2021 RURAL POLICY ACTION REPORT





SUMMIT CO-HOSTS



Family Farm Action





CALLING FOR ACTION





















CONTRIBUTORS

Contributing organizations provided important ideas in their policy area of expertise but may not have positions on every aspect of the report.



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RURAL AMERICA has seen decades of destructive economic decline in many communities, often driven by federal and state policy priorities that have widened disparities. Rural people - more diverse and supportive of progressive policies than many understand - are eager for change and could be part of a growing base for bold ideas that would improve life for all Americans. We offer this call to action to focus attention on re-engaging rural communities in a broader and more powerful progressive movement.

There's no shortage of reports on the growing disparities in rural America and the policies that can reverse these trends. And we hope you'll read all of them. Our call to action also recommends specific policies that are urgently needed, but we're advocating for even more. We're asking our progressive partners to truly "see" rural communities, to include them, and to work with rural leaders to unite – across race, class, and place – around common values and shared challenges.



THE RURAL DEMOCRACY INITIATIVE, FAMILY FARM ACTION, AND RURALORGANIZING.ORG COLLABORATED TO ORGANIZE AND CO-HOST A VIRTUAL RURAL

POLICY SUMMIT. Starting in the early weeks of 2021, we engaged rural advocates from across policy sectors and around the country to hear about their experiences working in rural communities. We heard from organizers in Indigenous communities, healthcare advocates organizing in mountain communities, family farm advocates and rural educators in the Midwest, advocates for farmworkers, and rural Black leaders from the South. Through 35 in-depth interviews with policy leaders, six group discussions by policy sector, and a two-day convening of over 60 experts and organizers, we started a dialogue about policies that would improve rural people's lives.

THIS RESULTING CALL TO ACTION OUTLINES MANY OF THE MOST SIGNIFICANT AND URGENT CHALLENGES FACING RURAL PEOPLE TODAY and makes

practical and actionable recommendations that advocates, policymakers, and funders can pursue immediately. This is by no means a comprehensive list of every problem rural communities face, nor are the recommendations in the report the only solutions to these complex problems. We hope this call to action can accelerate near-term policy wins for rural America and spark a bigger conversation about including these communities. We believe it empowers progressive leaders with strategic, popular and critical policy tools that we can unite behind and build power around.

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Rural communities have been a strong part of historic progressive movements and benefited greatly from those agendas. Unfortunately, over the last several decades leaders of both political parties and most progressive advocates have neglected rural communities.

This era of economic unrest, wealth extraction and deprioritization has helped create political alienation that must be healed. Throughout hours of conversation with rural leaders it was clear that rural people first want:

- A To be seen, have their challenges and points of view heard, and be included at the table as national and state policy priorities are set.
- B Partnership and resources to build capacity and prosperity in their communities.
- To work with allies in cities and suburbs to address shared challenges, while ensuring that specifically rural issues are considered.



RURAL AMERICA IS DIVERSE, AND RURAL PEOPLE HAVE EXPERIENCED UNIQUE SYSTEMIC DISCRIMINATION.

Rural America is only slightly less diverse than urban America, a gap that continues to close. And Black, Indigenous, Latino, and Asian residents of rural communities have experienced specific systemic racism and discrimination in federal policy and government operations. Policymakers should acknowledge this and take action to help correct these historic and current wrongdoings.

RURAL ECONOMIC DRIVERS ARE INCREASINGLY EXTRACTIVE AND EXPLOITATIVE.

Federal and state policies have allowed corporations with concentrated power and political influence to extract wealth and resources, drive small businesses and family farmers out of business, and exploit vulnerable workers. We must hold corporate power and influence to account, rein in monopolistic behavior, and create a level playing field for rural workers, farmers, small businesses, and cooperatives.

GOVERNMENT INVESTMENT IS DESPERATELY NEEDED.

We must substantially increase federal grants and capital to pay for infrastructure, public services, job creation, housing, small business development, conserving natural resources and improving health care. In fact, infrastructure is just as important for the health of rural communities as it is in urban spaces.

MANY RURAL COMMUNITY GOVERNMENTS LACK ESSENTIAL CIVIC CAPACITY.

In addition to funding for physical infrastructure, rural communities need funding for human capital, technical assistance and staffing to develop and procure rural resources through grants, loans and other means.

POLICYMAKERS OFTEN DO NOT PRIORITIZE RURAL LIVABILITY. MANY PEOPLE WANT TO STAY IN RURAL COMMUNITIES OR RETURN TO THEM.

Unfortunately, there is a lack of policy to promote basic livability including, high-speed internet, affordable housing, access to high-quality healthcare, pre-k, K-12, vocational and higher education, child care, and arts and culture. Further, our government – across parties – often promotes extractive and polluting industries that make communities less livable in the name of economic growth.

AN EFFECTIVE RURAL AGENDA AVOIDS ADDRESSING ISSUES AS SILOS.

Integration of policy across issue areas is necessary in order to create thriving rural communities. Rural economic vitality cannot be separated from essential services like healthcare and education or the management of resources like public lands. Effective rural policy focuses on the community as a whole.

MANY POLICIES HAVE A SIMILAR DETRIMENTAL IMPACT ON URBAN AND RURAL COMMUNITIES.

Urban and rural communities alike face crumbling infrastructure from decades of government deprioritization, a lack of choices due to the monopolization of our markets, and challenges accessing good affordable health care or jobs with good pay and good benefits. The best way to address the perceived "rural-urban divide" is by building a coalition of rural and urban people united around an agenda that makes government work for their communities and people's lives better.



- End historic discrimination.
- Invest in rural communities.
- Rein in corporate monopolies and prioritize working people and locally owned businesses.
- Build a rural economy that prioritizes community and is sustainable, not extractive.

While it is impossible to capture all the great ideas that would create progress in rural communities, we identified four primary pillars. We then included under each pillar some of the most strategic, popular and critical policies for 2021 to begin improving the lives of rural people.



1 END HISTORIC DISCRIMINATION

Our government has failed to include rural Black, Indigenous, Latino, and Asian people in its policy making and has often discriminated against them. Black farmers being pushed from the land, Native American sovereignty disregarded, and Latino and Asian farm and meatpacking workers forced into dangerous working conditions are just a few examples of harm and cruelty. It's time to end these discriminations and right these wrongs.

ONGOING PRIORITIES

Ensure that COMMUNITIES OF COLOR ARE DIRECTLY INVOLVED in all parts of government decisions and implementations, such as infrastructure projects and agency rulemaking.

END THE ENDANGERMENT OF RURAL COMMUNITIES, particularly those with large populations of color, as sites for polluting industries, such as mega factory farms.

ENGAGE IN NATION-TO-NATION CONSULTATION WITH TRIBAL GOVERNMENTS on federal projects and rulemakings in a manner consistent with the United Nations Declaration on Indigenous Peoples, acknowledging their right to "free, prior, and informed consent."

- Pass the "For the People Act," a bill that would expand Americans' access to the ballot box, reduce the influence of big money in politics, strengthen ethics rules for public servants, and implement other anti-corruption measures for the purpose of fortifying our democracy.
- Pass the "Justice for Black Farmers Act," a bill that would establish a federal land grant program to create a new generation of Black farmers, expand access to credit, direct USDA to end historic discrimination and create system level reforms to make farming a profitable opportunity.
- Implement Rep. Jim Clyburn's "10-20-30" approach to future funding proposals. Clyburn's proposal would require that at least ten percent of any agency's appropriated programmatic funds be invested in persistent poverty counties where 20 percent or more of the population has been living below the poverty line for the last 30 years. Some federal funding programs already abide by this practice.
- Enact reforms to support farmworkers. By passing the "Farm Workforce Modernization Act," a bill that would establish a certified agricultural worker (CAW) status, increase statutory mandatory working conditions requirements, and change the H-2A temporary worker program by providing a pathway to citizenship. As well as the "Fairness For Farmworker's Act," a bill that would give farmworkers equal rights to overtime pay and minimum wage standards.
- Enact reforms to treat tribal governments with equality and fairness. Provide funding for tribal members to obtain easier access to federal programs, as well as increase available resources for tribal infrastructure and economic development, consistent with the federal trust and treaty responsibility.



2 INVEST IN RURAL COMMUNITIES

The historic economic extraction and lack of federal government investment has left rural communities in a financial hole. The COVID-19 crisis has exacerbated those challenges. Now is the time for policy that invests in rural people and communities.

ONGOING PRIORITIES

INVEST IN CRITICAL INFRASTRUCTURE AND SERVICES, including hospitals, healthcare providers, schools, affordable housing, transportation, local government capacity, postal services, legal aid, child care, rural small businesses and local food systems.

Connect rural businesses, homes and farms to HIGH-SPEED AFFORDABLE INTERNET.

Invest in CLIMATE CHANGE ADAPTATION AND MITIGATION that prioritizes local control and local people.

- Pass the "Accessible, Affordable Internet for All Act," a \$100 billion comprehensive bill to expand high-speed internet to all communities. This includes massive infrastructure spending to deploy internet, requirements for affordable plan options and the expansion of public internet options such as school buses.
- Pass the "Housing is Infrastructure Act of 2019," a bill that would invest billions in rural single and multifamily housing projects. Additionally, it provides \$100 million in rural, elderly, aging in place grants and additional resources for disability housing.
- Pass the "Save Rural Hospitals Act," a bill that would preserve access to rural health care by ensuring fairness in Medicare hospital payments, create opportunities for rural critical care facilities and invest in rural health care services.
- Pass the "Rebuild Rural America Act," a bill that would expand rural economic development and job creations. The bill establishes a \$50 billion grant fund, creates federal training and technical support, establishes a state-by-state rural innovation and partnership administration to coordinate efforts, and creates a "Rural Future Corps" to support essential development.

- Protect and strengthen the United States Postal Service (USPS). The postal service is an essential part of rural life, supplying everything from prescription drugs to critical supplies. USPS is also a critical hub for other essential services and can be expanded to better serve rural communities. Several important pieces of legislation are critical including the "USPS Fairness Act" and the "Postal Banking Act"
- Expand, implement and create rural reforms of Medicaid for poor and working class families. Expanding Medicaid and increasing Medicare reimbursement rates has been identified by many rural health care advocates as the best way to deliver increased quality of care in rural communities. Additionally, reforms that give easier access to rural people should also be prioritized such as making family, elder and disability care reimbursable.

INVEST IN RURAL COMMUNITIES - SPECIFIC PRIORITIES FOR 2021 CONT.

- Increase 10fold the budget of currently existing programs that support local and regional food systems and establish priority community set asides. Programs like the Local Agriculture Marketing Program, small scale meat processing grants and community food system projects are critical investments for food system resilience and are severely under funded. Additionally, funds are often distributed by competitive grants forcing those with little grant getting experience, but high levels of need to compete with organizations that have much more capacity. Priority areas are crucial for ensuring that historically underserved communities share in the opportunity.
- Reform and invest in the rural credit system. Accessing appropriate credit is more challenging than ever. Strategic reforms including requiring the Farm Credit System to place a portion of profits in a community mandate fund for grants and loans to support rural small business, mid tier food system businesses and young, beginning or historically underserved farmers and ranchers are critical.
- Overhaul the U.S. Small Business Administration to better support new and growing businesses, especially those in rural areas, the very small and those owned by women and people of color. This means shifting a significant share of the SBA's loan programs to finance entrepreneurs in communities that have been left behind. As well as rethinking SBA's training programs to better serve rural and minority entrepreneurs. Finally, the SBA's Office of Advocacy should be transformed

- to provide much-needed analysis and advocacy on the most pressing policy issues hindering independent businesses, including unchecked monopoly power and policies that spur corporate consolidation.
- Reform federal procurement and contracting. Procurement should not only include, "Buy American," but "Buy Local," "Buy Rural," and "Buy from Small Business" initiatives that channel the procurement power of government spending to create rural opportunities. In addition, "Stewardship Contracting" should be mandatory where possible to promote local business and economic development.
- Expand the USDA's Home Repair Program. The USDA Rural Housing Service's Home Repair Program is dramatically underfunded compared with the need to improve housing quality in rural communities. More funding for the Home Repair program would be instantly leveraged by the financing instruments available to add energy systems and efficiency upgrades to low-income rural homes.



3 REIN IN CORPORATE MONOPOLIES AND PRIORITIZE WORKING PEOPLE AND LOCALLY OWNED BUSINESSES

Corporations, particularly those that extract wealth from rural farms and main streets, have far too much power over our government. It is time to get serious about prioritizing rural people and their communities.

ONGOING PRIORITIES

STRENGTHEN AND ENFORCE ANTITRUST AND ANTI-MONOPOLY LAWS and policies to eliminate the concentrated power that corporations exert over rural life and economies, from the seeds planted in the field, to retail choices.

Allow people to have choices and opportunities, LIVING WAGES, ESSENTIAL BENEFITS, and a thriving community to live in.

Ensure that workers have THE RIGHT TO ORGANIZE and that public investment in economic development mandates the rights of laborers in those projects.

- Pass essential reforms to update and strengthen Antitrust policy for the 21st Century. Rural communities are among the hardest hit by lack of fairness and choice in the market. These reforms should include many of the recommendations identified in the House of Representatives Report on Competition in the Digital Sector and Senator Klobuchar's "Competition and Antitrust Law Enforcement Reform Act"
- Pass the "Farm System Reform Act," a bill that would hold corporate agribusinesses accountable for their pollution, enact a factory farm moratorium, help with the transition to more sustainable livestock production and mandate Country-of-Origin-Labeling (COOL) for food products.
- Pass the "Opportunities for Fairness in Farming Act," reforming Commodity Checkoff Programs to de-fund corporate agribusiness lobbying groups that oppose rural policies that are good for rural people, independent farmers, ranchers and working people.
- Pass the "Food and Agribusiness Merger Moratorium and Antitrust Review Act," as the first step towards dealing with extreme levels of consolidation in the agriculture sector.
- Strengthen Food Labeling Requirements beginning with reinstating mandatory "Country of Origin Labeling" on beef and pork. Multinational corporations currently use lax labeling requirements to manipulate and mislead consumers while taking advantage of American farmers and ranchers. Consumers have a

- right to know where their food comes from and should have transparent information so they can trust that their choices match their values.
- Reduce cost and improve access to prescription drugs for rural people. Including passing the "Lower Drug Cost Now Act" and reforming rural specific programs like 340B to improve rural access is urgent.
- Pass all the provisions of the "Essential Workers Bill of Rights." Workers are critical members of rural communities. They keep the nation running and deserve to be treated with dignity and respect, not just during a pandemic, but permanently.
- Pass coal transition legislation that takes meaningful action on the 7 Pillars of the "National Economic Transition Platform." The platform identifies important actions to create a just transition, reclaim mine land and build economic opportunities in communities dependent on coal including a call to pass the "RECLAIM Act."
- Pass Right to Repair. Nationwide right-to-repair is gaining momentum and would empower people to repair their equipment and property without going to an authorized agent. Rural people have a long history of being self sufficient from fixing their own tractor to changing an iphone battery. Corporations have used their market power by creating restrictive contracts and excluding independent repairers access to critical information to take away those rights, but they must be restored.



4 BUILD A RURAL ECONOMY THAT PRIORITIZES COMMUNITY AND IS SUSTAINABLE, NOT EXTRACTIVE

Rural economic reliance on extractive industries like fossil fuels, factory farming and industrial timber must end. A new economy can be built on regenerative food, natural resource and energy production along with small business innovation, and a strong public sector. Rural policy must prioritize resilient local economies, putting people and communities first.

ONGOING PRIORITIES

Utilize the challenge of the climate crisis to CREATE LOCAL OWNERSHIP, GOOD JOBS, AND EMPOWER FARMERS AND SMALL BUSINESSES in rural America.

Support local and regional governments and non governmental organizations with CAPACITY BUILDING AND RESOURCES to end reliance on the extractive boom and bust industries.

Enable distributed, COMMUNITY-OWNED CLEAN ENERGY SYSTEMS like rooftop and community solar and wind.

- Pass \$100 billion in appropriations for federally insured Hardship Loans from the USDA Rural Utilities Service with conditions for loan forgiveness based on retirement of fossil fueled power plants and documentation of new investments. These appropriations would facilitate the retirement of a huge majority of 300 rural electric cooperative fossil fueled power plants currently in operation. In exchange for debt forgiveness, rural electric cooperatives will make equal investment in clean energy, distributed energy resources, energy efficiency, high speed broadband, storage, and electric transportation.
- Pass the "Forest Management for Rural Stability Act," which would create a permanent endowment fund that offers stable and reliable funding for rural public lands, county services and education. The bipartisan bill would appropriate money for the fund initially, but all commercial revenue generated on National Forests, Oregon & California lands administered by the Bureau of Land Management, and Fish & Wildlife refuges would then help capitalize the fund in the future. The bill would prevent underpayment or nonpayment of federal obligations to local governments through annual appropriations shortfalls, as well as preventing federal lands extraction due to county government shortfalls.
- Pass the "Climate Stewardship Act," a bill that would provide increased funding for USDA conservation programs, renewable energy programs, ecosystem restoration and a new Civilian Conservation Corps (CCC). The bill expands on USDA identified conservation practices, farm and small business renewable energy, tree planting, and wetland restoration to make huge strides in using natural climate practices to reduce U.S. Greenhouse gas emissions, while increasing farmer income and creating good jobs.
- Pass the "21st Century Civilian Conservation Corps For Our Health and Our Jobs Act," a bill that expands upon provisions in the Climate Stewardship Act to resource a wide range of federal agencies to create good conservation jobs.
- Ensure that rural economic development and job training prioritizes "rural jobs." Too often economic development and job training programs prepare workers and entrepreneurs to leave rural communities rather than creating opportunities to stay and thrive. Development efforts must prioritize building strong rural communities.

BUILD A RURAL ECONOMY THAT PRIORITIZES COMMUNITY AND IS SUSTAINABLE, NOT EXTRACTIVE - SPECIFIC PRIORITIES FOR 2021 CONT.

- Create and fund "jobs of the future" and "industries of the future" apprenticeship programs. Job training and business development must envision the next generation of rural economies and focus on preparing and supporting the development of those industries including information technology and new commodities like hemp. This focus on a just transition away from extractive industries to local wealth creation and well paying jobs should be a critical part of rural economies.
- Reform federal farm programs while supporting local food systems and expanding conservation programs for family farmers. Stop subsidizing extractive, industrial agriculture that promotes overproduction of commodities, as well corporate livestock production controlled by multinational corporations. Instead, expand grant programs for local food processing and infrastructure as well as conservation programs that support family farm based conservation practices.
- Reform existing tax credits for renewable energy. Provide fair treatment of electric cooperatives under the direct payment option for renewable energy tax credits so that RECs receive the same vital option for direct payment that is afforded to every other type of utility in The Moving Forward Act passed by the House.



RURAL SPOTLIGHT: Supporting Indigenous Peoples' Farm and Food Efforts

The Oneida Nation's Oneida Community Integrated Food Systems (OCIFS) is restoring land and waters for food production in Northeast Wisconsin. Through these efforts, Oneida Nation is reclaiming food sovereignty while improving the health of its members.

Like many Native American tribes forcefully dislocated from their homeland during U.S. occupation and colonization in the 1700 and 1800s, Oneida people have begun to re-localize their food and farming practices around the principles of tribal sovereignty, traditional production methods, community health and economic development for tribal members. These efforts are resulting in reduced diabetes and obesity rates for Oneida Nation, as well as restoring ecosystem health and economic benefits to the rural region.

OCIFS operates an 80-acre organic farm, Tsyunhéhkw\(\), along with developing thousands of acres of additional land for farming and hunting and gathering. Oneida produces and sells native white corn, raises buffalo, tends a fast-growing apple orchard and works with a tribally-managed aquaponics center that produces fresh produce and fish. Restoring aquatic ecosystems and wetlands has also brought back wild rice to the area, a traditional, sacred food of other Indigenous People native to the region.

Oneida food products are integrated into both the tribe's healthy food distribution program and through tribal schools and educational institutions. The Oneida Farm-to-School program serves approximately 20% locally-raised foods, and the Nation is working to expand that volume to a much larger proportion in the future.

Federal policies and funding, articulated throughout the Rural Policy Summit, could help to assist Oneida Nation and other tribes to expand their healthy, local farm and food efforts. Supporting partners, such as the First Nations Development Institute's Nourishing Native Foods and Health Program and the Intertribal Agriculture Council's Native Farm Bill Coalition, have called for key policy changes to support these efforts, including:



- Increasing the budget of currently existing programs that support local and regional food systems and establish priority set-asides tenfold for Tribal governments and producers. Programs such as the Local Agriculture Marketing Program, Small-Scale Meat Processing Grants and Community Food Project Grants are critical investments for food system resilience and are severely underfunded. Additionally, Tribal governments with limited resources often have a difficult time accessing these competitive grant programs, as organizations with more existing funding and full-time grant writers are able to more readily obtain the limited funds, so Tribal entities applying for these resources should receive priority access and points in the application process.
- Reform and invest in the rural credit system. Accessing appropriate credit is more challenging than ever. We must rethink and reform our agriculture credits systems to be investments in our producers. It is critical to enact strategic reforms including requiring the Farm Credit System to place a portion of profits in a community-mandated fund for grants and loans to support rural small businesses, mid-tier food system businesses and young, beginning or historically underserved farmers and ranchers. Additionally, reforms to the Small Business Administration prioritizing rural accessibility should be prioritized.

Making these investments and policy changes will be critical for assisting the Oneida Nation, along with other Native American tribes and Indigenous Peoples' food sovereignty projects, to grow and thrive while supporting healthier people and healthier communities.



RURAL SPOTLIGHT: Making Prescription Drugs More Affordable for Rural Americans

In the United States, <u>one in four</u> Americans struggle to afford prescription medications. Prescription drug affordability causes the most problems for the elderly, the sick and the lower-income population. Three in ten 50-64 year olds report problems affording medicines. Over <u>7.5 million seniors</u> cannot afford their prescriptions. For people in rural America, the problem of prescription drug affordability is compounded by higher rates of poverty, lack of health coverage and transportation challenges.

The source of the affordability problem is that drug corporations in the United States have virtually unfettered monopoly power through exclusive patents that enable them to set high launch prices and to raise their prices whenever they want. A recent study shows that Americans pay over two and half times more for prescription medicines than people in other countries. Since 2014, drug prices have risen 44%—they are now the fastest growing cost of any medical good or service. In 2019 alone, drug corporations raised prices on over 3400 drugs, hiking prices five times the rate of inflation. Prescription drug companies are now the most profitable of any industry in America.

Meanwhile, <u>Barbara Lawson</u>, a senior living in Hollis, Maine, struggles to afford over \$1,000 in medications a month on her fixed income to treat her rare auto-immune disorder. Barbara's Medicare insurance helps pay part of the cost, but even with the insurance, they are still expensive for a senior on a fixed income. And prices keep going up. Every year, drug corporations increase their prices on thousands of common medicines, forcing millions of people to choose between paying for the medications they need or paying for other essentials. Barbara worries that she could soon be among them.

Healthier Colorado, a group who organizes for better, more affordable health care in rural Colorado, says that the consequences of rising prescription drug costs are clear: "25 percent of patients with diabetes are choosing to 'self-ration' their medication because of cost, which can result in life-threatening conditions, such as blindness, kidney failure, loss of limbs, and even death. And uninsured Americans are three times as likely as adults with private coverage to postpone or skip a prescription because they can't afford it," the group explains.



Rural Policy Summit participants, including Healthier Colorado and Lower Drug Prices Now, say that the path to reducing prescription drug prices is clear. Lawmakers can take action to stop drug corporation price-gouging that forces millions to choose between prescriptions and other basics like food and rent. They can enforce existing federal laws like Bayh-Dole "march-in" rights that break up monopoly power, increase competition and make some medicines more accessible. There are also a variety of legislative proposals that could create more sweeping remedies including:

- H.3. The Lower Drug Costs Act that would finally require drug corporations to negotiate prices with Medicare for hundreds of medicines and then would extend those lower prices to people with private insurance.
- The Pandemic Treatment Access and Affordability Act (PTAA) which would prohibit monopoly patents on COVID vaccines and treatments created with taxpayer funding, require reasonable pricing for those medicines and would increase transparency on government contracts with pharmaceutical companies.
- The Protect American Investment in Drugs (WE PAID) Act would ensure that the prices of drugs developed using federally funded research (like NIH or CDC grants) are set at reasonable levels. Taxpayers fund most of the research and development of new drugs, yet those same taxpayers are struggling to afford drugs as companies set unaffordable prices and gouge patients by hiking prices year after year.



Many rural communities, just like urban areas, are facing critical affordable housing shortages. Rural housing specialists say that federal funding and resources are crucial to maintaining the affordable rural housing that currently exists, while also building more housing options to support a growing population in certain communities.

For nearly fifty years, the <u>Housing Assistance Council</u> (<u>HAC</u>) has been working to develop or secure housing for rural people, primarily low-income and working class people struggling to pay their bills. HAC's rural assistance housing advocacy is most important in geographies that are in "high-needs regions like the Mississippi Delta, rural Appalachia, farmworker communities, the Southwest border colonias and Indian Country," according to the group.

These areas make up a large percentage of the persistent poverty counties in the country, where rural housing availability and affordability problems tend to be the most acute. As rural counties are poorer, older and lacking in affordable housing support, rural housing lacks adequate plumbing and kitchen facilities at a rate above the national average. The challenges are most difficult in rural communities of color, where affordable housing options are the most needed, and also the most difficult to find. One clear option to expand affordable rural housing, as discussed during the Rural Policy Summit, is potential federal government support for rural rental housing. One of HAC's priorities in 2021 is to refinance rural rental housing of more than 400,000 affordable homes to families and individuals throughout the nation. Due to federal funding cuts in recent years, USDA direct-financed rental housing has been near zero in recent years. In addition, existing rural rental properties have increasingly lost their affordability provisions. The units lose their rental subsidy once the USDA-backed mortgage on the property matures and affordability is lost. These units constitute the only affordable rental housing available in many rural places.



HAC, along with other rural affordable housing groups, supports increased funding for the USDA Section 515 program to allow for new multifamily construction to resume, increased funding for the Multifamily Preservation and Revitalization (MPR) program and the Preservation Revolving Loan Fund (PRLF) program "to address the preservation needs of the multifamily portfolio, the extension of rural rental assistance to all USDA multifamily units, and improved protections for tenants in USDA properties that are being preserved," the group states.

CRITICAL PRIORITIES FOR THE RURAL POLICY SUMMIT INCLUDE:

Passing the "Housing is Infrastructure Act of 2019" a bill that would invest Billions in rural single and multifamily housing projects. Additionally, it provides \$100 million in rural elderly aging in place grants and additional resources for disability housing.

This critical funding package would expand rural rental housing and affordability, as well as supporting expansion of rural housing options in many Native American reservations as well.



RURAL SPOTLIGHT: Rural Electric Cooperatives Could Transition to Clean Energy With Federal Investments

To maintain their commitment to providing affordable and stable electricity to rural areas, many rural electric cooperatives are interested in switching from more expensive coal-fired power plants to cleaner, cheaper electricity sources like wind and solar. Unfortunately, these member-owned utilities are also tied to old debts, much of it from government loans, that keep them from moving on from the more expensive fossil fuel energy of the past.

Rural Electric Cooperatives (RECs) are member-owned utilities, created during the New Deal era as private-sector electric companies failed to build out the power grid to rural places. Backed by government funding, RECs were founded and brought electricity to millions of farms and small towns throughout the mission. Government funding was needed to build the infrastructure, and also supported the mission of providing low-cost energy to the members who own the REC network.

Today, RECs provide electricity for 20 million businesses, homes, schools and farms in 48 states, according to National Rural Electric Cooperative Association. RECs also own and maintain 42% of U.S. electric transmission lines. The REC network is made up of 831 distribution cooperatives and 62 generation-and-transmission cooperatives that provide wholesale power to distribution co-ops through their own electric generation facilities or by purchasing power on behalf of the distribution members.

Unfortunately, many RECs are locked into long-term supply contracts and debts tied to generations of coal dependence. Around 67% of the REC electric supply is powered by coal, which is both more expensive to operate and generates much more pollution.

In order to continue affordable electricity availability for REC members, as well as decrease coal pollution that is a major cause of climate change, many rural organizations are calling for policy changes that will assist the REC



transition from coal dependence to a clean energy future. Rural Policy Summit participants such as CURE (Clean Up the River Environment), WORC (Western Organization of Resource Councils) and Partnership for Southern Equity are calling on Congress to provide resources to:

Pass \$100 billion in appropriations for federally insured Hardship Loans from the USDA Rural Utilities Service to retire underperforming rural electric cooperative coal facilities. These appropriations would facilitate the retirement of a huge majority of rural electric cooperative coal electricity plants currently in operation. In exchange for debt forgiveness, rural electric cooperatives will make equal investment in clean energy, distributed energy resources, energy efficiency, high speed broadband, storage, and electric transportation.

As pointed out in CURE's Report, "Rural Electrification 2.0: The Transition to a Clean Energy Economy," retiring coal debt and incentivizing clean energy for RECs would be one of the best methods to reducing U.S. climate pollution while creating rural jobs in the solar and wind industry.

APPENDIX A HISTORICAL CONTEXT

Our country has an incredible opportunity, as we build back from a pandemic and the economic toll that has taken on many communities, to drive shared economic growth and prosperity. To better understand how the policies referenced in this document can help rebuild rural communities, it is important to understand how policy choices from our recent past have contributed to growing disparities for many rural communities.

These disparities are not simply a function of macro economic trends, but also driven to a great degree by policy priorities of leaders in Washington - from both parties. The historical trends highlighted below are, admittedly, incomplete. But they provide a narrative framework to help understand how the economic decline experienced in many rural communities is not an inevitability and can be reversed.

SOME IMPORTANT TRENDS IN THE LAST FORTY YEARS:

- **THE REAGAN/BUSH ERA** Rural communities were hit hard in this period by policies that focused on cuts in government funding and services. <u>Concentrated corporate power</u>, the War on Drugs, and a <u>farm price</u> crisis began to reshape rural people's views of government. The emerging narratives of "jobs versus the environment" and "<u>deregulation</u>" were popularized by many conservative leaders.
- THE CLINTON NINETIES A new era of Democrats brought a much more corporate and Wall Street friendly viewpoint. These leaders supported welfare reforms and expanded free trade, including NAFTA. Rural economies were rapidly changing, aided by corporate concentration and globalization. An immigration crisis, the militarization of the Mexico-US Border, and the expansion of factory livestock operations also began reshaping life in many rural communities. Rural resentment was building and was expressed in multiple ways, including the rise of violent right wing hate groups and Black farmers suing the United States Department of Agriculture for years of discriminatory policies.
- **THE GEORGE W. BUSH YEARS** The era was dominated by a strong sense of patriotism and military service in the post 9-11 period with a "<u>War on Terror</u>." Rural young people looking for opportunities were among the <u>most likely to enlist</u> in the armed services. Domestic policy mostly focused on continued deregulation and free trade expansion, along with tax cuts for the nation's highest earners. The economic crisis caused by the Wall Street/housing bubble collapse <u>hit many rural communities</u> already struggling with huge job exports hard.
- THE OBAMA YEARS After a historic election of the nation's first Black president, who ran on a platform of economic populism, there was great optimism for real recovery. While many urban and suburban communities saw job and business growth in these years, counties with less than one hundred thousand residents saw very little. The Administration's domestic economic policies, to a great degree, continued to promote corporate concentration, particularly in sectors like agriculture and natural resources. Commodity price booms did occur, but only a few farmers and fossil fuel companies benefited. The farmer and worker share of consumer dollars continued to decline and many rural small businesses continued to fail. "Obamacare" helped millions of people, but residents in states that didn't choose to expand Medicaid did not receive the full benefit of that signature policy. In these states without Medicaid expansion, many rural hospitals continued to close.
- **TRUMP ERA** A perfect storm growing economic disparity, growing distrust of institutions, as well as concentrated and unregulated media power, provided Donald Trump an opening for his "drain the swamp" nationalism that propelled him to the White House. His "America First" policies were only superficially populist and clumsily executed, while his biggest achievements largely benefited the super-rich. And many rural communities continued to be left behind.
- THE START OF THE BIDEN ADMINISTRATION Progressives may have been skeptical of Joe Biden, but the start of his Administration has renewed hope for an economy that works for everyone and builds greater shared prosperity. The \$1.9 Trillion American Rescue Plan represents one of the most important pieces of legislation for working people and rural Americans in a generation. But the investment needed to rebuild our economy and set rural America on a path toward more sustainable economic growth is greater still. The opportunity to transform our economy and rural communities is tantalizingly close, and we hope the progressive movement will lock arms with rural Americans to help make this a reality.

APPENDIX B RECENT RURAL POLICY RESEARCH HIGHLIGHTS

Much has been written about the plight of rural communities and the failed policies that have led to so much hardship. Some of the most relevant research and policy-related reports on these topics include:

- Family Farm Action Alliance's "<u>The Food System: Concentration and Its Impacts</u>," report. This report provides the latest updated data on the state of corporate power in agriculture and food systems, and documents proposals to decentralize and democratize concentrated wealth and power.
- Center for American Progress's "<u>The Path to Rural Resilience in America</u>," report, highlighting a new framework for rural economic development.
- Brookings' "Reimagining Rural Policy: Organizing Federal Assistance To Maximize Rural Prosperity," a report highlighting a new approach to rural economic development, infrastructure and public health policy.
- Aspen Community Strategies Group's "Rural Development Hubs: Strengthening America's Rural Innovation Infrastructure," report. This report highlights what's working and who to work with for high-impact rural development policies and funding.
- Center for American Progress's "Progressive Governance Can Turn the Tide for Black Farmers" report. This report describes the systemic food system discrimination that led to massive Black land loss and outlines policy recommendations for corrective action.
- People's Action's "Relief, Recovery, and Reimagination: A Federal Policy Agenda to Meet This Moment in Rural and Small-Town America," report. This policy document describes community-based organizations' efforts to listen to, and respond to, rural voters' identified policy demands.