

**National Association of County Association Executives (NCCAE)
Washington, D.C.
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**Thomas C. Dorr
Under Secretary for Rural Development**

Good morning. It is a distinct pleasure to be with you this morning. I would like to begin by expressing my appreciation for your leadership ... and indeed your partnership ... in rural development.

I know that many of you have worked closely with USDA Rural Development over the years on housing, community facilities, and economic development. What you are doing IS important.

I see the results every time I go on the road ... results measured in more jobs ... stronger communities ... a new hospital here ... a new water system there ... new broadband hookups ... and the ethanol plants and windfarms dotting the landscape across rural America.

So again -- THANK YOU. Public service is sometimes overlooked and taken for granted by the people we serve, but I want you to know that at

USDA Rural Development we are proud to be your partners, and we look forward to many years of collaboration and success ahead.

[PAUSE]

There are times in Washington ... I'm sure you face the same thing at the county level as well ... when you feel like you're running in molasses.

This time a year ago, we were preparing for the rollout of the President's Farm Bill proposal. We had hoped the debate would be wrapped up by now. We had therefore expected to begin this year by addressing a number of significant new initiatives that the President had proposed for rural communities ...

... Major new investments in rural infrastructure ... in community facilities, water, and wastewater systems ... significant new investments in Critical Access Hospitals, broadband, and renewable energy.

Instead, the Farm Bill remains in conference. The Congress marches to its own drummer. I don't know what hand we'll be playing a month from now ... let alone a year or two down the road. Only in government.

But whatever the outcome on the Farm Bill, the fundamentals are clear.

We are entering an era of extraordinary opportunity in rural America.

Something we've done the last couple of years ... in cooperation with the Farm Foundation ... is conduct what we've called a "rural opportunity tour." This is not for the faint of heart. It consists of four days in August on a bus visiting innovative rural success stories.

It rearranges your thinking about what is possible when you attend a Telemedicine demonstration and watch state of the art diagnostic technologies and medical center expertise being shared with rural clinics, some in quite remote areas, spread from Minnesota to Virginia.

It rearranges your thinking about the potential of small communities when you visit a place like JTV Manufacturing in Sutherland, Iowa, a town of 600 people in a very rural corner of the state.

JTV is a high-tech metal fabrication shop. Everything is computer controlled. They take orders over the internet, cut by laser, and if you're in a rush, ship the next day for overnight delivery.

20 years ago, that kind of business didn't exist. 10 years ago, you might have done it in a handful of major industrial centers. Today you can do it in an Iowa cornfield, provided you've got a broadband connection, UPS service, and an entrepreneur with the skills to make it work.

It rearranges your thinking when you visit Viking Range in Greenwood, Mississippi, in the heart of the Delta. Viking is only 23 years old. It's a world class leader in a highly competitive industry, and it's homegrown in rural America, in a town of fewer than 20,000 people.

I could multiply these examples a hundred times over. So could you.

There are many, many places in rural America that are growing success stories like these. The question for us is how to spread the tools.

One priority is broadband. Broadband is a game changer. When information moves at the speed of light ... when every rural business is a click away from national and world markets ... when more and more jobs can be done just about anywhere ... the old barriers of time, distance and isolation simply don't mean what they used to mean.

At the same time, renewable energy is probably the greatest new opportunity for wealth creation in rural America in our lifetimes. This is a remarkable, and underreported, American success story.

The United States has more than tripled ethanol production since 2000. The new Energy Bill the President signed a couple of weeks ago will expand it another sevenfold over the next 15 years.

Installed wind capacity in the U.S. has quadrupled in this decade. Photovoltaic shipments have increased tenfold. We now lead the world in biofuels, solar thermal, geothermal, and waste to energy ... and we've led the world in new wind capacity each year since 2005.

Don't for a moment think that the numbers I've just quoted don't affect you. They do. Renewable energy is largely rural energy. The renewables revolution implies the development of not one but several major new industries, largely in rural communities.

Put all of this together with broadband ... with the power of distributed computing to redraw the economic map ... and it is a clearly new ballgame in rural America.

It's our job, and yours, to help rural communities capitalize on these opportunities. We are an investment bank for rural America with a portfolio of more than \$98 billion in rural businesses, energy development, housing, infrastructure, and community facilities.

But we recognize that we can't stand still. We are streamlining offices, streamlining programs, and realigning staff to new opportunities.

This is a challenge to rural business leaders and traditional lenders as well. The game has changed. The opportunities are large, and the train is leaving the station. People need to step up and participate.

But finally, I know that these opportunities ... and the tax and regulatory issues arising from them ... are a challenge to you as well. Life is going to get more complicated ... but it's going to be quite a ride.

The future is bright. The road ahead will take some surprising turns. There may be a pothole or two along the way. But we'll walk that road together ... and as we do, we are very proud to be your partners in increasing economic opportunity and improving the quality of life in rural America. Thank you.