

March 19, 2020

Senator Richard Shelby
Chair, Senate Committee on Appropriations
113 Dirksen Senate Office Building
Washington, D.C. 20510

Representative Nita Lowey
Chair, House Committee on Appropriations
2306 Rayburn House Office Building
Washington, D.C. 20515

Senator Patrick Leahy
Ranking Member, Senate Committee on
Appropriations
437 Russell Senate Office Building
Washington, D.C. 20510

Representative Kay Granger
Ranking Member, House Committee on
Appropriations
2365 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Shelby, Chairwoman Lowey, Ranking Member Leahy, and Ranking Member Granger:

As organizations representing the Rural Network, a coalition of more than 80 national, regional, state, local and grassroots organizations connected to small, rural and tribal communities across the United States, we are writing to ask you to include robust emergency supplemental funding for the USDA-Rural Development Programs. These programs are essential components of the development toolbox on which rural and tribal communities depend for access to affordable capital and financial support especially during this unprecedented coronavirus health and economic crisis. As the only federal agency focused specifically on rural communities, USDA is uniquely positioned to help small communities that need assistance in disaster response and recovery in the most effective and efficient fashion. USDA-Rural Development is often the department most utilized by rural communities across a broad spectrum of needs, and as such, it is imperative that it is provided a robust funding level to address the increasing needs of rural and tribal communities. These communities have a significant need for additional grant dollars as a part of this crisis, to ensure that their needs are met not just in the short-term, but that the long-term sustainability of the programs and infrastructure that are put in place do not put a future strain on their already difficult situations.

We also want to thank you for passing the “Coronavirus Preparedness & Response Supplemental Appropriations Act” with strong bipartisan support. As a result of the bill, and the President’s National Emergency Declaration, rural communities are swiftly preparing to receive additional federal funding to be put to use by working methodically with state and federal officials to maintain housing stability, job and wage support, educational opportunities, and the health and well-being of our rural and vulnerable residents in the face of this ongoing and global health crisis.

USDA-Rural Development—in partnership with the undersigned organizations—has provided millions of people in tens of thousands of small communities in rural and tribal areas with access to essential services and infrastructure (e.g. water, electricity, housing)—often for the first time. By law, every dollar of USDA Rural Development funding goes to rural areas and rural-serving institutions for investments known to improve health and the quality of life in small rural and tribal communities throughout the United States. Congressionally mandated to focus on advancing rural America, USDA-Rural Development investments and technical assistance are critical to ensuring rural and tribal communities have reliable infrastructure, affordable housing, essential community facilities and are able to support small businesses and cooperatives. Emergency Congressional commitment to advancing rural and tribal communities during this crisis is critical.

We have outlined recommendations to effectively and efficiently address this global crisis through strengthened rural resources below.

RURAL HOUSING

USDA-Rural Development runs the only federal homeownership program that exclusively targets low- and very-low income rural families. The program provides essential funding to fill in the gap in the private market, allowing families who would otherwise be unable to access affordable mortgage credit achieve homeownership. Further, USDA-Rural Development's multifamily housing programs provide financing to construct and renovate rural affordable multifamily housing complexes. Lastly, USDA's rental assistance program ensures elderly, disabled, or low-income rural residents in USDA financed rental housing pay affordable rents.

RURAL BROADBAND

According to a recent report, 65 percent of all counties in the United States experience broadband speeds below minimum standards set by the Federal Communications Commission (FCC). That number increases to more than 77 percent of rural counties that experience speeds below the FCC standard.¹ As the nation moves more and more to online fields as this crisis deepens, these investments are needed now more than ever.

As schools, libraries and offices begin to close in response to this crisis, local governments are scrambling for options to provide access to critical broadband services. Free public Wi-Fi access points, like schools, libraries and other public buildings, can be utilized in the absence of service in many unserved and underserved rural communities. However, the Federal Communications Commission's E-Rate rules are too restrictive and would need clarification to allow for these entities to provide service during this emergency. Without it, these entities risk losing their E-Rate funding by opening their networks for supplemental use by the surrounding community.

RURAL UTILITIES

As you know, Congress has long recognized the value of USDA-Rural Development's Water and Wastewater Program and has consistently supported funding to help small communities improve existing infrastructure, protect their drinking water resources, and comply with federal drinking water regulations. More than 98% of rural Americans receive their drinking water from small systems and the cost of operating and maintaining these systems is significantly higher than that for urban areas. This program is vital to assuring the highest quality drinking water and sanitation service to protect rural America's water supplies.

RURAL SMALL BUSINESS

While comparatively small, the programs within USDA-Rural Development's Business & Cooperative Service are some of the agency's most flexible and important to supporting rural small businesses and the civic-sector rural and regional intermediary organizations (such as business incubators, community development financial institutions and other non-profits) that support entrepreneurs and small businesses throughout rural America. In our work with rural communities around the country—and from what we know of what it really takes to improve outcomes in rural communities—investments in local people, firms and institutions are essential to ensuring that other public and private investments in infrastructure and development are effective. To make USDA-Rural Development nimbler and more responsive to community needs, Rural Development's Business & Cooperative Service and the Rural Innovation Center are wise investments.

The people and communities in rural and tribal communities in the U.S. need the backing of the American people and the U.S. government to continue to realize their full potential. Because USDA-Rural Development is an essential partner that offers more effective assistance to rural needs than those of any other federal agency, we respectfully urge that Congress include USDA-Rural Development in any disaster assistance legislation. We also ask that Congress act quickly to pass legislation so that rural communities can effectively implement strategies that would assist with preserving the health and safety of residents and economic vitality of rural communities. The Rural Network is committed to working with both Congress and the administration to

¹ National Association of Counties (NACo), the Rural Community Assistance Partnership (RCAP), Rural LISC (Local Initiatives Support Corporation), the National Association of Development Organizations (NADO), Farm Credit and Land O'Lakes, Inc (March 1, 2020) Understanding the True State of Connectivity in America Report. <https://www.naco.org/resources/featured/understanding-true-state-connectivity-america>

advance legislation that assists with the mitigation of this crisis and its widespread economic impact on our nation.

Sincerely,

The Rural Network:

National Cooperative Business Association CLUSA International

Rural Community Assistance Partnership, Inc.

National Association of Counties