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Mission Statement

The mission of the Department of Rural Services and the Arkansas Rural Development Commission is to enhance the quality of life in rural Arkansas.

DRS provides grants to Arkansas communities under 3,000 in population. The director and staff serve as a single point of contact for any person or group interested in issues affecting rural Arkansas.

The Department of Rural Services is responsible for:

- Administering the Rural Community Development Grant, Rural Community Fire Protection Grant, Rural Block Grant Program, County Fair Building Grant Program, and General Improvement Fund Grant Program (temporary).
- Working with citizens and legislators on issues affecting rural areas
- Teaching Arkansas' rural citizens about available funding programs
- Speaking at local meetings, regional forums, and statewide conferences on rural topics
- Helping communities plan grant projects and proposals
- Staffing and supporting the rural policy goals of the ARDC

Rural Community/Rural Fire Protection Grant Program

Applicants from incorporated towns of less than 3,000 in population and unincorporated rural areas are eligible for up to \$15,000 in matching funds under this program. The match ratio on the program is 50/50. Communities wishing to apply for projects under the program must provide one half of the cost of the project as match. Match may be comprised of in-kind labor, in-kind materials or cash and must be available at the time of application. Applications for this program are accepted August through March of each year. Communities in the past for rural community grant program have received funding for baseball/softball fields, community centers, walking tracks, park and playground equipment, pavilions, picnic tables, and library shelving. Communities in the past for rural fire protection grant program have received funding for new fire stations, additional bays for existing stations, turn-out gear, communications equipment, fire trucks, SCBA's, extrication equipment and brush trucks.

Deadlines for FY 2016 –August 14, 2015, December 4, 2015, March 11, 2016

Rural Services Block Grant Program

The RSBGP funds new construction or renovation of community centers, fire stations, or multi-purpose buildings, and the purchase of fire trucks (pumper, tanker, brush or certain service trucks). This grant is made possible through a partnership with the Arkansas Economic Development Commission. Applicants are eligible for up to \$75,000. The match for this grant is 10% and may be comprised of in-kind labor, in-kind materials or cash. Grants are available to incorporated towns and rural communities with a population of less than 3,000.

Additionally, the community population must be at least 51% Low to Moderate income.

The deadline for FY 2016 is December 4, 2015.

County Fair Building Grant Program

County fairs located in counties with a population of less than 55,000 are eligible for up to \$4,000 per fiscal year for construction, renovation or general improvements of county fair buildings or purchase of items shown to directly improve the building or the services that the county fair association may provide. This is a 50/50 matching grant.

The deadlines for Fiscal Year 2016 is August 14, 2015 and March 11, 2016

General Improvement Fund Community Enhancement: GIF 1

Eligible applicants are from cities and communities of 20,000 or less. County projects do not have a population limit; however, they must serve a rural area. Applicants are eligible to apply for up to \$150,000. Projects must be for city and county enhancement projects, including nonprofit organizations (non-profits must go through their city or county to apply).

****Please check our website for upcoming deadlines.***

General Improvement Fund Fire Protection: GIF 2

Eligible applicants are from cities and communities of 20,000 or less. County projects do not have a population limit; however, they must serve a rural area. Applicants are eligible to apply for up to \$50,000. Communities in the past have received funding for new fire stations, additional bays for existing stations, turn-out gear, communications equipment, fire trucks, SCBA's, extrication equipment and brush trucks.

****Please check our website for upcoming deadlines.***

General Improvement Fund County Fair: GIF 3

There is not a county population limit. Applicants are eligible for up to \$15,000. Eligible projects improve county fairs, rodeos, or riding arenas that are controlled by the city or county.

****Please check our website for upcoming deadlines.***

Limitations

Projects NOT eligible for funding consideration under the **Rural Community Development Grant Program, Rural Fire Protection Grant Program, and Rural Block Grant Program** include, but are not limited to:

- municipal buildings (courthouses, city halls, police stations, sheriffs offices, and city or county jails);
- cemetery and other facility fencing and maintenance;
- chatting and paving of driveways and parking lots;
- fairground and rodeo construction owned by incorporated associations (see DRS County Fair Building Grant Program for fairground projects only)
- costs associated with salaries, other normal day-to-day operations, or maintenance;
- debt financing of any type (new or existing). Debt financing is defined for the purpose of this program as reimbursement of new or existing loans, loan payments, or reimbursement for equipment, facilities, labor, or property **already** purchased or constructed;
- training, travel, or other personnel related expenses;
- contingency fees.
- County health units
- Schools
- Transfer stations
- Water/sewage projects
- Elections, and
- Private, non-profit associations

GIF limitations include but not limited to:

- Elections, water/sewage projects, schools, hospitals, salaries, debt financing, administrative fees, reimbursements, contingency fees

Please contact our office for any questions regarding limitations for all grant programs.

Upcoming Application Deadlines

August 14, 2015
FY16, Cycle I Deadline

Rural Community/Fire Grant Program
County Fair Building Grant Program

December 4, 2015
FY16, Cycle II Deadline

Rural Community/Fire Grant Program
Rural Services Block Grant Program

March 11, 2016
FY16, Cycle III Deadline

Rural Community/Fire Grant Program
County Fair Building Grant Program

REGULATIONS ON GRAIN DEALERS IN ARKANSAS

(Promulgated and adopted under authority of
The Arkansas Grain Dealer Act A.C.A. § 2-24-101 et seq.)

SECTION I. GENERAL PURPOSE AND INTENT

The Arkansas Grain Dealers Act is established to regulate grain dealers in the state of Arkansas that are not licensed under the Arkansas Public Grain Warehouse Law, the United States Warehouse Act and are not end users of grain. The Director of the Arkansas State Plant Board is appointed as the administrator of this law. The director shall administer this chapter and shall be the ultimate authority in the administration of this chapter. The agency may employ all necessary employees, counsel, and consultants to carry out the provisions of this law and is vested with the power necessary to fully and effectively carry out the provisions and objectives of this chapter.

SECTION II. ORGANIZATION AND DESIGNATION OF DUTIES

The Arkansas Grain Dealers Act will be administered by the Arkansas State Plant Board. The Director or appointed representative is hereby designated as having the authority to carry out the activities needed to administer the Arkansas Grain Dealers Act. All proceedings and hearings will be conducted in accordance with A.C.A. § 2-24-101 et seq. and A.C.A. § 25-15-201 et seq.

SECTION III. LICENSING AND BONDING

Application Form, GD-1 or GD-2, is to be used in securing a license under this Act, whether for a new license or the renewal of a license. This form will be supplied, upon request by the applicant, by the Plant Board. For renewals the form will be sent to all licensees from the previous year prior to the renewal deadline. Renewal applications should be delivered to the Plant Board at least thirty (30) days before the current license expires. The licensing period shall be from July 1 through June 30 of each year, with the exception of those licenses issued during the inception of the regulations. Those licenses will be inclusive of the time between their issuance and June 30, 2016.

Each application for a license or license renewal shall be accompanied with a financial statement and signed report of a CPA or registered public accountant which must be a representation of an examined audit report, a review report or a compilation report. Additional reports required are a balance sheet, a schedule of notes payable, a statement of cash flows and other reports that may be stipulated by the Plant Board. All financial reports for year two and beyond of licensing are to be submitted to the Plant Board within 120 days of the company's fiscal year end. All financial statements must be in bound copy or in electronic pdf from the accountant. New companies, just being established and having less than one complete fiscal year of operation, need only a trial balance and estimated purchases for their first year to apply for a license. All financial records

balance and estimated purchases for their first year to apply for a license. All financial records will be handled as dictated by A.C.A. 25-19-101 et. seq. (Arkansas Freedom of Information Act.)

The Bond Form, Letter of Credit Form, and a Certificate of Deposit Form for the purpose of securing bonding for the grain dealer will be supplied in the application packet. Only one type of bonding is required.

Bonding requirements are as follows:

Purchases of Grain In dollars (Range)		Bonding in dollars
1	5,000,000	\$50,000.00
5,000,001	20,000,000	\$100,000.00
20,000,001	40,000,000	\$200,000.00
40,000,001	60,000,000	\$400,000.00
60,000,001	80,000,000	\$600,000.00
80,000,001	100,000,000	\$800,000.00
100,000,001	and over	\$1,000,000.00

SECTION IV. FEES

As required by law, the application fee for a newly established business (a business with less than one (1) fiscal year of operation) is \$150.00. The fee for an established business (a business with more than one (1) fiscal year of operation) is as follows:

Purchases of Grain In dollars (Range)		License Fee
1	5,000,000	\$250.00
5,000,001	20,000,000	\$300.00
20,000,001	40,000,000	\$400.00
40,000,001	60,000,000	\$500.00
60,000,001	80,000,000	\$600.00
80,000,001	100,000,000	\$700.00
100,000,001	and over	\$800.00

One examination is to be made each year on each licensed dealer, the cost of which is included in the application fee. Additional examinations may be made at any time and at the discretion of the Director. If during the additional examinations a material discrepancy is found, the licensed dealer will be required to reimburse the State Plant Board at the rate of \$10.00 per hour for the time required to make the additional examination(s).

SECTION V. PENALTIES AND VIOLATIONS

Violations

Operating without a license, refusing to provide records during an audit, or knowingly violating the grain dealers act is a Class D felony. A person who negligently violates this law is guilty of a Class A misdemeanor. Upon conviction both are punishable by a criminal fine up to \$100 dollars. Civil penalties may apply as well. The director may issue a cease and desist order for any violation of this law.

Minor Violations

Upon the first offense, violations that are clerical and believed to be accidental in nature will be considered to be minor violations. Examples of such violations include, but are not limited to, the loss of voided scale tickets, settlements or contracts and not conducting business as prescribed by the grain dealer act.

Penalty Violations

Violations that fall under the civil penalty matrix.

- A. Second violation of the minor violations.
- B. Failure to pay on the due date of the payment agreement.
- C. Knowingly falsifying records.
- D. Refusal to allow inspection of records.
- E. Operating without a license.

Penalty Matrix (See Appendix 1)

SECTION VI. SUSPENSION OF LICENSE

A. A grain dealer's license may be temporarily suspended without a hearing if the director determines that public health, safety, or welfare is at risk. Upon the temporary suspension the director shall by certified mail notify dealer of said suspension and notify the dealer of the time and date of the hearing concerning the suspension. The hearing shall occur within ten days of the suspension.

B. A grain dealer's license may be suspended without a hearing five days after sending a notice by certified mail that surety has expired or if the grain dealer refuses to submit to an audit of their records. License shall not be suspended for more than 60 days without a hearing.

SECTION VII. SLOW PAY HOTLINE

The slow-pay hotline number will be on every license that the State Plant Board issues to grain dealers. Also, grain dealers must have the slow-pay hotline number on all purchase agreements. The hotline number will be published and provided to all licensees upon establishment of the number.

SECTION VIII. FINANCIAL REQUIREMENTS

All grain dealers purchasing less than \$100,000,000 worth of grain are required to maintain a minimum net worth of \$25,000. Dealers who purchase more than \$100,000,000 worth of grain, will maintain a minimum net worth of \$50,000. To be licensed, a grain dealer who does not meet the minimum financial requirements must post additional bond to cover the short fall in the minimum net worth. This additional bond may be an amendment to the original bond or it may be a new bond to cover the deficiency amount.

SECTION IX. OUT OF STATE GRAIN DEALERS

If the grain dealer does not maintain an office in this state and does not have a resident agent in this state, the application shall include a written appointment of a statutory agent upon whom process, notice, or demand may be served. The statutory agent shall be an individual residing in this state or a corporation whose principal place of business is located in the state. If the identity or address of the statutory agent changes the grain dealer shall within 3 days file with the Plant Board a written appointment of the new statutory agent or written notice of the new address, as applicable.

APPENDIX 1

ARKANSAS GRAIN DEALERS ACT CIVIL PENALTY MATRIX

VIOLATIONS	1 ST LEVEL OF ENFORCEMENT		2 ND LEVEL OF ENFORCEMENT		3 RD LEVEL OF ENFORCEMENT		4 TH LEVEL OF ENFORCEMENT	
	Action Options	Penalty	Action Options	Penalty	Action Options	Penalty	Action Options	Penalty
Recordkeeping mistakes that are clerical and believed to be accidental in nature. Ex: Lost scale tickets, incomplete contracts, settlement mistakes, DPR inaccurate, etc.	A	---	B&C	\$100 to \$600	B,C&D	\$600 to \$900	B,C&D	\$1,000
Failure to pay seller on Due Date.	A,B	\$100 to \$300	B,C,D&E	\$200 to \$600	B,C,D&E	\$600 To \$1,000	B,C,D&E	\$1,000
Knowingly falsifying records.	B,C&D	\$500	B,C,D&E	\$500 to \$800	B,C,D&E	\$800 to \$1,000	B,C,D&E	\$1,000
Refusal to allow inspection of records.	B,C&D	\$100 to \$300	B,C&D	\$400 to \$600	B,C,D&E	\$600 to \$900	B,C,D&E	\$1,000
Operating without a license	B	\$300 to \$500	B&E	\$500 to \$700	B&E	\$800 to \$1,000	B&E	\$1,000

- Each violation moves grain dealer to the next level of enforcement
- Each individual violation is removed 3 years from the date the violation was first proven.

- A. Warning Letter
- B. Hearing before the board
- C. License Suspension
- D. Revocation of license
- E. Referral to Prosecuting Attorney