

National Grange Headquarters – 50th Anniversary Celebration

Remarks as Prepared for

Under Secretary Dallas Tonsager

**Saturday, June 26, 2010 (1:00 p.m.)
Washington, D.C.**

Thank you Betsy (Huber) (Master of the Pennsylvania Chapter) for the kind introduction.

On behalf of Secretary Vilsack, thank you for invitation to join you today and congratulations on this commemorative milestone in Grange's history.

50th Anniversary:

Fifty years ago, you dedicated this building and the role it would play in supporting Grange activities around America. Today, you celebrate what has been accomplished during this time, but equally important is that you have taken this opportunity to re-affirm your continued dedication to the future of America's farmers and ranchers and their rural communities.

Grange/USDA History Together:

When you look back at the 143-year history – we see a long and treasured relationship between the Grange and U.S. Department of Agriculture.

A shared commitment to American Agriculture and to the men and women who bring food to our table, clothes to our bodies, fuel to our country and feed to our animals.

USDA/DOJ Listening Sessions:

We continue today, as you did when you declared Farmers' Independence Day in 1873: to ensure that America has fair, open, and competitive agricultural markets. Secretary Vilsack continued yesterday a series of five listening sessions that go to the core of your declaration 137 years ago – to support a marketplace that respect all forms and sizes of agricultural production. The bottom line is that the markets must be fair, open, and competitive.

Blueprint for Rural America (National Grange):

In reviewing your Blueprint for Rural America – it is evident that the Grange has a strong commitment toward helping our rural communities rebuild and revitalize their local economies.

Many of the areas outlined, such as economic revitalization, health care, broadband, public safety, education and energy are areas Secretary Vilsack and I are committed to as well.

Reflections on June 3rd Rural Summit

- In 2009, Agriculture Secretary Vilsack led the Obama Administration's Rural Tour, visiting dozens of communities in 20 states in an effort to engage in a more robust dialog with folks living in rural America. He

hosted meetings and events across the country, and engaged thousands of Americans in a conversation about how communities, states, and the federal government can work together to help strengthen rural America.

- In the past 40 years, the United States lost more than 1 million farmers and ranchers. Many of our farmers are aging. Today, only 9 percent of family farm income comes from farming, and more and more of our farmers are looking elsewhere for their primary source of income.
- The Obama Administration and USDA care deeply about our farmers and ranchers and are looking to time-tested programs, as well as new approaches, to maintain a strong farm safety net for America's producers, a safety net that must include good-paying jobs in rural America.

Secretary's Five Rural Summit Strategies:

- 1) Fair and competitive Markets;
- 2) Bio-fuels and energy;
- 3) Building 21st century infrastructure (Broadband);
- 4) The Great American Outdoors; and
- 5) Capital Access.

USDA Rural Development commitment to Rural America:

We are making an unprecedented commitment to this revitalization with the Recovery Act – we must get rural America back on its feet -- A healthy American economy depends on a prosperous rural America.

American Recovery and Reinvestment Act: \$17 Billion committed to date:

- **Broadband: 1st NOFA** – 68 applicants selected - service to 529,249 households, 92,754 businesses and 3,332 anchor institutions across more than 172,000 square miles.
- **Business loans** – 669 loans and grants
- **Water/Wastewater Infrastructure** - 723 community loans and grants
- **Community Facilities** – 1,282 projects (libraries, fire trucks, courthouses, etc)
- **Single-Family Housing** – over 89,000 families able to finance or re-finance homes

Overall commitment in FY 2009: \$31 billion for housing, business and utilities

- 9.7 million rural residents –new or improved **electric** service
 - 3.4 million customers in 1,200 communities – new or improved **water/wastewater** systems
 - 140,000 families provided **homeownership** financing or re-financing
 - 20,000 rural **businesses** financed
- 1,600 **renewable energy and energy efficiency** ventures

USDA Rural Development Seven Strategies:

Building 21st Century rural communities requires adoption of strategies that look not only within a community for defining its strengths and opportunities, but to regions where one community can compliment and draw upon the resources of another. I believe we can revitalize rural America by adopting seven strategies:

Capital Markets

Stimulating local economies requires the infusion of new investment opportunities. Unlocking the flow of capital into rural areas is critical to strong and sustainable rural economies. We need to integrate Rural Development resources with other Federal investments and public and private organization financing. This integration of financial resources will bolster existing private credit structures through guaranteeing quality loans to improve or develop businesses with lasting community benefits.

Regional Food Systems

Building markets for local and regionally grown agricultural products makes great economic sense. If you grow the base product, add value through processing and packaging and then sell those products locally, you keep more of the revenue from all of those market opportunities in the local economy. We have 12 Rural Development programs which can play an important role in this effort.

Alternative Energy:

Rural America is redefining its role in the energy economy – it has the natural resources to produce the feedstock to create renewable energy.

We are fortunate to have Secretary Vilsack leading our renewable energy efforts at USDA.

- Renewable energy is a top priority for the Department, and
- A critical component to rebuild and revitalize rural America.

USDA is working across departments -- We have ongoing dialogue with Federal counterparts, public and private sector leaders through a biomass research and development board that I co-chair with the Department of Energy.

This is an important collaboration, focused on:

- Research, development and commercialization
- Meeting President Obama's goal for energy independence, creation of a green economy and green jobs.

Today, cooperatives have the opportunity to play an important role in helping America reach greater energy independence. The cooperative movement has a proven track record and the business model needed to build out the second and third generations of renewable energy for America.

America's development and use of alternative energies is good for our country and good for our environment.

Just as farmers were instrumental in building the corn ethanol industry, so too will the farmers be instrumental in developing second and third generation ethanol that will power America.

The opportunity to build new energy economies in rural America is upon us and it is exciting – Granges have the opportunity to play a unique role in this rebuilding and revitalizing effort.

What makes this most exciting is the fact that it doesn't matter whether you are talking about ethanol, wind power, biomass or other forms of alternative energy, the power being created is primarily derived from natural resources most abundant in rural America.

Broadband and Continuous Business Creation

Expanding access to high-speed broadband is one of our greatest challenges and our highest priority. Access to high-speed broadband levels the economic playing field for rural communities – strengthening competition and increasing access to markets. Equally important is the ability to improve the quality of life for local residents through improved access to educational resources and state-of-the-art healthcare.

Grange's Commitment to Broadband:

I commend President Luttrell (Edward) for carrying your message on the importance of deployment of broadband in rural America – it is the backbone to vibrant and competitive rural communities.

Seventy Five years ago, USDA was given the responsibility to bring electricity to farms, ranches and rural communities -- and we did – it was successful because we partnered with the National Rural Electric Cooperative Association. NRECA played a tremendous role in the electrification build out. Today, we are again given the responsibility for deploying the 21st Century equivalent to electricity – broadband. We will again engage the cooperative community to help us build communities that can be competitive and offer new economic opportunities and a greater quality of life to its residents. The roots of the Grange and the model built,

remains a critical component to building America's 21st Century communities.

Strategic Partners

The ole adage that there is strength in numbers especially holds true when you build strong and strategic alliances. Partnerships allow the weight of responsibility and the benefit of opportunity to be balanced. Strong partnerships ease the strain of going it alone. A prime example of a strategic partner model is the national rural electric system: 45 million customers and over 1,000 member-owned cooperatives – working together to affect their local economies. Our goal is to build strong partnerships to best serve the regions and communities.

Community Building

Creating great places to live, raise families, provide recreational opportunities, and infrastructure for high paying jobs is very important to our efforts at USDA. Building a community from within is foremost, but when you take that strategy to build regional communities, limited financial resources can reach further and affect a greater number of rural residents.

Regional Collaboration

By building off each other's strengths, rural communities have greater opportunity to grow their access to new credit and capital funding. Our goal is to work with interested communities to provide the leadership, education and training, technical support and incentives they need to build their regional economy.

These strategies will play an important role in how we administer our technical and financial assistance – it provides a foundation upon which to build vibrant and sustainable economic and community development. I urge you to contact our state director in your state to create a partnership – working together to revitalize and re-build rural America’s economy.

CONCLUSION:

Let me close by sharing my desire to work as partners on behalf of rural America. The celebration today is more than a marking of past accomplishments; it is a time for rededication of a commitment to the future. As I mentioned, the Grange and USDA have a long and proud history together. It is one of dedication to America’s farmers, ranchers and rural communities.

I am proud to join you today on Secretary Vilsack’s behalf, and look forward to working with you as you begin the next fifty years of service at this prestigious building and in communities across rural America.

Thank you.