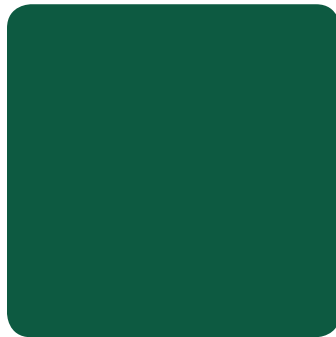
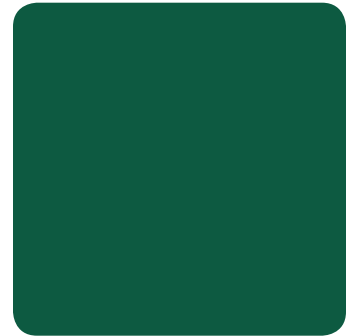




THE AMERICAN RECOVERY AND REINVESTMENT ACT:
WORKING FOR RURAL COMMUNITIES



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EXECUTIVE SUMMARY

Home to more than 50 million people and our Nation's agricultural industry, rural America plays a vital role in ensuring a vibrant national economy. The Obama Administration recognizes the importance of the rural economic engine and took swift action to stabilize the rural economy and assist rural communities in the aftermath of the economic downturn. This report provides an overview of how Federal investments under the American Recovery and Reinvestment Act of 2009 (Recovery Act) are helping rural communities across the United States win the future by out-innovating, out-educating, and out-building our global competition, as President Obama articulated in his 2011 State of the Union address.

BUILDING THE INFRASTRUCTURE OF THE 21ST CENTURY

The Recovery Act targeted funds to repair and modernize our Nation's critical transportation and water infrastructure, which serves as a basic foundation for economic activity. In addition, the Recovery Act called for unparalleled investments in broadband, the communications infrastructure of the 21st century, which offers rural residents greater access to the digital economy. By the numbers:

- Nearly **7 million rural residents** with **improved broadband Internet access** through investment from the Department of Agriculture (USDA) in broadband infrastructure.
- Over **26,000 miles of rural roads** improved and **794 rural bridges** constructed or improved through **1,165 projects** funded by the Department of Transportation.
- **1.7 million rural residents** served by **852 water and waste disposal projects** through funding from USDA's Rural Development mission area.

INVESTING IN CLEAN ENERGY AND THE ENVIRONMENT

Rural America has incredible potential to produce renewable energy—the sort of innovation America needs to win the future. With funding made available by the Recovery Act, the Obama Administration is cultivating greener rural communities and building a clean energy economy through investments in renewable energy, energy efficiency, and cleaner rural environments. By the numbers:

- **16 cutting-edge energy research centers** supported through funding from the Department of Energy.
- **13 biofuels and biomass energy production projects** in rural areas funded through USDA's Rural Development mission area.
- **705 projects** restored and protected U.S. forests and natural resources through funding from USDA's Forest Service.
- **10 million people** protected from flooding; **75,000 acres of wildlife habitat** protected; and **41,400 acres of floodplains** restored through USDA's Natural Resources Conservation Service funding.

INCREASING ECONOMIC OPPORTUNITY IN RURAL AMERICA

As credit markets contracted in the wake of the economic crisis, the Obama Administration provided critical assistance to rural businesses and residents through loan and grant funding made available by the Recovery Act. These investments spurred job growth in rural areas and revitalized the rural economic landscape. By the numbers:

- **528 guaranteed loans** made to rural businesses, saving or creating roughly **30,000 jobs**, through funding from USDA's Rural Development mission area.
- **69 community development organizations, including 10 Native American organizations**, accessed capital through funding from the Department of the Treasury's Community Development Financial Institutions (CDFI) Fund.
- **16,911 guaranteed loans** to rural businesses supported over 164,000 jobs through funding from the Small Business Administration's 7(a) and CDC 504 loan program.
- **2,873 loans** made to American farmers and ranchers through funding from USDA's Farm Service Agency.
- **526 One-Stop career centers** in rural to provide employment job training, and recruitment and screening services through funding from the Department of Labor's Employment Training Administration.
- More than **90,000 rural families** assisted with homeownership through funding from USDA's Rural Development mission area.



ENHANCING THE QUALITY OF LIFE IN RURAL AMERICA

The Recovery Act also prioritized investments in key community facilities, like medical centers, public safety buildings, and educational institutions, which safeguard the health, safety and future success of rural residents. These investments improved the quality of life in rural America, while also ensuring that rural communities are repopulating, self-sustaining and thriving for years to come. By the numbers:

- **600,000 additional rural patients** served due to funding from the Department of Health and Human Services (HHS) used to upgrade rural health centers and hire health care workers.
- **3.5 million rural residents** served by **178 health care facilities** through funding from USDA's Rural Development mission area.
- **400,000 rural senior citizens** served **8.3 million meals** through the HHS nutrition assistance program.
- **2.8 million rural residents** served by **563 public safety facilities**, including **73 fire stations** and **14 police stations**, through funding from USDA's Rural Development mission area.
- **4.2 million rural residents** served by **312 cultural and educational facilities** through funding from USDA's Rural Development mission area.

According to the January 2011 employment report from the Council of Economic Advisors, the trajectory of the U.S. economy has improved steadily in the two years following the enactment of the Recovery Act. Roughly 1.1 million private sector jobs were added in 2010, which represents the strongest private sector job growth since 2006. While the economic growth is positive, recovery is an ongoing process and much work is yet to be done. This report aims to highlight some of the Recovery Act efforts underway to help rural America through the process of economic recovery.

“The state of the economy calls for action,
bold and swift – not only to create new jobs,
but to lay foundation for growth.”

– President Barack Obama



WHY RURAL INVESTMENT MATTERS:

A MESSAGE FROM AGRICULTURE SECRETARY TOM VILSACK

Since taking office in January 2009, the Obama Administration has worked to help pull the Nation out of the worst recession since the Great Depression. Rural communities, which had seen decades of lower wages and out-migration, were facing high unemployment and struggling to make ends meet.

In an effort to jumpstart our national economy and create much-needed jobs, the American Recovery and Reinvestment Act of 2009 was signed into law on February 17th by President Barack Obama. Working with partners from across the Federal Government and with funding made available by the Recovery Act, USDA has taken steps to put Americans back to work and to renew and rebuild the foundation for future economic growth that our country needs. If America is going to compete in the global economy, our rural economy must be sustainable and attractive for new businesses and ongoing investment. It must embrace the successful strategies of today while innovating to create opportunities for tomorrow. Our objective at USDA is to turn rural areas into employment zones and centers for innovation, and I know that goal is shared by all of our Federal partners as well.



With over \$787 billion in Recovery Act funding, the Federal Government made unparalleled investments in critical rural infrastructure and economic development. We helped rural Americans hardest hit by the recession, helped rural businesses innovate and grow, and helped keep rural America a great place to live, work, and raise a family. All told, these investments promoted job creation in our rural communities in the short term and helped to set rural America back on a path toward sustainable economic growth for the future.

I am proud to serve this Nation alongside the millions of committed public servants across the Federal Government. And I am thrilled with the work we have done over the last two years, with the help of the Recovery Act, to build a brighter future for rural Americans. USDA will continue to build on these rural economic development efforts to ensure that we strengthen rural America and out-compete nations across the globe to win the future.

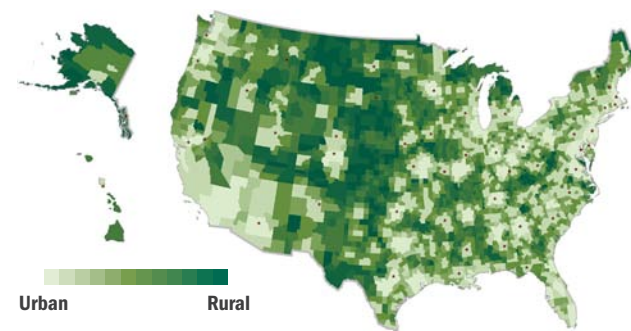
Sincerely,

Tom Vilsack
Secretary
U.S. Department of Agriculture

RURAL AMERICA AND THE RECOVERY ACT

Rich in history and strong in character, rural communities are essential to our Nation's future. Rural America comprises more than 70% of the area of the United States and is home to more than 50 million people.¹

Figure 1 Rural Urban Classification by County



A vibrant American economy depends on a prosperous rural America. Home to our Nation's agricultural industry, rural America supplies a healthy and abundant source of food for our country and the world, and it is also a vital contributor to employment and exports from the United States. While many sectors of our economy are running trade deficits, American agriculture has enjoyed a trade surplus for nearly 50 years. America's farmers and ranchers are the most productive in the world, and this productivity supports the strength and prosperity of our Nation as a whole.

In addition to being an important source of jobs and export products, our agricultural industry also serves to protect some of our Nation's most precious natural resources. Rainfall on farms, ranches, and rural communities is the primary source of ground and surface water for the entire country. Rural America also plays an increasingly important role in establishing our Nation's energy independence and growing a clean energy industry based in America's rural backyard.

Beyond agriculture and natural resources, our values are rooted in rural America. As a testament to their strength and character, rural residents answer the call to service at an exceptionally high rate of

enrollment. While only 16% of Americans call rural America home, more than 40% of the U.S. military is composed of Americans from rural areas.²

But for decades, our rural communities have been struggling. When President Obama took office in January 2009, the economic challenges facing our Nation were among the greatest in our history. As immense as the immediate challenges were, rural America's economic problems were also deeper and more long-standing. For years, rural communities have struggled to maintain the population and businesses needed for sustained economic growth. Rural America is aging and steadily losing population³. This rural out-migration largely represents young adults who leave their rural homes in search of employment and educational opportunities⁴.

To lay a new foundation for economic growth, the American Recovery and Reinvestment Act of 2009 (Recovery Act) was signed into law by President Obama on February 17, 2009. It was an unprecedented effort to jumpstart our economy and put a down payment on addressing long-neglected challenges so our country can thrive in the 21st century.

The success and well-being of the United States cannot be realized without a thriving rural economy. The Obama Administration recognized this, and through the Recovery Act, it took steps to ensure that the needs of rural Americans were met. In the short term, the Recovery Act included measures to modernize our Nation's infrastructure, enhance energy independence, expand educational opportunities, preserve and improve affordable health care, provide tax relief, and protect those in greatest need. In the long term, these unparalleled rural investments, made through low-interest loans, grants and loan guarantees, have paved the way for the increased economic growth and improved quality of life that will ensure that America's rural communities are repopulating, self-sustaining, and thriving economically.

EMERGENCY ASSISTANCE

To protect those in greatest need, the Recovery Act provided emergency funding for the provision of supplemental income for those who lost their jobs, for food assistance and extension of health care, and for the maintenance of public education. These funds provided an instant boost to rural economies and residents.

The Recovery Act provided \$59.26 billion for additional unemployment benefits to Americans across the country. These benefits proved crucial in ensuring that rural residents could cover basic living costs while they searched for employment opportunities. These benefits helped keep rural families afloat during difficult economic times.

The Recovery Act immediately cut taxes for 95% of working families, giving 110 million hard-hit workers a boost in their paychecks each week. It also provided approximately \$14.7 billion in funding for Medicaid for rural residents and subsidized COBRA continuation coverage to allow workers who lost jobs during the recession to extend health insurance coverage for themselves, their spouses, and their dependents.

Moreover, the Recovery Act funded an increase in benefits for all those participating in USDA's Supplemental Nutrition Assistance Program (SNAP), formerly named the Food Stamp Program. Of the 43.6 million individuals participating in SNAP nationwide, approximately 3.8 million live in rural communities. To date, approximately \$1.62 billion in Recovery Act-funded SNAP benefits have been spent by those in rural communities. By injecting immediate revenue streams into local business, SNAP provides a significant boost to local economies. Every time a family uses SNAP benefits to put healthy food on the table, it benefits the store and the employees where the purchase was made, the truck driver who delivered the food, the warehouses that stored it, the plant that processed it, and the farmer who produced the food. In addition, the Department of Health and Human Services' (HHS) nutrition programs for senior citizens provided 8.3 million meals to more than 400,000 seniors in homes and community settings in rural areas through local Area Agencies on Aging and Native American Tribal Organizations.

In addition, the Department of Health and Human Service's nutrition programs for senior citizens provided 8.3 million meals to more than 400,000 seniors in home and in community settings in rural areas through local Area Agencies on Aging and Native American Tribal Organizations. Rural families also received support through \$770 million in funding from HHS' Temporary Assistance to Needy Families (TANF) Emergency Fund, which was authorized under the Recovery Act. Funding was made available to reimburse 80% of the cost of basic assistance, emergencies, and subsidized employment for low-income parents and youth.

To keep families in their homes and avoid disruptive life changes, the Recovery Act sponsored homelessness prevention programs through the Department of Housing and Urban Development, including funding from the Homelessness Prevention Fund for rapid re-housing programs benefitting rural areas.

Support for education was a large and important component of the emergency assistance provided to rural communities. The Recovery Act provided more than \$48 billion in total emergency funding through the State Fiscal Stabilization Fund (SFSF) program. These funds were distributed to each state through Governors' offices to help stabilize school districts, retain teachers, maintain class size, renovate public school facilities, and pay operating costs.

This emergency assistance provided by the Recovery Act had immediate and noticeable effects on rural communities. Direct reporting to the Department of Education showed that Recovery Act funds aided in preserving the jobs of thousands of teachers in rural communities—helping give students the strong educational foundation they need to succeed in a 21st century economy.⁵

Beyond this immediate assistance, the Recovery Act also invested in the long-term viability of rural America by modernizing our Nation's infrastructure, supporting clean energy research and industry, increasing economic opportunities, and enhancing the quality of life in rural communities. The next section of this report highlights some of the Recovery Act efforts underway to modernize, renew, and rebuild rural communities across the country.

1 For analysis in this report, "rural" is defined as anything outside of a Metropolitan Statistical Area. Metropolitan and micropolitan statistical areas (metro and micro areas) are geographic entities defined by the U.S. Office of Management and Budget (OMB) for use by Federal statistical agencies in collecting, tabulating, and publishing Federal statistics.

2 Derived from Pentagon data, 2005.

3 Council of Economic Advisors, "Strengthening the Rural Economy," April 2010.

4 USDA Economic Research Service, "Nonmetropolitan Outmigration Counties: Some are Poor; Many are Prosperous," November 2010.

5 Council of Economic Advisors, "Strengthening the Rural Economy," April 2010.



BUILDING THE INFRASTRUCTURE OF THE 21ST CENTURY

In order for America to compete in the global economy, our Nation must be supported by a strong, modern infrastructure. The Recovery Act not only targeted funds to repair and modernize our country's aging transportation and utility infrastructure to make rural communities better places to do business, but it also expanded rural access to high-speed broadband networks. These critical investments provide the new foundation for rural areas to become employment zones and centers for innovation in the 21st century.



BROADBAND INFRASTRUCTURE

The Internet has revolutionized how we live and work. Most Americans go online daily to: read the news; connect with friends and family; access employment, housing, and health information; and to further their education. For many families and businesses, broadband has become a utility-like water and electric service. Broadband connections provide a platform for businesses to access national and international markets.



Yet, too many rural communities across the country still lack access to broadband, which puts them at an economic disadvantage. In 2008, an estimated 55% of adults in the U.S. had broadband access at home, whereas only 41% of adults in rural households had access to broadband service⁶. According to a report published by the USDA Economic Research Service, rural communities with greater broadband access exhibited greater economic growth⁷.

Under the Recovery Act, the Department of Agriculture's Rural Utilities Service (RUS) and the Department of Commerce's National Telecommunications and Information Administration (NTIA) worked together to deploy high-speed broadband networks across the country for a combined investment of roughly \$8.2 billion. With \$4.7 million in grant funding, NTIA focused

its Recovery Act efforts on expanding access to public computer centers, spearheading sustainable broadband adoption programs, and building out the "Internet backbone"—or middle mile infrastructure—in urban and rural areas across the country. RUS targeted its \$3.5 billion in Recovery Act loans, grants, and loan-grant combinations to the hardest-to-reach rural areas of the country. In total, RUS invested in 297 broadband infrastructure projects, 4 broadband-via-satellite projects, and 19 technical assistance grants to extend the benefits of broadband to rural communities and Native American lands in 45 States and 1 U.S. Territory.

These RUS investments will bring broadband to approximately 2.8 million households, 364,000 businesses, and 32,000 anchor institutions across rural America. These projects also overlap with 31 tribal lands and 125 persistent poverty⁸ counties. Estimated to create more than 25,000 immediate and direct jobs⁹, these projects are also expected to contribute to the long-term economic development opportunities in each rural community where a broadband project is launched. These connections will help existing business owners tighten their distribution channels, increase efficiencies, and expand their market reach, enabling a new generation of entrepreneurs to thrive in rural areas. American farmers and ranchers can use broadband to monitor product prices, obtain weather forecasts, buy and sell commodity futures, track the progress of supplies ordered or products shipped, and find markets for their produce and livestock. Broadband availability will also enhance the attractiveness of these areas to firms able to operate remotely. Rural communities linked to broadband will be able to host call centers, information technology hotlines, and other industries that require remote connection to businesses.

The Recovery Act also directed the Federal Communications Commission (FCC) to produce America's first-ever National Broadband Plan, a comprehensive strategy "to ensure that all people of the United States have access to broadband capability." The National Broadband Plan laid out a

⁶ USDA's Economic Research Service, "Broadband Internet's Value for Rural America," August 2009.

⁷ USDA's Economic Research Service, "Broadband Internet's Value for Rural America," August 2009.

⁸ Persistent poverty counties, as defined by USDA's Economic Research Service, are counties in which 20% or more of the population was living in poverty over the last 30 years. (<http://www.ers.usda.gov/publications/aib7101.htm>)

⁹ All job estimates in this report are derived from recipient reported data or program-based economic models.

In February 2010, West Virginia took advantage of an FCC waiver and allowed community access to computer facilities funded under the FCC's E-Rate program for after-hours digital training. During the April 2010 Upper Big Branch coal mining disaster, a West Virginia school, whose students were on spring break, provided access to its facilities for use as a government and media command center during the search and rescue efforts.

detailed framework of recommendations to connect rural America to the power and promise of high-speed broadband, and already, the Broadband Plan is positively impacting rural America.

Further, with Recovery Act funding and in collaboration with the FCC, NTIA awarded \$293 million to 56 grantees to develop a nationwide map of existing broadband service capabilities and availability. The map is a fundamental first step forward in visualizing the challenge of rural broadband connectivity and bringing America closer to ubiquitous broadband access.

TRANSPORTATION INFRASTRUCTURE

Approximately 65% of all U.S. interstate highway miles run through rural areas¹⁰. Quality roads and highways are critical in rural America to ensure access to essential services and the efficient transportation of goods. Figure 2 shows the allocation of the approximately \$9.4 billion in obligated Federal Highway Administration (FHWA) Recovery Act funding for rural highway, bridge, and traffic safety projects, nearly all of which are already underway or completed. As a result of the Recovery Act, more than 26,000 miles of road in rural America

Figure 2

Rural Highway, Bridge, and Traffic Safety Projects Funded through the Recovery Act ¹¹			
IMPROVEMENT TYPE	RECOVERY ACT FUNDS	NUMBER OF PROJECTS	LENGTH (MILES)
Pavement Improvement	\$5,853,854,549	3,280	22,197
Pavement Widening	\$1,235,939,169	125	476
New Construction	\$550,819,450	57	180
Bridge Replacement	\$543,763,498	493	
Bridge Improvement	\$314,186,201	275	
Transportation Enhancements	\$318,849,509	623	727
Safety/Traffic Management	\$255,066,906	256	2,801
Other	\$204,836,424	286	349
New Bridge Construction	\$86,822,125	26	
Grand Total	\$9,364,137,829	5,421	26,728

¹⁰ Data provided by the Department of Transportation, February 2011
¹¹ Data provided by the Department of Transportation, February 2011..

will be improved. In addition, 794 bridges in rural America will be constructed or improved, and there are currently 256 projects underway to improve traffic or safety.



Recovery Act funding through the Department of Transportation being used to construct a bridge in South Dakota.

In addition to the Federal Highway funds, the Recovery Act has also supported nearly 150 rural transit projects with grants valued at more than \$823 million. This funding has given rural communities the opportunity to invest in public transit by purchasing hundreds of buses, improving bus passenger shelters, and providing safe, accessible, and reliable transportation to essential services, training, and jobs.

These transportation improvements do not merely increase the convenience of life in rural America, but they profoundly impact employment opportunities and business growth as well. Interstates provide a route through which rural Americans can transport their products to larger markets. Without these roads, the crops grown in rural America could not as easily reach the domestic and international markets that sustain farm income. Since less than 1% of agricultural products are sold directly to consumers¹², farmers rely on Federal and State highways to access key processing and marketing/distribution networks.

WATER INFRASTRUCTURE

The importance of water in rural communities cannot be overstated. Basic utilities like reliable water and wastewater service provide the basis for any habitable community and are a necessary foundation for economic development. Regular upgrades and improvements to water systems are needed to

ensure that those rural systems can reliably meet 21st century demands. Aging infrastructure can lose much of the water in transit, which would reduce the availability of water while also increasing costs. Still today, many rural residents lack basic access to clean drinking water and rely on sewage systems that are old and may pollute fresh water, which is potentially detrimental to the health of rural residents.

To address some of these challenges, the Recovery Act invested in the repair and reconstruction of utility infrastructure to ensure that rural residents have affordable, clean water and adequate systems for handling waste. These quality-of-life improvements were financed with Recovery Act loans and grants through USDA's Rural Utilities Service (RUS) and by the Environmental Protection Agency (EPA).

The RUS Water and Waste Disposal Program invested more than \$3.3 billion for 852 water and waste disposal projects. These projects will benefit more than 1.7 million rural residents and enhance the health and livability of rural communities across the country. Beyond the quality-of-life benefit, these infrastructure projects are expected to create or save more than 60,000 rural jobs, providing a much-needed boost to the rural economy.



Thanks to Recovery Act funding through USDA's Water and Waste Disposal Program, a new state-of-the-art water tower will boost water pressure and improve fire safety in Ipswich, Massachusetts.

¹² Data provided by the Department of Transportation, February 2011

The EPA's Clean Water State Revolving Fund (CWSRF) program allocated a significant amount of Recovery Act funding for clean water projects in rural communities. The CWSRF provided low-cost financing for a variety of projects, including decentralizing wastewater systems, water conservation and reuse, and the protection and restoration of wetlands. Of 1,870 projects in the Clean Water National Information Management System, roughly 60% will serve populations below 10,000 people, amounting to \$1.5 billion in Recovery Act funding for these communities.

Similarly, the EPA's Drinking Water State Revolving Fund provided Recovery Act funds to rural

communities for projects that protect public health, replace aging infrastructure, create local jobs, and encourage green solutions to drinking water infrastructure needs. Of the 1,350 drinking water projects in the Drinking Water National Information Management System, roughly 66% will serve populations below 10,000 people, amounting to \$1.1 billion in Recovery Act funding for these communities.

Following are several examples of how Recovery Act funding helped rebuild and expand our Nation's infrastructure to meet the needs of a 21st century economy.

WIRELESS SERVICE TO REACH REMOTE CHOCTAW NATION IN OKLAHOMA



PROJECT HIGHLIGHTS	
Funding Source	Department of Agriculture
Recovery Funds	\$49,400,663
Jobs Saved/Created	250
Location	McCurtain, LeFlore, Pushmataha, Latimer, Atoka, Coal, Pittsburg counties, OK

The Choctaw Nation of Oklahoma is rich in cultural pride, identity, and history; however its remote location in Southeast Oklahoma has limited the tribe's economic development. Recovery Act loan and grant funding from USDA's Rural Utilities Service will enable Pine Telephone Company (PTC) to use wireless and fiber technology to deliver affordable broadband service to portions of this region. During World War II, the Choctaw Nation of Oklahoma provided an invaluable service to the United States by pioneering the use of Code Talking, using the native Choctaw language, to prevent enemy forces from intercepting the transmission of Army secrets. And in 2008, the Choctaw Nation was awarded the Secretary of Defense Employer Support Freedom Award. Unfortunately, most of the counties on tribal lands in this region are plagued with unemployment rates well above the State average, and a substantial portion of residents live below the poverty line. PTC's system will offer service to more than 12,000 households, 700 businesses, 10 school districts, and 12 volunteer fire departments and ambulance services. Offering Internet access to key community institutions, such as schools and public

safety institutions, will mean better educational opportunities and enhanced health care and public safety for residents. In addition to the many benefits to be realized by residents of Southeast Oklahoma, this Recovery Act project will also create more than 250 direct jobs over the multi-year construction period. To date, three towers have been constructed, and 40 customers have been connected. Pine Telephone is identifying additional sites and expects to initiate construction in Spring 2011.



Thanks to Recovery Act funding, Pine Telephone Co. will bring 3G wireless broadband service to Southeast Oklahoma including the Choctaw Nation.

ACCESS TO JOB TRAINING AND WI-FI IN NORTH CAROLINA



PROJECT HIGHLIGHTS	
Funding Source	Department of Commerce
Recovery Funds	\$239,194
Location	Bakersville, Mitchell County, NC

Home to the North Carolina Rhododendron Festival and fewer than 400 residents, Bakersville is a small picturesque town nestled in the Appalachian Mountains. Thanks to Recovery Act funding from NTIA's Broadband Technology Opportunities Program, Bakersville residents will have improved access to advanced broadband technology. The Mitchell County Virtual Learning and Communications Center project plans to double the number of public computer workstations available to residents of Mitchell County, provide job training and educational courses through the local community college and extension service, and expand broadband access by creating a Wi-Fi hotspot in the newly-renovated historic courthouse that will reach the adjacent library and parts of downtown Bakersville. The project expects to provide 28 laptops that can be checked out from the courthouse and that will serve over 300 users per week with broadband access and training. Mayland Community College and the North Carolina Cooperative Extension Service plan to use two new videoconferencing systems provided with grant funds

to provide much-needed courses and workshops for a broad audience. The Center also plans to provide educational offerings such as General Equivalency Diploma courses to address the needs of displaced workers, high school dropouts, educators, and government officials; offer continuing education courses to firefighters, emergency medical services personnel, and other human services providers; and offer courses to train more than 100 farmers on production and marketing of new crops, filling a critical need for this farming region.



North Carolina Governor Bev Perdue joins Foundation Chair Dr. Daniel Barron to recognize the Mitchell County project. Source: NTIA.

HIGHWAY SAFETY IMPROVEMENTS IN NEW MEXICO



PROJECT HIGHLIGHTS	
Funding Source	Department of Transportation
Recovery Funds	\$63,800,000
Jobs Saved/Created	150
Location	McKinley and San Juan Counties, NM

With Recovery Act and Transportation Investment Generating Economic Recovery (TIGER) grant funds, the Department of Transportation is widening 69 miles of highway U.S. 491 from two lanes to four, and improving safety on the route known widely as New Mexico's deadliest highway. Sometimes referred to as "The Devil's Highway"—U.S. 491 is

a major trucking route with increasingly high traffic volume connecting the Navajo Nation to emergency, medical, education, and other vital services in New Mexico and Colorado. According to data from the New Mexico Department of Transportation (NMDOT), the fatality rate at the north portion of this 69-mile-long corridor is nearly four times the

State average and, at the south portion, more than twice the State's average rate. Using nearly \$64 million in Recovery Act funds, the NMDOT began a \$217.6 million widening and pavement rehabilitation project in 2009 to expand the existing highway from two to four lanes, and rehabilitate 69 miles of highway. Additionally, turn lanes for acceleration and deceleration will be built in commercial and high-traffic areas, and various improvements will be made to intersections, highway signs, pavement markings, and drainage facilities. The contractor on

this project—Skanska USA Civil West Rocky Mountain District Inc.—was able to rehire several Navajo Tribal workers, who make up more than 50% of the project's workforce. Due to its distance, this lengthy improvement project is broken into nine segments. The last three have already been completed. A \$31 million TIGER grant is fully funding another 13-mile segment. Work on the remaining segments will begin once the weather improves (tentatively planned for March 2011) and, overall, is expected to be completed in June 2013.

IMPROVING FREIGHT MOVEMENT AND ACCESS IN SOUTHEAST OHIO



PROJECT HIGHLIGHTS	
Funding Source	Department of Transportation
Recovery Funds	\$138,000,000
Jobs Saved/Created	305
Location	Hocking and Athens Counties, OH

Located in Appalachia, highway U.S. 33 runs along the Hocking and Athens County line in the Southeast Ohio. The improvements to U.S. 33 over the past 15 years have also helped to improve access to this poverty-stricken region of the State. The project involves the construction of a new 8.5-mile, four-lane highway to divert freight traffic from U.S. 33, which bottlenecks in the small town of Nelsonville. U.S. 33 currently carries more than 1,700 trucks per day between Columbus, Ohio and Charleston, West Virginia, making it the eighth busiest truck route in Ohio. Ohio recognized this section of U.S. 33 as a route with significant local, regional, and statewide implications for travel and freight movement in 1993, and it has since been part of the State's plans for upgrades. Recovery Act funds are being used to pay for the second and third phases of the project. Though this construction was not set to begin until 2012 and 2015, with the infusion of funding from the Recovery Act, the work began in 2009. While the project was approved at \$150 million, contractor bids came in below original estimates for phases

one and two, bringing the cost of the project down to \$138 million. The Nelsonville Bypass is the final upgrade of the U.S. 33 corridor in southeast Ohio.



The new portion of highway to carry freight traffic in southeast Ohio under construction due to Department of Transportation Recovery Act funding. Source: DOT.

USDA PROJECT BRINGS CLEAN WATER TO MINNESOTA COMMUNITIES



PROJECT HIGHLIGHTS	
Funding Source	Department of Agriculture
Recovery Funds	\$16,556,000
Jobs Saved/Created	260
Location	Nobles, Jackson and Yellow Medicine Counties, MN

With funding made available by USDA's Water and Waste Disposal Program, the Lincoln Pipestone Rural Water System will be extending service to 25 new communities in Southwest Minnesota. The project will create about 250 miles of new waterline distribution and serve an estimated 888 rural homes and farm sites. The system will meet the needs of the current population and accommodate for future population

growth. Because of the lack of water availability in Southwest Minnesota, Lincoln-Pipestone serves an important need to this rural area. Upon completion in November 2011, the new system will deliver clean water that will help farmers improve their livestock operations and provide residents and businesses with a reliable water source.

NEW SEWER MAINS, INCREASED ENERGY EFFICIENCY IN ARKANSAS



PROJECT HIGHLIGHTS	
Funding Source	Environmental Protection Agency
Recovery Funds	\$10,000,000
Jobs Saved/Created	40
Location	Batesville, Independence County, AR

The city of Batesville received \$10 million in Recovery Act funds from the EPA's Clean Water State Revolving Fund program to replace the existing wastewater mains in their treatment facility with a 3,100 linear foot gravity sewer. 1,700 linear feet is constructed as a 54-inch tunnel under the local community. Batesville previously transported all sanitary wastewater via a pumping station and two force mains, the larger of which often submerged in the adjacent White River. Through this gravity sewer project, the facility will achieve energy savings of 62%, or about 700,000 kW hours/year over the life of the project, and will create over 40 jobs. The project is expected to be completed in February 2012.



Recovery Act funding from the EPA will replace aging wastewater mains in Batesville, Arkansas. Source: EPA.

UPGRADES TO WASTEWATER SYSTEM BRINGS JOBS, CLEANER ENVIRONMENT TO MARYLAND RESIDENTS



PROJECT HIGHLIGHTS	
Funding Source	Department of Agriculture
Recovery Funds	\$11,816,217
Jobs Saved/Created	65
Location	Berlin, Worcester County, MD

Residents of Berlin, Maryland, will soon see vast improvements in their town's wastewater treatment systems with the help of an \$11.8 million Recovery Act loan-grant combination from USDA's Water and Waste Disposal Program. For residents like Mike Dale, this project has much greater implications. Dale operated heavy equipment for nearly 10 years before he was laid off in the summer of 2008, due to the downturn in the economy. He is now back to work full-time as a construction worker with Bearing Construction at Bottle Branch Road in Berlin. Bearing started working on the Recovery Act-funded upgrade and expansion of the wastewater treatment project on June 17, 2009. Dale was not the only out-of-work construction worker brought back by Bearing Construction. In the summer of 2008, the lack of construction projects available forced Bearing to reduce their workforce from 100 to 38 workers. As a result of the Berlin project, Bearing hired back 65 employees. The project is also helping local subcontractors like Cain Masonry, which currently has 10 employees working at the plant. In addition, the local economy—from hardware stores to lunch establishments—has benefited from this project. The upgrades and expansion to the Berlin wastewater treatment system are necessary to comply with more stringent environmental regulations and to prepare the town for expected growth and

development. The project is part of a wider strategic effort by Berlin to encourage residents, businesses, and local government entities to build towards a greener and more sustainable future. USDA is proud to support this project which is expected to be completed Spring 2011.



USDA Secretary Vilsack and Dale push the button to activate the new wastewater plant.



INVESTING IN CLEAN ENERGY AND THE ENVIRONMENT

Beyond critical infrastructure, the Recovery Act is making an unprecedented investment in healthier communities and laying the foundation for a clean energy economy that will create a new generation of jobs. With more than \$90 billion in clean energy investments and a further \$18 billion for environmental programs, more than a dozen Federal agencies are working together to create lasting impact in communities across America. Recovery Act investments in America's rural communities will help ensure that citizens have access to a healthier environment, sustainable forms of transportation, renewable sources of power, and greater control over their energy use.

CLEAN ENERGY INVESTMENTS

The Recovery Act enabled the Department of Energy (DOE), the Department of Housing and Urban Development (HUD), and USDA to invest heavily in making communities more energy efficient through initiatives like the Assisted Housing Green Retrofit Investments, the Healthy Homes Program, the State Energy Program, and the Weatherization Assistance Program. These investments are helping to increase our domestic production of renewable energy, while also promoting energy efficiency. Thanks to Recovery Act investments in making homes and appliances more energy efficient, millions of American families cut their utility bills. As a result, the home-efficiency industry is expanding in both sales and manufacturing, which is providing a boost to rural economies.

Recovery Act investments aim to double U.S. renewable energy generation capacity, restore U.S. global leadership in science and technology, and create new economic opportunity in rural America. States with largely rural populations have some of the best potential for renewable development which will help boost the Nation's domestic renewable manufacturing capacity. Promoting these sorts of innovations will be critical to the long term competitiveness of our economy.



Forest Service solar panel installation. Caption: Workers install 250 Recovery Act-funded solar panels to a forest service facility in the Wayne National Forest in Ohio.

Investments in biofuels, vehicles, and renewable energy will reduce our dependence on foreign oil, revitalize domestic manufacturing, and create demand for new energy crops. Biofuels help promote a vibrant future for the agricultural industry in rural America. Under the Recovery Act, USDA's Business and Industry Guaranteed Loan Program issued \$59 million in loan guarantees for 13 biofuels and biomass energy production projects across the

country. In addition, the Department of Energy has invested more than \$700 million in Recovery Act-funded grants for sustainable biofuels and biopower projects. These plants will buy millions of tons per year of agricultural and forest residues and other biomass from local farmers and the forestry industry, injecting billions of dollars per year to rural communities across the Nation. At the same time, DOE is testing the advanced fuel technologies that can move our country away from dependence on foreign sources of oil.

Consistent with President Obama's call for America's scientists and engineers to invent new clean energy technologies that will lead the world, DOE targeted Recovery Act funding to support science and innovation to develop cheaper, more efficient clean energy technologies. DOE is using \$277 million from the Recovery Act to fund 16 additional energy frontier research centers, supporting cutting edge, interdisciplinary scientific research in energy at major universities in rural and urban areas across the country. These investments will ensure that our Nation remains competitive in the global energy market.

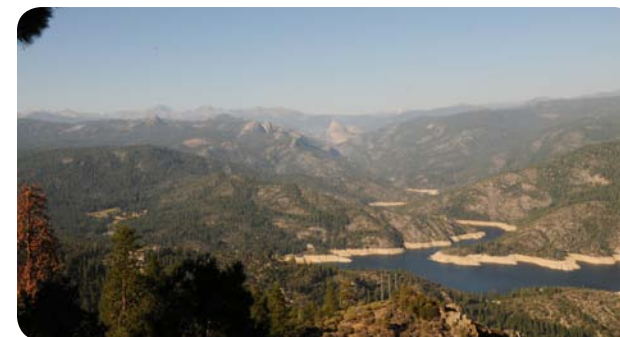
In addition to the investments made by DOE, the Recovery Act enabled the Department of Defense to invest \$65 million in energy efficiency improvements of military facilities located in rural areas in 7 states. These projects include 12 renewable energy initiatives to leverage solar, wind, and geothermal energy sources to generate clean energy and reduce energy consumption costs for these facilities.

Investments from the Recovery Act are also helping to fund the largest, single energy-grid modernization in U.S. history. Through the Recovery Act, DOE and USDA are harnessing clean energy sources developed in rural America and integrating them into a modernized electric grid to power the rest of the Nation. Under DOE's Smart Grid Investment Grant Program, 21 members of the National Rural Electric Cooperative Association (NRECA) received awards totaling \$215 million to modernize the rural electric grid. In addition, NRECA's Cooperative Research Network (CRN) received a \$33.9 million grant for a unique, nationwide demonstration project that will bring together 27 rural electric cooperatives in 10 states to install more than 153,000 Smart Grid components. With a smart grid system, our Nation will be able to integrate into the country's electricity system clean energy-like wind and solar

power-originating predominantly in rural areas. As we double our renewable energy generating capacity, new transmission lines will be needed to bring this power to the grid. These construction projects will create jobs in rural America and allow new renewable energy developments to take place.

ENVIRONMENTAL INVESTMENTS

U.S. forests and working lands supply the country with the majority of the surface water Americans drink. They also clean our air, preserve our wildlife habitats, and are among our Nation's greatest assets in the battle against global climate change. Through the Recovery Act, the Obama Administration has demonstrated its commitment to protecting these crucial assets and making rural America a healthier place to live by supporting critical investments in the cleanliness and health of the rural environment. These investments to clean up polluted land and water resources will improve the vitality of these rural areas and increase their appeal as places to live and work.



Scenic view in the Sierra National Forest in California.

To promote a cleaner natural environment and the restoration of U.S. forests, USDA's Forest Service targeted its \$1.15 billion in Recovery Act funds to create jobs doing the critical restoration work that will reduce the risk of wildfires. With Recovery Act funding, the Forest Service approved 407 capital improvement and maintenance projects, valued at \$650 million, and 298 wildland fire management projects, valued at \$500 million. These 705 Recovery Act-funded projects helped to create jobs in economically-distressed areas. As of September 30, 2010, the Forest Service approved 3,831 Recovery Act projects, which include: road, bridge, and trail maintenance and decommissioning; watershed restoration and ecosystem enhancement; facilities improvement,

maintenance, and renovation; abandoned mine lands remediation; and hazardous fuels reduction.

Further, with Recovery Act funding, the Forest Service will be reducing future operation and maintenance costs; protecting water quality; promoting health and safety while building a natural resource workforce; converting facilities to "greener", more efficient technologies; and expanding youth education and job training. As of January 2011, the Forest Service has completed 202 projects, and all other projects are underway. These environmental projects are helping to create private sector jobs, protecting rural communities from large wildfires, and improving the health of our forests, water, and air resources.

USDA's Natural Resources Conservation Service (NRCS) also plays a critical role in improving the health of the rural environment. Through \$340 million in Recovery Act funding, NRCS approved more than 600 projects to conserve and restore natural wildlife habitats and water quality, reduce soil erosion, and mitigate the potential for flooding. The Agency's Recovery Act projects are being implemented through its Floodplain Easements, Watershed Operations, and Watershed Rehabilitation programs.

In addition, the Recovery Act enabled the EPA-administered Superfund Program, the Government's program to clean up hazardous waste sites, to devote more than \$165 million in funds to the clean-up of 15 hazardous waste sites in rural areas.



A contractor reviews the construction plans for a flood protection project in San Jose, CA.

Following are several examples of how Recovery Act investments in energy and environment are helping promote energy independence and ensure the cleanliness and health of our Nation's environment.

FINANCING WOOD-TO-ENERGY IN CALIFORNIA



PROJECT HIGHLIGHTS	
Funding Source	Department of Agriculture
Recovery Funds	\$4,500,000
Jobs Saved/Created	30
Location	Humboldt, Del Norte, Amador, and Eldorado counties, CA

Recovery Act funding from USDA's Forest Service will help to refurbish and operate biomass-fueled power plants in two locations in California. The Blue Lake Power Facility, supporting Humboldt and Del Norte counties, is fully operational. The Buena Vista Power Facility in Ione, supporting Amador and Eldorado counties, is expected to be operational in late Spring 2011. When in service, the Buena Vista plant will generate enough renewable energy to sustain approximately 16,000 homes. The biomass fuel required to operate these plants is available from Federal, Tribal, State, and private lands located a reasonable distance from the plants. Recovery Act funding has created employment opportunities for power plant staff, contractors, and biomass material purchases.



Similar to USDA-funded Woody Biomass Plant in Idaho pictured above, the two California plants will improve forest health while generating sustainable energy.

SOLAR POWER YIELDS ENVIRONMENTAL, ECONOMIC BENEFITS IN FLORIDA



PROJECT HIGHLIGHTS	
Funding Source	Department of Energy
Recovery Funds	\$43,900,000
Location	Arcadia, DeSoto County, FL

In August 2010, President Obama visited DeSoto Solar Energy Center in Arcadia, Florida, the recipient of a \$43.9 million Recovery Act payment administered by the Department of the Treasury in collaboration with the Department of Energy. At 25MW, the center is the Nation's largest solar photovoltaic facility, using more than 90,500 highly efficient solar panels to provide electricity to the homes of more than 3,000 Florida Power & Light

Company customers. The project has provided significant economic stimulus to the region through the creation of hundreds of direct and indirect jobs during construction and through the utilization of numerous local contractors and vendors. In addition, the facility will substantially increase the DeSoto County tax base at a time when tax revenue is in decline. Beyond the many economic benefits, this solar facility provides numerous environmental

benefits. The solar facility does not generate any air emissions or waste products and does not require water to generate electricity. Further, over the 30-year life of the project, the facility will prevent the emission of more than 575,000 tons of greenhouse gases and will decrease fossil fuel usage by approximately 7 billion cubic feet of natural gas and 277,000 barrels of oil. According to the EPA, the reductions are equivalent to removing more than 4,500 cars from the road every year for the life of the project.



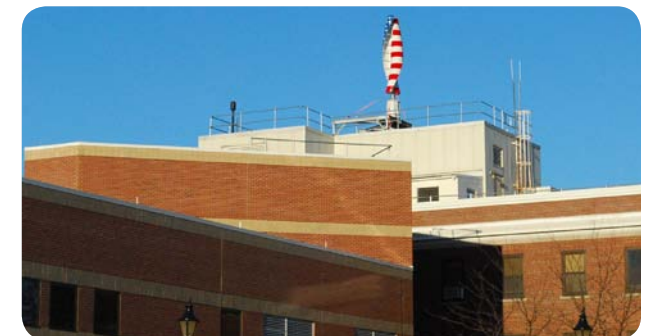
President Obama tours the DeSoto Solar Energy Center in Arcadia, Florida. Source: White House.

WIND ENERGY TO HELP POWER NEW YORK VETERANS HOSPITAL



PROJECT HIGHLIGHTS	
Funding Source	Department of Veterans Affairs
Recovery Funds	\$174,134
Location	Castle Point, Dutchess County, NY

The Castle Point VA Medical Center opened in 1924 in Castle Point, New York, as a large tuberculosis hospital to serve veterans who fought in World War I. Now, over 80 years later, the hospital is a leader in clean energy transformation. The Department of Veterans Affairs awarded \$174,134 in Recovery Act funding to the Castle Point VAMC for the purchase and installation of a wind turbine, which is expected to produce up to 50% more electricity on an annual basis versus conventional turbines with the same swept area. The turbine became operational in December 2010 and is expected to generate approximately 30,000 or more of kilowatt hours of energy per year.



The wind turbine provides a clean energy source for the Castle Point VA Medical Center in New York. Source: VA.

MARINE CORPS BASE CAPTURES CALIFORNIA SUNSHINE FOR CLEAN ENERGY



PROJECT HIGHLIGHTS	
Funding Source	Department of Defense
Recovery Funds	\$3,700,000
Location	Twentynine Palms, San Bernardino County, CA

Twentynine Palms, California, is home to the world's largest Marine Corps training base and, with an average of more than 300 days of clear skies and sunshine each year, the area is an optimal location for desert training. As a result of Recovery Act funding disbursed through the Department of Defense, the Marine Corps Air Ground Combat Center can now take advantage of that sunshine to increase energy efficiencies on the base. Completed in June 2010, the \$3.7 million project enabled the installation of solar panels on existing tactical vehicle sunshades. These solar panels are expected to generate over 500,000 KWH of renewable energy annually.



New solar panels financed through DOD Recovery Act funds will reduce energy costs for the California Marine Corps training base. Source: DOD.

local schools and college campuses. Building this huge, 2,400-mile network will create or save more than 300 direct jobs, which are urgently needed in the area. Two of the three counties served are persistent poverty counties. By enabling smart grid technologies, this advanced network will allow residential, commercial, and government users to monitor and manage their real-time energy consumption. By 2015, Kit Carson intends to generate up to 20% of their system's energy using solar photovoltaic or solar thermal systems. Further, the project also helps local public safety agencies. As part of the plan, the network will include a state-of-the-art facility to house all emergency services, such as E-911, Forest Fire Command, and all Homeland Security initiatives. This Recovery Act broadband project illustrates exactly the kind

of public-private partnership that can propel rural communities forward by leveling the technology playing field, creating jobs, and promoting energy efficiency.



Residents around the Rio Grande Gorge Bridge, located in Taos County, will be offered smart grid-enabled broadband service.

RECOVERY ACT INVESTMENTS IN ADVANCED RENEWABLE ENERGY RESEARCH IN MAINE



PROJECT HIGHLIGHTS	
Funding Source	Department of Commerce
Recovery Funds	\$12,400,000
Location	Orono, Penobscot County, ME

The new Advanced Nanocomposites in Renewable Energy Laboratory (ANREL) at the University of Maine's Advanced Structures and Composites Center in Orono, Maine, will be the only U.S. facility to include complete development capabilities for designing, prototyping, and testing large structural hybrid composite and nanocomposite components for the deep water offshore wind energy industry. Funded by the Department of Commerce's National Institute of Standards and Technology (NIST), the 30,000-square-foot laboratory addition will support a materials and engineering research program designed to capitalize on two of the State's key

resources: wind energy and wood. Maine has an estimated 149 gigawatts of offshore wind energy within 50 nautical miles of its shoreline, according to figures from the University of Maine. Wood, the State's principal natural resource, is a potential renewable feedstock for new lignocellulose-based nanocomposites. This still-experimental materials technology uses nanoscale, cellulose-based fibers naturally produced in forest products to add stiffness and strength to polymer composites. The ANREL addition to the Advanced Structures and Composites Center is designed to develop durable materials suitable for the harsh offshore

NEW MEXICO CO-OP PIONEERS "SMART" TECHNOLOGY



PROJECT HIGHLIGHTS	
Funding Source	Department of Agriculture
Recovery Funds	\$63,768,671
Jobs Saved/Created	333
Location	Taos, Colfax, and Rio Arriba counties, NM

In recent years, rural electric cooperatives have led the way in deploying smart grid technology, which allows consumers to monitor their monthly energy use and enables greater grid efficiency. Some electric cooperatives are progressing one step further by offering their members access to broadband technology. Kit Carson Rural Electric Cooperative, which has served northern New Mexico residents since 1944, is one such example. The co-op is exploring the frontier where the cutting edge of electric power meets the cutting edge of broadband.

Using a \$63 million loan-grant combination made available by USDA's Rural Utilities Service, the cooperative will build an open-access, smart grid-enabled, fiber-optic network to bring broadband to un-served and underserved areas in Taos, Colfax, and Rio Arriba counties in Northern New Mexico. The network will reach 29 communities with roughly 20,500 homes, 3,600 businesses, 183 critical community institutions, and two Native American pueblos. It will bring world-class service to a nearly 3,000-square-mile rural area, which includes many

environment, which must withstand both high wind stresses and a corrosive environment. The research goals of the new laboratory complement work at NIST on advanced materials and nanomaterials and nanocomposites. The project, which is also a high priority project for DOE, is expected to be completed by Spring 2011.



A rendering of the Renewable Energy Research Lab in Orono, Maine. Source: NIST.

CLEANER ENVIRONMENT IN UTAH THANKS TO EPA RECOVERY FUNDS



PROJECT HIGHLIGHTS	
Funding Source	Environmental Protection Agency
Recovery Funds	\$22,500,000
Location	Eureka Mills, Juab County, UT

The Eureka Mills waste site in Eureka Mills, Utah, has received \$22.5 million in new funding through the Recovery Act. Although work at the site began in 2003, Recovery Act-funded work commenced in August 2009. The EPA is using the funds to clean up 160 properties at the site that are contaminated with waste from historic mining activities. The funds are also paying for the stabilization and capping of three large mine waste areas and construction of sediment ponds. Other drainage control features will prevent metals-contaminated rain and snowmelt runoff from spreading contamination into clean areas. The EPA anticipates that construction work will be completed by Summer 2011.

TENNESSEE WATERSHED PROJECT REDUCES EROSION, PROTECTS THE ENVIRONMENT



PROJECT HIGHLIGHTS	
Funding Source	Department of Agriculture
Recovery Funds	\$12,784,104
Location	Lauderdale County, TN

USDA's Natural Resources Conservation Service (NRCS) and local partners completed the Recovery Act-funded Cane Creek Stabilization Project. Located in Lauderdale County, Tennessee, this project prevents erosion of more than 100,000 tons of soil each year, protects nine bridges, and creates habitat for fish and other aquatic life. These improvements will significantly reduce the amount of sediment eroding from the banks of Cane Creek that flows down the Mississippi River and contributes to degraded water quality in the Gulf of Mexico. The project area includes 18,700 prime farmland acres, 777 wetlands acres, 18,700 floodplains acres, and nearly 37,000 acres of highly-erodible land. Partnering with NRCS on the project was the Cane Creek Watershed District, the Lauderdale County Soil Conservation District, the City of Ripley, and the Lauderdale County Government.



This NRCS Recovery Act project will protect the environment and prevent soil erosion along Cane Creek in Tennessee.



INCREASING ECONOMIC OPPORTUNITY IN RURAL AMERICA

Better access to quality jobs is a central priority of the Obama Administration for all communities across the country. In rural areas, where incomes and rates of educational attainment are lower than in urban areas, these Recovery Act investments are particularly important. While the U.S. agricultural economy is strong, farmers are increasingly turning to off-farm jobs to get by. To keep farmers on the farm, and to offer opportunities to the next generation of rural Americans who come from non-farming backgrounds, the U.S. needs to build a thriving companion economy to complement agriculture in rural America. To this end, the Recovery Act provided critical assistance to rural businesses through low-interest loans and grants and helped to bolster the rural economic foundation by providing affordable housing.

INVESTMENTS IN RURAL BUSINESSES

Some of the most important actions that can be taken to support rural areas, in both the short and long term, are new investments in local business development. Every rural business represents an essential place of employment and local infrastructure. The Recovery Act helped a number of programs to create and sustain successful rural businesses.

Recovery Act funding enabled USDA's Rural Business Service (RBS) to maximize its investment in rural businesses and communities through its existing business programs. RBS worked with small and emerging private businesses to get capital flowing to improve the rural economic climate. While the availability of private sector credit decreased, the Recovery Act allowed for RBS's Business and Industry Guaranteed Loan Program to guarantee 528 loans, totaling \$1.6 billion, for rural businesses across the country. RBS anticipates that 33,000 jobs will be created or saved as a result of these investments. Further, through the Rural Business Enterprise Grant Program, RBS provided \$19.4 million in small business assistance, which is expected to create or save roughly 13,000 jobs for rural residents. These direct investments will continue to help rural businesses grow, innovate, and create jobs into the future.



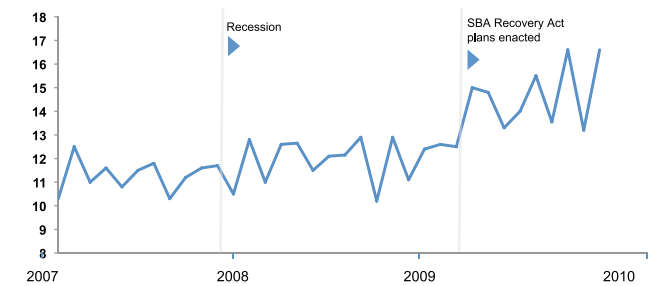
Café Bruges in Carlisle, Pennsylvania, benefitted from Recovery Act funding from USDA's Rural Business Service.

The Department of the Treasury's Community Development Financial Institutions (CDFI) Fund was provided with \$98 million in Recovery Act grant funding to invest in development organizations and revolving loan funds across the country. Fewer than 100 days after the enactment of the Recovery Act, the CDFI Fund announced their financial assistance

grants to 59 CDFIs and to 10 Native American CDFIs, providing an immediate source of equity capital for communities across the country.

The Recovery Act allowed many Small Business Administration (SBA) programs to increase investment in small business and economic development in rural areas. SBA's programs were expanded by the temporary reduction or elimination of fees. Figure 3 shows the greater share of SBA loans made to rural communities after the Recovery Act was signed into law. The percentage of loans issued to rural counties increased to an average of 15% in the wake of the Recovery Act, up from an average of 12% in 2008 and 11% in 2007¹³.

Figure 3 Increased Proportion of Lending for Rural Communities¹⁴



Combined SBA 7(a) and 504 Guaranteed Loans = Share of Loan Volume to Rural Counties. Source: Small Business Administration (as of April 4, 2010) and CEA calculations

To strengthen the U.S. agricultural economy, USDA's Farm Service Agency (FSA) provided 2,873 direct operating loans¹⁵ to farmers and ranchers for more than \$181 million to help them purchase the farm equipment, feed, seed, and fuel they needed to keep their farms operating and support jobs in the rural economy. More than 55% of the loans were issued to minority, women, and beginning farmers. The timely release of Recovery Act funds in early March 2009 allowed FSA to immediately address a backlog of nearly 1,800 approved, but unfunded, operating loans valued at greater than \$130 million. More than 95% of Recovery Act funds were obligated within three weeks of the funding becoming available.

¹³ Council of Economic Advisors, "Strengthening the Rural Economy", April 2010.

¹⁴ This graph shows SBA loans approved for businesses in rural counties. The actual percentage of loans approved for businesses designated as rural is significantly higher.

¹⁵ Data as of September 30, 2010 per USDA

Proceeds from many of these loans were used to cover expenses associated with the planting of spring crops, such as wheat, corn, soybeans, cotton, and rice, and had an immediate impact on rural economies across the country.



A USDA Farm Service Agency Loan Manager and a rancher survey cattle purchased with a USDA Recovery Act loan.

The Recovery Act also made important strides in preparing residents of rural communities for employment opportunities. The Department of Labor's (DOL) Employment Training Administration (ETA) provided funds for several job training programs, including the expansion of One-Stop Career Centers services and new investments in green jobs training. ETA estimates that approximately 526 One-Stops are located in rural areas¹⁶. Additionally, the Recovery Act provided \$50 million for the YouthBuild program which helps disadvantaged youth gain high school credentials and training that leads to employment. Of the 75 YouthBuild Recovery Act grants awarded in 2009, 31 programs served rural areas. Seven of the 31 programs received Recovery Act Green Capacity Building grants.

AFFORDABLE HOUSING

In the past decade, more than half of all rural counties in the U.S. lost population. With fewer educational and employment opportunities at home, young people are seeking opportunities in suburban and urban locations. It is critical that the U.S. focuses on reinvigorating rural communities by

cultivating economic opportunities and enabling rural residents to invest in quality, affordable housing, which provides a cornerstone for economic growth.

The Obama Administration recognizes the vital role homeownership plays in improving lives, creating jobs and economic opportunities, and strengthening America's neighborhoods. For 75 years, USDA's Rural Housing Service (RHS) has supported rural homeowners by financing critical home repairs and by helping income-eligible Americans achieve their housing goals. With \$11 billion in funding made available by the Recovery Act through its Single Family Housing Program, RHS enabled more than 90,000 rural residents to become homeowners¹⁷.

Through \$72 million in Recovery Act funding disbursed by the Department of Defense, military single and family housing units and community infrastructure in rural areas of eight states were constructed, repaired or replaced. These investments made a difference in improving the lives of single service members and families whose loved ones are serving our Nation.



A new homeowner sits on the front porch of her Kansas home which was financed by USDA's Rural Housing Service through Recovery Act funding.

Following are examples of how Recovery Act funding assisted rural businesses, created employment opportunities, and improved access to quality, affordable housing throughout rural America.

RECOVERY ACT LOAN SAVES NORTH CAROLINA COMPANY



PROJECT HIGHLIGHTS

Funding Source	Department of Agriculture
Recovery Funds	\$2,670,000
Location	Wendell, Wake County, NC

Founded in 1984, the Mortex Corporation, headquartered in Wendell, North Carolina, oversees a large apparel manufacturing operation and has built up a workforce of over 300 loyal employees. In early 2009, the company was faced with a dire situation. Despite a 15-year history of on-time debt payments, a lender opted not to renew the company's line of credit. Due to the economic downturn, credit markets were extremely tight. With hundreds of jobs on the line, the closing of Mortex would not only have devastated the company's workers and their families, but it would also have had a severe impact on the regional economy. Fortunately, that crisis was averted when USDA's Business and Industry Guaranteed Loan Program offered a guarantee for Capital Bank to make the loan to Mortex. This guaranteed loan allowed Mortex to continue operations and maintain its workforce. Additionally, an affiliate dependent upon Mortex, HPM Apparel, was also able to continue operations and retain its employees. In a letter addressed to USDA, Mortex President, Edward Morrell expressed his gratitude, "We will always be appreciative for this USDA program and the people of the USDA who made our loan possible. We have hundreds of employees in four small rural towns in North Carolina who benefit each week by being employed. Your USDA program guarantee saved these jobs, and for that our family and our employees are very grateful."



Anselmo Avila marking a fabric pattern to be cut for clothing for school, college and university athletic teams under the Eagle USA brand produced at the Mortex textile mill in Wendell, North Carolina.

¹⁶ ETA classifies the location of One-Stops using the Department of Agriculture's "Rural-Urban Continuum". The definition of rural communities used throughout this report is broader than the USDA model utilized by ETA. In particular, this methodology includes any areas outside of a metropolitan statistical area while ETA's USDA-based approach focuses more narrowly on rural areas with small populations (less than 20,000 individuals).

¹⁷ Data as of September 30, 2010 per USDA..

NEBRASKA COMPANY USES LOAN TO EXPAND GEOTHERMAL HEATING BUSINESS



PROJECT HIGHLIGHTS	
Funding Source	Small Business Administration
Recovery Funds	\$653,000
Jobs Saved/Created	14
Location	Gretna, Sarpy County, NE

The Geothermal Green Team in Gretna, Nebraska, uses geothermal heating to reduce their customers' carbon footprint and cut their monthly energy bills by 30% or more. The team drills several holes 500 feet deep into the ground and runs pipe from the building through the ground and back to the building. At that depth, the ground is cooler than the air in the summer and warmer than the air in the winter. "The winter is actually when you save the most," said Tyler Volk, the company's president, and a veteran of the U.S. Navy's nuclear power program. Rather than requiring a heat pump to take icy cold air and warm it to a comfortable temperature, according to Volk "the ground source is just more efficient." Geothermal Green Team wanted to expand their business. First, they received a Recovery Act-funded 7(a) loan administered by the Small Business Administration (SBA) for a line of credit to meet payroll. Then, they obtained another 7(a) loan to purchase a new sonic drill. The track-mounted sonic drill vibrates 180 times a second, cutting through dirt, sand, gravel and rock, helping to push the polyethylene pipe deep into the ground. Volk

expects up to \$2 million a year in additional revenue because of the new rig. "If everything goes the way I plan it, we should be buying another sonic drill here by the end of the year. The work is there. We just need more SBA loans." The new drill means more jobs for Geothermal Green Team. Volk anticipates that the company will need to hire four or five more employees to handle the demand.



Tyler Volk (left) and Tim Huttman of Geothermal Green Team outside their Gretna, Nebraska office. Source: SBA.

USDA LOAN ENABLES OKLAHOMA FARMER TO PRESERVE FAMILY BUSINESS



PROJECT HIGHLIGHTS	
Funding Source	Department of Agriculture
Recovery Funds	\$143,000
Location	McCloud, Pottawatomie County, OK

Steve Burris has always been a strong believer that farms should remain in the family, passed down from generation to generation. His conviction became a reality for his own family recently when his father-in-law decided to retire after 69 years and to sell Burris the property his family had grown up farming. "I did not want this farm to just slip away," said Burris. "I

did not want it sold to potential land developers so they can flatten it out and demolish the importance it has for my wife's family." Burris worked with his local USDA Farm Service Agency (FSA) county office in McCloud, Oklahoma, to apply for a Beginning Farmer and Rancher Direct Operating Loan (DOL). Burris' DOL for \$143,000 helped him purchase the existing

farm equipment, including a tractor and creep feeder, from his father-in-law and to pay off the remaining debt he held on the farm equipment he already owned. He purchased 65 cows from a private seller in a neighboring town and the loan allowed him to use some of his personal savings to purchase feed and fertilizer for his winter wheat crop from a local vendor. "Without this loan, I just would not have been able to make the necessary purchases to operate this land," added Burris. "Local banks required a down payment of 20%, which is just not feasible for me financially." Burris was a high school agricultural education instructor for seven years, having earned his bachelor's degree in agricultural science from Oklahoma State University. He is happy to be more involved in daily farming and splits his time breeding cattle and working as an agent for the

local Farmer's Insurance Group office. "My wife and I are not doing this just for us," concluded Burris. "We are doing this so our kids have the perfect place to take over from us one day."



Steve Burris moves hay bales on his farm in McCloud, Oklahoma.

RECOVERY ACT FUNDING GROWS VERMONT SEED COMPANY



PROJECT HIGHLIGHTS	
Funding Source	Department of the Treasury
Recovery Funds	\$200,000
Jobs Saved/Created	23
Location	Wolcott, Lamoille County, VT

Healthy communities are supported by healthy local food systems, and no one understands that better than Tom Stearns, the founder of High Mowing Organic Seeds. Based in Wolcott, Vermont, Tom's company sells high-quality organic vegetable, fruit, herb, and flower seeds to commercial growers. Thanks to the Department of the Treasury's Recovery Act funding distributed through a Vermont Community Development Financial Institution (CDFI) to High Mowing Organic Seeds, Tom was able to access a line of credit to cover operating expenses during the slow winter months. This loan helped High Mowing Organic Seeds to retain 23 jobs and reach the next growing season. Now, Tom's company is among the top employers of Wolcott, Vermont.



Tom Stearns' Vermont-based organic seed company obtained a Recovery Act loan from a certified CDFI source. Source: TREAS.

DISPLACED WORKER LEVERAGES RECOVERY ACT FUNDS TO RE-OPEN WASHINGTON PLYWOOD MILL



PROJECT HIGHLIGHTS	
Funding Source	Department of Agriculture
Recovery Funds	\$1,899,270
Jobs Saved/Created	147
Location	Port Angeles, Clallam County, WA

In November 2007, economic pressures forced a plywood mill in the rural harbor town of Port Angeles, Washington, to close its doors after 66 years in operation. The closure of the mill left 132 employees without jobs and had a devastating emotional and financial impact on the community. But in a feat that truly reflects the spirit of the Recovery Act, one of the mill's former employees led an effort to purchase the vacant mill and revive the plywood company. As one of the hundreds of employees laid off in November 2007, Josh Renshaw was distressed at the economic consequences the mill's closure had on his community. While many former employees left Port Angeles in search of employment opportunities, Renshaw had something else in mind: buy back and reopen the mill for production. Nicknamed "Bulldog" by his friends and colleagues, Renshaw doggedly pursued this goal and, with the help of several other former employees and key local investors, successfully secured Recovery Act funds in the form of two loan guarantees totaling \$1.89 million from USDA's Business and Industry Guaranteed Loan Program that would allow him to revive the company. In March 2010, Renshaw, now president of the company, celebrated the reopening of the town's plywood mill, named Peninsula Plywood (or PenPly, for short) – also the mill's original name when it opened in 1941. The USDA loan guarantees made to the Peninsula Plywood Group, LLC are providing working capital and funds for inventory purchases and equipment repairs and maintenance. To date, 147 employees have been hired and production is ramping up. These family-wage jobs average \$15.50 per hour (214% of the Federal minimum wage) and, in total, represent a significant reduction in the

percentage of unemployed workers in Port Angeles. The company already has a customer base for its cedar siding that outpaces its historical market trend. At capacity, this plant can manufacture 5 million board-feet of plywood products per month and can employ up to 197 people. The revival of this company will also add to the local economy's tax base and allow for further economic development, especially for tourism. Located on the Olympic Peninsula, this community used to be a popular sport fishing destination, and with expected sustainable growth in the local economy, the town hopes to rebuild its tourism industry. Port Angeles residents are looking forward to continued growth and development, due in large part to USDA's investment in PenPly's restoration. This Recovery Act project is creating jobs now and jobs into the future for this rural harbor town. "I feel pretty good about what we are doing here," said Renshaw. "And our employees really are the best."



Josh "Bulldog" Renshaw speaking at PenPly's reopening.

FLORIDA MOM ACHIEVES DREAM OF HOMEOWNERSHIP



PROJECT HIGHLIGHTS	
Funding Source	Department of Agriculture
Location	Navarre, Santa Rosa County, FL

As a hard-working, single mother of two boys, Maria Lugo De Jesus has her hands full. After being raised in a military family that moved around from Puerto Rico to Alaska and then to Eglin Air Force Base in Florida, De Jesus wanted to give her family stability and roots in a community. With a dependable job on the Eglin Air Force Base and good benefits, she was finally in the position to purchase her first home. Working with her local USDA office, she applied for a direct single family loan to purchase a home in Navarre, Florida, in Santa Rosa County. Navarre is in the Florida panhandle, about 25 miles east of Pensacola. On April 29, 2009, De Jesus closed on her home loan and has enjoyed her first year as a homeowner. De Jesus is now able to provide her family the security, stability, comfort, and sense of community that homeownership affords. According to Maria, "It has been a dream come true to be able

to purchase a home of my own ... without these USDA Single Family Housing programs, I could not have reached this milestone!"



Maria Lugo De Jesus and family in front of their new home in Navarre.

NEW MULTI-FAMILY HOUSING FACILITY IN MONTANA



PROJECT HIGHLIGHTS	
Funding Source	Department of the Treasury
Recovery Funds	\$181,865
Location	Lewistown, Fergus County, MT

Lewistown, Montana, has a new 24-unit rental housing facility that took the best of a historical building and renovated it with beautiful architectural touches. The facility is now home to a mix of the community's low-income, handicapped and elderly families. The \$4 million project was the first multi-family rental property built in Lewistown in more than 30 years, and \$181,865 in Recovery Act funding disbursed by the Department of the Treasury's CDFI Fund and awarded to NeighborWorks Montana (NWMT) helped make it possible. A statewide partnership of 26 members, NWMT was aware that the community of Lewistown, located in the

geographic center of Montana, had been working to build more rental housing. The city of Lewistown donated the site for this project and hired a project developer, homeWORD of Missoula, a NWMT partner. The project included the renovation of a historic building and the construction of two new eight-unit buildings. Green building and energy conservation techniques were used throughout the project. Accordingly, units have been outfitted with Energy Star-rated appliances, water saving devices, green construction and materials, and heating and insulation applications.



ENHANCING THE QUALITY OF LIFE IN RURAL AMERICA

In the Recovery Act, Congress and the Obama Administration acknowledged a great need to invest in rural community facilities, like health care centers, public safety buildings, and educational institutions. Today, too many of our community facilities are crumbling, while other nations surge ahead. These critical facilities are relied upon to safeguard the health of rural residents, to keep rural communities safe, and to provide quality educational opportunities for children and adults. For many communities in America, Recovery Act funding presented a unique opportunity to offer their residents the health care, public safety, and educational facilities that they could not have otherwise afforded. Beyond the quality-of-life benefit to rural families, these investments will also offer opportunities for job creation into the future as these communities continue to grow and thrive.

INCREASED QUALITY OF HEALTH CARE

The Recovery Act prioritized investments designed to improve access to affordable and high-quality health care in rural areas throughout our country. With fewer doctors per capita in rural areas, patients must travel longer distances to receive medical care, often at higher costs. Non-metropolitan counties in the U.S. have, on average, 1.2 doctors for every 1,000 residents as of 2007, as compared to 3 doctors for the same number of residents in U.S. metropolitan counties¹⁸. The scarcity of health professionals complicates early detection and regular treatment of diseases, such as cancer and diabetes. The Recovery Act targeted funding at initiatives that would serve to close this gap in health care access.

Recovery Act funding distributed through the USDA Community Facilities Program ensured that 3.5 million rural residents have improved access to health care services. Through \$590 million in Recovery Act loans and grants, USDA supported more than 178 health care facilities across the country.



A nurse checks blood samples at the Mary Mahoney Health Center in Langston, Oklahoma, financed through USDA's Community Facilities Program.

More than \$325 million in Recovery Act funding was provided by the Department of Health and Human Services (HHS) to upgrade health centers in rural communities and hire additional health care workers to allow the centers to serve approximately 600,000 additional patients of whom more than half were uninsured. To reduce staffing shortages, the

Recovery Act provided funding for rural health care centers to meet the increased demand for services. HHS Recovery Act funding also expanded the National Health Service Corps (NHSC) by providing more than \$60 million in academic loan repayment for more than 1,100 NHSC clinicians in exchange for their public service of providing primary health care in rural communities that need it most.

The Recovery Act also authorized an unprecedented investment in Health IT, which can help health care providers detect health concerns earlier and avoid medical errors. In rural America, where distances between clinics are great and specialists may be a day's drive away, Health IT can give physicians instant access to information necessary to make timely, vital decisions and save lives. With Recovery Act funding, HHS established 62 Regional Extension Centers (RECs) in 2010 to provide technical assistance to health care providers nationwide to facilitate the adoption and use of certified Health IT. In addition, HHS has provided over \$30 million in supplemental funding to RECs in 41 states with rural health needs, to provide technical Health IT support for over 1,700 critical access hospitals and medical facilities. This enhanced support will help rural facilities learn how to take full advantage of Health IT and to make the conversion from paper to electronic health records.

In addition, as part of the commitment to creating healthier communities nationwide, HHS's Communities Putting Prevention to Work initiative invested more than \$30 million in 14 rural and Tribal areas across the United States to create local programs to help their residents reduce obesity, increase physical activity, improve nutrition, and decrease smoking – all critical actions for combating chronic diseases and reducing costs.

For American Indian and Alaska Native communities, the Recovery Act provided \$500 million through HHS and \$90 million through the EPA for the construction of priority health care facilities, building maintenance and improvement, water and wastewater sanitation projects, medical equipment, and Health IT infrastructure, including electronic health records, telehealth, and infrastructure development.

¹⁸ Council of Economic Advisors, "Strengthening the Rural Economy", April 2010

ENHANCED PUBLIC SAFETY

In addition to addressing deficiencies in quality health care in rural America, the Recovery Act has made improvements in the safety of rural communities. Almost \$500 million has been provided by the Department of Justice (DOJ) to communities with a population less than 150,000, including many rural communities, for Community Oriented Policing Services (COPS), which allowed for the hiring of more police officers in rural communities. These funds helped build a foundation for safe and healthy rural communities. DOJ's Bureau of Justice Assistance (BJA) has awarded \$125 million in grant assistance to rural states and rural areas to prevent and combat crime, especially drug-related crime, and to provide for national support efforts, including training and technical assistance programs strategically targeted to address rural needs.



Fireman at Atoka Fire Department, which obtained Recovery Act funding from USDA's Community Facilities Program to purchase a refurbished tanker truck.

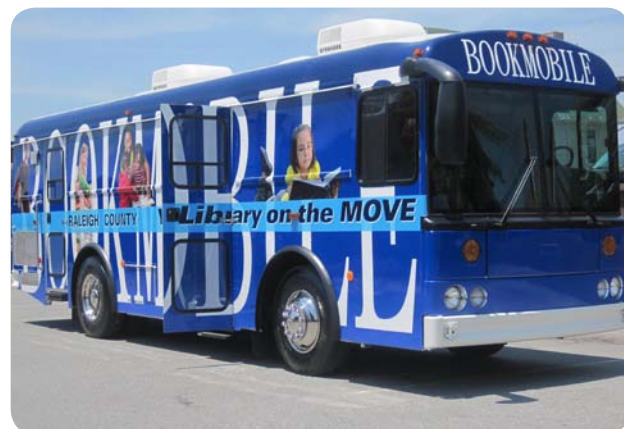
Additionally, the USDA Community Facilities Program invested \$176 million of Recovery Act funds, in 563 rural public safety facilities, including 73 fire stations and 14 police stations. These USDA investments will result in enhanced public safety for 2.8 million rural residents.

EXPANDED EDUCATIONAL OPPORTUNITIES

Excellence in education is a top priority of the Obama Administration. If our Nation is going to lead in the 21st century, the U.S. must harness the potential

of every young mind in America. Investment in education is one of the surest ways to strengthen our economic competitiveness by preparing America's young people for the jobs of tomorrow. But too often, rural schools lag behind their urban counterparts. Rural America is home to more high school dropouts than college graduates. With funding made available by the Recovery Act through the Department of Education and USDA, rural schools and teachers received critical support that allowed for the preservation and support of teachers' jobs, the improvement of educational facilities, and the enhancement of educational standards.

USDA's Community Facilities Program invested \$270 million in the construction or upgrade of 312 cultural and educational facilities in rural communities across the country. These facilities will offer improved access to educational opportunities for over 4 million rural residents. USDA also targeted a substantial portion of Recovery Act funding to build or repair rural public libraries. By September 30, 2010, USDA had invested \$74 million in 275 library projects in 47 states. These Recovery funds were leveraged with \$177.8 million of other public and private funds, for a total of \$251.8 million invested in rural libraries in 2010. This increased access to libraries will enhance educational opportunities for rural residents which, in turn, will lead to the greater economic competitiveness of rural areas. Further, these library construction or renovation projects created and saved hundreds of jobs in the construction and library service fields.



The new bookmobile for the Raleigh County Library in Beckley, West Virginia, purchased through USDA's Community Facilities Program.

More than \$75 million in Recovery Act funding, disbursed through the Department of Defense, was used to improve child development centers in rural areas of nine states. These investments will improve the care and education of our Nation's military families, ensuring that we cultivate a new generation of leaders that are well-prepared for the challenges and opportunities of tomorrow.

Under the Recovery Act, the Department of Health and Human Services provided more than \$325 million to rural communities to promote the school readiness of low-income children by expanding Head Start and Early Head Start programs. Head Start and Early Head Start provide comprehensive early childhood development services to pregnant women, infants, toddlers, children and their families.

In addition to the State Fiscal Stabilization Fund (SFSF) support provided as emergency relief for states to save jobs and drive educational reform, the Department of Education used Recovery Act funding to support schools in areas with high levels of poverty. Of \$3 billion in Recovery Act-funded School Improvement Grants awarded to states to improve the performance of persistently low-achieving schools, roughly 20% of funding helped to improve schools in rural areas. The "Race to the Top" program allowed states to actively compete to produce innovative math and science programs, to raise standards, to turn around struggling schools, and to recruit and retain more high-

performing teachers. The Recovery Act also rewarded schools with innovative solutions to closing gaps in achievement through the Investing in Innovation Fund.

The majority of the Department of Education spending enabled local educational agencies (LEAs or school districts) to recruit or retain staff. The U.S. Government Accountability Office (GAO) surveyed LEAs regarding the use of Recovery Act funds during the 2009-10 school year and confirmed that retaining or hiring staff was the largest use of funding for SFSF, Title I, and the Individuals with Disabilities Education Act (IDEA). Teachers, in particular, were the focus of job creation and retention efforts.

Consistent with the Obama Administration goal of graduating a higher share of college graduates than any other nation in the world by 2020, the Recovery Act took steps to make higher education more affordable for students in urban and rural areas across the country. Through the Recovery Act, the Administration supported a \$10 billion increase in Pell Grants in FY2010, which expanded access to higher education for more than 1.9 million additional students.

Following are some examples of how Recovery Act funding has improved access to quality health care, enhanced public safety, and better educational opportunities to revitalize rural communities.

NEW HOSPITAL TO SERVE OVER 50,000 NORTH DAKOTA RESIDENTS



PROJECT HIGHLIGHTS	
Funding Source	Department of Agriculture
Recovery Funds	\$31,000,000
Jobs Saved/Created	734
Location	Jamestown, Stutsman County, ND

Rural communities face unique challenges in providing residents with timely and high-quality health care, often relying on aging facilities and outdated technology. This was certainly the case for residents of Jamestown, North Dakota and the surrounding area. But thanks to \$31 million in USDA Community Facilities funding, a brand new 25-bed

critical access hospital is being constructed on a 55-acre campus. Jamestown area residents are currently served by a hospital that was designed in 1927. Over the years, the facility has dealt with issues of poor air quality, privacy, and security. When it was designed, the focus was on caring for in-patients, but with improved procedures

and advanced technology, 70% of today's care is designed for out-patients. Technology has changed the way health care is delivered, and many aspects of hospital design and departmental layouts have changed as well. As new departments, like Radiology and Wellness, have emerged, they lack sufficient space, and their technology is limited by the ceiling height, space, and adjacencies of the older facilities. For example, the current facility's Maternal Health Care area is 5 floors from surgery, which means that nurses can walk over 5 miles a day between their stations, patients' rooms, and surgery. Upon completion, the 117,000-square-foot medical-care facility will benefit more than the 14,000 residents of Jamestown. The Jamestown Regional Medical Center will also function as a health care hub that will serve a radius of up to 60 miles, which encompasses the nine surrounding counties with more than 54,000 residents. The project will create or save more than 700 jobs for workers in this east central region of North Dakota. This modern medical

facility is the largest hospital project ever financed by USDA in North Dakota and one of the largest projects of its kind nationwide. This Recovery Act investment by the City of Jamestown in the future of its residents will not only improve the quality of health care, but it will also improve the overall quality of life. The new hospital, scheduled to open in 2011, is consistent with President Obama's vision of building a more vibrant rural America and ensuring top-quality health care is delivered to its residents.



Jamestown Regional Medical Center under construction.

DOJ RECOVERY ACT FUNDING FIGHTS CRIME IN RURAL MISSOURI



PROJECT HIGHLIGHTS	
Funding Source	Department of Justice
Recovery Funds	\$3,400,000
Jobs Saved/Created	12
Location	MO

Utilizing Recovery Act funds obtained from the Department of Justice, the Missouri State Highway Patrol established the Rural Crimes Investigative Unit. Since the program's inception, \$2.4 million in stolen property has been recovered. The recovered property includes items such as farm implements, motor vehicles, machinery, heavy equipment, firearms, and various livestock. Without the Rural Crimes Investigative Unit, many Missouri residents and businesses would not have had their property

recovered. This highly-specialized unit has also conducted investigations involving fraud, theft of equipment and livestock, theft of fuel and chemicals, narcotics, homicide, arson, and animal cruelty, as well as other agricultural-related crimes. The purpose of this unit was intended to assist the agricultural industry and rural communities, along with local, State and Federal Government agencies in the prevention and reduction of rural crimes.

NEW MEDICAL FACILITY FOR SOUTH DAKOTA TRIBE



PROJECT HIGHLIGHTS	
Funding Source	Department of Health and Human Services
Recovery Funds	\$84,500,000
Jobs Saved/Created	134
Location	Eagle Butte, Dewey County, SD

In South Dakota, the Cheyenne River Sioux Tribe is building a state-of-the-art medical facility, due to \$84.5 million in Recovery Act funding from the Department of Health and Human Services (HHS). The Eagle Butte Health Center, which is being built under contract with the Cheyenne River Sioux Tribe, is designed to serve 10,000 American Indians in this remote location. This innovative HHS project will employ ground source heat pumps, saving 60% of the energy consumed by conventional heating and cooling systems. The walls are now up and the roof

is on, allowing work to continue during the harsh winter months.



The Eagle Butte Health Center under construction in South Dakota. Source: HHS.

NEW FIRE STATION REDUCES RESPONSE TIME IN KANSAS



PROJECT HIGHLIGHTS	
Funding Source	Department of Agriculture
Recovery Funds	\$90,000
Jobs Saved/Created	1
Location	Prescott, Linn County, KS

In a matter of minutes, a fire can destroy an entire structure and claim lives, so timing is crucial for the firefighters who respond to urgent calls. In Linn County, Kansas, firefighters can now respond faster to fires because of a new fire station, funded in part by a \$90,000 Recovery Act USDA Community Facilities grant. For years, Linn County Fire District 1 firefighters relied on equipment housed at two separate locations when responding to emergency calls. Volunteer firefighters had to get their fire truck from a rented garage or other equipment from the overcrowded fire station before responding to a call, increasing the response time. The spacious new station opened in Spring 2010 and has made it possible for all apparatus and gear to be located in a central location. This project was critical to improving response times of the firefighters to emergency

situations, and it has significantly enhanced the safety of the 900 residents of rural Linn County, Kansas. County Fire Chief and Emergency Management Coordinator Doug Barlet said, "The new fire station is up and running and fully functional. The design and construction of the facility have resulted in improved response times. The new facility has provided a great benefit to the morale of all the firefighters. The firefighters are pleased with the new facility. Just a good situation all the way around. If it were not for USDA Rural Development and the \$90,000 Recovery Act grant, this project would not have happened." One of the added benefits of the new station is a multifunctional training room, which the old facility lacked. "Being able to hold ongoing training for methods and equipment will be invaluable," the Chief said.

Although the school in Prescott is the primary emergency shelter, the training room provides more space for the district's residents needing shelter in an emergency.



The new Linn County fire station.

IMPROVEMENTS AT ARKANSAS HIGH SCHOOL



PROJECT HIGHLIGHTS	
Funding Source	Department of Education
Recovery Funds	\$1,000,000
Location	Hamburg, Ashley County, AR

Sometimes the best way to improve education is to improve the learning environment. In Hamburg, Arkansas, more than \$1 million in Recovery Act funding disbursed by the Department of Education has gone into the local schools. At Hamburg High School, Recovery Act investments have meant better lighting in the library's media center and hallways, new exterior doors, and a camera system to improve campus security. To students, the best improvement has been the Recovery Act-funded upgrades to the school's bathrooms. Hamburg High was built in 1972, an era of flat roofs in school construction. With money from a local school bond, the roof is being raised and replaced, and new classrooms and science labs will allow 9th graders to move over from the middle school campus. These improvement projects have provided work for local contractors in Ashley County, including some with family members in Hamburg's schools.



Hamburg Superintendent Max Dyson shows off the high school's improvements to Assistant Secretary for Elementary and Secondary Education Thelma Melendez de Santa Ana. Source: ED.

SOUTH CAROLINA SCHOOLS TO BE REPLACED AND REPAIRED THANKS TO RECOVERY ACT



PROJECT HIGHLIGHTS	
Funding Source	Department of Agriculture
Recovery Funds	\$39,820,000
Jobs Saved/Created	930
Location	Lake View, Dillon and Latta cities, Dillon County, SC

Like many rural communities, Dillon County in eastern South Carolina struggles with high unemployment and aging community infrastructure. Two of Dillon's school facilities are in such disrepair that they earned an "F" grade in their last facilities report, due to structural deterioration and health and safety hazards. In this low-income rural County, many students drop out of high school, and most do not pursue a university degree. While it may take some time to turn around those statistical realities, Dillon County is working to improve the quality of education provided to students by leveraging Recovery Act funds from USDA's Community Facilities Program. With \$39.8 million in Recovery Act loans and grants, the Dillon County School Facilities Corporation will construct two new school facilities and expand and renovate two existing schools. The new schools include a 74,800-square-foot building to serve grades pre-kindergarten through second grade, and a 118,200-square-foot building to serve 850 students in grades six through eight. Funds will also be used to renovate a 7,000-square-foot kitchen, dining room, and restrooms and to construct an addition to alleviate overcrowding in the classrooms. A middle school facility will also be renovated, and a 19,000-square-foot addition will be built with 7 new classrooms, a science room, a computer lab, a media center, a principal's office, an administration room, and restrooms. "Access to a high-quality, 21st century primary and secondary school education is vital for the success of our young people and our

Nation," stated Tammye Trevino, USDA Rural Housing Service Administrator. "Thanks to the Recovery Act, tens of thousands of Dillon County students will now enjoy access to state-of-the-art educational facilities for decades to come, opening doors that many once thought to be sealed shut." This project will create significant economic opportunities for Dillon County residents, including several hundred new jobs during the multi-year construction period. It will provide a much-needed boost to the regional economy now and will transform the learning environments for the economically challenged, largely minority students of Dillon County in the future. Without distractions caused by overcrowding, decaying structures, and other safety hazards, these students can better focus on their education and benefit from the advantages of a modern school facility.



Plans are unveiled for the new Dillon County school funded by USDA's Community Facilities Program.

ONGOING IMPACT OF RECOVERY ACT INVESTMENTS IN RURAL AMERICA

With the passage and swift implementation of the American Recovery and Reinvestment Act on February 17, 2009, Congress and the Obama Administration took historic action to firmly counteract the fastest economic decline our Nation had seen since the Great Depression. The unparalleled investments included in the Recovery Act have helped put the United States back on a path to sustainable economic growth.

While its full economic impact is not yet quantifiable, the Recovery Act took important steps toward rebuilding the economy on a new foundation, and nowhere is this more evident than in rural America. Rural communities across the country saw extraordinary levels of investment that revived the rural economic landscape in the short term and laid the groundwork for long-term economic growth and continued job creation in the years to come. These Recovery Act investments in rural residents, businesses, and infrastructure will enable the Nation to cultivate the unique and valuable assets found in rural America, ensuring the lasting vitality of these communities and America's economy more broadly.

While there is much work yet to be done to bring jobs and new businesses to rural communities that have been shedding both for decades, the Recovery Act, in partnership with the hard work of individuals and state governments, marked a substantial step forward. The Obama Administration continues its efforts to put people back to work and lay the foundation for economic competitiveness for years to come. These Recovery Act investments will continue to help to build a stronger rural economy for the 21st century so that communities across rural America remain the best places in this Nation to live, work, and raise a family.



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**AMERICAN RECOVERY &
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