of farmers and timber harvesters with physical disabilities; and
- (vi) farm accident rescue procedures.

(C) RURAL HEALTH LEADERSHIP DEVELOPMENT.—The Secretary, in consultation with the Office of Rural Health Policy of the Department of Health and Human Services, may make grants to academic medical centers or land grant colleges and universities, or any combination thereof, for the establishment of rural health leadership development education programs that shall assist rural communities in developing health care services and facilities that will provide the maximum benefit for the resources invested and assist community leaders and public officials in

⁵⁰²⁻² Effective October 1, 2009, sec. 7511(c)(6)(B) of the Food, Conservation, and Energy Act of 2008 (P.L. 110-246; 122 Stat. 2028) amends this paragraph by striking “Extension Service staff” and inserting “National Institute of Food and Agriculture staff”.

understanding their roles and responsibilities relative to rural health services and facilities, including—

- (i) community decisions regarding funding for and retention of rural hospitals;
- (ii) rural physician and allied health professionals recruitment and retention;
- (iii) the aging rural population and senior services required to care for the population;
- (iv) the establishment and maintenance of rural emergency medical services systems; and
- (v) the application of computer-assisted capital budgeting decision aids for rural health services and facilities.

(2) COORDINATION OF PROGRAMS.—Educational programs conducted with grants awarded under this subsection shall be coordinated with the State offices of rural health and other appropriate programs of the Department of Health and Human Services.

(3) DISSEMINATION OF INFORMATION.—Educational programs conducted with grants awarded under this subsection shall provide leadership within the State for the dissemination of appropriate rural health and safety information resources possessed by the Rural Information Center established at the National Agricultural Library.

(4) PROCEDURES AND LIMITATIONS.—The Secretary shall establish policies, procedures and limitations that shall apply to States or entities described in paragraph (1)(C) that desire to receive a grant under this subsection. In States with land-grant colleges and universities that are eligible to receive funds under the Act of July 2, 1862 (7 U.S.C. 301 et seq.), and the Act of August 30, 1890 (7 U.S.C. 321 et seq.), including Tuskegee University, and universities which receive Rural Health Research Center grants, such eligible institutions shall mutually determine the type of rural health and safety education program needed in the State within which such institutions reside.

(5) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For grants under this subsection, there are authorized to be appropriated \$5,000,000 for fiscal year 1991, \$10,000,000 for fiscal year 1992, \$15,000,000 for fiscal year 1993, and \$20,000,000 for fiscal year 1994 and each subsequent fiscal year. Amounts appropriated under this subsection shall remain available until expended.

[(j) Repealed by section 871 of P.L. 104-127]

SEC. 503. [7 U.S.C. 2663] APPROPRIATION AND ALLOCATION OF FUNDS.—(a) There are authorized to be appropriated such sums as are necessary to carry out the purposes of this title.

(b) Such sums as are appropriated to carry out the provisions of sections 502(a) and 502(b) of this title shall be distributed by the Secretary of Agriculture as follows:

- (1) 4 per centum shall be retained by the Secretary for program administration and national coordination of State programs, and program assistance to the States;
- (2) 10 per centum shall be used to finance work serving two or more States in which colleges or universities in two or

more States cooperate or that is conducted by one college or university to serve two or more States;

(3) 20 per centum shall be allocated equally among the States; and

(4) 66 per centum shall be allocated to each State as follows: One-half in an amount that bears the same ratio to the total amount to be allotted as the rural population of the State bears to the total rural population of all the States, as determined by the last preceding decennial census current at that time; and one-half in an amount that bears the same ratio to the total amount to be allotted as the farm population of the State bears to the total farm population of all the States, as determined by the last preceding decennial census current at that time:

Provided, That, beginning with the fiscal year ending September 30, 1982, no State may receive more than \$75,000 until all States have been allotted a minimum of \$75,000.

(c) ADDITIONAL DISTRIBUTION.—Such sums as are appropriated to carry out the provisions of subsections (e), (h), and (i) of section 502 shall be distributed by the Secretary to colleges and universities, on a competitive or matching fund basis, according to the Secretary's determination of the projects and manner of funding that show the most promise of fulfilling the objectives of subsections (e), (h), and (i) of section 502.

(d) Funds appropriated under this title may be used to pay salaries and other expenses of personnel employed to carry out the functions authorized by this title; to obtain necessary supplies, equipment, and services; and to rent, repair, and maintain facilities needed, but not to purchase or construct buildings.

(e) Payment of funds to any State for programs authorized under sections 502(a), 502(b), 502(c), and 502(d) of this title shall be contingent upon approval by the Secretary of a plan of work and budget for such programs and compliance with such regulations as the Secretary may issue under this title. Plans for work shall be jointly developed in each State by the land-grant colleges and universities eligible to receive funds under the Act of July 2, 1862 (7 U.S.C. 301 et seq.), and the Act of August 30, 1890 (7 U.S.C. 321 et seq.), including Tuskegee Institute. In States in which there is no land-grant institution eligible to receive funds under the Act of August 30, 1890, the land-grant institution eligible to receive funds under the Act of July 2, 1862, shall be responsible for developing plans of work and budgets. In the development of the plans of work and budgets, consideration shall be given to involvement of the resources and expertise of the colleges and universities serving the region in which the plans and budgets are to be applied.

(f) Funds shall be available for use by each State in the fiscal year for which appropriated and the next fiscal year following the fiscal year for which appropriated. Funds shall be budgeted and accounted for on such forms and at such times as the Secretary shall prescribe.

(g) Funds provided to each State under this title may be used to finance programs through or at private and publicly supported colleges and universities other than the institutions responsible for administering the programs, as provided under section 504 of this title.

SEC. 504. [7 U.S.C. 2664] COOPERATING COLLEGES AND UNIVERSITIES.—(a) To ensure national coordination with other federally supported agricultural research and extension programs, administration of each State program shall be the responsibility of the colleges and universities eligible to receive funds under the Act of July 2, 1862, and the Act of August 30, 1890, including Tuskegee Institute. In States that contain more than one such institution, such administration shall be the responsibility of the institution designated by mutual agreement of all such institutions, subject to approval by the Secretary of Agriculture. The Secretary shall pay funds available to each State to such institution or university. Such administration shall be coordinated with other federally supported agricultural research and extension programs conducted in the State.

(b) All private and publicly supported colleges and universities in a State shall be eligible to participate in programs authorized under this title. Officials at universities or colleges other than those responsible for administering the programs that wish to participate in these programs shall submit program proposals to the college or university officials responsible for administering the programs who shall consider such proposals in the process of developing the budgets and plans of work.

(c) The institution of each State responsible for administering the programs authorized under this title shall designate an official who shall be responsible for the overall coordination of the programs.

(d) The institution in each State responsible for administering the programs authorized under this title shall name an advisory council to review and approve budgets and plans of work conducted under this title and to advise the chief administrative officer of the institution administering the programs on matters pertaining to the programs. An existing State rural development committee or council may be named to perform this function, or a new council may be appointed by the chief administrative officer or officers. The committee or council named or appointed shall consist of at least twelve members and shall include persons representing farmers, business, labor, banking, local government, multicounty planning and development districts, public and private colleges and universities in the State, and Federal and State agencies involved in rural development.

SEC. 505. [7 U.S.C. 2665] WITHHOLDING FUNDS.—If the Secretary of Agriculture determines that a State is not eligible to receive part or all of the funds to which it is otherwise entitled for programs under sections 502(a) and 502(b) of this title because of a failure to comply with regulations issued by the Secretary under this title, the facts and reasons therefor shall be reported to the President, and the amount involved shall be kept separate in the Treasury until the expiration of the Congress next succeeding the session of the legislature of the State from which funds have been withheld in order that the State may if it should so desire, appeal to Congress from the determination of the Secretary. If the next Congress shall not direct such sum to be paid, it shall be covered into the Treasury. If any portion of the moneys that are received by the designated officers of any State for the support and maintenance of programs authorized under this title shall by any action

or contingency be diminished or lost, or be misapplied, it shall be replaced by the State.

SEC. 506. [7 U.S.C. 2666] DEFINITIONS.—For the purposes of this title—

(a) “rural development” means the planning, financing, and development of facilities and services in rural areas that contribute to making those areas desirable places in which to live and make private and business investments; the planning, development, and expansion of business and industry in rural areas to provide increased employment and income; the planning, development, conservation, and use of land, water, and other natural resources of rural areas to maintain or improve the quality of the environment for people and business in rural areas; and the building or improvement of institutional, organizational, and leadership capacities of rural citizens and leaders to define and resolve their own community problems:

(b) “State” means the several States, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands; and

(c) “small farm” means any farm (1) producing family net income from all sources (farm and nonfarm) below the median nonmetropolitan income of the State; (2) operated by a family dependent on farming for a significant though not necessarily a majority of its income; and (3) on which family members provide most of the labor and management.

SEC. 507. [7 U.S.C. 2667] REGULATIONS.—The Secretary of Agriculture may issue such regulations as the Secretary determines necessary to carry out the provisions of this title.

SEC. 508. [7 U.S.C. 2669] (a) The Secretary is authorized and directed to formulate and carry out a pilot program for the production and marketing of industrial hydrocarbons derived from agricultural commodities and forest products for the purpose of stabilizing and expanding the market for such commodities and products and expanding the Nation’s supply of industrial hydrocarbons.

(b) The Secretary shall provide for four pilot projects for the production of industrial hydrocarbons and alcohols from agricultural commodities and forest products by guaranteeing loans, not to exceed \$15,000,000 per each such project, to public, private, or cooperative organizations organized for profit or nonprofit, or to individuals for a term not to exceed twenty years at a rate of interest agreed upon by the borrower and lender.

(c) No loan may be guaranteed under this section unless (1) research indicates the total energy content of the products and by-products to be manufactured by the loan applicant will exceed the total energy input from fossil fuels used in the manufacture of such products and byproducts, and (2) such other conditions as the Secretary deems appropriate to achieve the purposes of this section are met.

(d) In order to assure that the recipients of loans made under this section have a dependable supply of agricultural commodities at a stable price for use in the pilot projects provided for in this section, the Secretary is authorized to enter into long-term contracts, not exceeding five years, with the recipients of such loans. Such contracts shall guarantee the recipients of such loans a specified

quantity of agricultural commodities annually at mutually agreed upon prices, but the agricultural commodities shall not be sold under any such contracts at less than the price support level prescribed for the commodity concerned unless the commodities are out of condition, unstorable, or sample-grade or lower, as prescribed in Department of Agriculture standards.

(e) The Secretary shall supply from Commodity Credit Corporation stocks or, to such extent or in such amounts as are provided in appropriation Acts, purchase such quantities of agricultural commodities as may be necessary to comply with the terms of agreements entered into under this section.

(f) The provisions of this section shall be carried out through the Commodity Credit Corporation.

TITLE VI—MISCELLANEOUS

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SEC. 603. [7 U.S.C. 2204a] COORDINATION OF RURAL DEVELOPMENT ACTIVITIES.—

[Subsections (a) and (b) omitted—amendments]

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(c) The Secretary of Agriculture shall utilize to the maximum extent practicable State, regional, district, county, local, or other Department of Agriculture offices to enhance rural development, and shall to the maximum extent practicable provide directly, or, in the case of agencies outside of the Department of Agriculture, through arrangements with the heads of such agencies, for—

(1) the location of all field units of the Federal Government concerned with rural development in the appropriate Department of Agriculture offices covering the geographical areas most similar to those covered by such field units, and

(2) the interchange of personnel and facilities in each such office to the extent necessary or desirable to achieve the most efficient utilization of such personnel and facilities and provide the most effective assistance in the development of rural areas in accordance with State rural development plans.

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SEC. 607. [7 U.S.C. 2204b] RURAL DEVELOPMENT POLICY.—(a) The Secretary of Agriculture shall provide leadership within the executive branch for, and shall assume responsibility for coordinating, a nationwide rural development program using the services of executive branch departments and agencies, including, but not limited to, the agencies, bureaus, offices, and services of the Department of Agriculture, in coordination with rural development programs of State and local governments.

(b) POLICY DEVELOPMENT.—(1) The Secretary shall conduct a systematic review of Federal programs affecting rural areas to (A) determine whether such areas are benefiting from such programs in an equitable proportion to the benefits received by urban areas and (B) identify any factors that may restrict accessibility to such programs in rural areas or limit participation in such programs.

(2) Subject to the Privacy Act of 1974, the Secretary may secure directly from any Federal department or agency information necessary to carry out the Secretary's duties under this section. Upon request of the Secretary under this paragraph, the head of any such

Federal department or agency shall furnish such information to the Secretary.

(3) The Secretary shall develop a process through which multi-state, State, substate, and local rural development needs, goals, objectives, plans, and recommendations can be received and assessed on a continuing basis. Such process may include the use of those rural development experts, advisors, and consultants that the Secretary deems appropriate, as well as the establishment of temporary advisory committees under the terms of the Federal Advisory Committee Act.

(4)¹ COOPERATIVE AGREEMENTS.—

(A) IN GENERAL.—Notwithstanding chapter 63 of title 31, United States Code, the Secretary may enter into cooperative agreements with other Federal agencies, State and local governments, and any other organization or individual to improve the coordination and effectiveness of Federal programs, services, and actions affecting rural areas, including the establishment and financing of interagency groups, if the Secretary determines that the objectives of the agreement will serve the mutual interest of the parties in rural development activities.

(B) COOPERATORS.—Each cooperator, including each Federal agency, to the extent that funds are otherwise available, may participate in any cooperative agreement or working group established pursuant to this paragraph by contributing funds or other resources to the Secretary to carry out the agreement or functions of the group.

(5) The Secretary may hold public hearings and receive comments on any matter that the Secretary determines may have a significant impact on rural development or the economic development of rural communities.

(c) RURAL DEVELOPMENT STRATEGY.—(1) The Secretary shall prepare a comprehensive rural development strategy based on the needs, goals, objectives, plans, and recommendations of local communities, substate areas, States, and multistate regions, which is designed to—

(A) maximize the effectiveness, increase the responsiveness, and improve the delivery of Federal programs to rural areas;

(B) increase the coordination of Federal programs with the development needs, objectives, and resources of local communities, substate areas, States, and multistate regions; and

(C) achieve the most effective combinations of Federal, State, and local resources to meet the needs of rural areas for orderly growth and development.

(2) The rural development strategy shall take into account the need to—

(A) improve the economic well-being of all rural residents and alleviate the problems of low income, elderly, minority, and otherwise disadvantaged rural residents;

(B) improve the business and employment opportunities, occupational training and employment services, health care services, educational opportunities, energy utilization and availability, housing, transportation, community services, community facilities, water supplies, sewage and solid waste man-

¹ Indentation of paragraph (4) differs from the rest of the paragraphs in subsection (b).

agement systems, credit availability, and accessibility to and delivery of private and public financial resources in the maintenance and creation of jobs in rural areas;

(C) improve State and local government management capabilities, institutions, and programs, related to rural development and expand educational and training opportunities for State and local officials, particularly in small rural communities;

(D) strengthen the family farm system; and

(E) maintain and protect the environment and natural resources of rural areas.

(3) The rural development strategy developed under this subsection shall be for the fiscal year ending September 30, 1982, and updated for each fiscal year thereafter.

(4) The Secretary shall hold public hearings and receive such suggestions and recommendations as the Secretary deems appropriate during the preparation of the rural development strategy and the annual updates to the strategy.

(5) The rural development strategy and the annual updates to the strategy shall be transmitted to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry by January 31 of the calendar year immediately preceding the beginning of the appropriate fiscal year.

(6) The rural development strategy and each annual update of the strategy shall contain an analysis of the budget recommendations of the President for the fiscal year following the transmittal of the strategy or update of the strategy and of all the available budget projections of the President for subsequent fiscal years, and projections regarding the budget that are relevant or essential to the rural development policy and the rural development strategy developed under this subsection. Each annual update shall also contain a detailed statement of the findings and conclusions of the Secretary regarding the implementation during the preceding fiscal year of the rural development strategy, including any revisions of the strategy, any recommended legislation to improve the rural development effort of the Federal Government, and an evaluation of and recommendations regarding the rural development information system required under section 306(a)(12) of the Consolidated Farm and Rural Development Act.

(d) STRATEGY IMPLEMENTATION.—The Secretary shall ensure the effective implementation of the rural development strategy and maximize coordination of Federal programs affecting rural areas through a systematic effort to—

(1) improve communication and encourage cooperation among Federal departments and agencies in the administration of rural development programs;

(2) eliminate conflicts, duplication, and gaps in program coverage, and resolve contradictions and inconsistencies in the objectives, administration, and effects of rural development programs;

(3) facilitate the sharing or common location of field offices of Federal agencies administering similar or complementary programs and unification of delivery systems, where feasible, to maximize convenience and accessibility of such agencies and programs to rural residents;

(4) facilitate and expedite joint funding of rural projects through Federal programs;

(5) correct administrative problems in Federal programs that delay or hinder the effective delivery of services, assistance, or benefits to rural areas; and

(6) simplify, standardize, and reduce the complexity of applications, reports, and other forms required under Federal rural development programs.