



REAL LEADERSHIP FOR RURAL WESTERNERS

Rural America faces new challenges unlike anything we have witnessed in modern history, but there are also real opportunities for innovation and progress. Pioneering rural Americans have demonstrated they can compete in the 21st century, but local initiative must be matched by federal policies that empower rural Americans. Taking advantage of these opportunities will depend on electing a president who understands that rural America is important and is willing to provide the leadership and prioritize policies to improve the quality of life in rural America.

Barack Obama believes that together we can ensure a bright future for rural communities. A senator from a rural state, Barack Obama has worked to ensure rural America's prosperity and vitality. As president, he will help rural America's workers and small businesses thrive. He will:

- **Support Rural Economic Development**
- **Improve Rural Quality of Life**
- **Ensure Economic Opportunity for Family Farmers**
- **Promote Rural America's Leadership in Developing Renewable Energy**

Obama understands that America is not separated into two countries, one rural and one urban. Across the nation the concerns of Americans are remarkably similar: they want to end the war in Iraq and improve education, health care, and energy policies. Barack Obama will be the president who does those things – for all Americans.

I. SUPPORT RURAL ECONOMIC DEVELOPMENT

Establish a Small Business and Microenterprise Initiative: Barack Obama will support entrepreneurship and spur job growth by establishing a small business and micro-enterprise initiative for rural America. The program will provide training and technical assistance for rural small business, and provide a 20 percent tax credit on up to \$50,000 invested in small owner-operated businesses. This initiative will put the full support of the nation's economic policies behind rural entrepreneurship.

Connect Rural America: Barack Obama will ensure that rural Americans have access to a modern communications infrastructure. Our current telecommunications policy is not serving rural America. For example, while Colorado has a booming high-tech economy (it has the third-highest concentration of tech employees in the country, it still lags behind in broadband penetration especially to rural schools, clinics and homes, according to the *The Rocky Mountain News*.

- **Promote Broadband Coverage:** Currently, the Federal Communications Commissions (FCC) collects fees from phone companies that it uses to subsidize lower-cost service in rural areas. Without this support, residents of some areas of the country would have to pay significantly more for telephone

services than those living in other areas because of factors such as dense terrain, low populations, or the high fixed costs of building a telecom network. As president, Barack Obama will work with the FCC to reform this program so that it supports affordable broadband coverage across rural America.

- **Better Manage the Nation's Airwaves For More Wireless Access:** In order to provide affordable wireless access to underserved urban and rural communities, Obama will create incentives to promote more efficient and experimental use of the government's radio spectrum. He will also implement new standards for the commercial spectrum to ensure there is adequate spectrum space for police, ambulances, and other public safety organizations.

Help Military Communities: There are more than 94 major military installations in the American West employing nearly half a million civilian and military personnel. Barack Obama supports military communities, and understands that military installations play central roles in their communities. In order to ensure that school districts near military bases receive the vital funding they need, Obama supports funding a robust Impact Aid program. Additionally, Obama believes that when the military decides to realign or close installations it must follow a fair and measured process that relies on accurate assessments of the military's needs and our defense capabilities. He also believes that the military has a responsibility to help affected communities get back on their feet with a full range of transitional assistance.

Support Payment in Lieu of Taxes: Forty-seven percent of the land in the West is federally-owned. Rural counties depend on the Payment in Lieu of Taxes (PILT) program to make up for property taxes they can't collect on federal lands that are located within their boundaries. A consistent supporter of this program, Barack Obama will ensure that our local governments are fairly compensated for losses to their tax base through PILT.

II. IMPROVE RURAL QUALITY OF LIFE

Conserve Rural Land, Water, and Air:

- **Reduce Air Pollution:** The adverse health effects of air pollution from industry, power plants, automobiles, and other sources include premature death, lung disease, heart disease, and asthma. Barack Obama has a record of successfully fighting for cleaner air. As a former member of the Senate Environment and Public Works Committee, he helped stop President Bush's attempt to undermine the Clean Air Act, which would have increased industrial emissions of mercury and sulfur. Obama also proposed an innovative approach to reducing auto emissions by doubling fuel economy standards within 18 years while protecting the financial future of domestic automakers and jumpstarting federal investment in advanced vehicles, including combined plug-in hybrid/flexible fuel vehicles. As president, Barack Obama will restore the strength of the Clean Air Act and increase the fuel economy of our automobiles. He will protect American families from smog and soot, which harm lung function and may aggravate asthma. And Obama will continue his leadership in combating the release of toxins into the environment that contribute to air pollution.
- **Help Communities Conserve Water:** Much of the Mountain West depends on snowpacks for fresh water. One study predicted that by the second half of this century, as much as 30 to 70 percent of some mountain snowpacks will disappear. Barack Obama will establish a national plan to encourage communities to develop voluntary water banks, wastewater treatment, and other market-based measures. He will also work to improve technology for water conservation and efficiency, and remove institutional barriers to increase cooperation and collaboration among federal, state, and private organizations. Obama wants to help farmers deploy water conservation measures, including irrigation techniques that

save energy and water and small reservoirs that farmers can use to capture rainfall. Obama intends to help local communities develop water-saving projects that work for them.

- **Fight and Prevent Wildfires:** Barack Obama understands the serious threats that wildfires pose to life and property in the West. The professionalism and preparation of our firefighters saves many lives during wildfires, but we have to do a better job of preventing fires in the first place. We need more native plants and fewer fire-prone invasive species to prevent wildfires. Barack Obama supports efforts to develop better seed stockpiles of these native plants. He also recognizes that we need to protect the West by fighting climate change, since scientists have found that warmer temperatures, combined with earlier snowmelts, have increased the number and destructiveness of wildfires.
- **Partner with Landowners to Conserve Private Lands:** Farmers, ranchers, and private landowners are the principle stewards of rural land and water. As president, Obama will put an unprecedented level of emphasis on the conservation of private lands. He will advance legislation that works with landowners to focus federal attention and increased resources for this key environmental issue.
- **Preserve Our Forests:** The U.S. Forest Service forecasts that America could lose tens of millions of acres of forestland over the next 30 years. Most of our forests are privately owned. As president, Barack Obama will encourage landowners to protect forests with federal tax incentives for conservation easements, and increased funding for the Forest Legacy Program and the Land and Water Conservation Fund. Obama also will provide technical assistance to forest landowners to sustainably manage forests and to address invasive species, wildfires and other forest health issues.

Obama will ensure that the Forest Service have the resources necessary to properly manage and conserve forests. Obama will treat fire suppression as the emergency it is and not use funds appropriated for forest management to fight fires. Obama will promote cooperative discussion about public forests among all stakeholders including conservationist, wildlife experts, those who use the forests for recreation as well as for timber and local communities who rely on the forests for economic development, recognizing that forest are all different from each other and need localized management.

Obama will use our forests as a bastion against climate change. He will encourage research into biomass fuel including cellulosic fuels derived from wood products. He also will enable forest owners to profit by conserving forests that sequester carbon from the atmosphere. Obama also will increase research of forest management practices that make forests more resilient to climate change

Improve Health Care: On many important measures of health, people in rural areas are in poorer health than their urban counterparts. Rural populations, including children, are less likely to have health insurance or good access to doctors and hospitals. The more isolated a rural community, the more difficult it is to ensure the availability of needed health care services. In the west, 36 percent of all hospitals are located in rural areas. That number jumps to 53 percent if you exclude California. A fundamental challenge facing rural America is stabilizing, sustaining, and strengthening access to affordable quality health care.

- **Provide Universal Health Care and Lower Health Costs:** A basic problem facing rural America is access to affordable quality health care. Health care premiums have risen across the west, including, for example, by 40.8 percent in Colorado and 33.8 percent in Arizona since 2000. As a result, many families are unable to insure themselves, including 16 percent of Coloradans and 18 percent of Arizonans. Barack Obama is committed to signing universal health legislation by the end of his first term in office that ensures all Americans have high-quality, affordable health care coverage. His plan will save a typical American family up to \$2,500 every year on their health care costs.

- **Help Small Businesses Afford Health Care:** Rural economies are dependent upon small business, but small employers often struggle to offer health coverage to their employees because it is too expensive. For example, only 28 percent of Arizona’s small businesses offer employer-sponsored coverage. Obama’s plan will help small employers unable to offer health coverage to their employees by allowing small employers to participate in the National Health Insurance Exchange and purchase either a new public plan or a private plan for their employees. Obama’s plan will also provide subsidies for those who need them. Very small businesses will be exempted from the plan’s requirement to pay into the system.
- **Promote Fairness in Medicare and Medicaid Reimbursement:** Medicare and Medicaid funding systems have historically penalized rural areas. Health care providers in rural areas often get less money for the very same procedure performed in urban areas. These lower reimbursement rates make it difficult for rural areas to recruit and retain doctors. As president, Obama will work to ensure a more equitable Medicare and Medicaid reimbursement structure. Additionally, he will work to expedite the turnaround time on Medicare reimbursements. The long delays in Medicare reimbursements have caused a significant number of rural pharmacies to close their doors.
- **Bring Doctors, Nurses, and other Health Care Professionals to Rural America:** Rural America faces shortages of providers, making it a challenge for those with health insurance to get the care they need. Two-thirds of the federally designated health professional shortage areas in the United States can be found in rural America. In Colorado, for example, 31 of the 64 counties—mostly rural ones—have been designated Health Professional Shortage Areas. In Arizona, the crisis is likely to grow particularly acute as the state will see its senior population swell to 21 percent by 2025 and already lags below average in nursing population. Barack Obama will attract providers to rural America by creating a loan forgiveness program for doctors and nurses who work in underserved rural areas. Additionally, he will encourage the expansion of state-of-the-art health professional online education courses to reach potential health professionals across rural America.
- **Expand Community Clinics:** To promote access to preventive, diagnostic and other primary care services, Barack Obama will increase federal capital funds for the building and start-up costs of community health centers. He will also allow them to obtain reimbursement for a portion of transportation-related costs. Building networks among health care providers in rural areas is important to ensuring care coordination, particularly for the high proportion of elderly who reside in rural areas, often with multiple chronic conditions. Obama’s plan to increase efficiency and quality of care includes planning grants for local health providers to coordinate care.
- **Improve Care for Rural Veterans:** Veterans in rural areas have poorer health and less access to care. A 2004 study of 750,000 veterans also found that rural veterans tended to have more serious and costly conditions than urban veterans. The Mountain West has one of the highest percentages of veterans per civilians over 18 of any region in the country, with nearly 2 million total veterans. In many rural parts of the country, the nearest Department of Veterans’ Affairs (VA) medical facility is hundreds of miles away. Barack Obama will expand the number of Vet Centers, so more veterans can access care more easily. As president, Obama will fight efforts to weaken the VA by irresponsibly outsourcing critical competencies. However, he will also give the VA the tools and flexibility to contract with other providers in any remote area of the country in which the VA determines there is inadequate access to a VA medical center or in which it is impractical to build one. Obama will strengthen the VA’s telemedicine infrastructure to expand the delivery of high quality health care to veterans residing in rural communities.

- **Invest in Health Information Technology and Telemedicine:** Obama supports increasing access to care in rural areas by promoting the wider adoption of effective telecommunications and health information technologies. He will invest \$10 billion a year over the next five years to move the U.S. health care system to broad adoption of standards-based electronic health information systems. He will phase in requirements for full implementation of health IT and commit the necessary federal resources to make it happen. Obama will ensure that these systems are developed in coordination with providers and frontline workers, including those in rural and underserved areas. Obama will also expand the use of telemedicine, using communications technology to bring important health care services to isolated rural communities.

Improve Rural Education and Attract and Retain Young People in Rural America:

Public schools lie at the heart of rural communities. Rural schools face low density student populations, large distances, and fewer teachers.

- **Support Rural Teachers:** Rural teachers face many unique challenges, including lack of access to professional development opportunities, preparation for multiple subjects and grade levels, and multiple extracurricular duties. Obama will support rural teachers at all stages of their careers. This means modifying the certification and teacher preparation process so that, for example, a biology major can avoid unnecessary and expensive coursework to become a teacher, and instead learn to teach through proven programs such as teaching residencies that pair up new recruits with master teachers in rural classrooms. Such a program was introduced by Obama and passed by the U.S. Senate. It also means giving successful teachers more control over what goes on in their classrooms, and more opportunities to advance through career ladders, where teachers may choose to take on additional instructional leadership roles.
- **Attract Teachers to Rural Schools:** Experts predict that we will need two million new teachers over the next decade to fill our nation's classrooms. It will be difficult to fill this need at current pay levels. Only one western state, Montana, saw average teachers salaries rise faster than inflation in 2004-05. Obama will provide incentives for talented individuals to enter the teaching profession, including increased pay for teachers who work in rural areas. Obama supports making the teaching profession well-respected, well-paid, and results-based with real opportunities for lifetime career growth and development.
- **Support Entrepreneurship Education:** Barack Obama will create a Rural Revitalization Program to attract and retain young people to rural America. The program will make grants available to four-year and community colleges, extension services, non-profit organizations and primary and secondary schools to give rural Americans the opportunity to get an education that teaches them how to start and run their own businesses.
- **Support Community and Local Four-Year Colleges in Fulfilling their Mission in Rural America:** Studies show that community college graduates often remain in rural communities. Barack Obama will provide funding to community colleges and local four-year schools to reevaluate the types of skills and education that are in demand from students and local businesses in support of health careers, renewable energy initiatives, and other ventures to revitalize rural economies. This will lead local colleges to implement new degree programs that reflect the increasingly dynamic and technical skills required for rural America to respond to a globalizing workforce.

Upgrade Rural Infrastructure: Much of the public infrastructure in rural America has fallen into significant disrepair. This has hurt the long-term competitiveness of our rural communities. Five of the

eight fastest growing states in the Union are in the West (Arizona, Nevada, Idaho, Utah and Colorado) and the strain on existing infrastructure is going to be severely get worse if we don't address the problems. Barack Obama believes that America's long-term competitiveness depends on the stability of our critical infrastructure. As president, he will invest in the core infrastructure that rural communities need to thrive.

- **Improve Transportation Options:** Rural America depends on reliable, cost-effective and efficient transportation--whether by barge, truck or rail--to deliver its products to market. Nearly half the cost of U.S. grain is accounted for by transportation costs. Weather issues, particularly flooding, landslides, and snow removal, can exacerbate road condition problems in rural areas. As it stands, the U.S. Department of Transportation has rated more than 1,600 bridges in the American West as "structurally deficient." As president, Barack Obama will make strengthening our transportation systems, including our roads and bridges, a top priority. Obama has worked across party lines to protect funding for the Essential Air Service program, which provides vital funds for air transportation in rural areas.
- **Improve Water and Sewer Systems:** Rural areas often depend on federal funding to maintain their water and sewer systems. Recently, however, budget cuts and reduced grant funds have combined to cut down on the number of new projects. As a result, these important infrastructure areas have been neglected and allowed to degrade. Barack Obama will ensure these programs are adequately funded.
- **Target Rural Development Aid to Truly Rural Areas:** Since 2001, the USDA has distributed more than \$70 billion in grants and loans through its Rural Development program, including \$1.9 billion to Colorado and \$1.1 billion to Arizona. Unfortunately, across the country less than half of those funds have gone to truly rural areas. Instead, USDA has awarded the bulk of these benefits to metropolitan regions, recreational and retirement communities, and businesses that hardly qualify as contributing to the quality of life in rural America. In one particularly egregious example, USDA awarded \$4.5 million to the Black Dog Tavern on Martha's Vineyard to refinance a mortgage and to expand its clothing stores. One key cause of this distorted allocation of funds has been the Bush Administration's decision to shift much of the funding from grants to loans, pricing out the lower-income, truly rural areas that most need the funding but can least afford to repay the loans. As president, Barack Obama will rationalize USDA funding rules to ensure that these funds are provided to truly rural areas, with preferences for areas that have a harder time attracting private investment.

Combat the Scourge of Methamphetamine: Methamphetamine use has increased a shocking 156 percent nationwide since 1996. This epidemic is particularly acute in rural areas. Barack Obama has a long record of fighting the meth epidemic. In the Illinois State Senate, Obama fought for and passed legislation to increase penalties against meth manufacturers, particularly in cases where a child was exposed. In the U.S. Senate, Obama supported the Combat Meth Act of 2005, major parts of which became law in 2006. The bill puts federal funds into the fight against methamphetamine, provides assistance to children affected by meth abuse, and places restrictions on the sale of the ingredients used to make the drug. As president, he will continue the fight to rid our communities of meth and offer support to help addicts heal.

He will work to cut off drug lab supplies by restricting global imports of precursor chemicals, and he will take on the Mexican drug cartels in partnership with Mexico and other nations in the region. Sadly, the number of women abusing meth has risen significantly in the past few years, which has placed an increased strain on mothers and children. Barack Obama believes we need to expand family treatment programs where mothers and their children are treated together, so mothers seeking treatment for their addiction are not forced to make a choice between treatment and their children.

Protect the Financial Security & Health of Seniors: Rural communities are significantly older than their

urban counterparts. Across America, 20 percent of rural Americans are older than 59 compared to 15 percent in cities. In the ten years preceding the last census, the largest proportionate increases of older people was in the West, particularly the Mountain West.

- **Protect and Strengthen Social Security:** As the cornerstone of America's social compact, Social Security has lifted millions of seniors and their families out of poverty. Social Security is particularly critical to our rural communities. In fact, one study found that rural communities depend on income from Social Security nearly twice as much as non-rural communities. The full measure of Social Security's value for its recipients – as well as for those who look after and love them – is incalculable. Barack Obama will preserve Social Security by working in a bipartisan way to maintain its solvency for future generations.
- **Secure Pensions:** Barack Obama will insist that companies keep the promises they have made to their employees. He will amend bankruptcy laws to keep companies from filing for Chapter 11 in order to avoid obligations to their workers. In the Senate, Obama voted for new rules to force companies to properly fund their pension plans so taxpayers don't end up footing the bill. Obama has also voted to shore up funding of the Pension Benefit Guaranty Corporation, the federal agency that guarantees retirees receive at least some of their pension monies if their companies go out of business.
- **Eliminate Income Taxes for Seniors Making Less Than \$50,000:** Since the New Deal, we've had a basic understanding in America: If you work hard and pay into the system, you've earned the right to a secure retirement. But too many seniors in both rural and urban areas aren't getting that security, even though they've held up their end of the bargain. Barack Obama will eliminate all income taxation of seniors making less than \$50,000 per year. This will provide immediate relief to 22 million American seniors, who will not need to file an income tax return, and will eliminate all income taxes for nearly seven million seniors at a savings of roughly \$1,400 each year. For many seniors, this will eliminate the need to hire a tax preparer, resulting in even larger savings.
- **Provide Cheaper Prescription Drugs:** Our seniors pay the highest prices in the world for brand-name drugs. Even after the Medicare drug benefit was signed into law, 20 percent of seniors who enrolled saw their drug costs rise. And the uninsured continue to pay outrageous prices for drugs. In Arizona, prices for some popular pharmaceuticals, such as Zocor rose by as much as 77 percent in a single year, a 2003 report by the state's Attorney General found. To help lower the cost of pharmaceuticals, Barack Obama believes that the federal government should negotiate for lower drug prices for seniors in the Medicare program, just as it negotiates to obtain lower prices for our veterans. He also supports efforts to allow seniors to import prescription drugs from Canada and will stop brand name drug makers from preventing cheaper generics from reaching the market.

Create Fund to Help Homeowners Avoid Foreclosures: The subprime mortgage crisis is having a deep impact in the West. For example, experts anticipate more than 50,000 additional foreclosures in Arizona as a result of subprime mortgages between now and the end of 2009 and another 27,000 in Colorado. In addition to taking important steps to prevent mortgage fraud from occurring in the future, Barack Obama will establish policies to help Americans currently facing foreclosure through no fault of their own. For instance, in communities where there are many foreclosures, property values of innocent homeowners are often also negatively impacted, driving them toward foreclosure as well.

Obama will create a fund to help people refinance their mortgages and provide comprehensive support to innocent homeowners. The fund will also assist individuals who purchased homes that are simply too expensive for their income levels by helping them sell their homes. The fund will help offset costs of selling

a home, including helping low-income borrowers get additional time and support to pay back any losses from the sale of their home and waiving certain federal, state and local income taxes that result from an individual selling their home to avoid foreclosure. These steps will ensure that individuals who have to sell their homes will be able to quickly regain stable financial footing. The fund will be partially paid for by Obama's increased penalties on lenders who acted irresponsibly and committed fraud.

III. ENSURE ECONOMIC OPPORTUNITY FOR FAMILY FARMERS AND RANCHERS

Barack Obama understands that farming is important to the rural West, which has more than 290 million acres of farmland. He will help family farmers find profitability in the marketplace and success in the global economy. He believes that better management of federal land with ranchers and timber interests will lead to improved conservation of federal land resources and enhance long-term grazing and forestry prospects.

Help Fruit, Vegetable and Other Specialty Crop Growers: Barack Obama believes federal farm policy must reflect the diversity of American agriculture. Growers of fruits, vegetables, nursery, and floriculture do not take part in price support or other programs targeting commodities, but this is not a license for USDA to ignore the interests of this \$50 billion sector of the American economy. Specialty crop producers face competition from subsidized foreign production, invasive pests and disease that may damage their crops and close their markets, and the loss of prime agricultural land. They also face high tariffs when they try to export their products to other countries while the tariffs on specialty crops coming into the United States are very low.

- As a senator, Barack Obama supports increasing programs that focus on specialty crops in the 2007 Farm Bill. As president, Obama will work for programs designed specifically for specialty crop growers, including efforts to bring to expand access to foreign markets, and to promote research focused on specialty crop growers' particular needs.
- Obama supports ensuring school children have access to more fruits and vegetables as part of the school meals program.
- Obama will promote the Dietary Guidelines for Americans as published by the Departments of Agriculture and Health and Human Services to encourage more consumption of fruits and vegetables.
- Obama will enforce Buy American requirements to protect specialty crops.

Encourage Organic and Sustainable Agriculture: Organic food is the fastest-growing sector of the American food marketplace. Demand for sustainable, locally grown, grass-finished and heritage foods is also growing quickly. These niche markets present new opportunities for beginning farmers because specialty operations often require more management and labor rather than capital. To support the continued growth of sustainable alternative agriculture, Barack Obama supports the organic label so that consumers can trust what they are buying and organic producers are protected. He also will increase funding for the National Organic Certification Cost-Share Program to help farmers afford the costs of compliance with national organic certification standards. He also will reform the USDA Risk Management Agency's crop insurance rates so that they do not penalize organic farmers.

Support Local Family Farmers with Local Foods and Promote Regional Food System Policies:

Farming is a vanishing lifestyle. Fewer than one million Americans claim farming as their primary occupation. Those farmers who sell directly to their customers cut out all of the middlemen and get full retail price for their food. Barack Obama recognizes that local and regional food systems are better for our

environment and support family-scale producers. As president, he will emphasize the need to “Put your state on your plate,” and he will implement USDA policies that promote local and regional food systems.

Prevent Anticompetitive Behavior Against Family Farmers and Ranches: In an era of market consolidation, Barack Obama will fight to ensure family and independent farmers and ranchers have fair access to markets, control over their production decisions, and transparency in prices. Obama is a strong supporter of legislation that protects independent producers by banning the ownership of livestock by meat packers, and he will fight for passage of the law as president. Just four firms slaughtered 71 percent of all U.S. cattle in 2005. The 1921 Packers and Stockyards Act prohibits price discrimination by meatpackers against small and mid-size ranchers, but the law has not been enforced. Obama will issue regulations for what constitutes undue price discrimination and his administration will enforce the law. He will also strengthen anti-monopoly laws; change federal agriculture policy to strengthen producer protection from fraud, abuse, and market manipulation; and make sure that federal programs are helping family ranchers, as opposed to large, vertically integrated corporate agribusiness.

Promote Better Grazing Partnership: Barack Obama believes taxpayers can get fair rent for our land and ranchers can get fair pasture for their fees. He will work toward a reasonable compromise that increases the grazing fee to protect Western ranchers from overgrazing and recovers more of the cost of administering the grazing programs. In developing this compromise, we should take into account the effects on small and medium-sized ranchers, working with them to find a reasonable way forward. Grazing fees, a quarter of which go to the states, have in some recent years been one-tenth of market rates and less than a sixth of the expenditures needed to manage grazing.

Support Stability in Dairy Industry: Of the four major milk producing regions in the United States, only the West showed an overall increase in production between 2001 and 2006. Barack Obama supports modernizing the federal milk marketing order system to make it more responsive and flexible. He supports establishing a commission to review and evaluate federal milk marketing order policies and procedures as mandated in the 2007 Farm Bill. Obama also supports the Dairy Export Incentive Program, which helps exporters of U.S. dairy products meet prevailing world prices for targeted dairy products and destinations.

Maintain our Export Competitiveness: The United States is the world’s largest exporter of agricultural products, exporting, for example, roughly 1.2 million tons of beef per year. However, U.S. vegetable exports as a share of total U.S. supply have remained mostly stagnant since the 1990s. Barack Obama will work to break down trade and investment barriers to maintain the American farmer’s competitiveness around the world. As president, Obama will devote more resources to research and technology development so that American farmers and ranchers can maintain their technological edge in production and distribution of their goods. He will broaden export promotion programs to include export training and workshops. He will help producers develop global marketing networks through the use of new electronic transaction systems and special promotion programs. And Obama will work to ensure that all trade agreements contain strong and enforceable labor, environmental, and health and safety standards so American farmers and ranchers are able to compete on a level playing field.

Establish Country of Origin Labeling: Barack Obama supports immediate implementation of the Country of Origin Labeling law, which will require meat products and specialty crops including fruits and vegetables to indicate their country of origin. Obama believes that American producers should be able to distinguish their products from imported ones and that consumers deserve the right to know where their food comes from. Obama also will support efforts of domestic producers to brand their products.

Combat Invasive Species and Plant Diseases: Invasive exotic pests and plant diseases are a major threat to

the West's agricultural industry. Farmers have suffered from the impacts of Pierce's disease and Medfly. The timber industry has battled sudden oak death and bark beetle. Barack Obama supports increased funding for the Animal and Plant Health Inspection Service (APHIS) and consideration of new programs to help reduce new exotic pest/disease incursions.

Improve Food Safety: The American beef industry lost billions when Japan and the Republic of Korea closed their markets to American beef imports due to mad cow concerns. The USDA and Food and Drug Administration (FDA) need more authority to issue and enforce recalls for contaminated food. Barack Obama supports efforts to improve federal food safety surveillance so that we can more effectively identify, contain, and prevent outbreaks. He also supports additional research into combating food-borne illness. He is committed to expanding resources to inform the public when an outbreak happens, so that they can make good decisions about food safety.

Partner with Landowners to Conserve Private Lands: Because most rural land is privately-owned, farmers, ranchers, and private landowners are the principle stewards of rural land and water. As a U.S. Senator, Barack Obama has supported conservation programs, such as the Conservation Security Program (CSP), that serve as a resource to farmers and assist them with sustainable environmental planning and best land management practices. As president, Obama will put an unprecedented level of emphasis on the conservation of private lands. He will advance legislation that works with landowners to focus federal attention and increased resources for this key environmental issue. He will also increase funding for CSP and the Conservation Reserve Program and will create additional incentives for private landowners for sustainable agriculture to protect and restore wetlands, grasslands, forests and other wildlife habitat. Finally, he will work to improve incentives that help farmers prevent runoff pollution from soil erosion, pesticides and fertilizer.

Regulate CAFOs: Concentrated Animal Feeding Operations (CAFOs), which raise more than 40 percent of U.S. livestock, comprise a larger share of the livestock industry every year. Barack Obama has worked for tougher environmental regulations on CAFOs. He has supported legislation to set tough air and water pollution limits for livestock operations, including limits on nitrogen, phosphorus, hydrogen sulfide, ammonia, and other pollutants. In the Obama Administration, the Environmental Protection Agency will strictly monitor and regulate pollution from large CAFOs, with fines for those who violate tough air and water quality standards. Obama strongly supports efforts to ensure meaningful local control. He will also encourage the production of renewable energy from animal waste, by using methane digesters, for instance.

Limit EQIP Funding for CAFOs: Barack Obama believes that we should help farmers find the resources to comply with environmental requirements. The Environmental Quality Incentives Program (EQIP) provides important financial support to farmers seeking to improve the environmental quality of their operations. Unfortunately, the 2002 Farm Bill lifted the cap on the size of livestock operations that can receive EQIP funding, enabling large livestock operations to receive EQIP payments and subsidizing big CAFOs by as much as \$450,000.

Make Disaster Assistance Permanent: Farmers are particularly vulnerable to natural disasters. As a region, the west is susceptible to earthquakes, mudslides, drought, floods and weather driven fires that have created huge hardships for its growers. Barack Obama has fought to expedite disaster assistance to farmers in Illinois and across the country during difficult times. Obama will make the disaster program permanent so that farmers do not have to rely on the whims of Congress to get assistance.

Encourage Young People to Become Farmers: There are not enough young people entering farming. Becoming a successful farmer is a lifelong endeavor. Barack Obama will establish a new program to

identify the next generation of farmers and ranchers and help them develop professional skills and find work that leads to farm ownership and management. He will help our land-grant university system and the cooperative extension services work closely with organizations such as 4-H and FFA to identify and prepare candidates for this program.

Barack Obama will also provide a capital gains tax break for landowners selling to beginning family farmers, and a first-time buyer's tax credit for new farmers. These incentives will make it easier for new farmers to afford their first farm.

Protect Small Farms and Businesses from Unnecessarily Burdensome Regulations: Too often, federal regulations are one-size-fits-all, written as if only big businesses will be affected. But without careful attention, regulations can disadvantage small farms that don't have the economies of scale to support the expensive lawyers or equipment that compliance necessitates. As president, Barack Obama will work to make federal laws and regulations more sensitive to these considerations.

Encourage Farmers at the Cutting Edge of Renewable Energy and Energy Efficiency: Farmers realize that they can help their bottom line and the environment by using more wind and solar to power production systems and sharing energy with other users. They are using new irrigation practices to conserve energy and water. Obama will encourage the use of methane digesters that are being used to produce power from animal wastes. No till and other agricultural practices are reducing energy input and keeping the health of our soil sustainable. As president, Obama will expand USDA projects that focus on energy efficiency and conservation.

Combat Water Pollution in Rural America: Barack Obama will work to improve incentives that help farmers prevent runoff pollution from soil erosion, pesticides and fertilizer.

Strong Safety Net for Family Farmers: Barack Obama will fight for farm programs that provide family farmers with the stability and predictability they need. He will ensure that American farmers are protected from market disruptions and weather disasters. And Obama will ensure farm programs are strong and are targeted to support family farmers. The lack of effective payment limitations has resulted in federal farm programs financing farm consolidation and the elimination of many mid-size family farms. Obama believes we should implement a \$250,000 payment limitation. And Obama will ensure those payments go to farmers who need them – not very wealthy farmers who rely on American taxpayers to protect their multi-million dollar profits.

Obama will close the loopholes that allow mega farms to get around the limits by subdividing their operations into multiple paper corporations. Obama will take immediate action to close the loophole by proposing regulations to limit payments to active farmers who work the land, plus landlords who rent to active farmers. Both the Government Accountability Office and the Payment Limitation Commission have called for closing this loophole. Every president since Ronald Reagan has had the authority to close this loophole without additional action by Congress, but has failed to act.

IV. PROMOTE RURAL AMERICA'S LEADERSHIP IN DEVELOPING RENEWABLE ENERGY

America's farmers have been on the forefront of the renewable fuels movement. Barack Obama has been one of the strongest proponents in Congress for increasing the national supply of home-grown American renewable fuels. As president he will ensure that our rural areas continue their leadership in this arena. Rural

areas could be key producers of biofuels and biodiesel from biomass and agricultural waste such as rice straw for example. Innovative farmers are turning negatives into positives by producing energy from cattle waste. Obama will use some of the revenue generated from his cap-and-trade permit auction to invest in climate-friendly energy development and deployment. This will transform the economy, especially in rural America which is poised to produce more renewable energy than ever before, creating millions of new jobs across the country.

Develop and Deploy New Renewable Technologies:

- **Require 25 Percent of Electricity to Come from Renewable Sources by 2025:** Barack Obama will establish a 25 percent federal Renewable Portfolio Standard (RPS) to require that 25 percent of electricity consumed in the U.S. is derived from clean, sustainable energy sources, like solar, geothermal, wind, and biomass by 2025. This requirement will spur significant private sector investment in renewable sources of energy and create thousands of new American jobs, especially in rural areas. As an Illinois state senator, Obama cosponsored a measure to create an RPS in Illinois. And recently, Illinois signed into law a 25 percent RPS by 2025 measure modeled on Obama's State Senate RPS efforts. As a U.S. Senator, Obama successfully fought regulatory efforts to put Midwestern wind projects on hold.
- **Extend the Production Tax Credit:** Obama will also extend the federal Production Tax Credit for 5 years to encourage the production of renewable energy, including solar, geothermal, wind, and biomass. This program will provide incentives to farmers and other local producers of renewable energy to boost rural renewable energy production.
- **Create a Clean Technologies Deployment Venture Capital Fund:** Barack Obama will create a Clean Technologies Deployment Venture Capital Fund to fill a critical gap in U.S. technology development. This Fund will partner with existing investment funds and our National Laboratories to ensure that promising technologies move beyond the lab and are commercialized in the U.S. The risks and associated costs of commercializing a new energy technology often prevent critically important technologies from ever seeing the light of day. The gap between the lab and the marketplace is sometimes referred to as the "Valley of Death," because many technologies enter but few ever make it out the other side because of the prohibitive costs of building the first commercial-scale facility that processes that energy source. Currently, U.S. venture capital funding is doing an effective job promoting the research and development stage, but far too often, technologies invented here in the U.S. such as wind turbines, solar panels, and compact fluorescent bulbs are commercialized overseas and then sold back to American consumers.

Coupled with an Obama Administration's increased investment in renewable energy research and development, this Fund will quickly deploy new technologies like cellulosic ethanol, carbon capture and sequestration, and other clean technologies like bio-based plastics and commercial sized solar energy projects. The Fund will help ensure that the American economy and environment benefit from clean technologies in the next few years, as opposed to the next several decades. Obama will invest \$10 billion in this fund for five years, and reinvest profits back into the fund.

- **Invest in a Digital Smart Grid and Improve Rural Transmission:** Like other pieces of infrastructure, such as roads and bridges, our energy grid, particularly in rural areas, is outdated and inefficient, resulting in \$50 to \$100 billion losses to the U.S. economy each year. Just as President Dwight Eisenhower invested in the interstate highway system in the 1950s, Barack Obama will work with the states and private utilities to pursue a major federal investment in our national utility grid. A modernized digital smart grid will enable a tremendous increase in renewable energy generation and accommodate

21st century energy requirements, such as reliability, smart metering, and distributed storage. Today, our energy grid is virtually unprotected from terrorists. By creating a smart grid, the government will be able to more effectively address terrorism concerns. A smart grid will also allow individuals to produce electricity on their property through solar panels or wind turbines, which they will then be able to sell back to utilities through the grid. Obama will direct federal resources, including tax incentives and increased bond authority, to the most vulnerable areas, including rural communities, where significant renewable energy sources are located.

Invest in the Fastest, Cheapest Way to Energy Independence: Energy Efficiency: Rural households use more electricity per household than their urban counterparts because of climate, limited access to natural gas, the use of electric pumps for residential well users, and the lack of municipal services such as street lighting. Improving energy efficiency is the fastest, cheapest, and most cost-effective method to reducing greenhouse gas emissions, and it results in significant savings for our government, economy and consumers. Cost effective energy efficiency should take priority over the construction of new generation facilities. Barack Obama will set a bold national goal of reducing the energy intensity of our economy 50 percent by 2030.

Invest in Rural Lands and Reduce Carbon Emissions by Promoting Carbon Sequestration: Barack Obama believes any domestic program to reduce carbon emissions must include domestic incentives that reward farmers, ranchers, and landowners when they plant trees, restore grasslands, or undertake farming practices that capture carbon dioxide from the atmosphere. Encouraging these efforts will also improve water quality and restore natural areas for wildlife and recreation.