

Precision Agriculture Infrastructure Grant (PRO-AG)

Allowed and Disallowed Costs

This document provides examples of allowed and disallowed costs for the Precision Agriculture Infrastructure Grant (PRO-AG), Connectivity Subprogram and Devices and Technology Subprogram. This list is not exhaustive, and it may be periodically updated by Commission staff.

Connectivity Subprogram Grants Allowed and Disallowed Examples

Generally, allowed costs for the Connectivity Subprogram are the direct costs associated with providing adequate on-farm precision agriculture connectivity (minimum 100/20 Mbps) to on-farm structures and devices, such as tractors, combines, irrigation systems, livestock facilities, and farm offices. The costs should be related to the one-time, project-specific deployment of on-farm connectivity.

Connectivity Subprogram: Categories of Allowed Expenses:	
On-Farm Connectivity Infrastructure: Costs associated with acquiring on-farm precision agriculture connectivity infrastructure for on-site deployment. Including but not limited to routers, access points, and network switches, connectivity hardware, wiring/cabling for connecting devices and structures.	✓
Installation and Deployment: Costs related to installing or integrating new on-farm precision agriculture connectivity including direct labor costs related to the installation and configuring of connectivity equipment and equipment installation materials (mounts, brackets, wiring, etc.).	✓
Network Hardware: Costs associated with the purchasing and installing of on-farm networking hardware designed for on-farm connectivity needs.	✓
Consultation and Professional Services: Fees for professional consultations and expertise needed for design, planning, and implementation of on-farm precision agriculture connectivity.	✓
Site Surveys: Expenses for conducting on-farm site surveys to assess the landscape and determine optimal infrastructure deployment locations.	✓
Permitting and Regulatory Compliance: Costs related to obtaining necessary permits and ensuring compliance with local/national regulations for agriculture and technology.	✓
Direct costs associated with the installation of internet service infrastructure (fiber or fixed wireless) to provide internet service to the premises supporting Connectivity Subprogram projects. These costs are not to exceed 25% of the total project costs. Applicants must demonstrate alignment with program objectives and provide a detailed breakdown of the direct costs in the grant application. Internal labor costs require a detailed breakdown by category.	✓

Connectivity Subprogram: Categories of Disallowed Expenses:	
Unrelated Technologies: Costs for technologies that do not contribute directly to on-farm precision agriculture connectivity.	✗
Non-Connectivity-Related Expenses: Costs unrelated to the acquisition, installation, or improvement of on-farm precision agriculture connectivity, such as general farm operational expenses.	✗
Prohibited or Non-Compliant Equipment: Any equipment prohibited for use by the Federal Communications Commission pursuant to 47 U.S.C. § 1601. Costs associated with the purchase or installation of equipment that does not meet the specified minimum speeds for on-farm connectivity.	✗
Ongoing Costs: This includes but is not limited to costs associated with ongoing monthly or yearly fees for internet service; subscription fees for data plans; recurring expenses for maintaining the infrastructure and connectivity; post-deployment support for technical or performance issues.	✗
Costs that exceed the established limit of 25% of total costs to bring internet service to the customer premise to support on-farm connectivity.	✗
Overhead, Administrative Costs, and Indirect Costs.	✗
Employee fringe benefits (such as retirement plans, health insurance, life insurance, disability insurance, etc.).	✗
Taxes: All taxes associated with the connectivity subprogram project, including but not limited to sales tax, import/customs duties or taxes, property tax, income tax, corporate tax, local, state, and federal taxes.	✗
Costs Incurred Outside Grant Period: Expenses incurred outside the specified grant period (e.g., costs incurred prior to the grant award or after the date of completion).	✗
Non-Infrastructure Related Expenses: Costs unrelated to precision agriculture connectivity infrastructure, including but not limited to costs that fall within the scope of the PRO-AG Devices and Technology Subprogram.	✗

Devices and Technology Subprogram Grants Allowed and Disallowed Examples

Allowed expenses in the Devices and Technology Subprogram include costs related to on-farm traceability solutions, incorporating blockchain technology, soil health products like sensors and organic amendments, water management tools, sensors for judicious water use, and autonomous technologies in agricultural machinery. Grant funds must be directed towards specific, relevant, and justifiable investments in precision agriculture devices and technology.

Devices and Technology Subprogram: Categories of Allowed Expenses:	
Traceability Solutions: Costs related to the purchase and implementation of on-farm traceability solutions that meet the demand of food supply stakeholders, including those leveraging blockchain technology.	✓
Soil Health Products: Costs for the development and acquisition of products that improve soil health, such as soil sensors, monitoring devices, and organic soil amendments. Costs related to technologies that enhance sustainable soil management practices.	✓
Water Management Tools and Sensors: Costs for water management tools and sensors that facilitate judicious use of water resources. Costs associated with water-efficient technologies aimed at reducing agriculture's water, carbon, and nitrate footprint.	✓
Autonomous Solutions: Costs for the purchase, installation, and integration of autonomous technologies in agricultural machinery. Examples include grain carts, spreaders, precision drone scouting, scouting robots, and associated technologies.	✓

Devices and Technology Subprogram: Categories of Disallowed Expenses:	
Unrelated Costs: Costs that are not directly relevant to acquisition and implementation of the approved uses for precision agriculture devices and technology as outlined in Neb. Rev. Stat. § 86-1404 , subsections (2)(b), (c), and (d).	✗
Prohibited Equipment: Any equipment prohibited for use by the Federal Communications Commission pursuant to 47 U.S.C. § 1601.	✗
Ongoing Costs: Costs associated with ongoing monthly or yearly fees; subscription fees for data plans; recurring expenses for maintaining the devices and technology; post-deployment support for technical or performance issues; routine operational costs; general farming expenses unrelated to program objectives.	✗
Excessive costs without justification: Costs exceeding reasonable amounts without adequate justification; costs that are not clearly linked to achieving the desired program outcomes.	✗
Qualifications and Certifications: Costs related to obtaining or renewing qualifications and certifications for operating the devices and technologies.	✗
Overhead, Administrative Costs, and Indirect Costs.	✗
Employee fringe benefits (such as retirement plans, health insurance, life insurance, disability insurance, etc.).	✗
Taxes: All taxes associated with the devices and technology subprogram project, including but not limited to sales tax, import/customs duties or taxes, property tax, income tax, corporate tax, local, state, and federal taxes.	✗
Costs Incurred Outside Grant Period: Expenses incurred outside the specified grant period (e.g., costs incurred prior to the grant award or after the date of completion).	✗
Overlap with Connectivity Subprogram: Costs that fall within the scope of the PRO-AG Connectivity Subprogram.	✗