



Committed to the future of rural communities.

**RURAL BUSINESS-COOPERATIVE PROGRAMS**

**RURAL BUSINESS ENTERPRISE GRANT (RBEG) PROGRAM**

*USDA Rural Development makes grants to finance and facilitate development of small and emerging private business enterprises in rural areas or cities up to 50,000 population with priority to applications for projects in open country, rural communities and towns of 25,000 and smaller, and economically distressed communities. At the State and local levels, the programs are administered by the Rural Development Field offices.*

**Who is Eligible?**

Eligibility is limited to public bodies, private nonprofit corporations and Indian tribes on Federal and State reservations and other federally recognized Indian tribal groups in rural areas. Public bodies include incorporated towns and villages, boroughs, townships, counties, states, authorities, and districts.

**How May Funds Be Used?**

To facilitate and finance development of: small and emerging private business enterprises by providing technical assistance, establishing small business revolving loan fund, or acquisition of land, buildings, infrastructure to enhance business development, etc.

**Limitations Grants Cannot Be Used For:**

1. Production of agricultural products through growing, cultivating, and harvesting either directly or through horizontally integrated livestock operations except for commercial nurseries or timber operations.
2. Comprehensive area type planning.
3. Loans by grantees when the rates, terms and charges for those loans are not reasonable.
4. Development of a proposal that may result in the transfer of jobs or business activity from one area to another. This provision does not prohibit establishment of a new branch or subsidiary.
5. Development of a proposal which may result in an increase of goods, materials, commodities, services, or facilities in an area when there is not sufficient demand.

**Other Conditions:**

Applicants for grants to establish a revolving loan program must include details on the applicant’s experience operating a revolving loan program, proposed projects, applicant’s financial ability to administer a revolving fund, need for a revolving fund, and other funds available to leverage funds made available under this program. All community projects funded by Rural Business-Cooperative programs are subject to an environmental assessment in accordance with the National Environmental Policy Act.

**Applications:**

All applications are considered without regard to race, color, religion, sex, national origin, age, marital status, or physical or mental handicap (provided applicants have the capacity to enter into a legal contract) of the members of the groups applying for assistance and service must be extended on the same basis. An application template is available upon request.

**For More Information**

For more information contact Rural Development at:  
USDA Rural Development  
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Rural Development Toll Free: (800) 670-6553  
Nebraska Rural Development Web site: <http://www.rurdev.usda.gov/ne>  
Nebraska State Office Telephone Number: (402) 437-5551  
Nebraska State Office Facsimile Number: (402) 437-5408  
Nebraska State Office TDD Number: (402) 437-5093

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