

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2310 Session of 2024

INTRODUCED BY TAKAC, PROBST, HILL-EVANS, KHAN, CEPEDA-FREYTIZ, SCHLOSSBERG, N. NELSON, SAPPEY, SANCHEZ, BELLMON, PASHINSKI, CONKLIN, KINKEAD, DALEY, STEELE, CAUSER, FRIEL, KENYATTA, VENKAT, HADDOCK, GIRAL, COOK, MADSEN, GREEN AND WEBSTER, MAY 21, 2024

SENATOR VOGEL, AGRICULTURE AND RURAL AFFAIRS, IN SENATE, AS AMENDED, JUNE 26, 2024

AN ACT

1 ~~Amending Title 3 (Agriculture) of the Pennsylvania Consolidated~~ <--
2 ~~Statutes, providing for the Agriculture Innovation Grant~~
3 ~~Program; and promulgating regulations.~~
4 AMENDING TITLE 3 (AGRICULTURE) OF THE PENNSYLVANIA CONSOLIDATED <--
5 STATUTES, ESTABLISHING THE AGRICULTURE INNOVATION GRANT
6 PROGRAM AND THE AGRICULTURE INNOVATION BOARD.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 ~~Section 1. Title 3 of the Pennsylvania Consolidated Statutes~~ <--
10 ~~is amended by adding a chapter to read:~~

11 CHAPTER 110
12 AGRICULTURE INNOVATION GRANT PROGRAM

- 13 Sec.
- 14 11001. Scope of chapter.
- 15 11002. Purpose.
- 16 11003. Definitions.
- 17 11004. Agriculture Innovation Grant Program.

- 1 ~~11005. Board membership.~~
2 ~~11006. Grant funds and eligibility.~~
3 ~~11007. Funding.~~
4 ~~11008. Limitation of grants.~~
5 ~~11009. Applications.~~
6 ~~11010. Disposition of grants.~~
7 ~~11011. Regulations.~~
8 ~~§ 11001. Scope of chapter.~~

9 ~~This chapter shall be known and may be cited as the~~
10 ~~Agriculture Innovation Grant Program.~~

11 ~~§ 11002. Purpose.~~

12 ~~It is the intent of the General Assembly to offer~~
13 ~~reimbursement grants to promote and support agricultural~~
14 ~~innovation to ensure the competitiveness, resiliency,~~
15 ~~environmental stewardship and vitality of farms and~~
16 ~~agribusinesses in this Commonwealth. Grants will assist~~
17 ~~producers of agricultural commodities, agriculture service~~
18 ~~providers, cooperatives, packers and processors in the~~
19 ~~implementation of innovation that increases efficiency,~~
20 ~~encourages sustainable practices, utilizes renewable energy or~~
21 ~~sequesters carbon.~~

22 ~~§ 11003. Definitions.~~

23 ~~The following words and phrases when used in this chapter~~
24 ~~shall have the meanings given to them in this section unless the~~
25 ~~context clearly indicates otherwise:~~

26 ~~"Agricultural commodity." As defined in the act of June 10,~~
27 ~~1982 (P.L.454, No.133), referred to as the Right to Farm Law.~~

28 ~~"Board." The Agriculture Innovation Board established under~~
29 ~~section 11005 (relating to board membership).~~

30 ~~"Commission." The State Conservation Commission.~~

1 ~~"Cooperative association." Any cooperative marketing~~
2 ~~association of producers which the Secretary of Agriculture~~
3 ~~determines, after application by the cooperative association,~~
4 ~~to:~~

5 ~~(1) be qualified under the provisions of the Cooperative~~
6 ~~Marketing Association Act (42 Stat. 388, 7 U.S.C. §§ 291 and~~
7 ~~292) and organized as a cooperative agricultural association~~
8 ~~under the laws of this Commonwealth and any other state; and~~

9 ~~(2) have full authority in the sale of affected~~
10 ~~agricultural commodity of its members and to be engaged in~~
11 ~~making collective sales of or marketing the commodity or its~~
12 ~~products for its members.~~

13 ~~"Department." The Department of Agriculture of the~~
14 ~~Commonwealth.~~

15 ~~"Eligible applicant." An applicant that meets one of the~~
16 ~~following criteria:~~

17 ~~(1) A person who grows an agricultural commodity and who~~
18 ~~has anticipated sales greater than \$2,000 a year.~~

19 ~~(2) A person who provides technical assistance or~~
20 ~~services to farmers for conservation, engineering, plant~~
21 ~~inspection, crop protection, soil amendments, nutrient~~
22 ~~management and similar services.~~

23 ~~(3) A person or cooperative association that utilizes~~
24 ~~agricultural commodities to create products or energy.~~

25 ~~"Innovation." The practical implementation of ideas that~~
26 ~~result in new products, processes or services.~~

27 ~~"Lending institution." As defined under section 603-~~
28 ~~(relating to definitions).~~

29 ~~"Person." An individual, partnership, association, firm,~~
30 ~~corporation or any other legal entity.~~

1 ~~"Program." The Agriculture Innovation Grant Program~~
2 ~~established under section 11004 (relating to Agriculture~~
3 ~~Innovation Grant Program).~~

4 ~~§ 11004. Agriculture Innovation Grant Program.~~

5 ~~The Agriculture Innovation Grant Program is established~~
6 ~~within the department. The program shall be administered by the~~
7 ~~department, in consultation with the commission and the board,~~
8 ~~to provide reimbursement grants to eligible applications for~~
9 ~~costs associated with one or more of the following:~~

10 ~~(1) Utilization of innovation to improve energy~~
11 ~~efficiency, improve water quality, reduce water consumption,~~
12 ~~reduce odors or address solid waste concerns.~~

13 ~~(2) Increased processing of agricultural commodities~~
14 ~~that sequester carbon into durable goods.~~

15 ~~(3) Technology that produces energy from agricultural~~
16 ~~sources, including manure, food waste or biomass.~~

17 ~~(4) Technology that reduces the amount of greenhouse~~
18 ~~gases used or emitted by farms.~~

19 ~~(5) Equipment that provides low carbon or no carbon~~
20 ~~energy sources from agriculture commodities.~~

21 ~~(6) Technology that assists eligible applicants with the~~
22 ~~management of their farms, including diagnostic tools and~~
23 ~~services.~~

24 ~~(7) Technology that assists a packer, processor or~~
25 ~~cooperative in the sorting, grading or production of~~
26 ~~agricultural commodities more efficiently.~~

27 ~~(8) Innovations that improve biosecurity or health of~~
28 ~~plants and animals.~~

29 ~~(9) Innovations that support cybersecurity or data~~
30 ~~analytics.~~

1 ~~§ 11005. Board membership.~~

2 ~~The Agriculture Innovation Board is established and shall~~
3 ~~consist of the following members, with a majority of members~~
4 ~~constituting a quorum:~~

5 ~~(1) The Secretary of Agriculture or a designee, who~~
6 ~~shall serve as chairperson.~~

7 ~~(2) The Secretary of Community and Economic Development,~~
8 ~~or a designee.~~

9 ~~(3) The Executive Director of the State Conservation~~
10 ~~Commission or a designee.~~

11 ~~(4) A representative of a higher educational facility~~
12 ~~located in this Commonwealth.~~

13 ~~(5) A board member of a rural electric cooperative~~
14 ~~located in this Commonwealth.~~

15 ~~(6) A member of a cooperative association located in~~
16 ~~this Commonwealth.~~

17 ~~(7) An employee of a lending institution located in this~~
18 ~~Commonwealth.~~

19 ~~(8) A person or an employee of a person engaged in the~~
20 ~~production or processing of an agricultural commodity in this~~
21 ~~Commonwealth.~~

22 ~~(9) An employee of a conservation organization doing~~
23 ~~work in this Commonwealth.~~

24 ~~§ 11006. Grant funds and eligibility.~~

25 ~~(a) Planning project grant. An eligible applicant may apply~~
26 ~~for a grant for a project focused on developing strategic plans~~
27 ~~to improve agricultural practices, technologies, operations or~~
28 ~~approaches within a specific business, geographic area or~~
29 ~~network, to which the following shall apply:~~

30 ~~(1) The amount of a grant shall be no less than \$7,500~~

1 ~~and no more than \$50,000.~~

2 ~~(2) A grantee must use non State sourced matching funds~~
3 ~~equal to at least 30% of the grant amount for the project.~~

4 ~~(b) On farm project grant. An eligible applicant may apply~~
5 ~~for a grant for a project that focuses on implementing~~
6 ~~practices, technologies or approaches on an individual farm or~~
7 ~~property producing an agricultural commodity, to which the~~
8 ~~following shall apply:~~

9 ~~(1) The amount of the grant shall be no less than \$5,000~~
10 ~~and no more than \$200,000.~~

11 ~~(2) A grantee must use non State sourced matching funds~~
12 ~~equal to at least 50% of the grant amount for the project.~~

13 ~~(c) Regional impact project grant. An eligible applicant~~
14 ~~may apply for a grant for a project designed to address~~
15 ~~challenges, promote efficiencies or achieve specific goals for~~
16 ~~multiple eligible applicants, to which the following shall~~
17 ~~apply:~~

18 ~~(1) The amount of the grant shall be no less than~~
19 ~~\$100,000 and no more than \$2,000,000.~~

20 ~~(2) The grantee must use non State sourced matching~~
21 ~~funds equal to at least 50% of the grant amount for the~~
22 ~~project.~~

23 ~~(3) The project must impact two or more persons or~~
24 ~~businesses or be a cooperative association that grows,~~
25 ~~harvests, processes, packs or manages agricultural~~
26 ~~commodities.~~

27 ~~§ 11007. Funding.~~

28 ~~The department shall accept funds from the following sources:~~

29 ~~(1) Money appropriated to the department for the~~
30 ~~purposes of this chapter.~~

1 ~~(2) Gifts or donations of money, securities or other~~
2 ~~personal property except real estate, which, or the income of~~
3 ~~which, shall be used to carry out the purposes of this~~
4 ~~chapter.~~

5 ~~§ 11008. Limitation of grants.~~

6 ~~(a) Limitation. A grant under section 11006 (relating to~~
7 ~~grant funds and eligibility) may only be awarded to the extent~~
8 ~~money is appropriated by the General Assembly or provided by~~
9 ~~other sources.~~

10 ~~(b) Approval of grant. The board may approve a grant that~~
11 ~~is less than the requested amount.~~

12 ~~(c) Conditions. The department may impose restrictions or~~
13 ~~special conditions upon issuance of a grant.~~

14 ~~(d) Reimbursement grants.~~

15 ~~(1) A grant awarded under section 11006 shall be a~~
16 ~~reimbursement grant. The amount of reimbursement shall be~~
17 ~~based on actual eligible costs submitted by an approved~~
18 ~~applicant for an approved project during any fiscal year in~~
19 ~~which grants are offered.~~

20 ~~(2) Grant money shall not be used to reimburse any~~
21 ~~portion of an in kind contribution to an eligible project.~~

22 ~~(3) Grant money may not be used to pay or reimburse~~
23 ~~wages or salaries of grant recipient staff.~~

24 ~~(4) Grant money may not be used to reimburse any portion~~
25 ~~of project costs that are paid or reimbursed under another~~
26 ~~Federal or State grant program.~~

27 ~~(e) Cap on grants. A single eligible applicant may not be~~
28 ~~awarded more than \$2,000,000 in a one year period, calculated~~
29 ~~from the date on which the department awards the initial grant.~~

30 ~~§ 11009. Applications.~~

1 ~~(a) Submission. Applications for grants shall be submitted~~
2 ~~in a manner and on a form as prescribed by the department.~~

3 ~~(b) Evaluation. The board shall meet at least twice each~~
4 ~~year to evaluate and award grants to eligible applicants based~~
5 ~~on the following application criteria:~~

6 ~~(1) The ability of the applicant to complete the~~
7 ~~project.~~

8 ~~(2) The ability of the applicant to incorporate one or~~
9 ~~more of the innovations under section 11004 (relating to~~
10 ~~Agriculture Innovation Grant Program).~~

11 ~~(3) How the project fulfills one or more of the~~
12 ~~innovations under section 11004.~~

13 ~~(4) The number of jobs created or retained due to the~~
14 ~~project.~~

15 ~~(5) The ability of the applicant to sustain the project.~~

16 ~~(6) Any other criteria as determined by the department.~~

17 ~~§ 11010. Disposition of grants.~~

18 ~~(a) Written agreement. The department may require a written~~
19 ~~agreement describing the terms and conditions of the grant.~~

20 ~~(b) Verification. The department may require verification~~
21 ~~of grant expenditures.~~

22 ~~(c) Criteria. The department may establish criteria under~~
23 ~~which the department may demand the return of all or a portion~~
24 ~~of the grant money.~~

25 ~~§ 11011. Regulations.~~

26 ~~The department shall administer this chapter and may~~
27 ~~prescribe and adopt regulations or program policy guidelines as~~
28 ~~it deems necessary to administer this chapter.~~

29 ~~Section 2. This act shall take effect in 60 days.~~

30 SECTION 1. TITLE 3 OF THE PENNSYLVANIA CONSOLIDATED STATUTES <--

1 IS AMENDED BY ADDING A CHAPTER TO READ:

2 CHAPTER 110

3 AGRICULTURE INNOVATION GRANT PROGRAM

4 SEC.

5 11001. SCOPE OF CHAPTER.

6 11002. PURPOSE.

7 11003. DEFINITIONS.

8 11004. AGRICULTURE INNOVATION GRANT PROGRAM.

9 11005. BOARD.

10 11006. GRANT FUNDS AND ELIGIBILITY.

11 11007. FUNDING.

12 11008. LIMITATION OF GRANTS.

13 11009. APPLICATIONS AND DISPOSITION OF GRANTS.

14 11010. REGULATIONS.

15 § 11001. SCOPE OF CHAPTER.

16 THIS CHAPTER RELATES TO THE AGRICULTURE INNOVATION GRANT
17 PROGRAM.

18 § 11002. PURPOSE.

19 IT IS THE INTENT OF THE GENERAL ASSEMBLY TO OFFER
20 REIMBURSEMENT GRANTS TO PROMOTE AND SUPPORT AGRICULTURAL
21 INNOVATION TO ENSURE THE COMPETITIVENESS, RESILIENCY,
22 ENVIRONMENTAL STEWARDSHIP AND VITALITY OF FARMS, AGRIBUSINESSES
23 AND AGRICULTURAL SUPPORT SERVICES IN THIS COMMONWEALTH.

24 § 11003. DEFINITIONS.

25 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
26 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
27 CONTEXT CLEARLY INDICATES OTHERWISE:

28 "AGRICULTURAL COMMODITY." AS DEFINED IN THE ACT OF JUNE 10,
29 1982 (P.L.454, NO.133), REFERRED TO AS THE RIGHT-TO-FARM LAW.

30 "BOARD." THE AGRICULTURE INNOVATION BOARD ESTABLISHED UNDER

1 SECTION 11005 (RELATING TO BOARD).

2 "CONSERVATION DISTRICT." AS DEFINED IN SECTION 503 (RELATING
3 TO DEFINITIONS).

4 "COOPERATIVE ASSOCIATION." AS DEFINED IN SECTION 4502
5 (RELATING TO DEFINITIONS).

6 "DEPARTMENT." THE DEPARTMENT OF AGRICULTURE OF THE
7 COMMONWEALTH.

8 "ELIGIBLE APPLICANT." AN APPLICANT THAT MEETS ONE OF THE
9 FOLLOWING CRITERIA:

10 (1) A PERSON WHO GROWS AN AGRICULTURAL COMMODITY AND WHO
11 HAS ANTICIPATED SALES GREATER THAN \$2,000 A YEAR.

12 (2) A PERSON WHO PROCESSES AN AGRICULTURAL COMMODITY AND
13 HAS ANTICIPATED SALES GREATER THAN \$10,000 A YEAR.

14 (3) A PERSON WHO PROVIDES TECHNICAL ASSISTANCE OR
15 SERVICES TO FARMERS FOR CONSERVATION, ENGINEERING, VETERINARY
16 CARE, ANIMAL DISEASE MANAGEMENT, FARM MANAGEMENT,
17 AGRICULTURAL COMMODITY PRODUCTION, NUTRIENT MANAGEMENT OR
18 SIMILAR SERVICES.

19 (4) A PERSON OR COOPERATIVE ASSOCIATION THAT UTILIZES
20 AGRICULTURAL COMMODITIES TO CREATE PRODUCTS OR ENERGY.

21 "INNOVATION." THE PRACTICAL IMPLEMENTATION OF IDEAS THAT
22 RESULTS IN NEW PRODUCTS, PROCESSES OR SERVICES.

23 "LENDING INSTITUTION." AS DEFINED UNDER SECTION 603
24 (RELATING TO DEFINITIONS).

25 "LICENSED DOCTOR OF VETERINARY MEDICINE." A PERSON WHO IS
26 CURRENTLY LICENSED UNDER THE ACT OF DECEMBER 27, 1974 (P.L.995,
27 NO.326), KNOWN AS THE VETERINARY MEDICINE PRACTICE ACT.

28 "PERSON." AN INDIVIDUAL, PARTNERSHIP, ASSOCIATION, FIRM,
29 CORPORATION OR ANY OTHER LEGAL ENTITY.

30 "PROGRAM." THE AGRICULTURE INNOVATION GRANT PROGRAM

1 ESTABLISHED UNDER SECTION 11004 (RELATING TO AGRICULTURE
2 INNOVATION GRANT PROGRAM) .

3 § 11004. AGRICULTURE INNOVATION GRANT PROGRAM.

4 THE AGRICULTURE INNOVATION GRANT PROGRAM IS ESTABLISHED
5 WITHIN THE DEPARTMENT. THE PROGRAM SHALL BE ADMINISTERED BY THE
6 DEPARTMENT, IN CONSULTATION WITH THE BOARD, TO PROVIDE
7 REIMBURSEMENT GRANTS TO ELIGIBLE APPLICANTS FOR COSTS ASSOCIATED
8 WITH ONE OR MORE OF THE FOLLOWING:

9 (1) UTILIZATION OF INNOVATION TO IMPROVE ENERGY
10 EFFICIENCY, IMPROVE WATER QUALITY, REDUCE WATER CONSUMPTION,
11 REDUCE ODORS OR ADDRESS SOLID WASTE CONCERNS.

12 (2) UTILIZATION OF INNOVATION TO IMPROVE PRODUCTION,
13 PROCESSING, COMMERCIALIZATION OR UTILIZATION OF AGRICULTURAL
14 COMMODITIES.

15 (3) INNOVATION THAT PRODUCES ENERGY FROM AGRICULTURAL
16 SOURCES, INCLUDING MANURE, FOOD WASTE OR BIOMASS.

17 (4) INNOVATION EQUIPMENT THAT PROVIDES LOW-CARBON OR NO-
18 CARBON ENERGY SOURCES FROM AGRICULTURAL COMMODITIES.

19 (5) INNOVATION TECHNOLOGY THAT ASSISTS ELIGIBLE
20 APPLICANTS WITH THE MANAGEMENT OF THEIR FARMS, INCLUDING
21 DIAGNOSTIC TOOLS AND SERVICES.

22 (6) INNOVATION TECHNOLOGY THAT ASSISTS A PACKER,
23 PROCESSOR OR COOPERATIVE IN MORE EFFICIENT SORTING, GRADING
24 OR PROCESSING OF AGRICULTURAL COMMODITIES.

25 (7) INNOVATION THAT IMPROVES BIOSECURITY OR HEALTH OF
26 PLANTS OR ANIMALS.

27 (8) INNOVATION THAT SUPPORTS CYBERSECURITY OR DATA
28 ANALYTICS.

29 § 11005. BOARD.

30 (A) ESTABLISHMENT.--THE AGRICULTURE INNOVATION BOARD IS

1 ESTABLISHED AND SHALL CONSIST OF THE FOLLOWING MEMBERS:

2 (1) THE SECRETARY OF AGRICULTURE OR A DESIGNEE WHO SHALL
3 SERVE AS CHAIRPERSON.

4 (2) THE SECRETARY OF COMMUNITY AND ECONOMIC DEVELOPMENT
5 OR A DESIGNEE.

6 (3) AN EMPLOYEE OF A CONSERVATION DISTRICT SELECTED BY
7 THE EXECUTIVE DIRECTOR OF THE STATE CONSERVATION COMMISSION.

8 (4) THE FOLLOWING MEMBERS APPOINTED BY THE GOVERNOR:

9 (I) A REPRESENTATIVE OF AN INSTITUTION OF HIGHER
10 EDUCATION LOCATED IN THIS COMMONWEALTH.

11 (II) A BOARD MEMBER OF A RURAL ELECTRIC COOPERATIVE
12 LOCATED IN THIS COMMONWEALTH.

13 (III) A MEMBER OF A COOPERATIVE ASSOCIATION LOCATED
14 IN THIS COMMONWEALTH.

15 (IV) AN EMPLOYEE OF A LENDING INSTITUTION LOCATED IN
16 THIS COMMONWEALTH.

17 (V) A PERSON OR AN EMPLOYEE OF A PERSON ENGAGED IN
18 THE PRODUCTION OR PROCESSING OF AN AGRICULTURAL COMMODITY
19 IN THIS COMMONWEALTH.

20 (VI) A LICENSED DOCTOR OF VETERINARY MEDICINE WHO IS
21 NOT AN EMPLOYEE OF THE COMMONWEALTH.

22 (5) ONE MEMBER OF THE SENATE APPOINTED BY THE PRESIDENT
23 PRO TEMPORE OF THE SENATE OR A DESIGNEE WHO SHALL BE AN
24 EMPLOYEE OF THE SENATE.

25 (6) ONE MEMBER OF THE SENATE APPOINTED BY THE MINORITY
26 LEADER OF THE SENATE OR A DESIGNEE WHO SHALL BE AN EMPLOYEE
27 OF THE SENATE.

28 (7) ONE MEMBER OF THE HOUSE OF REPRESENTATIVES APPOINTED
29 BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES OR A DESIGNEE
30 WHO SHALL BE AN EMPLOYEE OF THE HOUSE OF REPRESENTATIVES.

1 (8) ONE MEMBER OF THE HOUSE OF REPRESENTATIVES APPOINTED
2 BY THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES OR A
3 DESIGNEE WHO SHALL BE AN EMPLOYEE OF THE HOUSE OF
4 REPRESENTATIVES.

5 (B) QUORUM.--SEVEN MEMBERS OF THE BOARD SHALL CONSTITUTE A
6 QUORUM. THE CONSENT OF NO LESS THAN SEVEN MEMBERS OF THE BOARD,
7 WITH FIVE OF THE CONSENTING MEMBERS AS SPECIFIED UNDER
8 SUBSECTION (A) (1), (5), (6), (7) AND (8), SHALL BE NECESSARY TO
9 AWARD GRANTS TO ELIGIBLE APPLICANTS UNDER SUBSECTION (D).

10 (C) TERMS.--A BOARD MEMBER APPOINTED UNDER SUBSECTION (A)
11 (3), (4), (5), (6), (7) AND (8) SHALL SERVE A TERM OF TWO YEARS
12 AND MAY BE REAPPOINTED TO SUCCESSIVE TERMS. A VACANCY SHALL BE
13 FILLED IN THE SAME MANNER AS APPOINTMENTS ARE MADE UNDER
14 SUBSECTION (A).

15 (D) DUTIES.--THE BOARD SHALL MEET AS NECESSARY TO EVALUATE
16 AND AWARD GRANTS UNDER SECTION 11006 (RELATING TO GRANT FUNDS
17 AND ELIGIBILITY) TO ELIGIBLE APPLICANTS BASED ON THE FOLLOWING
18 CRITERIA:

19 (1) THE ABILITY OF THE APPLICANT TO COMPLETE THE
20 PROJECT.

21 (2) THE ABILITY OF THE APPLICANT TO INCORPORATE ONE OR
22 MORE OF THE INNOVATIONS UNDER SECTION 11004 (RELATING TO
23 AGRICULTURE INNOVATION GRANT PROGRAM).

24 (3) HOW THE PROJECT FULFILLS ONE OR MORE OF THE
25 INNOVATIONS UNDER SECTION 11004.

26 (4) THE ABILITY OF THE APPLICANT TO SUSTAIN THE PROJECT.

27 (5) ANY OTHER CRITERIA AS DETERMINED BY THE DEPARTMENT,
28 IN CONSULTATION WITH THE BOARD.

29 § 11006. GRANT FUNDS AND ELIGIBILITY.

30 (A) INNOVATION PLANNING PROJECT GRANT.--AN ELIGIBLE

1 APPLICANT MAY APPLY FOR A GRANT TO DEVELOP A STRATEGIC PLAN TO
2 UTILIZE INNOVATION TO IMPROVE AGRICULTURAL PRACTICES,
3 TECHNOLOGIES, OPERATIONS OR APPROACHES WITHIN A SPECIFIC
4 BUSINESS, GEOGRAPHIC AREA OR NETWORK. THE FOLLOWING SHALL APPLY
5 TO A GRANT UNDER THIS SUBSECTION:

6 (1) THE AMOUNT OF A GRANT SHALL BE NO LESS THAN \$7,500
7 AND NO MORE THAN \$50,000.

8 (2) A GRANTEE MUST USE NON-STATE SOURCED MATCHING FUNDS
9 EQUAL TO AT LEAST 30% OF THE GRANT AMOUNT FOR THE PROJECT.

10 (B) ON-SITE PROJECT GRANT.--AN ELIGIBLE APPLICANT MAY APPLY
11 FOR A GRANT FOR A PROJECT THAT FOCUSES ON IMPLEMENTING
12 INNOVATION PRACTICES, TECHNOLOGIES OR APPROACHES ON AN
13 INDIVIDUAL FARM OR PROPERTY PRODUCING OR PROCESSING AN
14 AGRICULTURAL COMMODITY. THE FOLLOWING SHALL APPLY TO A GRANT
15 UNDER THIS SUBSECTION:

16 (1) THE AMOUNT OF THE GRANT SHALL BE NO LESS THAN \$5,000
17 AND NO MORE THAN \$200,000.

18 (2) A GRANTEE MUST USE NON-STATE SOURCED MATCHING FUNDS
19 EQUAL TO AT LEAST 50% OF THE GRANT AMOUNT FOR THE PROJECT.

20 (C) REGIONAL IMPACT PROJECT GRANT.--AN ELIGIBLE APPLICANT
21 MAY APPLY FOR A GRANT FOR A PROJECT DESIGNED TO ADDRESS
22 CHALLENGES, PROMOTE EFFICIENCIES OR ACHIEVE SPECIFIC GOALS FOR
23 MULTIPLE ELIGIBLE APPLICANTS. THE FOLLOWING SHALL APPLY TO A
24 GRANT UNDER THIS SUBSECTION:

25 (1) THE AMOUNT OF THE GRANT SHALL BE NO LESS THAN
26 \$100,000 AND NO MORE THAN \$2,000,000.

27 (2) THE GRANTEE MUST USE NON-STATE SOURCED MATCHING
28 FUNDS EQUAL TO AT LEAST 50% OF THE GRANT AMOUNT FOR THE
29 PROJECT.

30 (3) THE PROJECT MUST IMPACT TWO OR MORE PERSONS OR

1 BUSINESSES OR BE A COOPERATIVE ASSOCIATION THAT GROWS,
2 HARVESTS, PROCESSES, PACKS OR MANAGES AN AGRICULTURAL
3 COMMODITY.

4 § 11007. FUNDING.

5 THE DEPARTMENT SHALL ACCEPT FUNDS FROM THE FOLLOWING SOURCES:

6 (1) MONEY APPROPRIATED TO THE DEPARTMENT FOR THE
7 PURPOSES OF THIS CHAPTER.

8 (2) GIFTS OR DONATIONS OF MONEY, SECURITIES OR OTHER
9 PERSONAL PROPERTY EXCEPT REAL ESTATE, WHICH, OR THE INCOME OF
10 WHICH, SHALL BE USED TO CARRY OUT THE PURPOSES OF THIS
11 CHAPTER.

12 § 11008. LIMITATION OF GRANTS.

13 (A) LIMITATION.--A GRANT UNDER SECTION 11006 (RELATING TO
14 GRANT FUNDS AND ELIGIBILITY) MAY ONLY BE AWARDED TO THE EXTENT
15 MONEY IS APPROPRIATED BY THE GENERAL ASSEMBLY OR PROVIDED BY
16 OTHER SOURCES.

17 (B) APPROVAL OF GRANT.--THE BOARD MAY APPROVE A GRANT THAT
18 IS LESS THAN THE REQUESTED AMOUNT.

19 (C) CONDITIONS.--THE DEPARTMENT AND THE BOARD MAY IMPOSE
20 RESTRICTIONS OR SPECIAL CONDITIONS UPON ISSUANCE OF A GRANT.

21 (D) REIMBURSEMENT GRANTS.--

22 (1) A GRANT AWARDED UNDER SECTION 11006 SHALL BE A
23 REIMBURSEMENT GRANT. THE AMOUNT OF REIMBURSEMENT SHALL BE
24 BASED ON ACTUAL COSTS SUBMITTED BY AN APPROVED ELIGIBLE
25 APPLICANT FOR A PROJECT AWARDED A GRANT DURING ANY FISCAL
26 YEAR IN WHICH GRANTS ARE OFFERED.

27 (2) GRANT MONEY SHALL NOT BE USED TO REIMBURSE ANY
28 PORTION OF AN IN-KIND CONTRIBUTION TO AN ELIGIBLE PROJECT.

29 (3) GRANT MONEY MAY NOT BE USED TO PAY OR REIMBURSE
30 WAGES OR SALARIES OF A GRANT RECIPIENT OR GRANT RECIPIENT

1 STAFF.

2 (4) GRANT MONEY MAY NOT BE USED TO REIMBURSE ANY PORTION
3 OF PROJECT COSTS THAT ARE PAID OR REIMBURSED UNDER ANOTHER
4 FEDERAL OR STATE GRANT PROGRAM.

5 (E) CAP ON GRANTS.--A SINGLE ELIGIBLE APPLICANT MAY NOT BE
6 AWARDED MORE THAN \$2,000,000 IN A FISCAL YEAR.

7 § 11009. APPLICATIONS AND DISPOSITION OF GRANTS.

8 (A) SUBMISSION.--APPLICATIONS FOR GRANTS SHALL BE SUBMITTED
9 IN A MANNER AND ON A FORM AS PRESCRIBED BY THE DEPARTMENT.

10 (B) WRITTEN AGREEMENT.--THE DEPARTMENT MAY REQUIRE A WRITTEN
11 AGREEMENT DESCRIBING THE TERMS AND CONDITIONS OF THE GRANT.

12 (C) VERIFICATION.--THE DEPARTMENT MAY REQUIRE VERIFICATION
13 OF GRANT EXPENDITURES.

14 (D) CRITERIA.--THE DEPARTMENT MAY ESTABLISH CRITERIA UNDER
15 WHICH THE DEPARTMENT MAY DEMAND THE RETURN OF ALL OR A PORTION
16 OF THE GRANT MONEY.

17 § 11010. REGULATIONS.

18 THE DEPARTMENT SHALL ADMINISTER THE PROVISIONS OF THIS
19 CHAPTER AND, WITH THE APPROVAL OF THE BOARD, SHALL PRESCRIBE AND
20 ADOPT PROGRAM POLICY GUIDELINES OR REGULATIONS TO ADMINISTER AND
21 ENFORCE THIS CHAPTER.

22 SECTION 2. THIS ACT SHALL TAKE EFFECT IN 60 DAYS.