



Chairman Hal Rogers

House Committee on Appropriations

FY 2017 Budget Hearing: USDA's Rural Development Mission Area

March 15, 2016

Opening Statement As Prepared

Mr. Chairman, thank you for yielding. I also want to thank this distinguished panel for joining us this morning to discuss the President's budget request for USDA Rural Development.

To begin this morning, I want to thank Kentucky State Director Tom Fern and the Kentucky State Office for Rural Development for the important work they do in my district and across the Commonwealth. Many rural communities in Kentucky have benefitted from their dedication to improving the quality of life by utilizing the vast array of programs offered through USDA Rural Development. Undersecretary Mensah, I appreciate your recent visit to Bell County and the time you have spent in Eastern Kentucky.

As you know, in my district alone we have lost approximately 10,000 coal mining jobs in the last few years. In Eastern Kentucky, we have been working on a regional development initiative known as "Shaping our Appalachian Region" or SOAR. Since the beginning of this initiative, USDA Rural Development has been a partner working alongside myself and both the current and former Governors of Kentucky to build a stronger economy for Appalachia. I look forward to continuing this partnership as we continue to strengthen and expand the economy in that region.

While I do appreciate your partnership, I unfortunately find some aspects of this budget request disappointing. The proposed termination of the Guaranteed Water and Waste Disposal loan program, coupled with the reduction in the Direct Water and Waste Disposal loans, is troubling. Rural communities across the country rely on these resources to provide affordable financing for sanitary sewage and solid waste disposal. They are essential to help small communities keep their local water resources clean. I hope you can shed some light on your intentions in reducing funding levels for these important loans and grants.

I was also disappointed to see the Administration again propose cuts to Mutual and Self Help Housing. This year, USDA proposed a \$9 million reduction, which is approximately a third of the amount Congress provided in the 2016 Omnibus. As you know, this program provides low-income families a way to build their own homes and provide their families with a safe place to live. Last year I, along with Under Secretary Mensah, helped raise a wall on a self-help home in Monticello and witnessed firsthand the impact on a southern Kentucky family. After that experience, it's hard to imagine why you would propose to cut this much-needed program.

Thank you all for being with us today. I appreciate the important work you do in my district and in rural communities across the country. I yield back.

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