

TRANSCRIPT OF
REMARKS BY SENATOR HUBERT H. HUMPHREY
RURAL DEVELOPMENT CONFERENCE

Moorhead, Minnesota

December 13, 1972

Morning Session

I think that we have the finest rural development conference held anywhere in the United States, and I speak with some authority on this.

It's wonderful to know that Minnesota has done it up right, and, to the Governor who has addressed us this morning with provocative, humorous and substantive matter, I think we're deeply indebted to him for calling this conference, for taking the lead. Because really what he's saying to us is that these programs that we're going to hear about and that are described in the materials you have and ought to study, these programs cannot be operative unless there is close cooperation among federal, state, and local units of government and the people of this particular state or area. Governor Anderson's presence here today means that he's laid it on the line, that the state of Minnesota is not waiting, it's leading. I am going to do everything I can, and I know my colleague, Senator Mondale, will do everything he can, to help the Governor and the Department of Agriculture in our own state, the Commissioner, and all the offices of the state government.

Now, I want especially to thank Mr. Erwin and Mr. Smith this morning. They gave us good substantive messages, I thought the kind of messages that give us real hope for the future of this program.

And Bob Bergland has worked tirelessly on this program, and I know because I've sort of been the coach and captain on the Senate side. And to Bob I think we owe thanks for this work. And John Swach is represented ably here today. These men have worked hard.

We learned a long time ago in this part of America that if we are going to get anything done, we have to draw the line someplace on this partisanship business.

I have worked with people regardless of political party if they are interested in doing something for their country, for their state, for their locality, and particularly for rural America. I've worked across the line here with more young Republicans in South Dakota through the years, with Karl Mundt, who just retired from the United States Senate from South Dakota. I've never let partisanship stand in the way when I thought cooperation was necessary for rural America and for what I believed was good for the country.

We've heard the message on the importance of pulling together, and let me tell you that if we don't there will be hard days ahead.

Bob has given us something to remember. "Boom or bust," he talked about. Well, in most of my life related to farm families and rural America there has not been much "boom." More "bust" than "boom." And that is one reason why 26 million people have moved out of rural America to the big cities, thinking it might be better.

The largest migration of people in recorded history has been in the last 25 years in the United States of America.

We hear about refugees in other lands. We hear about vast migrations of people in other lands. They fade into insignificance when you stop and think that since World War II over 26 million people have left rural America to come into the big cities -- cities unprepared for them and people unprepared for urban life.

I look over here and see my friend Jim Borman. We've just come back from a trip. He joined us -- Senator Bellmon and Congressman Reuss of Wisconsin -- in the Soviet Union, Poland, the Federal Republic of Germany and Great Britain. We've just come back.

I heard this morning about New York, Manhattan. It's an exciting city, despite all that we've said about it. But there is seven times as much open space and green space in London as there is in New York.

We just never planned the city. We never planned the country. The word "planning" has been an antagonistic and ugly word to the American people. And if I say nothing else to you here today, I must say that we'd better get with it. We cannot rely on good luck and divine providence all the time.

We have come to a point in this country where we have to plan ahead. You cannot do everything tomorrow, and one of the reasons we have unrest in this country is that everyone knows how much there is to be done in this country.

But there's no agenda to follow. We have an agenda here, otherwise you couldn't conduct a meeting. Everyone would be wanting to do something on his own. And that's what's going on in America. There are no priorities. No goals.

I'm looking at a fine, intelligent audience in a great institution of higher learning. I defy anyone to tell me, what are the goals of America? What are the priorities? What is the time in which we can hope to accomplish something? What comes first? What comes second? What comes third? What are we going to do? How long is it going to take? How much are we willing to put into it? How many man-hours? How many dollars? How many months? How many years? Where is it going to be done?

We have no plans. And that's why, my fellow taxpayers, they're going to tax you and tax you and tax you into oblivion. Because the people who do not plan have no future. We have used money as a substitute for intelligence. And we're running short of both.

I've been around the circuit quite a while. Very little goes on in Washington that I haven't been involved in or haven't had a part in, or don't know what's going on. I know where a few of the skeletons are buried. I put a few of them there myself. I know a lot about this government, to be immodest, because I've been at it a long time, from local government up to the second highest position within the American government.

And I can tell you that you can't do it without Washington. It's a partnership. It doesn't do any good to say we're going to do it all by ourselves. My grandfather told me that, just a different date.

We're going to need the resources of the federal government, and the federal government is going to need the cooperation and the leadership, the cutting edge, of people here back home.

Now what did we do with this bill? It isn't an accident.

By the way, it's a miracle that we passed this bill in two years. It literally is.

Do you know how long it takes to pass legislation? I introduced Medicare back in 1949 and we passed it in 1964. I introduced the Peace Corps in 1958 and we passed it in 1961. I can remember when we introduced the first aid to education bill in 1949 and passed the first one in 1956.

It takes time. No matter how hot the hen, it takes 21 days to hatch an egg. Fortunately, we got a better egg this time, because we were able in two years time to pass this legislation.

When I ran for the Senate in 1970, I told the farm people of this state that I had asked to go back to the Committee on Agriculture. I want to let you in on something. That is not the greatest treat in Congress. We have to lock people up to get them to go on the Committee on Agriculture. It's a form of penance. You have to repent for your sins. It's no way to get to be a bigshot, I tell you, and it's the last one on the totem pole of priorities. I'm not fooling. We have literally had to go to Senators and beg them and threaten them to get them on the Committee on Agriculture. And as soon as they can get off, they do. That's turnover.

I went to the Chairman of the Committee, who, by the way, ought to have everlasting thanks from this audience. He's not from Minnesota. We up here just kick these southerners around a lot. We sort of enjoy that, you know, because it gives us the feeling that we're so pure. Particularly when it comes around to race relations and so forth. But we've got more such troubles up north than they've got down south. The best friends that the farmers of America have come from these southern states, because they've had to depend on agriculture.

Senator Talmadge, who comes from the state of Georgia, and is Chairman of the Committee on Agriculture and Forestry, is as good a friend as the state of Minnesota will ever have when it comes to rural America and the farm families of this state, and I'm proud to serve under his chairmanship. So let's give him a hand so he'll hear it way down in Georgia. I went to my friend Herman. I said, "Let's have a subcommittee on rural development; let's have a little staff." That broke the precedents on the Committee on Agriculture, but he set it up, and we started holding hearings and we went to the people.

We didn't hold hearings just in Washington. We went out into the country. We visited along with Senator Henry Bellmon, in the state of Oklahoma, and in Iowa, Nebraska, South Dakota, the southeast and other parts of the country holding hearings, talking to farmers and businessmen and bankers and university officials and students and engineers and planners.

And we came up with a bill. We were not able to get as much as we wanted. We have another section of this legislation that we hope to pass. But we've come up with a pretty good piece of legislation.

It's a partnership between farm and county. Now I grew up in a small town and our customers at our drug store were farmers. And we were no more prosperous in that drug store than the farmer who came in that door. I don't care how smart you are, when you haven't got any money, you're broke. You can sit around

and shuffle around and work nights in the store, but when the folks are just coming in to visit and don't have any money, all you've got is a social place if you don't have profits. I learned that a long time ago. I learned more economics in one South Dakota dust storm that I learned in 7 years at the University. And I hope that some people at the University will remember that.

We need people that understand rural America. And this bill provides that opportunity. So I want you to know that we're going to ask for your help in paying here today for this speech. Now let me tell you what you've got to do when you leave here. Talk to your county commissioners. If you are a county commissioner, study this bill. Every one of you has an analysis of this bill in your folder. Read it. Let me tell you, it's one thing to pass a bill, and it's another thing to read the words.

There are three things needed. In the audience now we have representatives from the Executive Branch. But I'm going to watch to make sure that the Executive Branch takes this legislation seriously, soon. I mean that. I know these gentlemen are serious about it, but they know as well as I do, because we level with each other, that it takes a structure to get the job done, and it takes emphasis.

It's mighty hard to find anybody in Washington who is willing to listen very long about agriculture unless he's in the Department of Agriculture. I sat and talked with the Chairman of the Council of Ministers of the Soviet Union for three hours about agriculture. I've never found a President that would listen over thirty minutes. And I say that respectfully about both parties. It's a fact. Our problems are thought to be miniscule. Have you ever read an article in the New York Times about agriculture? Those people don't know the difference between a ukelele and a corn cob.

I say that about one of the greatest newspapers in America. One of the few times we ever read about agriculture in the New York Times is when Mr. Butz was up for confirmation. I told Mr. Butz, I said, "We're ever indebted to you, because we got in a fight over you, and we finally got some publicity about American agriculture."

That's what is wrong in Washington. They read the Times, the Post, the Philadelphia paper, the Baltimore paper, and the only thing they read about stock is the stock market. They don't know anything about hogs or chickens or soybeans or grain or wheat or feed grains. It's true, my fellow Americans.

I'm going to be the most candid Senator you've ever met in your life, win, lose, or draw. The fact of the matter is that the American agriculture community is the forgotten community unless there's a Russian wheat deal, unless there's a fight over a secretary, or unless there's some scandal. The rest of the time, you just don't hear about it.

And yet this country's greatest single asset today in the world is not the atom bomb. Russia has the same ones we've got. They've even got more of them now. It isn't our science technology alone. The margin of difference between the United States of America today and the Soviet Union, China and Western Europe is the family sized farm and the independently owned agriculture of this country.

I want you to take a look now at what we've got here. Remember what Bob Bergland has told you. You can't have rural

development if the farmers are broke. There isn't enough money in the federal treasury to bail it out. Rural development and agricultural policy go together.

And every one of you in this room will be interested in what's going to happen down in Congress and what's going to happen in the Executive Branch this year. The Agricultural Act is up for renewal. Public Law 480 is up for renewal. The Food Stamp Act is up for renewal.

Every piece of legislation that affects you in rural America is up on the docket. You know how many people you've got down there from rural America? Of the 212 people who voted for the Agricultural Act of 1970, 100 of them aren't there anymore. And of the new members of Congress, under redistricting, only 8 come from agricultural areas and rural areas, 60 come from urban metropolitan areas. And let me tell you, you don't get much education in the liberal arts college about the wonders of farm life. So we may be fighting a rear-guard action. We need you. More importantly, you need to get in there and fight. Talk to your mayor, talk to your city councilman, talk to your state legislator, talk to your commissioner, keep in touch with your Congressman -- don't worry about his politics. Just get the community feeling that this is important.

We can't have the kind of country we want by just thinking about one part of it. The urban crisis noted here was born and found its beginning in the rural crisis. So our work together today begins a new effort vitally important to all the people of this nation. I congratulate all of you for your leadership and concern. I'll be working with you in our later sessions today -- and in the weeks and months ahead. Thank you.

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REMARKS BY SENATOR HUBERT H. HUMPHREY

RURAL DEVELOPMENT CONFERENCE

Moorhead, Minnesota

December 13, 1972

Congress, by its policy declarations in the Agricultural Act of 1970 and the Housing and Urban Development Act of 1970, made rural development a matter of high national policy.

The Rural Development Act of 1972, which was enacted by Congress earlier this year, contains many new authorizations and tools to begin implementing that national policy.

The provisions of this new Act along with other existing authorities such as the programs of the Economic Development Administration, the Small Business Administration, the Office of Economic Opportunity, the Department of Housing and Urban Development, the Farm Credit Administration, the Rural Electrification Administration and other programs of the Department of Agriculture, provide us with the tools and resources that should help the people of Rural America to begin to shape and achieve the kind of future they want for themselves.

In developing and acting upon the provisions of the Rural Development Act of 1972, Congress made a conscious and deliberate contribution toward a more balanced national growth and development pattern in the United States, an objective, as I stated earlier, which is consistent with 1970 Congressional policy declarations.

Today, we are a nation of 109 million people. When the 21st century is ushered in, that number is expected to rise to a level of somewhere between 270 and 300 million.

Two out of every three Americans today live in cities of 50,000 or more -- or what some experts popularly refer to as "urban areas." Demographers tell us that by the year 2000, almost 85 percent of our nation's total population will be living in such "areas" -- that is, assuming past population distribution trends are permitted or encouraged to continue unchallenged.

By the turn of the century, economists tell us that the annual per capita income of the people of this nation will at least double or may even triple what it is today.

With our rising concern for environmental integrity, and resource conservation -- both natural and financial -- we can hardly afford to sit back and let these three major forces occur uncontrolled or without direction, concern, or planning.

I suggest to you that our failure to deal effectively with these forces in the past is the basis of most of our problems today -- whether they be the problems associated with the so-called "urban crisis" or the decline of our nation's rural areas.

The Rural Development Act of 1972, if fully funded, staffed, and implemented, can serve as a major impetus for altering and guiding these trends:

- (1) as it relates to encouraging and permitting those people who now live in Rural America to remain there if they choose to do so;
- (2) as it relates to more equitably sharing our nation's resources and economic product among all regions and people of our nation; and

- (3) as it relates to permitting many of our larger urban centers to begin stabilizing and controlling their own future growth and development which is essential to the improvement of the quality of life of their residents.

How does the new Act specifically contribute to these ends?

- (1) It provides a new major system of loans for the establishment or expansion of both small and large businesses -- located in any community having a population of 50,000 or less;
- (2) It extends eligibility for industrial and business loans to cooperatives and other non-profit associations for any business purpose;
- (3) It provides a new system of loans and grants to communities having a population of 50,000 and under to help finance the acquisition of land or the development of that land which is designed to facilitate development of private business and industrial enterprises;
- (4) It expands the existing rural water, sewer and solid waste disposal loan program for communities of 10,000 and under to include all other essential community facilities;
- (5) It further expands the existing FHA rural housing program by authorizing guaranteed housing loans, a type of loan which will not require that the applicant be turned down for credit from other sources before being eligible;
- (6) It provides for federal cost-sharing and insured loans to local sponsors of small watersheds and of Resource Conservation and Development (RC&D) projects to provide needed current and future industrial and municipal water supplies -- including to meet fire protection needs;
- (7) It provides for a new 3-year pilot program under which federal cost-sharing funds and technical assistance will be made available to help rural communities having a population of 10,000 or under to develop and expand their fire fighting capabilities;
- (8) It provides for loans and grants for pollution abatement and control projects. Eligible applicants include any public, private, or cooperative organization whether profit or nonprofit;
- (9) It establishes a new -- and I might add, badly needed -- rural development and small farm research and extension education program -- that is to involve all public and private institutions of higher education in the state;
- (10) It authorizes a \$10 million annual rural development planning grant program;
- (11) It requires the Executive Branch to give rural areas the "highest priority" in locating offices and facilities, and most importantly
- (12) It broadens the basic mission of the U.S. Department of Agriculture to include rural development and gives to the Secretary of Agriculture primary

responsibility with the Executive Branch of our federal government to call upon and coordinate the programs and activities of all Executive Branch Departments and Agencies within rural areas related to rural development or that are designed to improve the quality of life of people living in those areas.

This new Act, of course, provides much more, all of which time does not now permit me to cover. For instance, our Minnesota farm families will find provisions of this Act providing for increased FHA operating loan levels; loans to farm and rural youths for farm and business purposes; farm loans for complying with the requirements of the Occupational Safety and Health Act; and expansion of conservation programs under long-term contracts; all of great importance.

I also want our Minnesota Indian leaders and citizens to know that their Senator did not forget them in developing this historic act. Both Indian tribes and federally recognized Indian tribal groups are made specifically eligible as "public body applicants" under this Act as qualified to receive financial assistance.

The Rural Development Act of 1972, as I already have indicated, contains many new authorities, funds and tools for stimulating development in Rural America. However, the manner and development context within which these new stimulants to growth are applied must be of central concern to us all -- federal, state, and especially at the local level.

If we are to insure that the future growth and development of our rural communities is to take place on a "planned" and "balanced" basis, then the usual emphasis on the production of local planning documents must be changed to strengthening the planning process itself. Furthermore, that planning process must be more directly tied into the political decision-making process and not be kept aloof from it. And federal and state planning -- and the implementing decisions that flow from such planning -- must also be more carefully coordinated with local community plans.

In that every small rural community or county will continue to find it difficult, if not impossible, to provide their citizens with a full range of community services and job opportunities, including the planning process which is an essential prerequisite in meeting such needs, a more viable and workable approach to planning and development in rural areas will be required.

The multi-county planning and development commission approach which has now been adopted in over 40 states, offers rural or nonmetropolitan areas the opportunity to deal more realistically with their planning and development needs on a comprehensive basis.

In addition to the federal funds that are made available under the 1968 amendments to Section 701 of the Housing and Urban Development Act to help finance these new non-metro, multi-county commissions, we also authorized an additional \$10 million under the new Rural Development Act for such planning bodies. This action by our Committee is a recognition of not only the importance of "planning" in rural areas, but also the importance of approaching planning and development in rural areas on a broader geographical basis.

Planning requirements, whether they be in connection with individual projects, or the broader functional requirements of a particular community need, or in connection with

coordinating all of these functional requirements, is becoming more and more an integral part or requirement of all federal and many state programs.

If rural communities wish to get their fair share under these programs, as well as get their best "bang for each buck," then they are going to have to face up to meeting these planning requirements.

It is for these reasons that I wish to add my personal endorsement to what Governor Anderson indicated this morning about encouraging the establishment of more rural multi-county planning and development commissions here in Minnesota.

It is a rational and sound approach to planning and development in rural Minnesota, and it will afford us, in particular, an opportunity to achieve the kind of coordination of local, state, and federal rural development programs that we must have, if we are going to translate rural development in Minnesota from a mere goal to an accomplished fact.

The Senate Rural Development Subcommittee of which I am privileged to serve as Chairman spent almost two years developing this legislation including listening to over 350 public witnesses in many days of hearings held both in Washington and throughout the country.

Several thousands of man-hours have gone into developing and enacting this national program. Now it is public law (Public Law 94-419). It was approved by the President on August 30, 1972.

Now what happens?

Well, part of what happens is why we are here today. We are here not only to acquaint you with the provisions of the new Act, but to give you the somewhat unprecedented opportunity to express your concerns and views on how its provisions should be interpreted, administered, funded, and staffed. This afternoon you will be given the opportunity to meet face to face with both the Senate Committee staff people who were involved in working with us in developing this legislation and the agency people who now will be expected to write up the regulations and procedures to administer it.

For the first time, we are letting you folks out here in Rural America, who this Act is designed to help, have a say on how you want to see it administered before, not after, the USDA regulations are promulgated.

Now, I know this is a bit unusual, but I wish to serve notice here today, that this country will be experiencing more of such "unusual" developments out of the Congress in the future, at least to the extent that this individual Senator has any say or influence in that august body.

While I only mean to speak for myself here today, I am sure that if they were here, every Member of the Senate Committee on Agriculture and Forestry -- whether Republican or Democrat -- would join me in making it clear to the country and in particular to the Administration, that we intend to exercise every oversight, bring every pressure, exert every influence, to get all the provisions of this new Act fully funded, fully staffed, and fully implemented.

Although I want to be fair and allow ample time for the Administration to gear up for full implementation of the rural development credit provisions of this Act, I also wish to serve notice here today that I intend to reintroduce those

provisions of this legislation that were deleted, which provided for the establishment of a new borrower-owner credit system for rural development purposes which would be similar to, but totally separate therefrom, our existing Farm Credit Administration System, which has done such an excellent job in helping meet our nation's farm credit needs.

The minute I become convinced that the credit system provided in this new Act can't do the job, I will move for enactment of this new borrower-owner system -- and I feel most confident, that next time it will be adopted.

Congress has taken an historic initiative in developing and enacting this new Rural Development Act, Now the ball is in the court of the President and his Administration. Whether and at what level he requests funding of these provisions will largely determine what funds, and staff, are made available to administer and implement the Act.

If the President chooses to request less funds than what Congress authorizes under this new Act, Congress can -- and I believe in this case, will -- appropriate more. Of course, the President can -- as he has done so often in the past -- withhold or refuse to make those amounts over and above his initial requests available.

I mention these important matters, so you have a clear understanding of who has what responsibility from this point on in moving ahead with full implementation of this important and historic piece of legislation.

As I said, Congress has taken the initial step, and I am certain will be more than willing to provide the funds authorized. But the next and most important move is now up to the President and Administration.

I also want to take this occasion to remind everyone here today that Congress will be acting upon yet another and most important piece of rural development legislation next year -- namely, a new farm bill. Farming is rural America's most important and biggest single industry. Let us never forget that. If this particular rural industry fails, all of rural America fails.

The battle next year over farm legislation will be one of the most difficult ever encountered. All rural Americans must do what they can to help strengthen our family farm system and this great and incredibly efficient industry -- an industry, I might add, which is the envy of the world.

I can assure you that Hubert Humphrey, Walter Mondale, Bob Bergland, and other members of our Congressional delegation will be doing everything they can to get a decent and hopefully long-term farm bill.

Finally, I would like to report that I also intend to pursue enactment of another new major piece of legislation which I will be introducing next session, namely, my "Balanced National Growth and Development Act."

This bill would provide the mechanisms and processes we need both within the Executive and the Congress for dealing with the long-range future needs of our nation. We have no continuing effort today in our government dedicated to such ends, a deficiency which is increasingly throwing our nation from one crisis into another.

Policy planning and development is almost non-existent in our government today. Anyone who doubts that -- let me remind him of today's energy crisis, housing crisis, urban crisis, rural crisis, environmental crisis, land-use crisis -- and the list goes on.

The Rural Development Act of 1972 is an historic piece of legislation. But it is only a beginning. We have much more to do in rural America in the field of human resource development, including a more direct attack on rural poverty.

All of these efforts are part of what I call "building a better America." And this is why my future in the Senate will be dedicated to pursuing such ends.

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✓ Gov Anderson
✓ Mr John West
✓ Bob Bergland

REMARKS BY SENATOR HUBERT H. HUMPHREY

RURAL DEVELOPMENT CONFERENCE

MOORHEAD, MINNESOTA

DECEMBER 13, 1972

Texas
Symposium

L CONGRESS, BY ITS POLICY DECLARATIONS IN THE AGRICULTURAL
ACT OF 1970 AND THE HOUSING AND URBAN DEVELOPMENT ACT OF 1970,
MADE RURAL DEVELOPMENT A MATTER OF HIGH NATIONAL POLICY.

< THE RURAL DEVELOPMENT ACT OF 1972, WHICH WAS ENACTED BY
CONGRESS EARLIER THIS YEAR, CONTAINS MANY NEW AUTHORIZATIONS
AND TOOLS TO BEGIN IMPLEMENTING THAT NATIONAL POLICY.

X < THE PROVISIONS OF THIS NEW ACT, ALONG WITH OTHER EXISTING
AUTHORITIES SUCH AS THE PROGRAMS OF THE ECONOMIC DEVELOPMENT
ADMINISTRATION, THE SMALL BUSINESS ADMINISTRATION, THE OFFICE
OF ECONOMIC OPPORTUNITY, THE DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT, THE FARM CREDIT ADMINISTRATION, THE RURAL ELECTRI-
FICATION ADMINISTRATION AND OTHER PROGRAMS OF THE DEPARTMENT

-2-

OF AGRICULTURE, PROVIDE US WITH THE TOOLS AND RESOURCES THAT
SHOULD HELP THE PEOPLE OF RURAL AMERICA TO BEGIN TO SHAPE AND
ACHIEVE THE KIND OF FUTURE THEY WANT FOR THEMSELVES.

H
IN DEVELOPING AND ACTING UPON THE PROVISIONS OF THE
RURAL DEVELOPMENT ACT OF 1972, CONGRESS MADE A CONSCIOUS
AND DELIBERATE CONTRIBUTION TOWARD A MORE BALANCED NATIONAL
GROWTH AND DEVELOPMENT PATTERN IN THE UNITED STATES - *an objective,*
~~AS I STATED EARLIER,~~ WHICH IS CONSISTENT WITH 1970 CONGRESSIONAL
POLICY DECLARATIONS.

Growth Policy

H
TODAY, WE ARE A NATION OF 209 MILLION PEOPLE. WHEN
THE 21ST CENTURY IS USHERED IN, THAT NUMBER IS EXPECTED
TO RISE TO A LEVEL OF SOMEWHERE BETWEEN 270 AND 300 MILLION.

-3-

Two out of every three Americans today live in cities
of 50,000 or more -- or what some experts popularly refer
to as "urban areas." Demographers tell us that by the year
2000, almost 85 percent of our nation's total population will
be living in such "areas" -- that is, assuming past population
distribution trends are permitted or encouraged to continue
unchallenged.

By the turn of the century, economists tell us that the
annual per capita income of the people of this nation will at
least double or may even triple what it is today.

-4-

WITH OUR RISING CONCERN FOR ENVIRONMENTAL ^{protection} ~~PROTECTION~~

AND RESOURCE CONSERVATION -- BOTH NATURAL AND FINANCIAL -- WE
CAN HARDLY AFFORD TO SIT BACK AND LET THESE THREE MAJOR FORCES
OCCUR UNCONTROLLED OR WITHOUT DIRECTION, CONCERN, OR PLANNING.

I SUGGEST TO YOU THAT OUR FAILURE TO DEAL EFFECTIVELY WITH
THESE FORCES IN THE PAST IS THE BASIS OF MOST OF OUR PROBLEMS
TODAY -- WHETHER THEY BE THE PROBLEMS ASSOCIATED WITH THE SO-
CALLED "URBAN CRISIS" OR THE DECLINE OF OUR NATION'S RURAL AREAS.

THE RURAL DEVELOPMENT ACT OF 1972, IF FULLY FUNDED,
STAFFED, AND IMPLEMENTED, CAN SERVE AS A MAJOR IMPETUS FOR
~~ALTERING AND GUIDING THESE TRENDS:~~

The purpose and objectives of our Rural Development program are:

- (1) ~~AS IT RELATES TO~~ ENCOURAGING AND PERMITTING

THOSE PEOPLE WHO NOW LIVE IN RURAL AMERICA

TO REMAIN THERE IF THEY CHOOSE TO DO SO;

- (2) *It can provide for a more equitable sharing*
~~AS IT RELATES TO MORE~~ EQUITABLY SHARING OUR

of our NATION'S RESOURCES AND ECONOMIC PRODUCT AMONG

ALL REGIONS AND PEOPLE ~~OF OUR NATION;~~ AND

- (3) *It can be helpful to*
~~AS IT RELATES TO PERMITTING~~ MANY OF OUR LARGER

by assisting in
 URBAN CENTERS ~~to begin~~ STABILIZING AND CONTROLLING

THEIR OWN FUTURE GROWTH AND DEVELOPMENT WHICH IS *so*

ESSENTIAL TO THE IMPROVEMENT OF THE QUALITY OF

LIFE OF THEIR RESIDENTS.

*urban-
Rural crisis*

See Title

HOW DOES THE NEW ACT SPECIFICALLY CONTRIBUTE TO THESE ENDS?

- (1) IT PROVIDES A NEW MAJOR SYSTEM OF LOANS FOR THE
ESTABLISHMENT OR EXPANSION OF BOTH SMALL AND LARGE
BUSINESSES -- LOCATED IN ANY COMMUNITY HAVING A
POPULATION OF 50,000 OR LESS;
- (2) IT EXTENDS ELIGIBILITY FOR INDUSTRIAL AND BUSINESS
LOANS TO COOPERATIVES AND OTHER NON-PROFIT ASSOCIATIONS
FOR ANY BUSINESS PURPOSE;
- (3) IT PROVIDES A NEW SYSTEM OF LOANS AND GRANTS TO
COMMUNITIES HAVING A POPULATION OF 50,000
AND UNDER TO HELP FINANCE THE ACQUISITION OF LAND
OR THE DEVELOPMENT OF THAT LAND WHICH IS DESIGNED
TO FACILITATE DEVELOPMENT OF PRIVATE BUSINESS
AND INDUSTRIAL ENTERPRISES;

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(4) IT EXPANDS THE EXISTING RURAL WATER, SEWER AND

SOLID WASTE DISPOSAL LOAN PROGRAM FOR COMMUNITIES

OF 10,000 AND UNDER TO INCLUDE ALL OTHER ESSENTIAL

COMMUNITY FACILITIES;

(5) IT FURTHER EXPANDS THE EXISTING FHA RURAL HOUSING

PROGRAM BY AUTHORIZING GUARANTEED HOUSING LOANS,

A TYPE OF LOAN WHICH WILL NOT REQUIRE THAT THE APPLICANT

BE TURNED DOWN FOR CREDIT FROM OTHER SOURCES BEFORE

BEING ELIGIBLE;

- (6) IT PROVIDES FOR FEDERAL COST-SHARING AND INSURED
LOANS TO LOCAL SPONSORS OF SMALL WATERSHEDS AND OF
RESOURCE CONSERVATION AND DEVELOPMENT (RC&D) PROJECTS
TO PROVIDE NEEDED CURRENT AND FUTURE INDUSTRIAL AND
MUNICIPAL WATER SUPPLIES -- INCLUDING TO MEET FIRE
PROTECTION NEEDS;
- (7) IT PROVIDES FOR A NEW 3-YEAR PILOT PROGRAM UNDER
WHICH FEDERAL COST-SHARING FUNDS AND TECHNICAL
ASSISTANCE WILL BE MADE AVAILABLE TO HELP RURAL
COMMUNITIES HAVING A POPULATION OF 10,000 OR UNDER
TO DEVELOP AND EXPAND THEIR FIRE FIGHTING CAPABILITIES;

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- (8) IT PROVIDES FOR LOANS AND GRANTS FOR POLLUTION
ABATEMENT AND CONTROL PROJECTS. ELIGIBLE
APPLICANTS INCLUDE ANY PUBLIC, PRIVATE, OR COOPER-
ATIVE ORGANIZATION WHETHER PROFIT OR NONPROFIT;
- (9) IT ESTABLISHES A NEW -- AND I MIGHT ADD, BADLY
NEEDED -- RURAL DEVELOPMENT AND SMALL FARM RESEARCH
AND EXTENSION EDUCATION PROGRAM -- THAT IS TO INVOLVE
ALL PUBLIC AND PRIVATE INSTITUTIONS OF HIGHER
EDUCATION IN THE STATE;
- (10) IT AUTHORIZES A \$10 MILLION ANNUAL RURAL DEVELOPMENT
PLANNING GRANT PROGRAM;

(11) IT REQUIRES THE EXECUTIVE BRANCH TO GIVE RURAL

AREAS THE "HIGHEST PRIORITY" IN LOCATING ^{Government} OFFICES

AND FACILITIES, AND MOST IMPORTANTLY

(12) IT BROADENS THE BASIC MISSION OF THE U.S. DEPART-

MENT OF AGRICULTURE TO INCLUDE RURAL DEVELOPMENT AND

GIVES TO THE SECRETARY OF AGRICULTURE PRIMARY

RESPONSIBILITY ^{within} ~~WITH~~ THE EXECUTIVE BRANCH ~~OF OUR~~

~~FEDERAL GOVERNMENT TO CALL UPON~~ ^{For} AND COORDINATE ^{ing the}

PROGRAMS AND ACTIVITIES OF ALL EXECUTIVE BRANCH

DEPARTMENTS AND AGENCIES WITHIN RURAL AREAS RELATED

TO RURAL DEVELOPMENT OR THAT ARE DESIGNED TO IMPROVE

THE QUALITY OF LIFE OF PEOPLE LIVING IN THOSE AREAS.

Mr
William
Culvin
Deputy Under
Secretary
for
Rural Develop

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*But*THIS NEW ACT ~~OF COURSE~~, PROVIDES MUCH MORE, ~~ALL OF WHICH~~~~TIME DOES NOT NOW PERMIT ME TO COVER.~~ / FOR INSTANCE, OUR

MINNESOTA FARM FAMILIES WILL FIND PROVISIONS OF THIS ACT

PROVIDING FOR INCREASED FHA OPERATING LOAN LEVELS; LOANSTO FARM AND RURAL YOUTHS FOR FARM AND BUSINESS PURPOSES;FARM LOANS FOR COMPLYING WITH THE REQUIREMENTS OF THEOCCUPATIONAL SAFETY AND HEALTH ACT; AND ^{*Expansion*} ~~EXPANSION~~ OF CONSERVA-TION PROGRAMS UNDER LONG-TERM CONTRACTS; ALL OF GREATIMPORTANCE.

-12-

I ALSO WANT OUR MINNESOTA INDIAN LEADERS AND CITIZENS TO
KNOW THAT THEIR SENATOR DID NOT FORGET THEM IN DEVELOPING
THIS HISTORIC ACT. BOTH INDIAN TRIBES AND FEDERALLY RECOGNIZED
INDIAN TRIBAL GROUPS ARE MADE SPECIFICALLY ELIGIBLE AS "PUBLIC
BODY APPLICANTS" UNDER THIS ACT AS QUALIFIED TO RECEIVE
FINANCIAL ASSISTANCE.

yes THE RURAL DEVELOPMENT ACT OF 1972, ~~AS I ALREADY HAVE~~
~~INDICATED~~, CONTAINS MANY NEW AUTHORITIES, FUNDS AND TOOLS FOR

Economic
STIMULATING DEVELOPMENT IN RURAL AMERICA. ~~HOWEVER, THE MANNER~~ *and way*

~~AND DEVELOPMENT CONTEXT WITHIN WHICH THESE NEW STIMULANTS TO~~

GROWTH ARE APPLIED MUST BE OF CENTRAL CONCERN TO US ALL --

FEDERAL, STATE, AND ESPECIALLY AT THE LOCAL LEVEL.

But
IF WE ARE TO INSURE THAT THE FUTURE GROTH AND DEVELOPMENT

OF OUR RURAL COMMUNITIES IS TO TAKE PLACE ON A "PLANNED" AND

"BALANCED" BASIS; THEN THE USUAL EMPHASIS ON THE ^{*just*} PRODUCTION OF

^{*(Plans for sake of Planning)*}
LOCAL PLANNING DOCUMENTS MUST BE CHANGED TO STRENGTHENING THE

PLANNING PROCESS ITSELF, ^{*and*} ~~FURTHERMORE~~, THAT PLANNING PROCESS MUST

BE MORE DIRECTLY TIED INTO THE POLITICAL DECISION-MAKING PROCESS,

Planning with Actions
~~AND NOT BE KEPT ALOOF FROM IT~~ ^{*and*} FEDERAL AND STATE PLANNING

-- AND THE ~~IMPLEMENTING~~ DECISIONS THAT FLOW FROM SUCH PLANNING

-- MUST ALSO BE MORE CAREFULLY COORDINATED WITH LOCAL COMMUNITY

PLANS.

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L IN THAT EVERY SMALL RURAL COMMUNITY OR COUNTY WILL CONTINUE
TO FIND IT DIFFICULT, ~~y~~ NOT IMPOSSIBLE, TO PROVIDE THEIR
CITIZENS WITH A FULL RANGE OF COMMUNITY SERVICES AND JOB
OPPORTUNITIES, INCLUDING THE PLANNING PROCESS WHICH IS AN
ESSENTIAL PREREQUISITE IN MEETING SUCH NEEDS, A MORE VIABLE
AND WORKABLE APPROACH TO PLANNING AND DEVELOPMENT IN RURAL
AREAS WILL BE REQUIRED.

L THE MULTI-COUNTY PLANNING AND DEVELOPMENT COMMISSION
APPROACH WHICH HAS NOW BEEN ADOPTED IN OVER 40 STATES, OFFERS
RURAL OR NONMETROPOLITAN AREAS THE OPPORTUNITY TO DEAL MORE
REALISTICALLY WITH THEIR PLANNING AND DEVELOPMENT NEEDS ON A
COMPREHENSIVE BASIS.

-15-

IN ADDITION TO THE FEDERAL FUNDS THAT ARE MADE AVAILABLE
UNDER THE 1968 AMENDMENTS TO SECTION 701 OF THE HOUSING AND
URBAN DEVELOPMENT ACT TO HELP FINANCE THESE NEW NON-METRO *factories*
MULTI-COUNTY COMMISSIONS, WE ALSO AUTHORIZED AN ADDITIONAL
\$10 MILLION UNDER THE NEW RURAL DEVELOPMENT ACT FOR SUCH
PLANNING BODIES. THIS ACTION ~~BY OUR COMMITTEE~~ IS A RECOGNITION
OF NOT ONLY THE IMPORTANCE OF "PLANNING" IN RURAL AREAS, BUT
ALSO THE IMPORTANCE OF APPROACHING PLANNING AND DEVELOPMENT IN
RURAL AREAS ON A BROADER GEOGRAPHICAL BASIS. !

Guernon Anderson
Emphasizes

Planning

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PLANNING REQUIREMENTS, WHETHER THEY BE IN CONNECTION WITH
INDIVIDUAL PROJECTS, OR THE BROADER FUNCTIONAL REQUIREMENTS
OF A PARTICULAR COMMUNITY NEED, ~~OR IN CONNECTION WITH~~
~~COORDINATING ALL OF THESE FUNCTIONAL REQUIREMENTS,~~ IS BECOMING
MORE AND MORE AN INTEGRAL PART OR REQUIREMENT OF ALL FEDERAL
AND MANY STATE PROGRAMS.

IF RURAL COMMUNITIES WISH TO GET THEIR FAIR SHARE UNDER
THESE PROGRAMS, AS WELL AS GET THEIR BEST "BANG FOR EACH BUCK,"
THEN THEY ARE GOING TO HAVE TO FACE UP TO MEETING THESE PLANNING
REQUIREMENTS.

-17-

It IS FOR THESE REASONS THAT ~~I WISH TO~~ ADD MY PERSONAL
ENDORSEMENT TO WHAT GOVERNOR ANDERSON INDICATED THIS MORNING
ABOUT ENCOURAGING THE ESTABLISHMENT OF MORE RURAL MULTI-COUNTY
PLANNING AND DEVELOPMENT COMMISSIONS HERE IN MINNESOTA.

It IS A RATIONAL AND SOUND APPROACH TO PLANNING AND
DEVELOPMENT IN RURAL MINNESOTA; ~~AND~~ IT WILL AFFORD US ~~IN~~
~~PARTICULAR~~ AN OPPORTUNITY TO ACHIEVE THE KIND OF COORDINATION
OF LOCAL, STATE, AND FEDERAL RURAL DEVELOPMENT PROGRAMS THAT
WE MUST HAVE, IF WE ARE GOING TO TRANSLATE RURAL DEVELOPMENT IN
MINNESOTA FROM A MERE GOAL TO AN ACCOMPLISHED FACT.

-18-

L THE SENATE RURAL DEVELOPMENT SUBCOMMITTEE ^{of which I am} ~~OF WHICH I AM~~

PRIVILEGED TO SERVE AS CHAIRMAN SPENT ALMOST TWO YEARS

DEVELOPING THIS LEGISLATION. ^{We heard from} ~~INCLUDING LISTENING TO~~ OVER 350

PUBLIC WITNESSES IN MANY DAYS OF HEARINGS HELD BOTH IN

WASHINGTON AND THROUGHOUT THE COUNTRY.

L SEVERAL THOUSANDS OF MAN-HOURS HAVE GONE INTO DEVELOPING

AND ENACTING THIS NATIONAL PROGRAM. ^{Now it is public}

LAW (PUBLIC LAW 94-419). IT WAS APPROVED BY THE PRESIDENT ON

AUGUST 30, 1972.

NOW WHAT HAPPENS?

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L WELL, PART OF WHAT HAPPENS IS WHY WE ARE HERE TODAY. ~~WE ARE~~
~~HERE NOT ONLY~~ ^{yes} TO ACQUAINT YOU WITH THE PROVISIONS OF THE NEW ACT,
^{also to} BUT TO GIVE YOU THE SOMEWHAT UNPRECEDENTED OPPORTUNITY TO EXPRESS
YOUR CONCERNS AND VIEWS ON HOW ITS PROVISIONS SHOULD BE
INTERPRETED, ADMINISTERED, FUNDED, AND STAFFED. THIS AFTERNOON
YOU WILL BE GIVEN THE OPPORTUNITY TO MEET FACE TO FACE WITH
BOTH THE SENATE COMMITTEE STAFF PEOPLE WHO WERE INVOLVED IN
WORKING WITH US IN DEVELOPING THIS LEGISLATION AND THE AGENCY
PEOPLE WHO NOW WILL BE EXPECTED TO WRITE UP THE REGULATIONS AND
PROCEDURES TO ADMINISTER IT.

afternoon
discussions

-20-

L For the first time, ~~we are letting you come out here in~~
~~the people in~~
 Rural America ~~and~~ ^{for whom} this Act ^{was} designed ~~to help~~, have a say
 on how ~~you~~ ^{they} want to see it administered before, not after,
^{Government} the ~~USA~~ regulations are ^{announced} ~~promulgated~~.

Now, I know this is a bit unusual, but I wish to serve
 notice here today, that this country will be experiencing
 more of such "UNUSUAL" developments out of the Congress in
 the future, at least to the extent that this individual
 Senator has any say or influence in that august body.

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WHILE I ONLY MEAN TO SPEAK FOR MYSELF HERE TODAY, I
AM SURE THAT IF THEY WERE HERE, EVERY MEMBER OF THE SENATE
COMMITTEE ON AGRICULTURE AND FORESTRY -- WHETHER REPUBLICAN OR
DEMOCRAT -- WOULD JOIN ME IN MAKING IT CLEAR TO THE COUNTRY

~~AND IN PARTICULAR TO THE ADMINISTRATION, THAT WE INTEND TO~~

do everything possible,

~~EXERCISE EVERY OVERSIGHT,~~ BRING EVERY PRESSURE, EXERT EVERY

INFLUENCE, TO GET ALL THE PROVISIONS OF THIS NEW ACT FULLY

FUNDED, FULLY STAFFED, AND FULLY IMPLEMENTED.

ALTHOUGH I WANT TO BE FAIR AND ALLOW AMPLE TIME FOR THE
ADMINISTRATION TO GEAR UP FOR FULL IMPLEMENTATION OF THE RURAL
DEVELOPMENT CREDIT PROVISIONS OF THIS ACT, I ALSO WISH TO SERVE
NOTICE HERE TODAY THAT I INTEND TO REINTRODUCE THOSE

PROVISIONS OF THIS LEGISLATION THAT WERE DELETED, ^{sections which} ~~WHICH~~ PROVIDED

FOR THE ESTABLISHMENT OF A NEW BORROWER-OWNER CREDIT SYSTEM FOR

a Rural Development Bank
RURAL DEVELOPMENT PURPOSES ~~WHICH WOULD BE~~ SIMILAR TO, BUT

TOTALLY SEPARATE THEREFROM, OUR EXISTING FARM CREDIT

ADMINISTRATION SYSTEM, WHICH HAS DONE SUCH AN EXCELLENT JOB

IN HELPING MEET OUR NATION'S FARM CREDIT NEEDS..

Boyd Hild

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THE MINUTE I BECOME CONVINCED THAT THE CREDIT SYSTEM PROVIDED IN THIS NEW ACT CAN'T DO THE JOB, I WILL MOVE FOR ENACTMENT OF THIS NEW BORROWER-OWNER SYSTEM -- AND I FEEL MOST CONFIDENT, THAT NEXT TIME IT WILL BE ADOPTED.

CONGRESS HAS TAKEN AN HISTORIC INITIATIVE IN DEVELOPING AND ENACTING THIS NEW RURAL DEVELOPMENT ACT, NOW THE BALL IS IN THE COURT OF THE PRESIDENT AND HIS ADMINISTRATION. ~~WHETHER AND~~

The level or degree of funding
~~AT WHAT LEVEL THE REQUEST FOR FUNDING~~ OF THESE PROVISIONS WILL

LARGELY DETERMINE WHAT FUNDS, AND STAFF, ARE MADE AVAILABLE TO ADMINISTER AND IMPLEMENT THE ACT.

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IF THE PRESIDENT CHOOSES TO REQUEST LESS FUNDS THAN
WHAT CONGRESS AUTHORIZES UNDER THIS NEW ACT, CONGRESS CAN --
AND I BELIEVE IN THIS CASE, WILL -- APPROPRIATE MORE, OF
COURSE, THE PRESIDENT ^{may} ~~can~~ AS HE HAS DONE SO OFTEN IN THE
PAST -- WITHHOLD OR REFUSE ~~TO MAKE THOSE AMOUNTS OVER AND~~
to use the funds
made available by Congress,
~~ABOVE HIS INITIAL REQUESTS AVAILABLE.~~

I MENTION THESE IMPORTANT MATTERS, SO YOU HAVE A CLEAR
UNDERSTANDING OF WHO HAS WHAT RESPONSIBILITY FROM THIS POINT
ON IN MOVING AHEAD WITH FULL IMPLEMENTATION OF THIS IMPORTANT
AND HISTORIC PIECE OF LEGISLATION.

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~~As I said,~~ CONGRESS HAS TAKEN THE INITIAL STEP, AND I AM
 CERTAIN WILL BE MORE THAN WILLING TO PROVIDE THE FUNDS
 AUTHORIZED. BUT THE NEXT AND MOST IMPORTANT MOVE IS NOW UP
 TO THE PRESIDENT AND ADMINISTRATION.

~~I ALSO WANT TO TAKE THIS OCCASION TO REMIND EVERYONE HERE~~
~~TODAY THAT~~ CONGRESS WILL BE ACTING UPON YET ANOTHER AND MOST
 IMPORTANT PIECE OF RURAL DEVELOPMENT LEGISLATION NEXT YEAR --

NAMELY, A NEW FARM BILL. FARMING IS RURAL AMERICA'S MOST
IMPORTANT AND BIGGEST SINGLE INDUSTRY. LET US NEVER FORGET

THAT IF THIS PARTICULAR RURAL INDUSTRY FAILS, ALL OF RURAL

AMERICA FAILS.

*There is no real rural
 Development if the family farm
 suffers from low prices and
 reduced income.*

*Russell
 P. Ladd*

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h THE BATTLE NEXT YEAR OVER FARM LEGISLATION WILL BE ONE OF
THE MOST DIFFICULT EVER ENCOUNTERED h ALL RURAL AMERICANS MUST
DO WHAT THEY CAN TO HELP STRENGTHEN OUR FAMILY FARM SYSTEM

~~AND THIS GREAT AND INCREDIBLY EFFICIENT INDUSTRY AN~~
~~INDUSTRY, I MIGHT ADD, WHICH IS THE ENVY OF THE WORLD.~~

h I CAN ASSURE YOU THAT HUBERT HUMPHREY, WALTER MONDALE,
BOB BERGLAND, AND OTHER MEMBERS OF OUR CONGRESSIONAL DELEGATION

WILL BE DOING EVERYTHING THEY CAN TO GET ~~A LEGISLATION~~ *an effective one*

HOPEFULLY LONG-TERM FARM BILL.

h FINALLY, I WOULD LIKE TO REPORT THAT I ALSO INTEND TO
PURSUE ENACTMENT OF ANOTHER NEW MAJOR PIECE OF LEGISLATION

WHICH I WILL BE INTRODUCING NEXT SESSION, NAMELY, MY "BALANCED
NATIONAL GROWTH AND DEVELOPMENT ACT."

THIS BILL WOULD PROVIDE THE MECHANISMS AND PROCESSES
WE NEED BOTH WITHIN THE EXECUTIVE AND THE CONGRESS FOR DEALING
WITH THE LONG-RANGE FUTURE NEEDS OF OUR NATION. WE HAVE NO
CONTINUING EFFORT TODAY IN OUR GOVERNMENT DEDICATED TO SUCH
ENDS, A DEFICIENCY WHICH IS INCREASINGLY THROWING OUR NATION
FROM ONE CRISIS INTO ANOTHER.

POLICY PLANNING AND DEVELOPMENT IS ALMOST NON-EXISTENT
IN OUR GOVERNMENT TODAY. ANYONE WHO DOUBTS THAT -- LET ME
REMINDE HIM OF TODAY'S ENERGY CRISIS, HOUSING CRISIS, URBAN
CRISIS, RURAL CRISIS, ENVIRONMENTAL CRISIS, LAND-USE CRISIS --
AND THE LIST GOES ON.

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THE RURAL DEVELOPMENT ACT OF 1972 IS AN HISTORIC PIECE
OF LEGISLATION. BUT IT IS ONLY A BEGINNING. WE HAVE MUCH MORE
TO DO IN RURAL AMERICA IN THE FIELD OF HUMAN RESOURCE
DEVELOPMENT, INCLUDING A MORE DIRECT ATTACK ON RURAL POVERTY.

ALL OF THESE EFFORTS ARE PART OF WHAT I CALL "BUILDING
A BETTER AMERICA." AND THIS IS WHY MY FUTURE IN THE SENATE
WILL BE DEDICATED TO PURSUING SUCH ENDS.

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