

A graphic illustration of a rural landscape. On the left is a black silhouette of a windmill. In the center, a white fence runs across the frame. On the right is a black silhouette of a tractor. The background is a light blue gradient. The text 'SENATE DEMOCRATIC' is in small, dark blue, spaced-out capital letters. 'RURAL' is in large, bold, orange capital letters. 'SUMMIT' is in large, bold, white capital letters. A white silhouette of a tree is positioned to the left of the 'S' in 'SUMMIT'.

SENATE DEMOCRATIC
RURAL
SUMMIT

Senate Democratic Steering and Outreach Committee
Senator Mark Begich, Chair, Senate Democratic Steering and Outreach Committee
Senator Mark Pryor, Co-Chair, Senate Democratic Rural Summit

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Dear Friends,

Welcome and thank you for joining us at the second Senate Democratic Rural Summit. Your presence demonstrates our shared commitment to ensuring a brighter future for our nation's rural communities.

Today's Summit brings together a diverse cross-section of leaders from business, education, rural development, agriculture, and various other walks of life. The sheer diversity of this forum only underscores the true complexity of rural America. We hope today's conversation will allow us the opportunity to discuss ways we can forge new partnerships in revitalizing rural America and discuss best practices in utilizing existing programs and policies.

The agriculture industry employs more than 21 million American workers, representing 15 percent of the country's total work force. U.S. farms sell approximately \$370 billion in goods each year, which is larger than the gross domestic product of nearly 200 countries. One in three U.S. farm acres is planted for export, while Americans spend 9.5 percent of their income on food—less than any other country. For these reasons, the Democratic-led Senate is committed to passing, once again, a long-term reauthorization of the Farm Bill to keep us on the path back to economic prosperity.

Only 60 percent of rural households have broadband Internet service and 14.5 million rural Americans still lack broadband access. While there are many examples of rural communities with state of the art telecommunications facilities, in general, rural areas tend to lag behind urban areas in broadband deployment. Senate Democrats are dedicated to expanding broadband to ensure a sustainable economy for the next generation of rural Americans.

Rural America is home to almost one-fifth of our nation's population and accounts for 80 percent of our land. It continues to be a vital part of the nation as the main provider of food and fiber, keeper of our natural resources, and a unique part of American culture, tradition, and history. Yet, rural Americans face poverty rates that are 21 percent higher than that of metropolitan areas, earn an average of 27 percent less than their urban counterparts, and account for all but six of the 250 poorest counties in the in the US. Therefore, Senate Democrats' top priority will not only be to put rural Americans back to work but to put this economy back to work for rural Americans.

We thank you for the leadership you have provided on these issues, and look forward to continuing to work with you in the coming months and years.

Sincerely,

MARK BEGICH
Chair, Senate Democratic Steering and
Outreach Committee

MARK PRYOR
Co-Chair, Senate Democratic Rural Summit

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AGENDA

- 8:30 – 9:30 am** **Registration and Breakfast Reception**
- 9:30 – 10:00 am** **Opening Session**
Senator Mark Begich, Chair of Senate Democratic Steering and Outreach Committee
Senator Mark Pryor, Co-Chair of the Senate Democratic Rural Summit
Senator Debbie Stabenow, Chairwoman of the Senate Committee on Agriculture, Nutrition, and Forestry
- 10:00 – 11:00 am** **Panel I: Building a Sustainable Rural Economy**
Moderator: Sara Wyant of Agri-Pulse
Panelist: Senator Mark Begich
Panelist: Senator Tim Johnson
Panelist: Senator Mark Pryor
Panelist: Senator Jon Tester
- 11:00 – 12:00 pm** **Panel II: Infrastructure and Access to Critical Services**
Moderator: Jerry Hagstrom of National Journal
Panelist: Senator Chris Coons
Panelist: Senator Heidi Heitkamp
Panelist: Senator Tom Udall
- 12:00 – 12:30 pm** **Closing Remarks and Keynote Address**
Senator Mark Begich
Former Agriculture Secretary Dan Glickman

SENATE HOSTS

Senate Democratic Steering and Outreach Committee

Senator Mark Begich, Chair of Senate Democratic Steering and Outreach Committee

Senator Mark Pryor, Co-Chair of the Senate Democratic Rural Summit

The Senate Democratic Steering and Outreach Committee facilitates an ongoing conversation between Senate Democrats and the American public. At the direction of the Chairman, the Committee seeks to inform, engage, and mobilize advocacy groups and constituencies to advance the policies and priorities of the Senate Democratic Caucus. The Committee is dedicated to ensuring that diverse communities have a voice within the Democratic Caucus on key issues facing our nation. The Committee is one of two Democratic Leadership Committees in the Senate. Senator Mark Begich (D-AK) serves as Chairman and Senator Jeanne Shaheen (D-NH) serves as Vice Chairman of the Committee.

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Senator Mark Begich

United States Senator for Alaska



Senator Mark Begich is in his third year representing Alaska in the U.S. Senate, where his primary focus is building a strong Alaska economy.

Already in his short time in the Senate, Senator Begich has risen to key positions for Alaska. He was recently named to the powerful Senate Appropriations Committee, where he will have a hands-on role in needed spending cuts while ensuring Alaska's interests are not forgotten. He was also named to the Senate Indian Affairs Committee for the 113th Congress, which is another key posting with jurisdiction over the intersection between the federal government and America's indigenous people. Alaska priorities like subsistence rights, full funding of the Indian Health Service and reimbursement for contract support costs will be key priorities.

Senator Begich remains on the Veterans Affairs, Homeland Security, and Commerce committees as well as retaining chairmanship of the Commerce Committee's Subcommittee on Oceans, Atmosphere, Fisheries and Coast Guard. The Oceans Subcommittee has broad jurisdiction over important Alaska issues, including responsible development of the Arctic. Begich was also appointed as chairman of the Subcommittee on Emergency Management and Intergovernmental Affairs where he will have unique authority to oversee disaster relief, response, recovery, and preparation.

Senator Begich was elected to the Senate in 2008 after serving as mayor of Anchorage for nearly six years. Born and raised in Anchorage, Senator Begich's other priorities include reducing the national deficit, tax reform, and building a national energy policy that emphasizes Alaska's oil and gas resources, an Alaska natural gas pipeline and the state's many renewable resources.

A lifetime member of the NRA, Senator Begich is a strong advocate for the 2nd Amendment and the rights of Alaskans and all Americans to keep and bear arms.

A businessman since age 14, Senator Begich is bringing his business acumen to the work in the Senate. His extensive experience in public office, along with service to dozens of non-profits and community groups, all add to his know-how and ability to get things done.

In 1988, at age 26, Mark was the youngest person ever elected to the Anchorage Assembly where he served for nearly 10 years. During that time, his colleagues three times elected him chairman, Anchorage's second highest political office, and he also served as chair of the budget committee. During his time as mayor, Anchorage went through the biggest building boom in a generation, attracting millions of dollars worth of public and private investment. Through Begich's leadership, Anchorage voters supported the building of the new Dena'ina Civic and Convention Center, a \$100 million expansion of the Anchorage Museum of History and Art, and a multitude of other projects that strengthened the city's economy. In October 2008, both the Wall Street Journal and Business Week recognized Anchorage as a city well positioned to weather the international economic crisis and the city's bond ratings were upgraded due to improved fiscal stability.

Mark's parents, Pegge and the late Nick Begich, came to the territory of Alaska in 1957 as teachers. Following a career as a teacher and superintendent of military schools on Ft. Richardson, Nick was elected Alaska's third U.S. Congressman. While running for reelection, in 1972, Begich's airplane disappeared in the Gulf of Alaska when Mark was 10 years old.

From his parents, Mark learned the values of hard work, strength of family, and commitment to community which are the values he has applied to a successful business career and long record of public service.

Senator Begich is married to Deborah Bonito, a successful businesswoman. They have a young son, Jacob. The Begich family enjoys spending time together reading, traveling, and enjoying the many great things Alaska has to offer.

Senator Mark Pryor

United States Senator for Arkansas



U.S. Senator Mark Pryor is committed to putting the interests of Arkansas First. During his first term as Senator, Pryor earned a reputation as a “voice of reason,” working with both Democrats and Republicans to pass meaningful legislation for Arkansas and our nation.

Pryor serves on six Senate Committees, including the powerful Senate Appropriations Committee. He was recently named Chairman of the Subcommittee on Agriculture Appropriations—a position that will allow him to prioritize funding for federal programs that benefit Arkansas farmers, producers, and rural communities, and keep Arkansas’s agricultural sector strong.

As a member of the Senate Commerce, Science, and Transportation Committee, Pryor is helping Arkansas address emerging transportation, technology and communications challenges. As Chairman of the Subcommittee on Communications, Technology, and the Internet, one of Pryor’s main priorities is helping rural communities meet growing infrastructure needs, including the disparity in broadband services.

Pryor also serves on the Homeland Security and Governmental Affairs Committee; the Small Business and Entrepreneurship Committee; the Senate Rules Committee; and the Senate Ethics Committee.

Pryor was first elected to public office in 1990 as a member of the Arkansas State House of Representatives. In 1998 he was elected Arkansas’ Attorney General where he toughened laws against drunk drivers, enacted legislation to protect children on the Internet, prohibited unwanted telemarketing calls, and helped establish the Morgan Nick Alert System to locate missing and exploited children. In 2008, Pryor was elected to serve a second term in the U.S. Senate where he received more votes than any statewide elected official in Arkansas history.

Pryor was born in Fayetteville on January 10, 1963 and grew up in both Arkansas and the Washington D.C. area. He received a B.A. in History and his law degree from the University of Arkansas and worked in private legal practice for over ten years. He has a son and a daughter, Adams and Porter.

Chairwoman Debbie Stabenow

Senate Committee on Agriculture, Nutrition and Forestry



Senator Debbie Stabenow is a true friend to American agriculture and rural communities. She has always fought for farmers and ranchers throughout her career. She has the unique distinction of having served on Agriculture Committees in the Michigan State Legislature, the U.S. House of Representatives and the U.S. Senate.

As Chairwoman of the Senate Agriculture, Nutrition and Forestry Committee, she is working to make agriculture a bigger part of our economy. She worked across the aisle and wrote a bipartisan Farm Bill last year that passed the Senate with an overwhelming majority. With the failure of the House of Representatives to pass a Farm Bill, she is once again leading the effort to write a new Farm Bill.

Over the years, Senator Stabenow has been a leader on agricultural issues, especially specialty crop programs including research, competitiveness grants, trade assistance, commodity purchases for nutrition programs and pest and disease issues. She also authored the first-ever specialty crop title as part of the 2008 Farm Bill.

Senator Stabenow has also been an advocate for healthy and nutritious foods. She co-authored the original fruit and vegetable snack program in the 2002 Farm Bill and has worked to give students greater access to healthy, local foods in their schools.

Senator Stabenow's leadership on the Senate Agriculture and Finance Committees has brought about an historic new focus on agricultural research, specialty crops, the development of renewable fuels, and critical land, habitat, and water conservation efforts. Senator Stabenow helped increase conservation funding in the 2008 Farm Bill to help our farmers and ranchers improve water and soil quality. She also advocated for working lands programs such as the Conservation Reserve Program, Wetlands Reserve Program, and Environmental Quality Incentives Program, which are critical to maintaining the health of soil and habitats.

Senator Stabenow also serves on the other key economic committees in the Senate, including the Finance, Budget and Energy Committees. When she was elected to the Senate in 2000, she became the first Senator from Michigan to sit on the Agriculture Committee since the 1960s when Senator Phil Hart was a member. She is also the first Michigan Senator to chair the committee since 1889, when Senator Thomas Palmer served as Chairman.

Sara Wyant

President & CEO

Agri-Pulse Communications, Inc.



Sara Wyant has been covering farm and rural policy issues for over 30 years. She started her career at Wallaces Farmer and Prairie Farmer- part of the Farm Progress group - during the worst of the 1980’s farm crisis. In 1995, she was named Vice President for Editorial for Farm Progress, where she directed a team of 50 journalists working on 35 farm magazines, including the American Agriculturist in the Northeast to California Farmer.

Nine years ago, she launched Agri-Pulse Communications, providing farm and rural policy news via a subscription-only e-newsletter and web site, www.Agri-Pulse.com

Her newsletter and web site provides the latest updates on the farm bill, commodity and conservation programs, trade, food safety, rural development, and environmental and regulatory programs. Today, Agri-Pulse employs a team of nine in Washington, D.C. and in rural Missouri.

She served as 2007/2008 Chairman of the Farm Foundation’s Board of Trustees and is still active on the Foundation’s board. She is also a member of the Steering Committee for the 25 x ‘25 Renewable Energy Group.

Wyant is a past president of the American Agricultural Editors’ Association. In 2000, she received an Oscar in Agriculture for excellence in agricultural reporting and in 2011, the Agriculture Future of America honored her as a “Leader in Agriculture.”

Sara gained first-hand knowledge of crop and livestock production while growing up on a farm near Marengo, Iowa, and is still involved with her family’s farming operation. She and her husband also own the farm where his grandparents’ originally homesteaded near Almont, North Dakota, and where his brothers still farm, raise cattle and produce honey.

Senator Chris Coons

United States Senator for Delaware

In his first two years as a United States Senator, Chris Coons worked hard and has earned a reputation as a principled, pragmatic legislator eager to find bipartisan solutions.

As a member of the Energy & Natural Resources and Budget committees, Senator Coons is uniquely positioned to help to nurture American innovation and make the United States more competitive in the global market.

He is proud of Delaware's history as an agricultural state, and advocates for our state's quality produce, poultry and dairy products at home and around the world. He is committed to fighting for Delaware farmers to ensure that our state's agricultural sector thrives for years to come.

Chris lives in Wilmington with his wife, Annie, and their three children, Michael, Jack, and Maggie.



Senator Tim Johnson

United States Senator for South Dakota



Tim Johnson learned early the value of a good education and the necessity of hard work. A fourth-generation South Dakotan, he was born in Canton to Van and Ruth Johnson. His great-grandfather was a homesteader in Centerville, South Dakota and instilled in Tim the importance of a hard day's work and an understanding of the state's farming and ranching community.

Tim graduated Phi Beta Kappa from the University of South Dakota (USD). He went on to earn both a master's degree in Public Administration and a law degree from the University of South Dakota.

In 1975, Tim began a private law practice in Vermillion. Three years later in 1978, Tim was elected to the South Dakota House of Representatives, and was later re-elected in 1980.

Following four years of service in the state House, Tim ran for the state Senate and was elected in 1982 and again in 1984. During his years in the South Dakota Legislature, Tim earned a reputation as a hard-working, effective author of sound fiscal and social policy.

After eight years in the state legislature, Tim decided to take his commitment to hard work and South Dakota values with him to Washington. He was elected to the U.S. House of Representatives in 1986 with nearly 60 percent of the vote.

Tim served as South Dakota's congressman for five terms before being elected to the Senate on November 5, 1996. Since that time, Tim has been re-elected twice, in 2002 and again in 2008.

Tim is Chairman of the Banking, Housing and Urban Affairs Committee and serves on several other important committees, including the powerful Appropriations Committee; the Energy and Natural Resources Committee and the Indian Affairs Committee. As South Dakota's senior Senator, he has worked to improve the lives of South Dakotans while establishing a strong record in the Senate, and he has been recognized by numerous organizations for his common sense approach and hard work.

Tim is married to Barb (Brooks) Johnson, and they have three children: Brooks, Brendan and Kelsey. They are grandparents to six: Arijus, Trualem, Peneal, Sutton, Cooper and Aureja.

Senator Jon Tester

United States Senator for Montana



Senator Jon Tester is third-generation Montana farmer, a proud grandfather and a former school teacher who has deep roots in hard work, responsibility and accountability.

Jon and his wife Sharla still farm the same land near the town of Big Sandy, Mont. that was homesteaded by Jon's grandparents in 1912. Jon's parents believed public education and family agriculture are the cornerstones of democracy—and those values had a tremendous role in shaping Jon's leadership.

After earning a degree in music from the College of Great Falls, Jon took over the Tester farm in 1978. He also taught music at F.E. Miley Elementary and eventually was elected to the Big Sandy School Board. Fired up by the Montana Legislature's decision to deregulate Montana's power industry (resulting in higher power costs), Jon ran for and was elected to the Montana Senate in 1998.

In 2005, Jon's colleagues chose him to serve as Montana Senate President. The people of Montana elected Jon to the U.S. Senate in 2006 and again in 2012.

Jon believes in holding himself accountable to the highest standards possible, and he has improved transparency at all levels of government. In fact, Jon was the first senator to post his daily public schedule online.

In the U.S. Senate, Jon is an outspoken voice for rural America. He is an advocate for small businesses who has hosted numerous Small Business Opportunity Workshops across Montana to serve thousands of business owners and entrepreneurs. He is a champion of responsible energy development, sportsmen's issues, clean air and water, Indian nations, women's access to care, and quality health care for all of America's veterans—no matter where they live.

In the Senate, Jon serves on the Veterans' Affairs, Homeland Security, Indian Affairs, Banking and Appropriations Committees.

In addition to farming and teaching, Jon and Sharla for years ran a custom butcher shop. Jon still butchers his own meat and regularly hauls it to Washington with him in a carry-on suitcase.

That's because Jon Tester has deep roots in Montana. He always will.

Jerry Hagstrom

Columnist for National Journal and Founder and Executive Editor for the Hagstrom Report



Jerry Hagstrom is a prize-winning agricultural journalist, book author and commentator.

The American Journalism Review has named him one of its “unsung heroes” of American journalism for “sterling work in the shadows” covering agriculture and he has won many awards from the North American Agricultural Journalists and other groups. He writes his own daily Hagstrom Report and a bimonthly column of commentary for National Journal Daily.

He reaches farmers, ranchers and agribusiness throughout the country with his work for DTN/Progressive Farmer news service in Omaha, the weekly Agweek newspaper in Grand Forks, N.D., and the Capital Press of Salem, Ore., which has editions in California, Oregon, Idaho and Washington state.

Mr. Hagstrom appears frequently on C-SPAN to discuss farm issues, and has appeared on National Public Radio and the British Broadcasting Corporation program Farming Today. He has also lectured before major trade groups and at universities including Harvard, Yale, Columbia, North Dakota State University, the Institute d’Etudes Politiques de Paris (often referred to as Sciences Po), and the Ecole Nationale d’Administration, the training school for French civil servants.

A native of North Dakota, Mr. Hagstrom grew up on the Hagstrom family farm and in Wilton and Bismarck, N.D. Both his maternal grandparents, of Norwegian descent, and his paternal grandparents, of Swedish descent, homesteaded in Burleigh County, North Dakota. A graduate of the University of Denver, he has been a Loeb Fellow at Harvard University and a research fellow at the Freedom Forum Media Studies Center at Columbia University.

Mr. Hagstrom is the co-author with Neal R. Peirce of *The Book of America: Inside Fifty States Today*, a book on the politics and character of each of the 50 states, and the author of *Beyond Reagan: The New Landscape of American Politics*. In the 1980s, Mr. Hagstrom pioneered the coverage of the polling and media consulting industries for National Journal, and he has lectured on modern U.S. political campaigns in 25 countries as the guest of the State Department. He is also the author of *To Be, Not To Be Seen: The Mystery of Swedish Business*, published jointly by the George Washington University Business School and Timbro, a Swedish research institution.

Senator Heidi Heitkamp

United States Senator for North Dakota

Heidi Heitkamp is the junior senator from North Dakota. She is the first female senator ever elected from North Dakota, and took the oath of office on January 3, 2013.



Senator Heitkamp grew up in a large family in the small town of Mantador, ND. Alongside her six brothers and sisters, she learned the value of hard work and responsibility, leading her to choose a life of public service. As a crime-fighting attorney general, she battled drug dealers, protected senior citizens from scams, and worked to keep sexual predators off streets and away from kids, even after their prison terms are up.

Her reputation as an advocate for the people grew when she served as a leader in the national settlement with the tobacco companies that required them to tell the truth about smoking and health, and pay restitution to the states.

As a director of the one-of-a-kind Dakota Gasification synfuels plant, Senator Heitkamp has a long record of serving as a champion for North Dakota's energy industry. She believes North Dakota's all-of-the-above energy plan should serve as a model for the entire country.

Senator Heitkamp sits on the Senate Agriculture Committee and Committee on Indian Affairs. She also serves on the Banking, Small Business and Homeland Security and Governmental Affairs committees

Heidi lives in Mandan with her husband, Dr. Darwin Lange, a family practitioner. They have two children, Ali and Nathan.

Senator Tom Udall

United States Senator for New Mexico

Senator Tom Udall has served the people of New Mexico for over twenty years. He was elected in 1990 as New Mexico Attorney General, and to the U.S. House of Representatives in 1998. He became New Mexico’s 17th United States Senator on January 6, 2009.

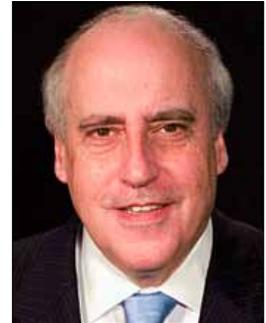


Senator Udall serves on the Appropriations Committee’s Subcommittee on Agriculture. He has consistently worked to sponsor and fund important rural water projects, as well as rural health care initiatives and access to broadband technology.

As a senator from a rural state, Senator Udall understands the unique challenges facing rural communities. He has been a strong advocate for infrastructure investment, for vital drought assistance, and for a comprehensive, long-term farm bill that will strengthen our agricultural and rural economy.

Daniel R. Glickman

Vice President of the Aspen Institute and
Executive Director of the Aspen Institute Congressional Program



Dan Glickman is Vice President of the Aspen Institute and Executive Director of the Aspen Institute Congressional Program which is a non-partisan public policy education and civility building program for members of the United States Congress.

Mr. Glickman served as the U.S. Secretary of Agriculture from March 1995 until January 2001. Under his leadership, the department administered farm and conservation programs; modernized food safety regulations; forged international trade agreements to expand U.S. markets; and improved its commitment to fairness and equality in civil rights.

Before his appointment as Secretary of Agriculture, Mr. Glickman served for 18 years in the U.S. House of Representatives representing the 4th Congressional District of Kansas. During that time, he was a member of the House Agriculture Committee, including six years as chairman of the subcommittee with jurisdiction over federal farm policy issues. He was an active member of the House Judiciary Committee; chairman of the House Permanent Select Committee on Intelligence; and was a leading congressional expert on general aviation policy.

Mr. Glickman is also a Senior Fellow at the Bipartisan Policy Center in Washington, D.C. The BPC was formed in 2007 by former Senate Majority Leaders Howard Baker, Tom Daschle, Bob Dole and George Mitchell to develop and promote compromise and civility in government.

Mr. Glickman served as Chairman of the Motion Picture Association of America, Inc. (MPAA) from 2004 until 2010.

Prior to joining the MPAA, he was the Director of the Institute of Politics at Harvard University's John F. Kennedy School of Government (2002-2004).

Before his election to Congress in 1976, Mr. Glickman served as president of the Wichita, Kansas School Board; was a partner in the law firm of Sargent, Klenda and Glickman; and worked as a trial attorney at the U.S. Securities and Exchange Commission. He received his Bachelor of Arts in history from the University of Michigan and his J.D. from The George Washington University. He is a member of the Kansas and District of Columbia bar associations..

DEMOCRATS WORKING TO IMPROVE RURAL DEVELOPMENT THROUGH THE FARM BILL

Rural communities reflect the indomitable spirit of America and have always been a symbol of our national values. Today, these communities face serious economic threats and an erosion of a way of life that stretches back many generations. The Senate Farm Bill invests in the future, with a strong focus on broadband, business development, and rural infrastructure. It also includes a strong conservation component that protects our soil and water for generations to come.

Rural Business Development Programs

Continues Support for Rural Business Development

The Rural Business Development Grants program will award competitive grants to public agencies and non-profit community development organizations for business development, planning, technical assistance, or job training in rural areas.

Supports Rural Cooperative Development

The Rural Cooperative Development Grants program helps non-profit organizations establish business cooperatives in rural areas.

Encourages Rural Entrepreneurship

The Rural Microenterprise Assistance Program awards grants to microenterprise development organizations (organizations with 10 or fewer full-time employees) to provide training, business planning assistance, market development assistance, and other services. This program also awards funding for the establishment of rural microloan programs designed to support micro-entrepreneurs in rural areas.

Supports Rural Food Processing

The Value-Added Agricultural Market Development Program Grants program is designed to encourage farmers to turn raw products into finished goods, which would increase farm income. Grants may be used for planning, marketing, and farm-based renewable energy. The program will give priority to beginning farmers and ranchers.

Continues Business Loan Support

The Business and Industry Direct and Guaranteed Loan Program improves, develops, or finances business, industry, and employment in rural communities by bolstering the existing private credit structure through loan guarantees. The bill reserves funds made available through the program for projects that include the processing, distribution, storage, and marketing of locally produced food products.

Infrastructure Improvement Programs

Access to Broadband Services in Rural Areas

USDA's Broadband Program helps connect rural communities to high-speed Internet service. The Farm Bill continues this effort, providing a combination of loans and grants to communities, especially those farther away from major cities, to help expand broadband service.

Distance Learning and Telemedicine

This program provides competitive grants and loans for equipment and infrastructure improvements that enhance telecommunications capabilities at educational and medical facilities.

Water, Waste Disposal and Wastewater Facility Grants and Loans

This program provides grants, loans and loan guarantees to public agencies for projects that support the development, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas. Rural communities with populations of less than 5,500 are prioritized for funding.

Rural Water and Wastewater Circuit Rider Program

This program provides competitive grants to non-profit organizations that give technical assistance to rural public water systems. This technical assistance helps the water systems to comply with state and federal environmental regulations.

Rural Energy Savings Program

The bill authorizes a new loan program, administered by the Department of Agriculture, which will issue zero-interest loans to any electric cooperative or group of electric cooperatives that want to offer loans for their customers to retrofit their homes or businesses to conserve energy.

Community Development Programs

Strategic Economic and Community Development

This will give priority to applications submitted for funds through Rural Development programs that support regional approaches to community and economic development.

Technical Assistance for Community Facilities Projects

This makes funds from the Community Facilities Loan and Grant Program available to applicants for technical assistance. Many rural communities do not have full-time staff to assist in the preparation of funding applications. This provision will help smaller communities in the development of their applica-

tions to the Community Facilities program, which supports projects related to economic development, public safety, and health care delivery.

Appropriate Technology Transfer for Rural Areas

This program awards competitive grant funding to national non-profit organizations that provide agricultural producers information pertaining to the reduction of input costs, conservation of energy resources, and expansion of markets through the use of sustainable farming practices.

Rural Energy

Rural Energy for America Program

The popular Rural Energy for America (REAP) program has helped nearly 4,000 farmers, ranchers and rural business owners lower their energy bills by installing renewable and energy efficient systems. The bill will provide a streamlined application process for farmers and rural businesses applying for small and medium-sized projects.

Supports the Growing Bio-Based Economy

The Farm Bill will reauthorize and modify USDA's BioPreferred Program and the Federal Government Procurement Preference Program, which adds "biobased certified" products to a list that federal agencies are encouraged to use and purchase from.

Biorefinery Assistance Program

This program provides loan guarantees for renewable energy projects. Eligibility for the program has been expanded to include biobased manufacturing, which uses agricultural products to make value-added products, which are often utilized by small businesses in rural communities.

Rural Conservation

Conservation programs ensure we have a safe and abundant food supply, clean water, and thriving wildlife populations. The Farm Bill assists in ensuring clean resources like drinking water and promoting economic growth by supporting a robust and thriving recreational outdoor and sporting sector closely linked with rural communities.

Grassroots Source Water Protection Program

State rural water associations are encouraged to use technical assistance in order to promote conservation activities that protect the quality of our nation's drinking water through this program.

DEMOCRATS WORKING TO IMPROVE ACCESS TO BROADBAND

Expanding broadband access is an essential part of making rural America truly competitive in the global economy. Broadband helps level the playing field for rural communities, bringing them access to valuable resources and opportunities. As of 2012, the Federal Communications Commission estimated that 14.5 million rural Americans still lack broadband access. Several steps have been taken to address this problem.

Title VI of the Middle Class Tax Relief and Job Creation Act

This legislation, passed into law last year, expands the benefits of broadband in rural America in several important ways. First, this law solves a pressing national public safety need by creating a nationwide interoperable public safety mobile broadband communications network for first responders. To accomplish this goal, the legislation allocates the 700 MHz D Block of spectrum to public safety, giving them access to prime spectrum suitable for a robust wireless broadband network. Access to this spectrum will speed development of an interoperable wireless network usable by first responders and other emergency personnel throughout the country. It will also provide \$7 billion to fund the deployment of the public safety network by authorizing spectrum auctions at the Federal Communications Commission (FCC). This funding will be especially important in the parts of rural America where commercial infrastructure currently does not exist.

Once the network is in place, it will greatly assist our nation's first responders in both urban and rural areas, helping them protect their communities during times of emergency by giving them cutting-edge mobile technologies and allowing them to access high-speed downloads—such as floor plans for a burning building—to better navigate and ultimately reach potential victims.

To capitalize on the valuable spectrum resources devoted to this network, the legislation also makes \$7 billion available for building out the infrastructure for the network, a necessary component of ensuring the network is available for rural first responders. To this same end, the legislation makes sure that the network will be deployed concurrently in rural areas by requiring deployment phases with substantial rural coverage milestones as part of each phase of the construction and deployment of the network. Furthermore, the economies of scale associated with a nationwide network promise to lower the cost of the devices that public safety uses to access the network, including areas in rural areas of the country.

In addition to improving the communications capabilities of first responders, the new public safety network also will help the availability of commercial wireless services, especially in rural America. The legislation envisions public-private partnerships, which entail private entities partnering with public safety to build out the new network. As part of these public private partnerships, in those rural and remote areas there is no existing commercial infrastructure, commercial wireless carriers could lease the public safety network's tower infrastructure to expand their networks. Furthermore, the legislation allows wireless carriers to use the spectrum devoted to the new public safety network on a secondary basis, providing not only an important source of revenue for the public safety network, but also a way for commercial providers to expand coverage for their consumers across the country.

In summary, the legislation passed last Congress puts in place several policy initiatives aimed at using mobile broadband services to help level the playing field for rural communities.

E-Rate

The E-Rate program provides approximately \$2.3 billion annually to schools and libraries in rural and low-income communities to help them afford necessary telecommunications services, Internet access, and internal connections. Since the program's creation in 1996, it has made significant progress towards that goal. When the E-Rate program first began, only 14 percent of public school classrooms were connected to the Internet. By 2003, the last time the data was collected, that number was 93 percent. The program has brought the power of the Internet to communities in even the most remote parts of the country, bringing them access to online education, medical research, and job search tools.

But with an increasing amount of Internet-facilitated content in education, the needs of rural, low-income schools and libraries are growing. According to the FCC, 80 percent of the program's beneficiaries believe their existing broadband connections do not fully meet their current needs, and the program typically has twice the demand from rural schools and libraries for the available E-Rate funds. To address these challenges and better meet the future needs of our schools and libraries, Senate Commerce Committee Chairman John D. Rockefeller IV has proposed expanding the E-Rate program to support next-generation broadband access so it can continue to bring opportunity to every corner of the nation. This expansion will help educators and the nation prepare our youngest generation for the century they will grow up in – one driven by technology and digital information.

Rural Communications Hearing

In the 113th Congress, the Senate has continued to address the need for expanding broadband access to the 14.5 million rural consumers who are currently unserved by traditional wireline broadband services. Earlier this year, the Senate Commerce Committee held a hearing in its Subcommittee on Communications, Technology, and the Internet that focused on the state of rural communications, particularly the challenges facing rural communications providers. The witness panel, which included representatives from telecommunications, cable, and cellular companies that serve rural areas, testified about the policy and regulatory issues that impact their companies. For instance, their dialogue with Members often touched on the FCC's universal service program, which was recently updated to support the construction and operation of broadband networks in hard-to-serve areas. During the hearing, the dialogue focused on other policy issues, but the underlying theme was the need to ensure rural America has access to the types of broadband networks essential to economic and social growth.

DEMOCRATS IMPROVING TRANSPORTATION AND PROMOTING ECONOMIC GROWTH

Americans living in rural communities can face unique challenges. Limited access to financial services, like business loans or mortgages, can make it harder for small businesses to grow and for families to invest for the future. Targeted policies can promote economic growth and job creation in rural America, by connecting small businesses with investment capital and export opportunities, by allowing small depository institutions to continue to serve the needs of rural consumers, and by enhancing the role of Community Development Financial Institutions.

Additionally, providing affordable and accessible housing and transportation options is critical to help rural communities meet the needs of residents and businesses as they face new challenges in the 21st century. Senate Democrats have consistently supported increased investment for transportation programs, including rails, highways, and airports.

Moving Goods to Market

Agricultural and natural resource exports and related industries are a core portion of our GDP and the economy of our rural communities. Transportation by truck, rail, barges, and ocean vessels must work seamlessly to ensure that our place in highly competitive international markets is not lost due to inefficiencies in the supply chain.

Senate Democrats have passed several bills to address rural freight challenges. The *Moving Ahead for Progress in the 21st Century Act* (MAP-21) addressed this concern by investing \$118 billion over two years in our nation's highways and transit systems with incentives for states to invest in freight infrastructure. MAP-21 also required the Department of Transportation to develop a national, strategic freight plan, including critical rural freight corridors. Rural communities will also benefit from the most recent appropriations bill, which continued \$500 million in funding for the TIGER competitive grant program to invest in our nation's rails, roads, and ports. A share of TIGER funds are set aside to advance projects in rural areas. Senate Democrats also extended a short-line tax credit, which helps short-line railroads—many of which are located in and support rural communities—to invest more than \$300 million in infrastructure investments annually.

Connecting People and Jobs

Access to transportation modes can be a major issue in rural communities. In addition to the MAP-21 investments in our highway and transit systems, investments in passenger rail play an integral role in rural communities as one of the few options for intercity transportation. Amtrak provides intercity passenger rail service in 45 states and serves approximately 40 percent of America's rural population. Senate Democrats have consistently funded Amtrak service. The recently passed appropriations bill included more than \$1 billion in passenger rail funding. Additionally, intercity bus service is an important mode of transportation for rural communities. MAP-21 took critical steps to ensure that this service is as safe as possible, and only allow safe companies and drivers to operate intercity buses on our roads.

Likewise, commercial air service connects rural communities to friends and family across the country and across the world. The Department of Transportation offers several grant and subsidy programs that increase the viability of airline service in more remote areas of the country. Last year the Small Community Air Service Development Program provided more than \$13 million to generate greater awareness and support for air service, such as financial and technical airport studies and outreach programs that attract new customers. The Airport Improvement Program, which has annual funding of more than \$3 billion, provided funding to develop or upgrade runways and other airport infrastructure. Finally, the Essential Air Service (EAS) Program provided \$193 million to subsidize scheduled airline service in rural communities, providing a vital connection to the global marketplace.

Rural Public Transportation

Public transportation plays an essential role for millions of Americans in communities of all sizes. In rural America, affordable and accessible public transportation gives people a level of mobility that many of us take for granted, particularly for individuals who are unable to drive due to medical or economic reasons. Transit connects Americans with jobs, healthcare, education, shopping and other activities, raising their quality of life and saving them money.

In 2012, residents of small urban areas and rural areas made 621 million trips on public transit. However, two-thirds of rural Americans—60 million people—have little, if any, access to public transportation, according to Census data. The demand for rural transit service is expected to grow considerably as the nation's rural population ages.

In the 112th Congress, MAP-21 was signed into law, significantly expanding federal investment in rural transit service as part of the reauthorization of federal public transportation and highway programs. During the 113th Congress, the Senate Banking Committee will continue to support funding for rural transit service and work to reauthorize public transportation programs.

Expands federal assistance for rural transit

The rural transit formula program, 49 USC §5311, grows considerably in MAP-21 over prior authorized levels. The program is authorized at \$599.5 million in FY 2013 and \$607.8 million in FY 2014 – an increase of more than 30 percent over FY 2012 levels by FY 2014. This increased investment recognizes the needs of rural public transportation providers: rural bus systems cover long distances, increasing the wear-and-tear on their vehicles and requiring significant coordination to stretch limited resources. MAP-21 represents a solid federal commitment to transportation investment in a difficult budget environment, and the rural transit investments will support or create more than 22,000 jobs.

Doubles funding for tribal transit

MAP-21 also boosted direct funding to federally recognized tribes for tribal transit programs. The number of trips on tribal transit nationwide nearly doubled as a result of prior federal investments between 2006 and 2012. MAP-21 doubles the authorized funding for the Tribal Transit program, providing \$30 million annually, of which \$25 million is distributed through a new formula. This expanded formula funding will allow existing tribal transit providers to receive guaranteed funds and grow service. The remaining \$5 million will be distributed through competitive awards that will enable additional tribes to begin transit service.

Exporting the Products of Rural America

Last year, Congress reauthorized the Export-Import Bank of the United States (Ex-Im Bank), the official export credit agency of the U.S., which helps provide American companies with financing to sell their products, create jobs and compete in the global marketplace. As a self-sustaining, independent federal agency, the Ex-Im Bank charges fees to cover all of its expenses, operating at no cost to taxpayers.

In 2012, the Export-Import Bank helped support an estimated 255,000 American jobs at 3,400 companies. Eighty-five percent of Ex-Im Bank transactions directly benefit small businesses, including many

rural companies and workers. In FY 2012, Ex-Im Bank transactions with small businesses reached a record \$6.1 billion.

In FY 2012, the Ex-Im Bank supported more than \$712 million of American agribusiness exports including farm equipment, commodities, livestock, chemicals, supplies and services. In addition, the Ex-Im Bank actively supports a broad range of agricultural products. It is able to support the sale of agricultural commodities and consumables, such as grain and soil additives, through the Short-Term insurance program, while assistance is available for the export of livestock through one of the Ex-Im Bank's Short or Medium-Term Products. Medium-Term financing has been used extensively by U.S. manufacturers and suppliers of new and used agricultural equipment. The range of equipment benefitting from Ex-Im's support has ranged from small items such as disc harrows to more complex machinery such as seeders and combines. The Ex-Im Bank also approved \$125 million to provide liquidity and risk protection to U.S. textile mills.

As part of its Global Access for Small Business initiative, the Ex-Im Bank has held a series of town-hall style forums across the country. These Global Access Forums provide small enterprises with the insights, resources and expertise they need to reach customers beyond U.S. borders. Since the initiative's launch in January 2011, thousands of participants have attended more than 40 Global Access Forums nationwide, including recent events in rural areas such as Weslaco, TX; Lafayette, LA; and Billings, MT.

In the 113th Congress, the Senate Banking Committee will work to reauthorize this program and help keep rural businesses connected to export opportunities around the world.

DEMOCRATS WORKING FOR SMALL BUSINESSES

As Chair of the U.S. Senate Committee on Small Business and Entrepreneurship, Senator Mary L. Landrieu recognizes the important role small businesses have in rural communities. Small businesses account for nearly two-thirds of rural jobs and almost all of rural establishments. Over the past decade, small rural firms added many jobs in a variety of industries across rural America. However, small firms in rural America may not be performing as well as they could. Not only has their performance lagged, when compared to their metropolitan counterparts, but job growth at small rural firms has occurred mainly in lower paying industries. Chair Landrieu has paid close attention to these areas and keeps rural small business development a legislative priority.

In the 112th Congress

Introduced the Small Business Broadband and Emerging Information Technology Enhancement Act of 2011 (S. 3506)

On June 17, 2010, Chair Landrieu and former Chair John Kerry introduced legislation to better assist small business owners in accessing broadband Internet technology. The *Small Business Broadband and Emerging Technology Enhancement Act of 2010 (S. 3506)* was designed to address many of the recommendations from the Federal Communications Commission's March 2010 report entitled "Connecting America: The National Broadband Plan," which calls for increased broadband access for rural small businesses and includes many of the Committee's recommendations for increasing small business access to broadband. Specifically, the bill would have amended the *Small Business Act* to direct the Administrator of the Small Business Administration (SBA) to assign an SBA employee to coordinate SBA programs and activities relating to broadband and emerging information technology (BEIT). The bill was referred to the Committee but unfortunately, it was not enacted before the adjournment of the 112th Congress.

Letter to the SBA Regarding the White House Rural Council

On June 29, 2011, Chair Landrieu submitted a letter to Karen Mills, Administrator of the Small Business Administration (SBA), to follow-up on the June 16, 2011 oversight hearing. The letter requested that the SBA assist the White House Rural Council in fostering implementation of their rural economic strategy and focus on small business job creation in rural communities. In response to Chair Landrieu's request, the SBA put forward a number of recommendations that will leverage the success of their existing programs such as: the 7(a) program support for rural small businesses; opportunities to drive more investment financing to rural small businesses and entrepreneurs through the SBIC program; improved web

tools to provide easier navigation and interaction; and expansion of the Administration's commitment to broadband. The SBA also expressed their commitment to stepping up engagement with rural businesses, both directly and online, and increasing collaboration with other Federal agencies.

Letter to the SBA Regarding the SBA-USDA Memorandum of Understanding

On June 30, 2011, Chair Landrieu and Senators Maria Cantwell, Kay Hagan, and Mark Pryor requested from Deputy Administrator Marie Johns (SBA) answers to questions on the SBA-USDA Memorandum of Understanding (MOU), which was meant to better coordinate programs to assist small businesses in underserved rural areas. The MOU set a goal to increase the number of small business loans guaranteed by SBA and USDA, as well as to expand technical assistance efforts in those areas. This letter served to determine whether the SBA has implemented and reached the aforementioned goals.

Forecast for the 113th Congress

Chair Landrieu Introduced the Small Business Disaster Reform Act of 2013

The *Small Business Disaster Reform Act* of 2013 amends the *Small Business Act* with respect to obtaining the best available collateral for a disaster loan. The Act focuses on disaster loans that do not exceed \$200,000 and relate to damage or destruction of a small business' property or a small business' economic injury. The Act prohibits the Administrator of the Small Business Administration (SBA), from requiring the small business owner to use the owner's primary residence as collateral, if the owner has other assets with a value equal to or greater than the loan amount that could be used as collateral for the loan. The legislation also allows the Administrator to authorize a Small Business Development Center (SBDC) to provide assistance to small businesses outside the state of that SBDC, without regard to geographical proximity, if the small business is in an area for which the President has declared a major disaster.

Chair Landrieu Introduced the Commercial Real Estate and Economic Development Act of 2013

The *Commercial Real Estate and Economic Development Act* of 2013 (CREED) reinstates the Small Business Administration's (SBA) authority to facilitate low-interest refinancing of small business' [insert kind of debt i.e. real-estate here] debt for five years. This Act does not involve business expansion under the SBA's local development business loan program.

DEMOCRATS WORKING TO IMPROVE EDUCATION

During the 112th Congress the HELP Committee, under the guidance of Chairman Tom Harkin, marked up a bill (S. 3578) to reauthorize the *Elementary and Secondary Education Act*. The bill made key changes to the program designed specifically to address the needs of rural schools. Additionally, in reaction to concerns from the Rural Caucus and various stakeholders, the bill sought to address the unique needs of rural schools and districts in other key programs. We expect to take up ESEA reauthorization again in the 113th Congress and anticipate that these changes will be maintained.

Rural Education Achievement Program

The Rural Education Achievement Program (REAP) is designed to address the unique challenges of rural schools. The program provides supplemental funds and flexibility with uses of funds, recognizing that formula grant amounts are often too small to make a major impact in rural districts. REAP currently awards two types of formula grants: (1) the Small, Rural Schools Achievement (SRSA) Program which provides grants directly to eligible LEAs. Under SRSA, there is a minimum and maximum grant amount that LEAs can receive; the grant award amount is offset by the amount of funds the LEA receives under other ESEA Title funding. (2) The Rural and Low Income Schools (RLIS) Program, which provides grants to states, which then award subgrants to LEAs. S. 3578 would continue REAP, with several key changes.

- **Classification method:** The current method for determining a district's eligibility for the REAP program has been criticized because it is not accurate enough. Reauthorization of ESEA will replace this method with locale codes developed by the U.S. Census Bureau and the National Center for Education Statistics, which are more accurate. The locale codes eligible for REAP are: 32, 33, 41, 42, and 43.
- **Increased number of districts will qualify to participate:** While there is not a one-to-one correlation between the old locale codes and the new ones, more districts will qualify to receive REAP funds under reauthorization.
- **Dual program eligibility:** Current law states that if a district is eligible for both the SRSA and RLIS programs, it must participate in only the SRSA program. In this reauthorization, dual-eligible districts will be able to choose which program they would rather participate in.
- **Increase in the minimum and maximum grant sizes for SRSA.**

Special Treatment of Rural Districts in Other Programs

S. 3578 made substantial changes to school accountability and improvement system requirements. It offered additional flexibility to rural schools when implementing school improvement strategies. In response to concerns about rural districts' ability to compete in new grant competitions, the bill authorized the Race to the Top program with a priority for rural high-need school districts and the Investing in Innovation program with a set-aside for projects that serve rural schools. Finally, the Principal Recruitment and Training Grant Program, offered by amendment by Senator Franken, required that at least one grant go to an entity that intends to establish a program that focuses on training or supporting principals and other school leaders for rural schools.

DEMOCRATS WORKING TO IMPROVE AND EXPAND HEALTHCARE HEALTH REFORM FOR RURAL AMERICANS

The Patient Protection and Affordable Care Act

Lower Costs for Rural Americans

Insurance Reforms that Save Families Money

Caps what insurance companies can require families to pay in out-of-pocket expenses, such as co-pays and deductibles, prohibits lifetime limits on how much insurance companies cover if beneficiaries get sick, and regulates the use of annual limits to ensure access to necessary care, until 2014 when annual limits are prohibited. This will help rural families, who pay for nearly half of their health insurance costs out of their own pocket, and the one in five farmers in medical debt, with their health care bills and provide the peace of mind that they will have coverage when they need it.

Better Value for Working Families

Provides better value for health insurance. Requires premium rate reviews to track any arbitrary premium increases, cracks down on excessive insurance overhead by applying standards on how much insurance companies can spend on non-medical costs, such as bureaucracy and advertising, and provides consumers a rebate if non-medical costs are too high. Provides sliding scale premium tax credits for families that cannot afford quality health insurance. This means nearly 9 million Americans received rebates worth \$1.4 billion in 2012.

Greater Choices for Rural Americans

Eliminates Insurance Company Discrimination

Prohibits insurance companies from denying coverage based on health status, ends discrimination that charges beneficiaries more if they are sick, and limits the amount an insurance company can increase an individual's premium simply due to their age or sex.

More Affordable Choices and Competition

Creates competitive, organized Marketplaces for consumers to shop for health care coverage. These Marketplaces provide a variety of choices, including private options, co-ops, and multi-state plans, to foster competition and increase choice. In many rural states, one insurance company dominates more than 80 percent of the market, meaning that there are often only one or two insurance companies offering health plans in the individual and small group markets.

One-Stop Shopping

Provides standardized, easy-to-compare information through the Marketplace on different health insurance plans offered in a geographic area to allow for easy comparison of prices and health plans so families can decide which option is right for them. This will particularly benefit one-third of farmers who purchase health insurance directly from an insurance company – more than three times the national average.

Insurance Security

Ensures that rural families always have guaranteed choices of quality, affordable health insurance whether they lose their job, switch jobs, move or get sick, through creation of health insurance Marketplaces.

Quality, Affordable Health Care for Rural Americans

More Doctors Where People Need Them

Invests in the health care workforce to ensure that people in rural areas have access to doctors, nurses, and high quality health care. The ACA more than doubles funding for the National Health Service Corps, provides more resources to medical schools to train physicians to work in rural and underserved areas, and establishes a loan repayment program for pediatric specialists who agree to practice in medically underserved areas such as rural regions. These provisions will help approximately 60 million Americans who lack access to primary care services due to provider shortages – many of those without access to primary care are rural Americans.

Preventive Care for Better Health

Ensures that all Americans have access to free preventive services under their health insurance plans and invests in prevention and public health to encourage innovations in health care that prevent illness and disease before they require more costly treatment. Rural Americans are less likely to receive needed preventive care, such as mammograms and pap smears for women, or routine foot, eye, and blood testing for diabetics.

Tax Credits for Rural Small Business

Provides sliding scale tax credits to enable rural, small businesses to provide health benefits to their employees. Nearly one-third of rural Americans work for small businesses, and more than half of them remain uninsured as their employers struggle to provide health benefits.

Legislation in the 112th Congress

Medicare Dependent Hospitals

The Medicare Dependent Hospital (MDH) program provides enhanced reimbursement to support rural health infrastructure and to support small rural hospitals for which Medicare patients make up a significant percentage of inpatient days or discharges. This greater dependence on Medicare may make these hospitals more financially vulnerable to prospective payment, and the MDH designation is designed to reduce this risk. The MDH program was extended until October 1, 2013.

Low Volume Payments

Qualifying low-volume hospitals receive add-on payments based on the number of Medicare discharges. These payments ensure that rural hospitals receive additional reimbursement to absorb the added cost associated with a low volume of patients. This program was extended until December 31, 2013.

Outlook for the 113th Congress

Extensions of Rural Hospital Programs

A number of rural hospital payment adjustments, including the MDH and Low Volume payments, need to be extended this year. These programs ensure that hospitals and other providers in rural and remote communities receive the reimbursement they need to offer quality care to patients and keep their doors open and to address longstanding inequities that exist among providers from different geographic regions.

Medicaid Expansion

The ACA will significantly reduce the number of uninsured by providing affordable coverage options through Medicaid and the new health insurance Marketplaces. States may choose whether or not to expand Medicaid in 2014 to low-income, uninsured adults.

DEMOCRATS WORKING FOR OUR SENIORS

Improving Rural Seniors' Access to Quality Healthcare

While 13% of the US population is over age 65, 20% of Americans living in rural areas are over 65. Overall, they tend to have higher rates of chronic conditions, disabilities, and need for support from informal (family) and formal (long term care) services than their urban counterparts. (AoA, DHHS, 2011)

The *Affordable Care Act* has begun to benefit rural America and help improve access to physicians for rural seniors, who tend to be particularly impacted by physician shortages. These provisions include rural physician training grants, expansion of the Area Health Education Centers (AHEC), funding for residency training in Rural Health Clinics, and prioritization of residency training slots to rural areas. The National Health Service Corps received additional funding. Finally, provisions to enhance or protect Medicare and Medicaid funding include correcting the Medicare Physician Fee Schedule to better account for rural disparities, providing adequate pharmacy reimbursement, correcting reimbursement to Critical Access Hospitals in rural areas, and extending many types of rural Medicare programs.

Additionally, the *Affordable Care Act* will improve coverage in rural areas and provide seniors with additional benefits. For example, elderly Medicare beneficiaries in rural regions will receive annual wellness visits and increased access to preventive care. Many states are also considering expanding Medicaid, which is particularly important for rural regions, which have higher rates of poverty, less access to employer-sponsored health insurance, and higher rates of disability¹. The law also increases access to preventive and primary care by incentivizing providers to accept more Medicaid patients and by providing states Medicaid programs with funding to cover preventive services.

Senate Democrats have worked to ensure rural seniors have access to medicines. According to the American Hospital Association, 99% of rural hospitals reported experiencing a drug shortage in 2011, with nearly half of these hospitals indicating a shortage of over 21 drugs. Over 80% of the hospitals reported having to delay treatment, and 70% reported treating patients with less effective drugs. In 2012, HELP Chairman Tom Harkin introduced the *Food and Drug Administration Safety and Innovation Act*, which included provisions addressing drug shortages. The bill became law in July 2012.

Senate Democrats are continuing to work to improve rural access to physicians. Most recently, Senator Amy Klobuchar introduced S.616, the *Conrad State 30 and Physician Access Act*. By reauthorizing the Conrad State 30 Program, also known as the J-1 Visa Waiver, states are able to improve and expand exist-

1 http://www.rupri.org/Forms/HealthPanel_Medicaid_Sept2012.pdf

ing programs that recommend visa waivers for physicians recruited to provide services for patients in rural and underserved areas.

Expanding Housing Options for Rural Seniors

More than six million households in rural America are headed by seniors. The Department of Housing and Urban Development (HUD) and the Department of Agriculture (USDA) have a number of options for elderly rural residents, recognizing the importance of providing rural seniors with a wide range of living options. HUD's primary program that provides housing for low-income elderly households is the Section 202 Supportive Housing for the Elderly program. In addition, USDA operates several critical programs, including:

- Section 504 Loan and Grant Program, which is available to very low-income rural seniors aged 62 and older, and help qualifying applicants repair, improve, and modernize a home to make it safe and sanitary;
- Section 515 Rural Rental Housing Program, the principal source of financing for rental housing in rural communities, that houses more than 500,000 rural families and creates some communities exclusively for the elderly and disabled;
- Section 521 Rental Assistance Program that makes Section 515 housing available to tenants who cannot afford market-value rents.

The vast majority of Section 515 families (94%) have very-low incomes, and of these, 57% are headed by an elderly or disabled American. As a result of these programs, from 2009 to 2012, the Obama administration has helped 627,000 rural families in more than 21,000 communities buy, repair or refinance a home, and provided funding for more than 1,000 multifamily housing developments, many of which service rural elderly.

Providing Rural Seniors with Reliable, Safe Transportation

The U.S. Department of Transportation has created a number of funding sources for the Rural Transit Assistance Program, including a number geared to seniors. The SAFETEA-LU Section 5311 funding supports transit in non-urbanized areas and the SAFETEA-LU Section 5310 Vehicle Capital Grants provides 80% federal funds for vehicles and vehicle-related equipment for programs serving seniors and persons with disabilities.

In addition, many provisions of health care reform begin in 2014, including the expansion of Medicaid. An increase in Medicaid beneficiaries translates to an increase in the demand for (and access to) transpor-

tation to get to these services, particularly in rural areas. Medicaid spends more on transportation than any other federal agency, and accounted for approximately 40% of funds spent by the federal programs that fund specialized transportation. These critical programs guarantee that seniors have a means of transportation for important doctors' appointments and provide some support funding for meal delivery programs geared toward low-income seniors.



Senate Democrats – Working for a Strong Rural America

America's rural communities embody the traits that make our country strong, and their values are deeply woven into the fabric of our national character. Democrats are committed to keep working for rural America to ensure a strong economy, prosperity, and opportunity for the 50 million citizens who live in those communities.

The Agriculture Reform, Food, and Jobs Act

American agriculture supports 16 million jobs and is the engine of the rural economy. The Agriculture Reform, Food and Jobs Act of 2012, which Senate Democrats passed on June 21, 2012, would build on the agricultural economy's momentum by helping farmers and producers grow their businesses and hire more workers. The bill would save tens of billions of dollars by streamlining programs, and strengthen tools available to producers to help manage risks and conserve resources, expand export opportunities, provide capital and training to get new farmers off the ground, and grow the bio-based manufacturing industry. Senate Democrats remain committed to fighting for this legislation in the new Congress. [Vote 164, [6/21/12](#); [Senate Agriculture, Nutrition, and Forestry Committee](#)]

- **The bill would end wasteful subsidies and strengthen risk management tools.** Weather and market conditions outside a producer's control can have a devastating effect on producers, especially family farms. This bill would end direct payments, which are paid to farmers even in good times and in many cases for crops they're not even growing. It also closes the "management loophole" that allowed landowners to claim benefits even if they don't farm, to the tune of \$1.3 billion from 2000 to 2005. Instead of payments that don't make sense, the bill protects farmers from weather disaster and market events beyond their control by strengthening crop insurance and taking a market-based approach to risk management to protect against both price and yield losses. [Washington Post, [7/2/06](#)]
- **The bill would make a commitment to conservation.** Conservation programs ensure we have a safe and abundant food supply, clean water, and thriving wildlife populations. The bill would consolidate 23 existing conservation programs into four fundamental program functions: working lands conservation, the Conservation Reserve Program, regional partnerships, and easements to help prevent sprawl and wetlands.
- **The bill would help family farmers to sell healthy food locally.** The bill would increase support for farmers' markets and takes steps to spur the creation of food hubs to connect farmers to schools and other community organizations.

- **The bill would expand access to credit and financing.** Since 2009, USDA has made or guaranteed a record number of loans for farmers and ranchers – more than \$1.8 billion in loans for nearly 130,000 producers. In the early days of the summer 2012 drought, USDA acted to lower the interest rate for FSA Emergency Loans from 3.75% to 2.25%. The bill would build on this support by expanding access to existing programs and helping new farmers get started through a pilot program to provide matching-funds for savings accounts for agriculture entrepreneurs, as well as through farm ownership loans and direct operating loans set aside for beginning farmers and ranchers. [USDA, [8/24/12](#); CRS, [10/24/12](#); [Senate Agriculture Committee](#)]
- **The bill would strengthen the rural economy.** The bill would continue Rural Business Development Grants, Rural Cooperative Development Grants, and Rural Microenterprise Development Grants to help rural businesses invest in the future and grow. Further, the bill provides technical assistance to many rural communities that do not have full-time staff to prepare funding applications for additional opportunities, and awards competitive grants to national non-profits that provide agricultural producers with best practices in cost reduction, conservation, and market expansion. [[Senate Agriculture Committee](#)]
- **The bill would spur growth and innovation in bio-manufacturing and bio-energy.** The bill would strengthen rural America’s contributions to economic growth, job creation and energy independence by spurring the development of bio-manufacturing and innovation in bio-energy production from sources like cellulosic ethanol and woody biomass. In order to support these efforts, the bill would expand the BioPreferred labeling initiative, support the Biomass Crop Assistance Program and Biorefinery Assistance Program, and strengthen government procurement preferences for bio-based products. It would also help rural Americans save on energy costs by authorizing a new loan program to help rural electric coops finance home energy saving retrofits and streamline applications for the Rural Energy for America program that has helped nearly 4,000 farmers, ranchers, and small business owners lower their energy bills by installing renewable and efficient systems.

Expanding American Agricultural Exports

The U.S. maintains a significant trade surplus in agriculture, and Senate Democrats are committed to ensuring that we continue our global leadership with a focus on opening new markets and fighting trade barriers.

- **Senate Democrats championed legislation to ensure American farmers can sell to customers around the world.** The Agriculture Reform, Food, and Jobs Act of 2012 would ensure credit will be available to finance exports of U.S. products, providing matching funds to promote U.S. agriculture products in overseas markets, and aiding access to emerging markets. [[Senate Agriculture Committee](#)]
- **The Senate passed trade deals help American farmers sell abroad and create jobs at home.** The three trade agreements with Columbia, Panama, and South Korea, now enacted into law, will lead to \$2.3 billion in additional agriculture exports that support 20,000 jobs here at home. These agreements led to immediate, duty-free access to these countries for the majority of U.S. agriculture products. [Vote 161, [10/12/11](#); [P.L. 112-41](#); Vote 162, [10/12/11](#); [P.L. 112-43](#); Vote 163, [10/12/11](#); [P.L. 112-42](#); USDA, [10/4/11](#)]
- **The Senate passed legislation to help those hurt by trade.** The Trade Adjustment Assistance for Farmers program provides technical assistance and monetary support specifically to producers of agricultural products and fishermen that may be harmed by increased exports. Democrats fought to successfully extend it through 2013. [CRS, [9/5/12](#); Vote 150, [9/22/11](#)]

Investing in Rural Infrastructure

Investments in rural infrastructure help to create a foundation for economic growth, development, and job creation. Senate Democrats continue to champion improvements to rural infrastructure that will help farms, rural businesses, and rural communities to move goods, services, power and ideas quickly and safely.

- **The Senate passed a transportation bill to save or create nearly 3 million jobs.** MAP-21, the surface transportation bill, strengthened investments in rural infrastructure. The new law increased funding for Rural Formula grants to \$600 billion, reauthorized the Secure Rural Schools and Community Self-Determination Program that compensates rural counties for loss of revenue caused by reduced timber harvest on federal lands, specifically set aside funding under the TIFIA innovative financing program for rural projects, established a new Appalachian Development Public Transportation Program to increase access in rural areas, and increased funding for the rural transit program by 30%. [Vote 172, [6/29/12](#); P.L. [112-141](#); Senate Environment and Public Works Committee, [6/29/12](#)]
- **Senate Democrats championed investments in rural broadband service.** Approximately 14.5 million Americans in rural areas – about one out of every four- lack the basic structure for broadband. This puts rural businesses at a disadvantage and dampens economic development in rural communities. The Agriculture Reform, Food, and Jobs Act of 2012 would double the annual investment in rural broadband, and allow the Rural Utilities Service to provide grants and loan guarantees for rural broadband projects in communities isolated from population centers. The bill would also strengthen investment in telemedicine and distance learning capabilities. [Vote 164, [6/21/12](#); [Senate Agriculture, Nutrition, and Forestry Committee](#); FCC, [8/21/12](#)]
- **Senate Democrats are fighting for investments in rural water infrastructure.** The Agriculture, Reform, Food, and Jobs Act of 2012 would provide grants, loans, and loan guarantees for water treatment, distribution, and disposal in rural areas with small populations, and provide competitive grants to non-profit organizations that give technical assistance to rural public water systems. Senate Democrats are also working to reauthorize the Water Resources Development Act, which authorizes the Army Corps of Engineers to work on flood control, water supply, and wastewater projects. [Vote 164, [6/21/12](#); [Senate Agriculture, Nutrition, and Forestry Committee](#); FCC, [8/21/12](#); [Senate Committee on Environment and Public Works](#)]

Middle Class Tax Cuts

America's economy has always been built on a strong and growing middle class. Senate Democrats successfully fought to permanently extend middle-class tax cuts and tax cuts that benefit rural Americans.

- **Senate Democrats extended middle-class tax cuts.** The American Taxpayer Relief Act averted the so-called "fiscal cliff" by preventing a tax increase of \$2,200 on average for a typical middle-class family of four. The plan cut taxes for over 98% of families and 97% of small businesses, and included a permanent fix to the Alternative Minimum Tax that would have ensnared 28 million taxpayers with an end-of-year tax hike. [NEC, [7/24/12](#); Vote 251, [1/1/13](#)]

- **Senate Democrats fought for tax cuts that benefit rural Americans.** The American Taxpayer Relief Act also extended the Child Tax Credit (CTC) at current levels, preventing a \$1,000 tax hike on 35 million American families, and the Enhanced Earned Income Tax Credit (EITC), preventing a \$500 tax hike on 6 million families. Together, these overall credits kept 1.4 million rural Americans, including 700,000 children, above the poverty line in 2011. [NEC, [7/24/12](#); Vote 251, [1/1/13](#); CBPP, [4/19/13](#)]
 - In 2010, 22.9% of rural tax filers claimed the overall EITC, 2.9% more than the national average, providing an average benefit of \$2,245 for 4.7 million rural EITC filers. [CBPP, [4/19/13](#)]
 - The refundable portion of the CTC provided rural children and families with more than \$3 billion in tax benefits in 2010 to 2.8 million beneficiaries. [CBPP, [4/19/13](#)]

Stable, Secure, Affordable Rural Health Care

Senate Democrats are committed to ensuring the stability and security that rural Americans want in their health care, and continue to work to ensure that the specific health care needs of rural communities are addressed.

- **The Affordable Care Act (ACA) is giving rural Americans more stability and security.** The ACA is holding insurance companies accountable, bringing down costs across the system, and helping more families access affordable health insurance. It has benefited millions of Americans across the country and in rural areas by:
 - **Removing lifetime limits on health benefits:** 105 million Americans no longer have a lifetime limit on their coverage. [White House blog, [3/5/12](#)]
 - **Covering preventive services with no deductible or co-pay:** 71 million Americans with private insurance are now getting preventive services like cancer screenings and flu shots without paying a dollar out of pocket. [HHS, [3/18/13](#); HHS, [2/20/13](#)]
 - **Providing new coverage options for young adults:** 3.1 million young adults have health insurance, due to the health reform provision that allows 19 through 25 year olds to remain on their parents' insurance plans. [HHS, [6/19/12](#)]
- **Health reform has already taken important steps to reduce costs for rural Americans.** The ACA does exactly what experts say we need to do to hold down health care costs and rein in premium increases. In 2012, insurance companies provided 12.7 million Americans with \$1.1 billion in rebates and cost growth slowed for the fourth consecutive year to growth levels lower than any other year in the 51-year history of federal tracking. In 2012, the average premium increase for all rates was 30% below what it was in 2010. [HHS, [3/19/13](#); Altarum Institute, [2/7/13](#); KFF, [9/11/12](#); HHS, [1/7/13](#); HHS, [6/21/12](#); HHS, [2/22/13](#)]
- **Senate Democrats passed legislation to ensure that rural Americans have better access to lifesaving medicines and devices at lower costs.** Senate Democrats led the charge to pass a new law that modernized the FDA by empowering the agency to more quickly review drugs and medical devices and enhancing the agency's global supply chain authority. Last year, the FDA reported shortages of 231 drugs – including several chemotherapy medicines. This law will help prevent drug shortages across the country, save biomedical industry jobs and ensure the FDA has the resources to approve new drugs and medical devices to quickly deliver safe therapies to rural patients. [[American Society of Health-System Pharmacists](#), 12/7/11; [Vote 111](#), 5/24/12; [P.L. 112-144](#)]

- **Senate Democrats expanded and strengthened the health workforce in rural communities.** Health reform included \$1.5 billion in new investments for the National Health Service Corps (NHSC). The NHSC provides scholarships and loan repayment to primary care, mental and dental professionals who work in health professions shortage areas. This program is critical to ensuring that rural areas have access to health providers. As a result of this investment, a total of 4,131 NHSC participants (45% of the NHSC total) worked in rural areas of the country last year. [P.L. 11-148, [3/23/10](#); NHSC, acceded on [4/23/13](#); NHSC, 9/30/12]
- **Senate Democrats are committed to further reducing health care costs for rural Americans.** In the year ahead, health care will become even more affordable and widely available with the establishment of new health insurance marketplaces and tax credits.
 - Starting this October, rural consumers and small businesses will be able to purchase quality, affordable private health insurance plans through Health Insurance Marketplaces. An estimated 27 million Americans who would otherwise be uninsured will gain coverage through the exchanges. [CBO, [2/13](#)]
 - Rural middle-class families with income between 100% and 400% of the poverty line will become eligible for tax credits to purchase health insurance. Tax credits available for small business to purchase health insurance will increase to 50% of the employer's contribution.

Improving Access to Health Services for Rural Seniors

- **Senate Democrats strengthened Medicare, lowered costs for rural seniors, and cut waste, fraud and abuse without reducing benefits.** Health reform strengthens and protects Medicare for rural seniors who have earned and paid for the guaranteed coverage it provides. The Medicare Trust Fund will remain solvent through 2024 – extended in part as a result of reducing waste, fraud, and abuse, and slowing cost growth in Medicare. By 2021, the health reform will save the average person in Medicare \$4,200 and rural seniors who have prescription drug costs that hit the “donut hole” will save as much as \$15,700. [CMS, [4/23/12](#); WH, [5/8/12](#)]
- **Senate Democrats have made prescription drugs more affordable for over 6 million seniors.** Health reform lowered prescription drug prices for 6.3 million seniors last year, saving a total of \$6.1 billion. The law provides rural seniors who hit the so-called “donut hole” with a 50% discount in brand name drug prices. Rural seniors will receive larger discounts each year, and the law closes the “donut hole” completely. [HHS, [3/21/13](#)]
- **Senate Democrats stopped Medicare payment cuts to guarantee rural patients have continued access to critical health services.** On three occasions, Senate Democrats successfully championed legislation to prevent dramatic cuts to Medicare physician payment rates, extending them through 2013. These efforts also prevented reductions in payments to rural hospitals and other health care providers. [[Committee on Finance](#), 2/16/12; [Vote 22](#), 2/17/12; [P.L. 112-96](#); [P.L. 112-78](#); HHS, [1/3/13](#); Vote 251, [1/1/13](#)]
- **Senate Democrats have ensured 34 million seniors' access to preventive services with no deductible or co-pay.** As a result of health reform, rural seniors now have access to free preventive health services, such as cancer and diabetes screening. The law provides a new, free, annual wellness visit and eliminates out-of-pocket co-payments for preventive benefits. 34 million seniors have received at least one free preventive benefit, including the new Annual Wellness Visit. [HHS, [3/18/13](#); HHS, [2/20/13](#)]

- **Senate Democrats improved access to more cost-effective home and community-based services that are critical to seniors living in rural settings.** Health reform bolstered rural states' ability to provide long-term care services to seniors through home and community settings, thereby improving quality of care and reducing overall spending. [P.L. 11-148, [3/23/10](#); HHS, [4/26/12](#)]

Expanding Educational Opportunities for Rural Students

For America's economy to grow and remain strong, we need to have a highly-educated, talented labor force. Education is also the key to economic opportunity for individual Americans, and ensuring access to higher education is part of making sure that we have a thriving middle class.

- **Senate Democrats successfully led the fight to prevent the doubling of the student loan interest rate.** This Democratic effort prevented a \$1,000 hike in student borrowing costs for over 7 million students. For rural students, access to higher education is more essential than ever – a college degree is an important tool for securing a high-skilled job in today's economy. [White House, [4/25/12](#); Vote 172, [6/29/12](#); [P.L. 112-141](#)]
- **Senate Democrats fought to prevent a tax hike on families paying for college.** By successfully fighting to extend the American Opportunity Tax Credit, Senate Democrats prevented a \$1,100 tax hike on 11 million families paying for college. It has been estimated that the credit can cover the equivalent of 30% of the tuition at a typical state university. In 2011, the estimated average AOTC credit was \$1,900, enough to cover 70% of tuition and fees at the average two-year public institution, or about 25% of tuition at the average private institution. [NEC, [7/24/12](#); US Treasury, [2011](#); Vote 251, [1/1/13](#)]

Honoring America's Commitment to Rural Veterans

Senate Democrats are working to honor our nation's commitments to veterans and their families by ensuring they have access to the health care and benefits they have earned, and by expanding opportunities for rural veterans.

- **Senate Democrats championed legislation to help veterans enter farming.** The Agriculture Reform, Food, and Jobs Act of 2012 would help veterans start careers as farmers and ranchers. The bill would dedicate \$50 million to the Beginning Farmer and Rancher Development Program, and for the first time require the Department of Agriculture to make veterans a priority. The bill would also provide outreach and technical assistance to veteran farmers and included conservation program opportunities for veterans.
- **Senate Democrats are working to meet the transportation needs of rural veterans.** The Caregivers and Veterans Omnibus Health Services (Caregivers) Act allows organizations, including Veterans Service Organizations, to bid for a grant in order to provide veterans with transportation services to and from VA medical centers in highly rural areas. *Organizations will be able to apply for grants beginning this May.* [[P.L. 111-163](#)]
- **Senate Democrats provided grants for rural veterans coordination.** The Caregivers Act also initiated a two-year pilot to provide grants to eligible local programs to assist veterans and their families who are transitioning from military service to civilian life in rural or underserved communities. *Grants become available this month.* [[P.L. 111-163](#)]

- **Senate Democrats passed the VOW to Hire Heroes Act.** Senate Democrats passed this legislation to address the challenge of unemployment among veterans by offering tax incentives of up to \$5,600 to employers who hire veterans, as well as up to a \$9,600 credit for hiring unemployed veterans with service-connected disabilities. The legislation also made the Transition Assistance Program mandatory for all servicemembers prior to discharge from the military and created the Veterans' Retraining Assistance Program to provide retraining assistance for up to 12 months to unemployed veterans between the ages of 35 and 60. [Vote 204, [11/10/11](#); [DPCC](#); [P.L. 112-56](#)]
- **Senate Democrats passed the Veterans Skills to Jobs Act.** The act will enable rural veterans to make a faster transition to the civilian workforce by cutting the red tape that has prevented highly skilled veterans from quickly obtaining civilian licenses. The act requires federal agencies to recognize relevant military training and skills when certifying veterans - expediting their transition to promising careers. [Defense Business Board, [4/19/12](#); [P.L. 112-147](#)]
- **Senate Democrats made sure America's veterans received the cost-of-living increase they need and deserve.** The Veterans' Compensation Cost-of-Living Adjustment Act, an annual adjustment passed by Congress for the past 35 years, ensures that veterans' benefits continue to provide meaningful assistance that keeps pace with inflation. [[P.L. 112-53](#)]

Postal Reform

Senate Democrats are fighting to ensure that the United States Postal Service continues to meet rural America's needs.

- **Senate Democrats passed legislation to modernize the United States Postal Service.** Senate Democrats passed legislation to modernize the postal service and give it the flexibility to maintain critical functions while adapting to changes in the way people use the mail system. Of the 3,800 post offices considered for closure, 80% are located in rural areas and the closure of those post offices would affect 2.9 million rural Americans. Recognizing the important role that post offices play in rural communities, the bill would require the postal service to consider multiple options to ensure that rural service would be maintained before moving forward with a closure. Senate Democrats are committed to fighting for this bill in the new Congress. [Vote 82, [4/25/12](#); Reuters, [2/17/12](#)]



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