

I welcome you to this hearing to review the Rural Development Programs of the U.S. Department of Agriculture. I appreciate our witnesses and members of the public being here to review this very important topic as well as those who are listening through our website.

From the beginning of farm programs in the 1930s to the present day, federal agricultural policy has been focused primarily on the well being of rural areas across the country. Much like their urban counterparts, rural cities and counties have changed much over the last 80 years and the challenges faced in the last century have evolved and in many cases become more complex.

Unlike the past, today, rural households depend more on off-farm income. For example, in 1950, four out of every ten rural people lived on a farm and almost a third of the nation's rural workforce was engaged directly in production agriculture. Today, less than 10 percent of rural people live on a farm and only 14 percent of the rural workforce is employed in farming.

While the face of rural America may look different, the challenges confronting our small towns and communities haven't changed fundamentally. Infrastructure and public services are often the core of every economic plan. Telecommunications, electricity, water and waste disposal systems and transportation infrastructures are essential for community well-being. Investment in rural infrastructure not only enhances the well-being of community residents, it also facilitates the expansion of existing business and the development of new ones.

This hearing is the second in a series designed to review the rural development programs at the Department of Agriculture. We hope to learn more about implementation of the rural development title of the 2002 farm bill. We also hope to better understand the new challenges and makeup of rural America so we can build upon our past success. We must be mindful that USDA is the only federal agency with a mandate to provide comprehensive assistance to America's rural areas. The Department has done a good job of performing this function with the limited resources available to it and the large demand for its services.

In addition, while the rural economy has shifted from a dependence on farm-based jobs, agriculture is still a major source of income. It will be impossible for us to divorce the two and I am convinced that the future success of rural America will be integrally connected with the success of the U.S. agriculture sector.

In my home State of Georgia, 23 counties are farm-dependent, the largest of any state outside of the Great Plains. And while four out of five rural counties are dominated by non-farm activities, those areas that are farming-dependent may require more attention since they are limited by remoteness from major urban markets and by low population densities.

Our overriding goal should be to ensure that rural areas share in the nation's economic prosperity and we have the proper policy options for the future. Over the next few months, this Committee will be hearing first hand from farmers and ranchers across the country as we begin preparations for the next farm bill. I expect to hear a great diversity of opinions as we travel from region to region. However, I also expect to hear a common sentiment throughout each and

every comment regarding the desire to create new economic engines in both the farm and rural economies. Finally, we must be bold and creative in this task, for the next farm bill provides us with a unique opportunity to put together a more cohesive and coherent federal effort to close the gap between rural and urban areas.