

USDA RURAL DEVELOPMENT WASHINGTON, D.C.

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USDA ANNOUNCES AVAILABILITY OF \$4.5 MILLION TO PROMOTE CO-OP DEVELOPMENT

WASHINGTON, April 19, 2001 - The U.S. Department of Agriculture invited last week, preapplications for \$4.5 million in grants to encourage the development of new, member-owned cooperatives. The funding is being provided by the Rural Cooperative Development Grant program of USDA Rural Development.

The grants will be awarded on a competitive basis to nonprofit corporations and institutions of higher learning, for use in helping organize new rural business cooperatives. The funds may be used to finance feasibility studies and other "hands-on" technical assistance activities required for successful cooperative development.

Of the \$4.5 million, \$1.5 million is reserved for efforts assisting small, minority producers whose governing boards or memberships are comprised of at least 75 percent minorities.

The deadline for receipt of preapplications is May 24, 2001. Preapplications should be sent to the USDA Rural Development state office serving the state in which the project will be headquartered.

Further information on the program is available from James E. Haskell, Assistant Deputy Administrator for Cooperative Service, Rural Business-Cooperative Service, (202) 720-8406. You can also contact the USDA Rural Development Nebraska state office at: Attn. Business and Community Programs Rm. 152 Federal Building 100 Centennial Mall North Lincoln, Nebraska 68508 or phone 402-437-5556. Visit www.rurdev.usda.gov/ne/.

For more information on how USDA can help rural cooperatives, call (202) 720-7558.

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