



01-07-09

Stimulus bill must include \$3 bil. for rural water projects

By Jon H. Harsch

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A congressional forum on the current economic crisis Wednesday heard economists warn that the proposed federal stimulus bill may need to top \$900 billion to avoid adding another 3 million job losses to the 2.4 million jobs lost in 2008. House Speaker Nancy Pelosi (D-CA) responded to this dire forecast by telling the forum packed with members of Congress and their staff that “we must pass an economic recovery and jobs package no later than mid February. . . we need action and we need action now. A failure to act quickly can only lead to more job losses and more economic pain.”

In remarks that rural America will welcome, Pelosi added that the incoming Obama administration’s proposed American Recovery and Reinvestment Plan “will create new jobs by investing in a cleaner energy future,” and will “bring the power of renewable energy and broadband to communities across America” while “rebuilding our bridges, and modernizing our schools.”

Two floors above the Democratic Steering & Policy Committee forum where Pelosi spoke, the House Agriculture Committee hearing room was focused on rural needs. The briefing was organized by House Ag Committee member Mike McIntyre (D-NC) who chairs the Subcommittee on Specialty Crops, Rural Development and Foreign Agriculture. McIntyre told fellow members of Congress and their staff that “Rural America faces some very challenging times and the upcoming economic stimulus package must invest in the programs that can help our small towns, communities and counties prosper.”

Teresa Altemus, a local government official in rural Gloucester County, Virginia and a National Association of Counties (NACo) vice president, joined representatives of the North Carolina Rural Economic Development Center, the National Association of Development Organizations, and the National Rural Water Association in urging Congress “to send stimulus funds directly to local government leaders via a fair and transparent distribution formula.” Altemus cited a NACo snapshot survey of 104 counties from 30 states which reported that 2,805 infrastructure projects totaling an estimated \$24.1 billion are “ready-to-go” – prime candidates for stimulus bill funds.

Congressman McIntyre said one quick way to pump money into the economy, creating jobs and orders for U.S.-manufactured supplies, would be to immediately provide \$3 billion for already approved rural water and wastewater treatment projects. McIntyre and Robert Johnson, CEO of the National Rural Water Association, praised USDA's Rural Development agency, responsible for these water projects. Johnson pointed to Rural Development's long track record of handling such projects efficiently – getting money out far faster than other government agencies while maintaining an unmatched 99.47% repayment rate.

Altemus, whose own county needs to fund over \$6 million water and wastewater projects at a time when it has been forced to cut county spending, said that “Hundreds of rural communities are waiting for funding on USDA's longstanding \$3 billion backlog list of approved applications for clean water and waste disposal projects.” She said that estimates show that each “\$1 billion in backlog funding could create up to 23,000 related jobs, greatly improve public health, promote community-based economic development, and, in some cases, allow rural families to receive piped water for the first time.”

Despite the clear need for investment in rural America and the demonstrated pay-off from such investment, McIntyre said he knows that many other interests are competing for shares of the \$700 to \$900 billion recovery package that Speaker Pelosi and the incoming Obama administration hope to finalize by mid February. Facing this competition, McIntyre told Agri-Pulse, “The challenge is to make sure that once again rural America is not overlooked. . . and not allow a continuing pattern of discrimination where it is automatically assumed that if you have a higher concentration of citizens that they automatically get a higher concentration of attention.” McIntyre pointed out that contrary to public perception, rural America in fact has “a majority of the poverty, we have, unfortunately, a majority of the unemployment, we have a majority of the critical needs and concerns in every category,” from sub-standard housing to inadequate healthcare.