Thank you, Madam Chairman, Ranking Member Roberts, members of this Committee,

It is an honor to appear before you again, as we begin another Farm Bill reauthorization.

I’m also pleased to appear with these three colleagues, all creative practitioners, leading visionary innovations, making an amazing difference in the lives of rural people. It is important to note that each expresses support in their written testimony for a set of principles which are also central to the rural policy framework RUPRI recommends. As I noted in my testimony, on these issues, rural people are far out in front of this Committee’s policy development process, and I urge that you rectify this.

This Committee’s approach to Ag policy in this Farm Bill offers an apt analogy. We are in a new commodity policy world, and the key principles will no doubt be enhanced risk management, and a strong safety net for Ag producers. This is exactly what is needed for rural communities, counties, and regions; and it is more important than ever that this Committee shares legislative responsibility for both.

Yesterday, the Economic Research Service/USDA released their 2010 Farm Household Income Report, which showed that approximately $49,500 of the $54,000 median U.S. farm household
income was generated off the farm. Most farm households earn the majority of their income off the farm; for those with up to $250,000 in sales, it is 75%, and even for the very largest commercial farms, it is still 20%.

Vibrant rural economies are critical for the economic survival of all rural Americans, including farm families.

And the very same risk management approach is necessary today—innovative, flexible, streamlined, and leverageable—for economic development practitioners and entrepreneurs that you are seeking to ensure for Ag producers. This is what this Committee is being asked to create today—risk management tools for public entrepreneurs.

I urge that three principles drive Committee action:

1. A more streamlined, flexible, and leveraged framework—expressed in a regional context, wherever possible.

2. Asset-based innovation and entrepreneurship development—aligned much more effectively with other federal programs; and,

3. Expanding, aligning, and leveraging scarce rural investments; ensuring a sufficient level of debt, venture, and equity capital; and doing all in this Committee’s power to increase rural giving by our nation’s major foundations.

In this regard, there are two key numbers, which I urge be seared into your consciousness: $28 billion and 1%.

The $28 billion are additional rural community and economic development resources that would have been available in 2010, if non-metro counties received the same per capita federal funding resources as metro counties… $28 billion! With Rural Development Budget Authority being further reduced, where is rural America to turn in the future?

Perhaps to America’s foundations? Here, in the same year—2010, of the $46 billion given by foundations, only 1% went to rural programming. This geographic inequity has grown no better over time, while rural community capacity shrinks and rural safety net needs grow exponentially. 1%! …

For years, our nation’s foundations decried perceived redlining on the part of governments. This “de facto” rural redlining by national foundations is longstanding; this funding has never been more critical; and I urge this Committee to assess whether this ridiculously small payout may not call into question the solemn public trust granted, in exchange for the loss of tax revenues in rural America.

Thank you, Madam Chairman. I look forward to your questions.