

THE WHITE HOUSE
Office of the Press Secretary

EMBARGOED FOR 12:00 AM EDT THURSDAY, JULY 24

FACT SHEET: Increasing Investment in Rural America

WASHINGTON, DC – This week, the White House Rural Council will host the inaugural Rural Opportunity Investment Conference (ROI) to promote potential investment opportunities that exist throughout rural America. Top leaders from the business community and financial institutions, senior government officials, rural economic development experts and others from across the country, will come together to discuss ways to develop partnerships that create jobs, grow small businesses, and invest in critical rural infrastructure.

In conjunction with this event, the White House Rural Council is announcing a \$10 billion dollar investment fund to promote rural economic development. This fund will continue to grow the rural economy by increasing access to capital for rural infrastructure projects and speeding up the process of rural infrastructure improvements. The fund is immediately open for business and more investors can now add to the initial \$10 billion in available capital.

The ROI conference and the new investment fund are part of the Obama Administration's ongoing efforts to promote investment in rural America, strengthen the nation's infrastructure, and grow the U.S. economy. Since the creation of the White House Rural Council in 2011, the President has made historic investments in rural America designed to drive job growth, invest in rural education, provide emergency services, and address health disparities.

Public-Partnerships at Work

- **Rural Infrastructure Opportunity Fund.** The U.S. Rural Infrastructure Opportunity Fund represents a new approach to catalyzing private investment in infrastructure projects in rural America. CoBank, a national cooperative bank serving rural America and a member of the Farm Credit System, is the fund's anchor investor, committing \$10 billion to get the fund off the ground. Capitol Peak Asset Management will manage the new fund and work to recruit more investors to add to CoBank's initial commitment. The Rural Infrastructure Opportunity

Fund will allow America's rural economy to continue its forward momentum by enhancing access to capital for rural infrastructure projects and speeding up the process of rural infrastructure improvements. The fund is immediately open for business and more investors can now add to the initial \$10 billion in available capital. The new fund will allow a wide variety of new participants, including pension funds, endowments, foundations, and other institutional investors that have not traditionally had access to these markets to invest in rural development. In some cases, projects may be funded entirely through private sector dollars. In others, private dollars may be leveraged with and extend critical government loan and grant programs. USDA and other agencies will help to identify rural projects in need of financing through the new fund and through other such private sources and public-private partnerships. Target investments will include rural community facilities (especially health care and educational facilities), rural water and wastewater systems, rural energy projects, rural broadband expansion efforts, local and regional food systems, and other rural infrastructure.

- **Over \$150 Million Investment Funds to Grow Small Businesses, Create Jobs in Rural America.** Agriculture Secretary Tom Vilsack announced the creation of an investment fund earlier this year that will help propel the growth of small businesses across rural America. The new rural equity fund will facilitate private equity investments in agriculture-related businesses. Advantage Capital Agribusiness Partners, which will manage the new fund, and nine Farm Credit institution partners, have pledged to invest over \$150 million into the new effort. USDA programs have historically provided loans or loan guarantees to help rural businesses grow, but before the creation of the Rural Business Investment Program, many small cutting-edge businesses did not have the opportunity to obtain equity support. With the creation and implementation of this new program, USDA is pleased to announce this first of multiple rural equity funds. USDA is currently accepting applications for additional new rural equity funds.
- **\$9.9 Million to Improve Health Care Quality and Address Rural Health Disparities.** The Department of Health and Human Services continues its efforts as part of the President's Improving Rural Health Care Initiative with \$5.5 million to the Delta State Rural Development Network Grant program and \$4.3 million for the Small Health Care Provider Quality Improvement grant program. The Delta Network

program invests in each of the eight States of the Delta region to address long-standing health care disparities. The Small Health Care Provider Quality program supports 29 grants that help rural health clinics, community health centers and small rural hospitals improve health care outcomes for rural residents with chronic diseases such as diabetes, hypertension and obesity.

- **Supporting Small, Rural Businesses.** Small businesses create about two out of every three jobs in the U.S. each year, and roughly half of working Americans either own or work for a small business. Small businesses are particularly crucial to the rural economy.
 - **Rural Entrepreneurship Initiative.** The American Farm Bureau Federation and Georgetown University's McDonough School of Business Global Social Enterprise Initiative are collaborating on a multi-year partnership providing tools and solutions to help strengthen rural America. In the partnership's inaugural year, the focus will be on building greater economic security by launching a Rural Entrepreneurship Initiative together with Startup Hoyas, Georgetown's Entrepreneurship Initiative. Several opportunities will be announced for people interested in rural issues across the U.S. to actively engage with Farm Bureau and the Rural Entrepreneurship Initiative, including an online educational series, the first of its kind rural entrepreneurship challenge and a national summit scheduled for October 14th at Georgetown University. The White House Rural Council will partner with Farm Bureau and Global Social Enterprise Initiative to plan the national summit at Georgetown University.
 - **Made in Rural America.** Earlier this year, the President [directed](#) the White House Rural Council to bring together federal resources to help rural businesses and leaders take advantage of new investment opportunities and access new customers and markets abroad. Department of Commerce Secretary Pritzker, Department of Agriculture Secretary Vilsack, Small Business Administration Administrator Contreras-Sweet, US Trade Representative Froman, and Export-Import Bank Chairman Hochberg are leading forums in rural America this summer to highlight opportunities for rural manufactures, value added producers, and service providers to grow their businesses by expanding to international markets. The partnership will also host a “Made in Native America” forum this fall to help Native-

owned businesses access export opportunities.

- **Expanding Partnerships.** The Administration recognizes that effective partnerships have a catalytic impact on achieving the Administration priorities, such as increasing opportunity and economic growth in rural America. Good ideas generated by the ROI Conference will be carried forward by the following partnership networks.
 - **Regional Conservation Partnership Program.** The newly stood up Regional Conservation Partnership Program (RCPP) takes an innovative approach to furthering conservation, restoration, and sustainable use of soil, water, and wildlife on a regional scale. The program enables partners, using a competitive process, to propose conservation projects that will leverage federal dollars with non-profit, producer, and non-traditional investors in areas of the country with critical conservation needs. The RCPP will invest more than \$1.2 billion in natural resource conservation with a goal of doubling that effort through partnership contributions over the next five years.
 - **Georgetown University Law Center's Public Private Partnership Symposium.** In conjunction with the White House Rural Council's Rural Opportunity Investment Conference, the Georgetown University Law Center will introduce its inaugural Public Private Partnership Symposium. Over the coming year, the Georgetown Law will host three full-day sessions to advance the ideas and lessons discussed at the Rural Opportunity Investment Conference. By bringing together private sector leaders, government officials, and academic scholars, the symposium will broaden opportunities for partnering, provide a venue for sharing knowledge and best practices, and promote economic growth.
 - **The Build America Investment Initiative.** The Administration is committed to increasing public private partnerships and collaboration on U.S. infrastructure. Just last week, the President announced the new Build America Investment Initiative, which will use executive authorities to increase the flow of private capital into transportation, water, energy and other infrastructure sectors. The ROI conference will directly inform the ongoing work of the Build America Initiative, helping federal agencies to encourage more investment into rural communities and to key rural infrastructure sectors.

- **The Rural Health Philanthropy Partnership.** This partnership between the U.S. Department of Health and Human Services' Office of Rural Health Policy, Grantmakers in Health and the National Rural Health Association includes more than 30 State and regional Foundations and Trusts that seek to improve health care in rural communities. In 2015, the Partnership is undertaking a Rural Funding Challenge with HHS dedicating \$5 million and seeking a matched effort from the philanthropic community.

White House Rural Council's Sustained Support for the Rural Economy

Today's announcements build on three years [of sustained work](#) by the White House Rural Council to expand opportunity in all corners of rural America. The Rural Council has over twenty policy accomplishments supporting rural America in four priority areas: quality of life, innovation, economic opportunity, and conservation. These advancements will help ensure the development of a rural economy built to last. These actions include:

Increasing Capital Access for Rural Small Businesses

USDA and SBA committed to providing \$175 million in microloans to small businesses in rural areas for Fiscal Years 2013 and 2014, in addition to new business training and counseling opportunities. To date the two agencies have supported over \$85 million to rural small businesses.

Accelerating Broadband Infrastructure Deployment

On June 14, 2012 President Obama signed an Executive Order to make broadband construction along Federal roadways and properties up to 90 percent cheaper and more efficient. U.S agencies that manage Federal properties and roads are partnering to offer carriers a single approach to leasing Federal assets for broadband deployment. Providing a uniform approach for broadband carriers to build networks is speeding the delivery of connectivity to communities, business, and schools in rural America. In order to further expand the nation's broadband service, more than 25 cities and 60 national research universities are partnering to form "US Ignite." US Ignite is creating a new wave of services that will extend programmable broadband networks to 100 times the speed of today's internet. To further leverage private-sector involvement, a three-day Application Summit was

conducted this June at the headquarters of Juniper Networks in Silicon Valley. This session made numerous connections that will strengthen rural and urban communities through innovative broadband applications. In total, this partnership will improve services to Americans and drive job creation, promote innovation, and create new markets for American business.

U.S Department of Education Investing in Rural Schools

Through the national broadband plan, the Obama Administration is leveraging the power of technology to overcome distance and increase collaboration to accelerate student achievement in rural schools. The White House Rural Council partnered with the U.S Department of Education to deliver a new online community of practice groups for rural schools. This online tool is creating virtual communities of practice for educators to connect to resources, tools, colleagues, experts, and learned activities both within and beyond schools. As part of the push for broadband in public schools, the Federal Communications Commission (FCC) is investing \$2 billion over the next two years to dramatically expand high-speed Internet connectivity for America's schools and libraries — connecting 20 million more students to next-generation broadband and wireless. Private-sector companies have also committed more than \$2 billion to deliver cutting-edge technologies to classrooms. The Administration is using technology to break down geographic barriers and address rural isolation in education.

Local Food, Local Places

Recognizing the role local food systems can play in regional economic development, the Administration launched Local Food, Local Places in June, 2014. This effort, a partnership between the US Department of Agriculture, the US Department of Transportation, the Environmental Protection Agency, the Appalachian Regional Commission and the Delta Regional Commission, provides direct technical assistance to twenty communities integrating local food production into their civic planning process.

Small Business Administration Investing in Rural Small Businesses

The Administration extended more than \$400 million in FY 2011 of investments in rural America through the Small Business Investment Company (SBIC) Impact Investment Program, at no cost to taxpayers.

Nearly \$2 billion in additional funding will be invested by the end of fiscal year 2016. These investments will continue to help finance, grow, expand, and modernize rural small business operations around the country.

Promoting a Bioeconomy through BioPreferred

To support the Administration's "Blueprint for a Bioeconomy," the President is utilizing the purchasing power of the Federal government by directing Federal agencies to take additional steps to significantly increase the purchase of biobased products over the next two years, which will create thousands of new rural jobs and drive innovation where biobased products are grown and manufactured. Utilizing the existing BioPreferred program, the Federal government will use its procurement power to increase the purchasing and use of biobased products, promoting rural economic development, creating new jobs, and providing new markets for farm commodities. Biobased products include items like paints, soaps and detergents and are developed from plants, rather than chemicals or petroleum bases. The biobased products sector marries the two most important economic engines for rural America: agriculture and manufacturing.

Rural Jobs Accelerator

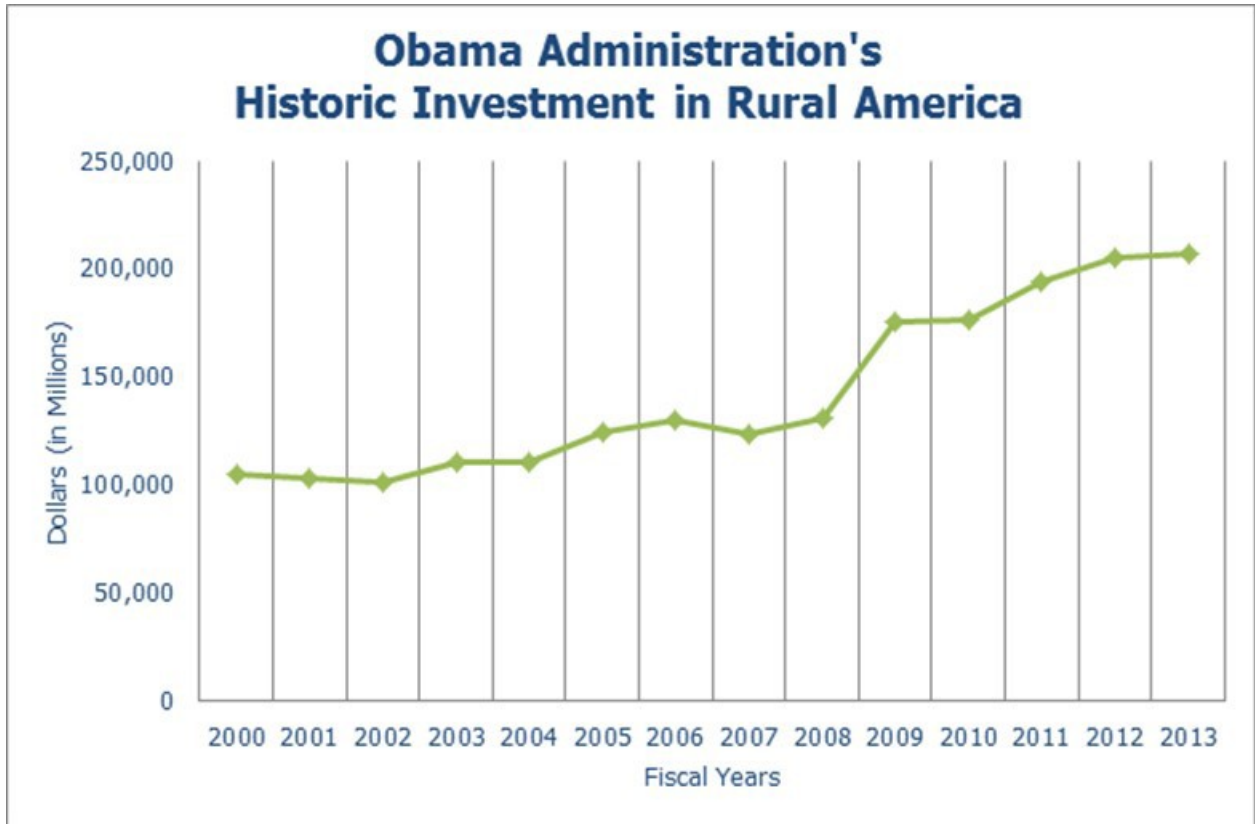
The "Rural Jobs Accelerator" links Federal programs to facilitate job creation and economic development in rural communities by utilizing regional development strategies. The "Rural Jobs Accelerator" allows multiple agencies to coordinate technical assistance and grant/loan programs so that a consortium of public and private rural entities can have a single access point within the Federal government, creating improved access, streamlining of programs, and better leveraging of resources. USDA, EDA, Delta Regional Authority, and Appalachian Regional Commission have leveraged approximately \$9 million in funding, with additional technical support from various Federal agencies including Department of Housing and Urban Development, and the Department of Education.

Commercial Aviation Biofuels Partnership

The Navy, the Department of Energy, and USDA have joined forces to spur the creation of an advanced biofuels industry that will support commercial aviation, with a pledge of \$510 million, over three years, under the Defense

Production Act of 1950.

Unprecedented Investments in Rural America



U.S. Department of Agriculture

The White House Rural Council is chaired by Secretary Vilsack, who in his role as Secretary of the Department of Agriculture has made unprecedented state-by-state investments in rural America. The U.S. Department of Agriculture works with thousands of farmers, ranchers and others living in rural communities every day and knows that there is no limit to the economic potential of rural America. Over the past five years, USDA has made significant investments to support those in rural America who drive the rural economy forward, carry out record conservation efforts, facilitate groundbreaking research, promote new markets for rural products, and provide a safe, affordable and nutritious food supply for American families. Secretary Vilsack invites the private sector to continue building innovative partnerships that drive investments, economic growth, and prosperity.