

New USDA 'Rural' Definition Stirs Up Controversy

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A proposed definition of the term "rural" submitted by the Department of Agriculture to Congress last month could have broad implications for small towns across America – and not everyone is happy about it. The report – delivered two and

one-half years late after it was required by Congress to be delivered by June 18, 2010 – was expected to assess how the various definitions in rural development programs are working and to make recommendations on ways to better target funds.

At issue is the definition's new population limit for "rural," now raised up to 50,000. Currently, each USDA-RD program has its own population limit to correspond to its specific function. For example, USDA now has a 10,000 population limit for rural water/wastewater programs and 20,000 for community facility programs. USDA believes a new across-the-board limit "would remove confusion over what constitutes a rural area and would encourage more multi-jurisdictional collaboration," according to the official proposal.

Critics, including House Agriculture Committee Chairman Frank Lucas, R-Okla., and ranking member Rep. Collin Peterson, D-Minn., are concerned that the new definition will crowd out smaller communities.

"We are disappointed in USDA's proposals to shift funding away from the most rural areas by inflating the definition across the board," Lucas and Peterson said in a joint statement. "This will result in smaller communities competing with larger and more urban areas for funding."

The new definition would force the department's Rural Development (USDA-RD) program to "spend money in a way that's perhaps not the best for the United States," said Duane Ischer, former Rural Development senior advisor, in an interview with *Agri-Pulse*. The federal government "needs to keep (the definition) as simple as possible and probably let the states define (rural) to the extent that they can within their own state," he said.

The report's authors say the change would streamline funding procedures and provide "a more transparent process for accessing financial and technical assistance from the Mission Area.

Senate Agriculture Committee Chairman Debbie Stabenow, D-Mich., agreed. That's no surprise, since the farm bill that passed her committee and the U.S. Senate last year included a similar definition of up to 50,000.

In a statement, she commended Secretary Vilsack and USDA for prioritizing rural communities and "addressing an issue that has long frustrated small town mayors and other members of rural communities. Under current law, USDA uses 11 different definitions of 'rural,' creating red tape and making programs unnecessarily difficult to use," she explained.

But Ischer says the revised term would give unfair advantages to larger communities, which have more resources for putting together funding applications. "And every dollar they get is a dollar less for those smaller towns," he said.

He also argued that the definition for one facet

of USDA-RD's program might not be appropriate for another. Business development, for example, currently has a much higher population limit than the agency's Water and Environmental programs.

Ischer isn't the only one crying foul. In an opinion piece for the *Daily Yonder*, Aleta Botts, a former Agriculture Committee staffer for Rep. Collin Peterson, D-Minn., pointed out that the proposal "means additional seats at the table for programs distributing ever smaller pots of money."

While Botts conceded that multiple definitions across Rural Development programs were confusing, she wondered "which small-town mayors are more troubled by multiple definitions of rural than by efforts to allow larger, more developed neighboring communities to squeeze out the applications of smaller locales."

Others think the definition is a step in the right direction. In another opinion piece at the *Daily Yonder*, Doug O'Brien, deputy undersecretary for rural development at USDA, defended the proposal, and argued that the department would actively work to protect very rural areas.

And the benefits, he said, were well worth the costs. The new definition should be especially praised, he suggested, for its effort to create linkages between rural and more urbanized areas.

"Across the United States, rural regions are thinking about infrastructure and development in regional terms," O'Brien wrote. "Many times, these approaches are the best chance for rural communities to make the most of their assets and create good jobs for their citizens. We think that USDA should be able to support this type of collaborative work, and unfortunately sometimes the many different definitions stand in the way of these efforts."

Chuck Fluharty, president and CEO at the Rural Policy Research Institute (RUPRI), is more effusive. The current definition, which takes its direction from specific programs, is "antiquated beyond a doubt," he said in an interview with *Agri-Pulse*.

Until now, he said, USDA had not been given the authority or oversight to create viable policy that fits the current rural system – one with deep, productive links to urban areas.

Fluharty emphasized the needs of micropolitan cities – those with populations over 10,000 but less than 50,000 – previously ignored by many Rural Development programs but vital, he said, to the health of surrounding rural areas.

USDA-RD needs to embrace "multi-year, regional approaches to ensure that micropolitan cities do not need to become (cities) to receive funding," he said. "Are we trying to keep places small? We're doing a good job of keeping them small."

Fluharty believes the new definition would be a step in the right direction – but that the government's approach to rural places is still not perfect.

"It's really is unfortunate in this critical time for rural futures we're talking about how we define rural and not how to make rural areas more economically viable," he said. "It's a tragic, institutional failure." Δ

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