

Rural Business Development Grants

What does this program do?

Rural Business Development Grants (RBDGs) support targeted technical assistance, training, and other activities that promote the development and expansion of small and emerging private businesses in rural areas. Eligible businesses must have fewer than 50 employees and less than \$1 million in gross annual revenues. RBDG funding is separated into either enterprise or opportunity-type grant activities.

Who can apply?

Eligible applicants include:

- **Rural cooperatives**
- **State government agencies, towns, and communities**
- **Nonprofit corporations and institutions of higher learning**
- **Federally recognized Tribes**

Important: Neither individuals nor for-profit businesses or organizations are eligible to apply for RBDGs.

What is an eligible area?

The RBDG supports projects benefiting rural areas outside of urbanized areas that have populations of 50,000 or more. You can use the USDA Income and Property Eligibility site (available at this link: tinyurl.com/8ysytefa) to determine your area's eligibility.

How can funds be used?

Among other things, **enterprise-type** grant uses include:

- Training and technical assistance, including project planning, business counseling, market research, feasibility studies, and product or service improvements
- Buying or developing land, easements, or rights of way, including access streets and parking areas
- Constructing or renovating buildings, and buying machinery and equipment
- Capitalizing revolving loan funds
- Supporting rural business incubators and community economic development

Among other things, **opportunity-type** grants can support:

- Business support centers
- Technology-based economic development
- Leadership and entrepreneur training
- Feasibility studies, business plans, and long-term strategic planning, and other eligible activities

What are some grant terms?

Generally, grants range from \$10,000 to \$500,000, and there is no cost-sharing requirement. Opportunity-type grants are limited to no more than 10 percent of the total available RBDG funds.

How do we get started?

Applications are accepted annually through your state-based USDA Rural Development office. A list of offices is available at this link: tinyurl.com/bddtm6vj.

What governs this program?

- The basic RBDG program is governed by 7 CFR Part 4280, Subpart E, available at this link: tinyurl.com/yc2psnzu.

NOTE: Because information changes, always consult official program instructions or contact your local Rural Development office for help. A list is available at this link: go.usa.gov/xJHPE. You will find additional resources, forms, and program information at rd.usda.gov. USDA is an equal opportunity provider, employer, and lender.