

*As Prepared for Delivery*

**2009 Farm to Fuel Summit**

Orlando, Florida

July 30, 2009

**Welcome**

Thank you all, thank you Commissioner Bronson for the opportunity to be here today.

Look at this turnout. I know in this economy we have to weigh what events and programs to fund, so I really appreciate you all choosing to be here.

I'm very impressed by this summit. Florida's Farm to Fuel Initiative is a great example of how to market and promote the production and distribution of alternative energy. This is my first opportunity as Under Secretary for Rural Development to speak at an event this large and I hope it will be a good platform for all of us to collaborate, share ideas and reach a wide audience, so thank you for inviting me.

I'm here today on behalf of the Obama administration and the Department of Agriculture (USDA). I am the Under Secretary for the Department's Rural Development agency and we are solely focused on creating wealth opportunities for rural America. I am also personally very invested in biofuels. I'm a family farmer, grew up on a dairy farm and have seen first hand how diversifying agricultural production creates new economic opportunities.

My goal in talking to you is to give you some updates and information on the Department of Agriculture or USDA's role in supporting new forms of energy. I'd like to give you an overview of what we're doing and the programs we have available, so that after you leave this conference and you're thinking about ways that your organization can invest in alternatives, that you think about USDA and you look to us for partnership. We plan to be a major player in the efforts to create green jobs reduce carbon emissions and climate change - and I hope you'll work alongside us.

### **USDA Committed to Biofuels**

USDA's Secretary, Tom Vilsack, has been extremely active on the issue of energy independence. He's been on Capitol Hill testifying before the House and Senate Agriculture Committees and the Senate Committee on Environment and Public Works, reaching out to Members of Congress and letting them know about the role that USDA can play. We are committed to biofuel research, development and deployment. Often people forget about the Department of Agriculture when they think about energy issues, but if we truly want to get our economy moving again, we must invest in rural America and find solutions - using biofuels. That's where the Department of Agriculture steps in. Converting corn, sugar and other plant-based matter to biofuels won't be successful unless our agricultural industry is involved. Agriculture can meet a significant amount of our future energy needs. And the great state of Florida and other major agricultural producing states are crucial to this transition away from fossil fuels and toward biofuels.

USDA's Rural Development provides financing opportunities for businesses and communities wanting to improve efficiency and use alternative energy.

### **USDA Agencies**

Let me give you a brief overview of some of the other agencies we have working on biofuels - the Natural Resources and Conservation Service, the Forest Service and the Agricultural Research Service. The Natural Resources and Conservation Service deals mainly with protecting water sources and preventing harmful water runoff from farms. They work to prevent chemicals from biofuels entering our water systems. The Forest Service supports a variety of woody biomass utilization programs. The Agricultural Research Service integrates the research needs for feedstock development, feedstock production, and biorefining to maximize the positive and minimize negative impacts of bioenergy on agriculture. We co-chair the Biomass Research and Development Board, which coordinates government-wide research initiatives.

### **Rural Development**

Within my agency, Rural Development, we implement the Renewable Energy Provisions of the 2008 Farm Bill. Over \$1 billion of mandatory funding was set aside to support these programs over the 5-year life of the Farm Bill. Our programs include loans, grants, loan guarantees and payments for expanding advanced biorefineries and energy audits, feasibility studies and renewable energy systems and energy efficiency improvements. We also fund biofuel and biobased research and development. Overall, we work to allow

rural communities to increase their energy self-sufficiency and transition to advanced biofuels.

A few of the efforts from just this past week:

- Secretary Vilsack with Energy Secretary Chu announced \$6.3 million for biofuels research - one of these is \$643,000 for the University of Florida, Gainesville;
- Secretary Vilsack announced funding availability for bioenergy development and production;
- And the Department released a study showing the economic benefits to farmers and ranchers from climate change legislation.

These are all examples of the Obama administration's commitment to developing sustainable domestic biofuels.

### **Climate Change Legislation**

I also want to touch briefly on the Waxman-Markey energy legislation, which was passed in the House because if passed by the Senate, all of our work will be affected. Our analysis shows that economic opportunities for farmers and ranchers can potentially outpace - perhaps significantly - the costs from climate legislation. Secretary Vilsack said:

“that climate legislation will affect different landowners in different ways. This is an important point. USDA can help smooth this transition by using our Farm Bill conservation programs to assist landowners in adopting new technologies and stewardship practices... The House bill includes important provisions regarding

how to adapt and increase resiliency to climate change impacts, which will be important for our nation's farmers, ranchers and forest landowners. Ensuring that landowners and communities have the tools and information they need to adapt to climate change is a priority for this Administration.”

## **ARRA**

Another priority for this Administration is the American Recovery and Reinvestment Act – signed February 17. It gives us added resources, more than \$60 billion in clean energy investments.

- \$11 billion for a bigger, better, and smarter grid to move energy from the rural places it is produced to the cities where it is mostly used
- \$6.3 billion for state and local renewable energy and energy efficiency efforts.
- \$600 million in green job training programs

All of these investments offer funding to pursue many different approaches to boost our economy in the direction of green jobs. It will likely take up to 18 months to see substantial changes, but what all of us can see now is that making the transition to alternatives will undoubtedly benefit us in the future. What we can do today is collectively invest in our educational infrastructure and cultivate the next generation of workers. Working with energy companies, government and educational institutions is critical. Although interest among students is growing, alternative energy investments can be the next catalyst to drive enrollment in college and university programs and create energy professionals.

New biofuel plants will also drive the demand for skilled construction, operation and maintenance labor. Joint building and construction programs are important for ensuring the industry maintains a highly skilled work force. Maybe this is an area we can focus on this week?

## **Conclusion**

I know I speak for Secretary Vilsack when I say; we really want to forge greater collaboration between the private and non-profit sectors. Working together we can affect change and make a difference in alternative energy production. My staff and I are happy to sit down with you. Within Rural Development we are fortunate to have about 500 offices across the country, 47 state offices and about 450 local and area offices. We're on the ground and can be a resource because we're there in the communities seeing first hand how the economy is affecting people. Please do find me during the conference and don't hesitate to reach out to us after the conference is over. My co-worker Todd Williamson is here with me and both of us are available to speak with you and answer any questions. You can reach him at [Todd.williamson@wdc.usda.gov](mailto:Todd.williamson@wdc.usda.gov). Again, thank you for the opportunity to speak with all of you. I know that we will all come away from the Summit with innovative ideas and approaches to biofuels.