

## Investing in an American Asset: Unleashing the Potential of Rural America

#### Introduction from Mayor Pete Buttigieg:

I grew up and live in a mid-size Midwestern community, surrounded by small towns, farms, fields, and crossroads. A sense of community isn't unique to these parts of America, but it is special here. Like many other communities outside our big cities, my hometown was built around the certainty that there were good jobs, opportunities to grow a business, and the infrastructure to raise a healthy and happy family.

As the world and the economy changed, our community was left behind. Many of our factories closed, stores were shuttered, jobs were lost, and young people moved away. We were written off.

But the sense of pride and possibility remained, and we rose up to start a new chapter. I've seen firsthand how a community that's been forgotten or overlooked can lift itself up with leadership that sees its vibrancy and value and is ready to help meet the future with the courage to embrace a fresh approach and new ideas.

Rural America is vital to our country's past, present, and future. It is the main source of food and energy for our country. Our economy depends on its abundant natural resources. New generations of immigrants from all over the world are joining descendants of earlier waves from places like Germany, Italy, and Ireland to create a strong American workforce in rural communities across the country. The sons and daughters of sharecroppers and the descendants of slaves have built tight-knit communities across the American South. Rural America is brimming with possibility.

Yet, our government too often treats rural America as an afterthought, and it shows. Rural Americans today die younger than urban Americans.<sup>1</sup> Farm income has plummeted,<sup>2</sup> more workers are sinking into poverty,<sup>3</sup> and job growth is lagging compared to urban areas.<sup>4</sup> Opioids are ravaging a generation. Access to quality health care, including mental health care, is often literally out of reach. Under this administration, we've engaged in an unnecessary trade war that treats farmers like pawns and thinks they'll be satisfied with a subsidy rather than their life's work. Parents are wondering if their kids will have the opportunity to thrive where they grew up. For many young people the answer is "no," and they are fleeing to cities to find jobs.

<sup>&</sup>lt;sup>1</sup> Singh, G. K., and M. Siahpush. "Widening Rural–Urban Disparities in Life Expectancy, U.S., 1969–2009." American Journal of Preventive Medicine 46, no. 2 (February 2014): 19-29.

<sup>&</sup>lt;sup>2</sup> <u>"Highlights From the March 2019 Farm Income Forecast."</u> United States Department of Agriculture. March 7, 2019.

<sup>&</sup>lt;sup>3</sup> Thiede, Brian, Lillie Greiman, Stephan Weiler, Steven C. Beda, Tessa Conroy, Rural Sociology, and Professor of Economics. <u>"Six Charts That Illustrate the Divide between Rural and Urban America."</u> The Conversation. March 16, 2017.

<sup>&</sup>lt;sup>4</sup> "<u>Rural Employment and Unemployment.</u>" United States Department of Agriculture. July 31, 2019.



I know it doesn't have to be that way. When I served in the military, I served with patriots from small towns and from big cities, and together we made America stronger. At this time in our history, if we are to meet our national challenges, America must call on the potential of all of us, from all parts of this land.

That's why I'm putting forward a plan to renew and reimagine opportunity specifically in rural America, and unleash its staggering potential. With a new way of thinking, we can get this right. We can build an economy that gives a worker in Berlin, New Hampshire the opportunity to find a good job with good benefits. We can provide farmers and entrepreneurs building small businesses in Hartsville, South Carolina with access to capital. We can make sure an expectant mother in Marshalltown, Iowa has just as likely a shot to deliver without complications as an expectant mother in Chicago. We can make sure young people in Elko, Nevada can stay and build up the hometown they grew up in and love.

As I've traveled around the country, I've had hundreds of conversations with Americans in small towns about their concerns and hopes. It was the same sense of determination and resilience that I heard from my neighbors in South Bend as we started to turn our hometown around. I also heard their good ideas to meet the challenges their communities are facing. If we are going to meet the challenges of the future, we must also take a new approach that doesn't just offer a checklist of ideas based on advancing an ideology, but solutions based in an understanding of everyday life.

This is a make or break moment in our nation's history, and we need to meet this moment with the urgency it requires. With a renewed dedication to rural communities, smart investments, and innovative ideas, rural America can not only meet our national challenges—rural America can lead the way in tackling them.



## **Policy Proposal**

# Accelerate economic transformation by investing in *people* and enabling them to build new businesses and seize new economic opportunities.

Strong rural economies are at the heart of a strong America. Small town and rural residents are resourceful and creative, and they need the infrastructure and resources to catalyze and grow their efforts.

Pete's approach to strengthening rural economies is simple: it's about investing in *people*–in the innovators that know how to solve problems. In today's evolving economy, we will succeed by helping emerging sectors to take root in rural regions across the country, while bolstering entrepreneurship, creating opportunities for the next generation to stay, and attracting new residents to relocate–especially as urban areas become more unaffordable. It's time to unleash the talent and creativity across America's rural areas and small towns.

**Pete will expand and connect Regional Innovation Clusters**. For years, federal-regional partnerships have helped create innovation clusters to transform markets, stimulate and sustain new businesses, and increase the productivity and connectedness of local enterprises. In order to revitalize America's rural economy and catalyze job creation, Pete will provide up to \$500 million in federal funds to develop and support a national network of 1,000 clusters. By bringing together training, technology, and talent, these regional innovation clusters will support the growth of rural businesses and jobs and launch a new generation of rural entrepreneurs.

- **Provide support for local rural economic planning.** Building on successful models in states like Virginia<sup>5</sup> and New York,<sup>6</sup> Pete will grant \$200 million in federal funds to support state and local governments' regional development strategies. Because each region is uniquely qualified to determine how to spur both entrepreneurship and job growth, these grants would be used to invest in expert assessments to develop priority projects based on local needs and opportunities. Coupled with an investment in capturing data, Pete will enable rural America to spur business and job growth throughout the country.
- Support the Rural Jobs and Innovation Accelerator Challenge. To spark business innovation and job growth in rural America, Pete will support the <u>Rural Innovation Challenge</u>. This Challenge will match one dollar in federal grant funding for each dollar of state or private investment (up to \$100,000 per opportunity) to the 1,000 most promising and innovative rural businesses. The Challenge will be open to small businesses and judged by a panel of entrepreneurs from rural businesses across the country. Winners will have the opportunity to work with a group of mentors who have successfully built rural businesses.

<sup>&</sup>lt;sup>5</sup> "GO Virginia." GO Virginia. 2019.

<sup>&</sup>lt;sup>6</sup> "<u>The Upstate Revitalization Initiative</u>." The Upstate Revitalization Initiative | Empire State Development. February 13, 2018.



- Expand Boots to Business. When our veterans come home, we have a responsibility to do more than just thank them for their service—we have to support those aspiring to start a business. Pete will transform the Small Business Administration's (SBA) Boots to Business entrepreneurship education program from two days to two weeks. This program will provide many of the technical skills needed to start a business, including support for business plan development, an introduction to relevant SBA programs, and a mentor who will help new entrepreneurs network. Veterans who successfully complete this program and have an accepted business plan will receive a \$10,000 grant to start their business.
- **Double funding for small-scale manufacturing partnerships.** The Commerce Department's Manufacturing Extension Partnership (MEP) is a public-private partnership that helps to train small- and medium-scale manufacturing entrepreneurs. For example, under Pete's Administration, and with the support of Indiana's MEP at Purdue University, South Bend's Pathways On Demand Workforce Development Program funded innovative training for seven area manufacturers in lean manufacturing and other competitive business practices.<sup>7,8</sup> Unlike the current administration—which has repeatedly tried to eliminate MEP funding<sup>9</sup>—Pete will double this funding to \$3 billion and enable MEPs to work with Regional Innovation Clusters to train rural workers in new business practices, from cybersecurity to supply chain management to workforce development.
- Create a national network of apprenticeships. Pete will double apprenticeships and expand access to other "earn-and-learn" opportunities (such as traditional and virtual apprenticeships, paid internships, and career and technical education programs for high schoolers). These opportunities directly align workforce needs with hands-on experience and classroom instruction. The current apprenticeship system enrolls fewer than 600,000 apprentices each year.<sup>10</sup> When Pete is President, he will invest up to \$5 billion over the next decade to ensure an apprenticeship program in a growing industry is available within 30 miles of every American.

Community-based non-profit organizations will be able to form American Apprenticeship Academies, eligible for startup funds, to begin new apprenticeship programs in rural and other underserved areas. Pete's Department of Labor will assist these new academies in proactively engaging employers, workers, community colleges, tribal organizations, unions, and other organizations that make apprenticeships work. His plan will maintain the high quality and protections for apprentices in the registered apprenticeship system. It will hold programs accountable for ensuring apprentices learn transferable skills, succeed in the workforce, and see their wages increase along with their experience and education.

<sup>8</sup> Purdue News Service. "<u>Purdue Manufacturing Extension Partnership Teams with City of South Bend to Train</u> <u>Companies to Implement Lean Principles</u>." Purdue University News. February 9, 2019.

<sup>&</sup>lt;sup>7</sup>"<u>City of South Bend and Purdue Manufacturing Extension Partnership Receive Industry 4.0 Award for 'Most Innovative Workforce Development Implementation'.</u>" Purdue MEP Most Innovative Workforce Development Implementation Award | Manufacturing Extension Partnership. May 1, 2019.

 <sup>&</sup>lt;sup>9</sup> "Trump's Budget Gives a Cold Shoulder to the Industrial Heartland." The Century Foundation. February 16, 2018.
 <sup>10</sup> "Registered Apprenticeship National Results Fiscal Year (FY) 2018 (10/01/2018 to 9/30/2018)." Data and Statistics. March 6, 2019.



• Increase access to Internships for All. Career development opportunities like internships both improve students' attractiveness to employers and also allow students to apply classroom learning and begin to build professional networks. However, many students in underserved communities lack access to these opportunities. The vast majority of internships are in wealthy urban centers, and white high school students are nearly twice as likely to be involved in a career development opportunity as minority students.<sup>11</sup>

To encourage companies to offer paid internships to students from underrepresented backgrounds who normally may not have access to them, Pete's Administration will allow companies an extra tax deduction for 50% of the cost of interns who live in rural and other underserved areas and who are current or recent students. These internships will pay at least the minimum wage, be approved by the Department of Labor with amount limitations and abuse protections, and last up to three months.

• Create a local Community Renewal visa. Immigrants are key to the economic growth and renewal of rural America, starting families, providing medical services, and starting businesses in the new places they call home. Without immigrants, South Bend would have had a net decrease in population over the last 10 years,<sup>12</sup> and it could easily benefit from 30,000 more residents. Rural communities would also greatly benefit from the revitalization that comes from immigrant communities. Immigrants can and should be essential players in the growth of our economy, and it's time we start recognizing that when we expand our lawful immigration system, everyone benefits.

Pete will create a new, place-based Community Renewal (CR) visa to provide opportunities for people who want to move to America and help build our economy where they are needed most and where they will do well. These visas will be targeted toward counties that have lost prime-working-age population over the last 10 years, and smaller cities that are struggling to keep pace economically with larger cities.<sup>13</sup> Eligible communities will apply to join the program, and they can request immigrants with experience in different fields, such as agriculture, manufacturing, or health care. CR visa applicants will specify one or more preferred destinations before being matched with a community. Federal funding will then support communities and strengthen their efforts to welcome and integrate newcomers. Visa holders will commit to at least three years of residence in one of these places, after which they will be eligible to transition to a green card, without tying them to a single employer. They would be paid a prevailing wage, and their spouses and children would be admitted to preserve family integrity and foster community integration. If a CR visa holder is unable to remain in the designated community for three years, they will be eligible to transition to a green card after five years instead of three years.

<sup>&</sup>lt;sup>11</sup>"Youth Employment." Child Trends. 2019.

<sup>&</sup>lt;sup>12</sup> "New Americans in the Michiana Region." New American Economy Research Fund. February 4, 2018.

<sup>&</sup>lt;sup>13</sup> The plan draws inspiration from the Economic Innovation Group's Heartland Visa proposal: Ozimek, Adam, Kenan Fikri, and John Lettieri. "<u>From Managing Decline to Building the Future</u>." Economic Innovation Group. April 2019.



## Invest and empower rural communities to lead the way in combating climate change.

Rural communities—from farmers to farm workers to Native American tribes—are at the frontlines of climate change. Water quality, arable land, weather emergencies, community relocation, livestock, and crop yields are all impacted by climate disruption. While communities have already begun adapting to the changes, Pete also wants them to become the engines of innovation for addressing climate change and economic growth.

To do this, Pete will:

Support agriculture and significantly invest in R&D as a powerful solution to climate change, including through soil carbon sequestration. To achieve significant carbon capture in soil, we need enhanced R&D and incentives to deploy existing techniques and technologies to more farmers. Today, the Department of Agriculture (USDA) invests about \$2.5 billion in R&D.<sup>14</sup> As President, Pete will double these investments over four years. He will commit nearly \$50 billion over a decade to the innovative research in soil technology, plant and animal health, food safety, nutrition and health, and natural resources that the country needs to put healthy food on our plates, develop the healthiest food exports to meet the needs of growing populations around the world, and promote a healthy environment for future generations.

In particular, Pete will promote significant investment in R&D that has the potential to reduce agriculture's carbon emissions to net-zero or net-negative, and in technologies for monitoring and measuring soil carbon, while also boosting the bottom line for farmers. He will also support government programs and market-based approaches that provide incentives for soil management methods and technologies.

- Pay farmers for conservation. Pete will expand many of the ecosystem services available today, like the Environmental Quality Incentives Program and Conservation Stewardship Program, to pay farmers to maximize land conservation, biodiversity, productivity, and soil health. His Administration will work with nonprofits to build public-private partnerships to co-invest with government, and will reduce the administrative barriers that many farmers face trying to access these incentives.
- Establish next-generation Resilience Hubs to provide climate resilience data, tools, and support to communities. Communities need regional, next-generation resilience hubs that work with the private sector and academia, including land grant universities and Tribal Colleges and Universities. Building on the Obama Administration's regional USDA Climate Hubs, these next-generation hubs will provide state-of-the-art climate data for each region to help communities understand and manage their risks. Where private sector funding is not available, the Resilience Hubs will be complemented by \$5 billion per year in federal Resilient America Grants, which

<sup>&</sup>lt;sup>14</sup> "FY 2019 Budget Summary." US Department of Agriculture. 2019.



would be allocated regionally and used for high-impact investments in resilience to mitigate damage before disasters.

Support biofuels and rural America by supporting the Renewable Fuels Standard as
written. The biofuels industry has helped us achieve great strides in lowering greenhouse gas
emissions and weaning ourselves off fossil fuels. As President, Pete will work with farmers on
policies and incentives that reward best practices and drive innovations that are good for U.S.
agriculture and good for our climate. Additionally, Pete will stop the abuse of "small refinery"
exemptions established by the current Administration, which allows fossil fuel giants to
skirt their obligations to blend biofuels. The federal government should set standards to achieve
net-zero emissions from fuel combustion. Simultaneously, the federal government should invest
in research, development, and demonstration to develop and commercialize advanced biofuels.
Pete will also direct the federal government to shift fuel purchases to this expanded low carbon
fuels market.

To compete globally, we must be digitally connected. Pete will launch an ambitious and holistic Internet for All initiative to ensure all communities have affordable access to this necessary technology to create businesses, access health care, and expand opportunities for students of all ages to learn and thrive.

In the years after World War II, our country recognized the need to invest in highway systems, roads, and infrastructure to build opportunities for its citizens—from President Franklin Roosevelt's leadership in electrification to President Eisenhower's investments in national highways. It's now time to use the power of the federal government to provide Internet for All.

The Internet is the highway of the 21st century. Yet 1 in 5 Americans—roughly 60 million people—still lack Internet access in their homes.<sup>15</sup> To ensure greater opportunity for all, we must make a massive investment in Internet access.

Pete understands the transformative potential of the Internet. In his hometown of South Bend, the city leveraged its dark fiber network to serve as a backbone for an astounding recovery, in which abandoned warehouses turned into data centers and the city became a focal point for new business development and innovation. The South Bend success story is a model for the country.

Pete will ensure full high-speed broadband coverage with an \$80 billion Internet For All initiative that will expand access to all currently unserved and underserved communities. Where companies have not provided coverage or it is unaffordable, his Administration will fight to create a public option to compete with these companies and make access affordable for communities being left behind. But he will not stop there. His plan will also invest in promising technologies, such as next-generation wireless, commercial satellites, and smart infrastructure, to ensure that rural America's competitive revival extends through the next generation.

<sup>&</sup>lt;sup>15</sup> Perrin, Andrew. "<u>Digital Gap between Rural and Nonrural America Persists</u>." Pew Research Center. May 31, 2019.



- First, Pete will invest in new ways to more accurately map which communities lack broadband or wireless in partnership with the private and nonprofit sectors. The Federal Communications Commission's (FCC) survey of fixed broadband and wireless coverage is inaccurate and perpetuates inequity.<sup>16</sup> As President, Pete will appoint an FCC Chair who is committed to using better data to provide more equitable coverage.
- Second, in regions private companies won't cover, Pete will invest in public and communitybased options to guarantee that broadband will be built out. Through the Department of Commerce, Pete will invest in efforts to expand scalable and equitable broadband options modeled on the Tennessee Valley Authority—to ensure full and affordable high-speed Internet coverage throughout the country. Pete will help foster private sector broadband competition and new network investment, and tackle redlining challenges to ensure broadband access in lowincome communities. But in rural communities where private companies do not provide quality or affordable coverage, Pete will work with state and local governments to invest billions of dollars directly in community-driven broadband networks, such as public-private partnerships, rural co-ops or municipally owned broadband networks. These efforts will prioritize tribal lands, as well as rural and urban areas where broadband is not available or affordable, but can have the biggest and broadest economic and social impact.
- Third, Pete will create a Broadband Innovation Incubator office to catalyze communityowned networks. Housed at the National Telecommunications and Information Administration (NTIA), this office will be charged with deploying best practices, technical assistance, and startup funding for small community-owned networks. This office will be staffed with IT technicians who can help guide communities, innovators, and utilities through the process of expanding broadband access in their communities.
- Fourth, Pete will work with Congress to pass legislation to embrace community-driven broadband initiatives. More than 20 states currently have laws that impose huge roadblocks or ban communities from adopting community-driven broadband initiatives.<sup>17</sup> Pete will work with Congress to pass a law that blocks states from prohibiting communities from developing community-driven broadband initiatives, including municipal broadband and rural co-ops. He will also work to pass a law that ensures electric co-ops are able to fully access FCC and other federal grant and subsidy programs, which would lower their cost to expand into broadband.

Pete's broadband initiative will also prioritize the following actions:

• Close the "homework gap" within the first term. Students need Internet access to learn and access information. Approximately 98.5% of students across racial and ethnic backgrounds say they use the Internet at school.<sup>18</sup> Around 70% of teachers in the United States assign homework

<sup>&</sup>lt;sup>16</sup> United States Government Accountability Office. <u>"Broadband Internet: FCC's Data Overstate Access on Tribal Lands."</u> Report to Congressional Requesters. September 2018.

<sup>&</sup>lt;sup>17</sup> Chamberlain, Kendra. "<u>Municipal Broadband Is Roadblocked Or Outlawed In 26 States</u>." Broadband Now. July 10, 2019.

<sup>&</sup>lt;sup>18</sup> Family Online Safety Institute, Hispanic Heritage Foundation, and My College Options. "<u>Taking the Pulse of the High School Student Experience in America - Research Findings</u> "Access to Technology" (Phase 1 of 6)." Family Online Safety Institute. April 29, 2015.



that requires Internet access to complete,<sup>19</sup> yet millions of families with school-age children do not have Internet access at home.<sup>20</sup>

Pete will ensure that every child—regardless of where they live or how much their parents make—can take full advantage of digital learning opportunities. He will support FCC initiatives to streamline approval processes and leverage the federal E-Rate program so that every classroom has access to world-class Internet speeds necessary for digital learning. He will also support empowering E-Rate funds to be leveraged for off-campus Internet uses to allow children to get online at home—including embracing creative proposals, such as using leftover E-Rate funds to provide WiFi on school buses for students who spend hours commuting to school. Recognizing that broadband alone does not mean anything without devices to access the Internet, Pete will also establish a digital device fund focused on providing computers to students in Title I schools. This fund will require state and local matching, invest in new research to understand and improve digital learning, and include conflict-of-interest provisions to ensure that taxpayer money is spent well.

- Upgrade our most essential public safety network—our 911 system. Our first responders need more accurate and updated systems to respond to health emergencies, public safety calls, and natural disasters. As President, Pete will upgrade our 911 infrastructure for the Internet age to enable anyone, anywhere, to use text, video, or voice to reach lifesaving first responders in an emergency. It will mean the ability to offer real-time video at the scene of an accident or provide first responders with a picture of a fleeing suspect. For a teacher in the middle of an active shooter incident, it will enable them to quietly text 911 without being heard. This means that every 911 call center and first responder should have broadband connectivity.
- **Restore net neutrality.** Pete will restore net neutrality obligations to ensure an open Internet. Given the FCC's volatility on this issue, Pete believes that legislation will ultimately be necessary to provide real protections for net neutrality on the Internet. Pete's \$80 billion initiative will require Internet providers to abide by strict open Internet rules that prohibit the blockage or throttling of websites and services.
- **Speed up next generation wireless expansion.** Pete is committed to leading the world in next generation wireless and making available more of the mid-band spectrum that can take signals farther into the rural countryside. To do so, he supports clearing more government and other spectrum (like the C-Band) and building off of Obama-era efforts to safely encourage more spectrum sharing. A C-Band auction could raise tens of billions that could be invested in a one-time capital expense program to expand equitable access to broadband.<sup>21</sup> Pete also supports modernizing the FCC's Mobility Fund for next-generation wireless technologies.
- Foster a new generation of commercial satellite networks to expand Internet access. There is a new space race for "Low Earth Orbit," and other satellites that may soon be able to beam high-

Telecommunications and Information Administration. December 11, 2018.

 <sup>&</sup>lt;sup>19</sup> Krueger, Keith. "<u>Scoping the Digital Equity Problem (or the Homework Gap).</u>" CoSN. September 9, 2015.
 <sup>20</sup> "Digital Divide Among School-Age Children Narrows, but Millions Still Lack Internet Connections." National

<sup>&</sup>lt;sup>21</sup>McInerney, Susan. "<u>C-Band Auction Worth Up \$40 Billion, FCC to Weigh Rival Plans.</u>" Bloomberg BNA News. July 3, 2019.



speed broadband directly to rural communities.<sup>22</sup> Pete will foster the next generation of broadband solutions by investing in R&D and supporting initiatives to cut bureaucratic red-tape, such as simplifying new generation broadband technology licensing rules while ensuring safety in space.

• Build the first network of "connected" rural communities by the end of Pete's first term to enable rural Americans to have reliable, safe, and equitable access to infrastructure and public services. Broadband is just the beginning: Rural America needs to modernize its infrastructure and upgrade its basic services—from broken roads to contaminated water systems to electric outages—by bringing these systems into the digital world. Pete will transform and expand the Department of Transportation's Smart City Challenge Initiative to rural areas and double the National Science Foundation's Smart and Connected Communities Initiative to spur economic and social benefits that are broadly shared. He will expand the Smart City Challenge Initiative to reach five kinds of communities: large cities, medium-sized cities, small cities, suburbs, and rural communities. The Initiative will fund and facilitate the development of the first network of "connected" rural communities that are implementing next-generation digital infrastructure, such as smart roads and water systems, and help scale what works. Ultimately, this will drive 5-10 times the federal grant money in private investment to dramatically upgrade and modernize critical infrastructure and services.

Reduce the teacher shortage in rural areas by 50% within 15 years.

Nearly one-quarter of American public schools are in rural areas, in communities that struggle with chronic teacher shortages.<sup>23</sup> Teacher turnover rates are particularly high, making it difficult for rural schools to retain their staff. Lower salaries, long distances from teacher training opportunities, and the high cost of higher education all contribute to high turnover and rural teacher shortages.

As the son of educators and the husband of another, Pete gets an education about education every day. To ensure that there are enough qualified, well-prepared teachers—especially those who are prepared to stay long-term in their rural community—Pete is proposing to:

• Increase teacher salaries at rural Title I schools. One major reason rural schools struggle to retain teachers is because of lower teacher salaries. Rural schools offer \$7,300 less per year on average, even accounting for the lower cost of living in rural areas.<sup>24</sup> Pete will dramatically increase Title I funding to support higher teacher pay, which will enable rural schools to offer more competitive teacher salaries.

<sup>&</sup>lt;sup>22</sup> Brake, Doug. "<u>A Policymaker's Guide to Rural Broadband Infrastructure.</u>" Information Technology and Information Foundation. April 2017.

<sup>&</sup>lt;sup>23</sup>"Investing in the Promise of Rural America: Bringing Progress and Economic Opportunity to Rural Communities." Joint Economic Committee Democrats. June 2018.

<sup>&</sup>lt;sup>24</sup> "<u>Schools and Staffing Survey (SASS).</u>" National Center for Education Statistics (NCES) Home Page, a Part of the U.S. Department of Education. March 11, 2013.



- Provide student loan forgiveness to teachers, including rural teachers. Reducing teacher shortages in rural areas will require a significant investment in the people who dedicate their lives to educating students. Providing more support to those entering public service, including those who are teaching in rural public schools, will make it more affordable for those teachers to remain with their students.
- Expand Grow Your Own (GYO) programs. A promising strategy for rural schools is GYO programs that help community members-including high school students, school support staff, and local after-school staff-become teachers without needing to leave their community. Pete will invest an additional \$50 million in the existing Teacher Quality Partnership Grant Program. The new funds would be targeted specifically for rural schools, and would allow colleges to partner with rural school districts to create these programs.
- Increase funding for Personnel Prep Grants for special education teachers. A particular challenge for rural communities is finding an adequate supply of special education teachers.<sup>25</sup> The Department of Education already runs a \$83 million per year program designed to train special educators.<sup>26</sup> Pete will increase funding for the program to \$150 million and add a particular focus on special educators serving in rural schools for the increased funds.

Increase the share of rural adults with a bachelor's degree by 25% within 10 years.

For millions of rural Americans, the nearest college is an hour away.<sup>27</sup> Too many lack access to an affordable and nearby education, adequate high-speed Internet access to enroll in online classes, or sufficient support to help them remain enrolled until graduation. Rural students face challenges in enrolling in postsecondary education and training programs at every level, and rural communities have a persistent gap in bachelor's degree attainment compared with urban communities.<sup>28, 29</sup>

We can promote more innovative and proven practices, such as access to 2+2 programs that provide college coursework so that high schoolers can graduate ahead of the game and pursue a cheaper, faster college degree. These are critical ways to help students avoid unaffordable debt and improve their odds of staying in college. Opening opportunities for certificate programs and associate degrees, as well as expanding access to apprenticeships, will provide students with more post-high school educational experiences that help them transition into well-paying jobs.

# Pete's plan will increase the share of rural adults with a bachelor's degree by 25% over the next decade, helping to close the gap and providing new opportunity to rural communities.

<sup>&</sup>lt;sup>25</sup> Latterman, Kelly and Sarah Steffes. <u>"Tackling Teacher and Principal Shortages in Rural Areas ."</u> National Conference of State Legislators. October 2017.

<sup>&</sup>lt;sup>26</sup> "Fiscal Year 2019 Budget." Department of Education. 2018.

<sup>&</sup>lt;sup>27</sup> Myers, Ben. "Who Lives in Education Deserts? More People Than You Might Think." The Chronicle of Higher Education. July 17, 2018.

<sup>&</sup>lt;sup>28</sup> Rosenboom, Victoria and Kristin Blagg. "Disconnected from Higher Education: How Geography and Internet Speed Limit Access to Higher Education." Urban Institute Education Policy Program. January 2018. <sup>29</sup> "<u>Rural Education.</u>" USDA Economic Research Service - Rural Education. May 3, 2019.



- **Provide free public college tuition for low- and middle-income students.** Rural community colleges serve more than 3 million students across the country, and public land-grant and other colleges play an essential role in bringing access to college and new opportunities to rural Americans.<sup>30</sup> Ensuring tuition is free for all low- and middle-income students will particularly help rural communities, where students are more likely to be low-income and college is often more out of reach. And increasing the federal Pell Grant will make college more affordable for low-income students across all institutions—including the private nonprofit colleges that serve many rural areas.
- Support satellite hubs for colleges. Students are more likely to succeed when they are connected with their teachers and classmates. A new \$50 million grant program will help rural states and regions establish community "hubs" with their community colleges and public four-year institutions to create local centers where students can access critical campus services and attend some classes in person.
- Invest \$25 billion in Historically Black Colleges and Universities (HBCUs) and other Minority-Serving Institutions (MSIs). This increased funding will help these critical institutions, including HBCUs, Tribal Colleges and Universities, and other MSIs, better serve their students. Many MSIs operate in rural communities; that includes nearly all Tribal Colleges and Universities in the United States.<sup>31</sup> These funds will help colleges continue and improve their operations, reach more students in their communities, and strengthen outcomes and opportunities for graduates.

## Reinvigorate antitrust enforcement to protect workers and family farmers.

Monopolies have squeezed rural America in the decade since the Great Recession. Two decades ago, 600 seed companies existed and farmers received 16 cents on every food dollar.<sup>32, 33</sup> Today, a handful of mega seed companies control the market, and farmers receive just 14 cents on every dollar.<sup>34</sup> The growing market power of corporations—particularly among processing plants and seed companies—means that the reinvigoration of the rural economy depends on a new era of heightened scrutiny of corporate mergers. By restoring balance for family farms and other rural workers, more of their earnings will stay in their own pockets.

#### Pete's plan will reinvigorate antitrust enforcement in rural America. He will:

<sup>&</sup>lt;sup>30</sup> "<u>Opportunity for All: Fighting Rural Child Poverty.</u>" White House CEA, DPC, and OMB. May 2015.

<sup>&</sup>lt;sup>31</sup> Gasman, Marybeth and Clifton F. Conrad. <u>"Minority Serving Institutions: Educating All Students.</u>" University of Pennsylvania Graduate School of Education Center for Minority Serving Institutions. 2013.

<sup>&</sup>lt;sup>32</sup> Salerno, Lillian. "<u>Want to Rescue Rural America? Bust Monopolies.</u>" The Washington Post. April 20, 2017.

<sup>&</sup>lt;sup>33</sup> "Food Dollar Application." US Department of Agriculture - Economic Research Service. March 14, 2019.

<sup>&</sup>lt;sup>34</sup> "Farmer's Share." National Farmers Union. August 06, 2019.



- Double funding for antitrust enforcement and halve the reporting threshold so that firms cannot skirt the law and our laws can be properly enforced. Many mergers that affect rural areas fall below existing reporting thresholds—roughly \$90 million under current law—which means that there is effectively no oversight of this consolidation.<sup>35</sup> This often leaves rural markets with a single slaughterhouse, a single truck dealership, or other local monopolies that can then squeeze consumers. We should reduce the reporting thresholds to shed light on this anti-competitive behavior, while also doubling the enforcement budgets of the antitrust agencies. And because antitrust enforcement pays for itself through fees and fines collected from firms, American taxpayers will pay little for this greater enforcement.
- Revive regional/state antitrust enforcement and re-invigorate the Grain Inspection, Packers and Stockyards Administration (GIPSA). Pete will amend the antitrust laws to allow the Justice Department and the Federal Trade Commission (FTC) to share merger reporting documents with state attorneys general without the permission of the merging parties, thereby empowering the state attorneys general offices to take greater enforcement action. He will also reopen antitrust field offices closer to rural America so that consolidation cannot avoid oversight, and re-invigorate the Packers & Stockyards Act protections for farmers by re-forming the GIPSA office as a stand-alone unit under the USDA with additional field offices.
- Require the Department of Justice to conduct post-merger reviews on a regular basis, including ensuring that the telecom industry carries out its promises on rural broadband. While the FTC conducts post-merger reviews on a regular basis, the Department of Justice does not. The result is that these agencies do not receive feedback on their antitrust decisions and rarely enforce the commitments made by the merging companies. We must enforce existing commitments made by telecom providers on rural access. Whenever a major telecom merger or regulatory intervention occurs, the merging companies often promise to increase access to rural and low-income areas. However, after the merger is complete, those promises are typically abandoned. Firms should be required to submit detailed coverage data with speeds and average prices so that proper oversight is possible, including ensuring that firms are not prioritizing high-income areas over low-income areas or perpetuating any other form of discrimination in access.
- Launch investigations of the seed market's recent mergers for anticompetitive behavior. Corn seed prices have tripled over the past 20 years, while yields have grown by only a third.<sup>36</sup> This has coincided with rapid mergers among seed and chemical firms. Existing law allows the government to bring cases against completed mergers, and the Department of Justice should use this power to investigate these mergers—and when appropriate, break them up—for anticompetitive behavior.
- **Protect family farm rights for seeds.** For centuries, farmers were able to take seeds from last year's crop and replant them on their own farm without paying someone else for the right to use the seeds they nurtured. Congress looked to protect that right in the Plant Variety Protection Act

<sup>&</sup>lt;sup>35</sup> "FTC Announces Annual Update of Size of Transaction Thresholds for Premerger Notification Filings and Interlocking Directorates." Federal Trade Commission. February 15, 2019.

<sup>&</sup>lt;sup>36</sup> Begemann, Sonja. "Seed Price Triples Over Last 20 Years." AgWeb. July 20, 2017.



(PVPA), but Big Ag companies have gone around the statute by using utility patents. **Pete would** add a PVPA exemption into the Utility Patent Statute to protect the right of family farmers to replant seeds grown on their own farms. Pete will limit these to family farms (not corporate conglomerates) by putting an acreage limit on the replanting. Farmers would be prohibited from selling the seeds but would be able to use them on their own farms.

Ensure workers access to the wages, protections, and support they deserve.

- Restore overtime regulations that would protect 8 million more workers across the country, including nearly 1 million in rural areas.<sup>37</sup> The current Administration has rolled back the new overtime regulations from the Obama Administration, replacing them with ones that protect millions fewer workers—workers who are no longer guaranteed "time-and-a-half" pay when they work more hours for their employer. Pete will restore the Obama-era overtime regulations to ensure that workers are protected and pass legislation to strengthen overtime rules moving forward by ensuring that, in the absence of a collective bargaining agreement, overtime kicks in after 8 hours per day (in addition to over 40 hours per week) or over 7 days in a row.
- Provide workers with paid sick leave and paid family leave-no matter where they work. Almost 30% of private sector workers in the United States—and of these, only half of those in construction, farming, and maintenance jobs—do not get any paid sick leave benefits.<sup>38</sup> In addition to passing the <u>Healthy Families Act</u>, Pete will set up a national system of paid sick leave. For workers who do not receive at least 7 paid sick leave days from their employer, even under the Healthy Families Act, their employers would be required to pay the equivalent of one hour of pay for every 30 hours they work (up to a total of 56 hours) into a state fund that these workers could draw from. If workers would be allowed to roll over these days from year to year. Workers should also have access to paid family and medical leave for more serious health and family caregiving issues, including parental leave. This is why Pete strongly endorses the <u>FAMILY Act</u>, to create a national paid family and medical leave fund similar to successful policies in several states.
- Expand worker protections for farm workers and domestic workers. Federal labor and employment law does not adequately protect farm workers or domestic workers seeking to organize.<sup>39</sup> This exclusion from federal protections falls hardest on people of color.<sup>40</sup> Pete will ensure that these workers are protected by labor and employment law, and that they are

<sup>&</sup>lt;sup>37</sup> Shierholz, Heidi. <u>"More Than Eight Million Workers Will Be Left Behind by the Trump Overtime Proposal."</u> Economic Policy Institute. April 8, 2019.

<sup>&</sup>lt;sup>38</sup> <u>"National Compensation Survey: Employee Benefits in the United States.</u>" Bureau of Labor Statistics. March 2018.

<sup>&</sup>lt;sup>39</sup> <u>"Are You Covered?"</u> National Labor Relations Board. See also: Homer, Rachel. <u>"An Explainer: What's Happening with Domestic Workers' Rights?"</u> On Labor. November 6, 2013.

<sup>&</sup>lt;sup>40</sup> <u>"Findings from the National Agricultural Workers Survey 2015-2016."</u> U.S Department of Labor. January 2018; Burnham, Linda and Nik Theodore. <u>"Home Economics: The Invisible and Unregulated World of Domestic Work."</u> National Domestic Workers Alliance. 2012.



empowered to continue and expand the use of existing strategies, like consumer pressure campaigns and worker-driven social responsibility programs, to achieve a more dignified workplace.<sup>41</sup>

• Pass a \$15 federal minimum wage indexed to wage growth. For too long, the typical worker's wages have not kept up with expenses like health care, housing, and education. Pete wants to make sure that workers who are giving their all to an employer are getting paid fairly in return. Over 33 million workers across America would benefit from raising the federal minimum wage to \$15 by 2025.<sup>42</sup> We also need to index the federal minimum wage to median wage growth so that both workers and employers can be certain what it will be in the years to come. That's why Pete strongly endorses the <u>Raise the Wage Act</u>. An important part of the Raise the Wage Act is ending the subminimum wage for disabled workers and ending the tipped minimum wage.<sup>43</sup> No one in the United States should be exempted from minimum wage laws.

#### Empower local governments to access critical federal development resources through technology.

Today, it is too difficult for officials in rural communities to identify and access federal resources. Application forms are long and complex, and the process is difficult to navigate. Pete will level the playing field by creating better tools to enable rural communities to take better advantage of federal dollars, simplify grant applications, and build strong technical capacity in local government.

**To do this, Pete will launch a Rural Opportunity Center to streamline grant processes in rural communities.** Dozens of programs across the USDA and other agencies provide funding for projects in rural, farming, and conservation areas. Yet it is difficult and often cost-prohibitive for communities with limited resources to identify and apply for funds. That's why, as President, Pete will establish a Rural Opportunity Center to help officials easily identify federal resources and provide technical assistance. The Rural Opportunity Center will be complemented by initiatives to:

• Create a digital tool for officials at all levels of government to understand and access federal resources. Pete will create a digital tool that will help rural officials much more easily understand and access the federal resources available to their communities. This tool will be designed with input from the individuals and communities who will be using it, and will be powered by relevant data across the federal government. The website will be easy to use and similar to www.usaspending.gov.

 <sup>&</sup>lt;sup>41</sup> Greenhouse, Steven. <u>"In Florida Tomato Fields, a Penny Buys Progress."</u> The New York Times. April 24, 2014.
 <sup>42</sup> <u>"Raising the Federal Minimum Wage to \$15 by 2025 Would Lift Wages for Over 33 million Workers."</u>

Economic Policy Institute. July 17, 2019. Note: This 33.5 million includes directly affected workers and also workers who benefit as the pay rises ripple up the pay ladder: about 40% of wage gains after a minimum wage increase accrue to workers above the new minimum. See also: Cengiz, Doruk Arindrajit Dube, Attila Lindner, and Ben Zipperer. "The Effect of Minimum Wages on Low-Wage Jobs" *The Quarterly Journal of Economics*. Forthcoming 2019.

<sup>&</sup>lt;sup>43</sup> <u>"Raise the Wage Fact Sheet."</u> U.S. House Education and Labor Committee. 2019.



• Simplify grant applications through a "Common Application." Rural officials are often juggling different roles and do not have the resources to write grant proposals regularly, track funding opportunities, and/or maximize their chances of winning grants. Under Pete's Administration, rural officials will be able to fill out one "Common Application" for each project proposal, which will then be submitted to a central database examined by all of the relevant funding offices. These offices can choose to fund or co-fund a project according to their criteria. This avoids the need for officials to fill out dozens of grant applications—all of which are slightly different—for a single project. The "Common Application" will be developed alongside rural officials, who will help shape an application that is as simple as possible for them to use.

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Rural America is home to some of our most diverse communities, from sovereign tribal nations to active duty military hubs to farming communities. All of these Americans are uniquely positioned to help our country compete, if only we empower them in the right ways.

The time for talk is over. This is a make or break moment in our nation's history, and we need to meet this moment with the urgency it requires. With the right investments and innovation, rural America can not only meet these challenges—rural America can lead the way in tackling them.