

{As prepared for delivery}

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Acting Under Secretary
USDA Rural Development
NRDP Policy Consultation – Luncheon Award
Wednesday, March 17, 2004

- On behalf of Secretary Veneman, thank you for this opportunity to join you today and accept the Rural Champion Award.
- This award reflects the strong commitment by the Bush Administration, particularly USDA Rural Development, has for helping rural residents and their communities.
- Rural Development’s fundamental mission is to serve rural communities by:
 1. Increasing Economic Opportunity; and
 2. Improving the Quality of Life.
- As the only Federal organization that can essentially build a town from the ground up through investments in infrastructure, homeownership and job creation through business development programs, Rural Development IS helping rural Americans achieve the American Dream.
- Given the opportunity, Americans will create strength through investment in their own economic future. And I believe it is our role to support local efforts in ways that will maximize the benefit to local economies.
- We share a common desire to bring together people and resources that support these two principles.
- Successful economic development in rural areas is driven by local strategies. Where communities are able to increase homeownership, technology and entrepreneurship opportunities as a result of local leadership and ownership in the community’s future.
- And it is this new direction of collaborative efforts that follows the model President Bush established with the successful minority homeownership initiative he unveiled two years ago – One that has yielded tangible positive results.
- To assist communities in these efforts, I have placed a priority on several areas important to creating a competitive advantage in rural areas:

- We must work to support an increased flow of capital to finance housing and business development;
 - We must work to maintain, sustain, and rebuild existing community infrastructure; and
 - We must foster and enhance the build out of the technological infrastructure needed to enable rural America to compete both domestically and globally.
- But for these investments to be successful, they must work in tandem with creating a competitive business environment.
 - That is why we are working toward the implementation of two important business investment programs: Rural Business Investment Program and a low documentation Business & Industry Guarantee Loan Program.
 - I believe there are two key economic drivers for building competitiveness in rural communities.
 1. One is our ability to grasp and utilize the power of technology. The Internet, and the technology that has flowed from it, has resulted in the free flow of capital and easy access to knowledge across borders. It has made it possible for competition to develop and build production and value-added systems.
 2. The second economic driver is supporting the growth of small businesses in rural communities.
 - You can play a significant role in this effort.

State Councils

- As I stated in August of 2002 during the Leadership Conference at French Lick, Indiana, “A revitalized Partnership and the role of strong State Councils are consistent with our evolving vision for a more prosperous rural America.”
- We support your efforts and have provided certification that hopefully is facilitating your efforts to diversify your funding sources.
- I am pleased that we are able to fulfill our commitment to the state councils this year by providing you the same level of funding as in the past – and as we look to the future, we must begin a new dialogue.
- A dialogue that must focus on ways your councils and NRDP can look to secure future funding.

- You may want to examine the well-developed model of diversification found in the Community Development Financial Institutions (CDFIs) structure, where they have learned to go outside the traditional funding sources for support.
- They can serve as a guidepost and help you in focusing beyond the stovepipe driven funding model.

Closing

- Let me close by sharing with you some insight in what drives me, and the way that I will carry out the responsibilities of the Under Secretary.
- Earlier this year I had an opportunity to hear the President at Constitution Hall where he talked about the significance of the Oval Office. He referred to it as the shrine of democracy.
- What stuck with me most is when he said the Oval Office is larger than any one individual – and pointed out that his cabinet is the wise counsel that surrounds him.
- Whether you are in the Under Secretary’s Office or coordinating council activities, we are all here to serve a cause that is greater than ourselves.
- Each of you have wise counsel that surrounds you, they bring dedication and commitment to serving in the public trust.
- These collective talents are a powerful force that can bring great change and good to rural America.
- The President and the American public are looking to us to reach as high as we can and do the best that we can. We are the best hope for a strong rural America.
- We are committed to the future of rural America.
- Thank you.