



Sec. Vilsack proposes 'Regional Innovation Initiative' for rural America

By Jon H. Harsch

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Washington, March 3 – Testifying before the Senate Ag Appropriations Subcommittee Tuesday on the administration's proposed FY 2011 USDA budget, Agriculture Secretary Vilsack announced he's pursuing a "different direction as it relates to rural development."

Following what he called decades of recession for rural areas, Vilsack said the new direction is needed because a poorer, older, less educated rural America continues to lose both jobs and population. To reverse this decline, he said "we need to focus less on individual community and project-by-project efforts and focus more on recognizing that smaller communities are part of a regional economy and looking for ways in which we can bolster the regional economy in order to create greater activity."

Vilsack is proposing to build USDA's new "Regional Innovation Initiative" on five pillars: rural broadband, biofuels and biobased products, linking local production with local consumption of farm products, ecosystem markets to pay farmers for storing carbon, and forest restoration and private land conservation. **"After a year as the United States Secretary of Agriculture, I have reached the conclusion that we must overhaul our approach to economic development in rural America,"** Vilsack explained to senators. **"The framework of the new effort recognizes that the rural economy of tomorrow will be a regional economy. No one community will prosper in isolation."**

Outlining his new approach at USDA's Outlook conference two weeks ago, Vilsack said "It's time for this country to understand and appreciate the value of rural America and begin paying more attention than we have in the past. . . this country has got to get serious again about a strong, vibrant, creative, innovative rural America. And I can guarantee you the USDA is committed to making that happen. . . It's important for this department to make a strong and bold statement that it is time for us to pay particular attention to this issue and to focus a strategy that will make a difference, so we can say to these young people here today that there is a future, a bold future in rural America for them and their children and grandchildren. . . It's about retaining a value system and giving a future to young people and making sure we keep a vibrant rural economy. We

have focused on developing a strategy on taking rural America and farming and ranching to the next level.”

This week, the Secretary filled in more details, explaining in Tuesday’s Senate hearing that “USDA’s Rural Innovation Initiative will promote economic opportunity and job creation in rural communities through increased regional planning among federal, state, local and private entities. By creating a regional focus and increasing collaboration with other federal agencies, USDA resources will have a larger impact, enabling greater wealth creation, quality of life improvements, and sustainability.”

Promising to “Increase the prosperity of rural communities by strategically investing in regional innovation,” the administration’s fiscal ’11 budget proposal explains USDA’s new approach this way:

- “In recent years, rural communities have been losing population, have a growing income disparity with urban communities and have an aging workforce.”
- “To increase prosperity, USDA proposes to establish a Regional Innovation Initiative to focus on the planning and coordination of USDA and other sources of assistance for rural communities.
- “The initiative recognizes that individual communities are often affected by linkages to the other communities within regions and that working together can produce more prosperity for all.”
- “By creating a regional focus and increasing collaboration with other Federal agencies, USDA resources will have a larger impact, enabling greater wealth creation, quality of life improvements, and sustainability.”
- “USDA will implement a strategy that includes substantial technical assistance to enable rural regions to develop regional strategic plans. Several USDA agencies will participate in the initiative, including agencies from the Rural Development, Marketing and Regulatory Programs, and Natural Resources and Environment mission areas.”
- “Beginning in 2010, USDA intends to explore its current authorities to demonstrate the potential for this approach.”
- “The 2011 budget includes \$1.4 million in Rural Development to support coordination of regional planning activities. It also includes a general provision to provide a 5 percent set-aside of the funding for several USDA programs. This set-aside will facilitate funding for projects that are part of a regional strategy, subject to projects meeting the eligibility requirements for the individual programs. The set-aside would amount to over \$135 million in budget authority, which would be sufficient to support a program level of about \$280 million.”

For Secretary Vilsack’s latest remarks about the economic and political importance of a rural renaissance, go to: www.agri-pulse.com/uploaded/20100304H4.pdf.

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