

Testimony to the Subcommittee on Commodity Markets, Digital Assets, and Rural Development

Committee on Agriculture
United States House of Representatives

Mrs. Olga Morales-Pate CEO

Rural Community Assistance Partnership Incorporated

June 13, 2023



Northeastern & Caribbean RCAP

Serving all six New England states, New York, New Jersey, Pennsylvania, Puerto Rico and the U.S. Virgin Islands.



Southeastern RCAP

Serving Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, and Florida.



Great Lakes RCAP

Serving Illinois, Indiana, Kentucky, Michigan, Ohio, West Virginia, and Wisconsin.

Unlimited University

Southern RCAP

Serving Arkansas, Mississippi, Tennessee, Texas, Oklahoma, Louisiana and Alabama.



Midwest RCAP

Serving Iowa, Kansas, Minnesota, Missouri, Nebraska, Montana, Wyoming, North Dakota and South Dakota.

www.rcac.org

Western RCAP

Serving Alaska, Arizona, California, Colorado, Hawaii, Idaho, Nevada, New Mexico, Oregon, Utah, and Washington.

Introduction & About RCAP

Thank you, Chairman Johnson, Ranking Member Caraveo, and members of the subcommittee for this opportunity to discuss the importance of the U.S. Department of Agriculture's Rural Development (USDA-RD) suite of programs and services in fostering rural economic development and prosperity. USDA-RD is the only federal agency dedicated solely to rural America and plays a key role in improving access to capital while working alongside trusted partners to ensure rural areas remain great places to live and thrive. I also want to thank the committee for their work on writing the next Farm Bill.

My name is Olga Morales-Pate, and I am the CEO of the Rural Community Assistance Partnership (RCAP). RCAP is a national network of non-profit partners working to provide technical assistance (TA), training, and resources to rural and Tribal communities in every state, territory and on Tribal lands and Colonias. Through our regional partners, more than 350 technical assistance providers build capacity that leads to sustainable and resilient infrastructure and strengthens rural economies. Our approach is grounded in long-term, trusted relationships with thousands of rural and Tribal communities across the country.

For 50 years, the RCAP network has partnered with multiple federal agencies including USDA-RD to bridge the gap between federal programs and the communities they serve. RCAP assists rural communities with funding applications and every phase of the project planning and development process, as well as providing training and technical assistance. We help communities understand how to properly manage and operate their infrastructure in a fiscally sustainable manner and ensure that federal borrowers meet the terms of their loans.

USDA Rural Development has over 4,000 professional staff members in the field across the country to directly assist these communities. This field structure is especially helpful to communities and utilities that lack the human and financial capacity to access and administer available funding. RCAP works in partnership with Rural Development to directly assist unserved and underserved rural communities including access to the Tribal and Colonias funding set-asides.

Last year, RCAP served more than 3.5 million rural and Tribal residents in more than 1,650 of the smallest, most distressed communities. The average population of the communities we served was 1,520, with a Median Household Income (MHI) of less than two-thirds the national MHI. We served almost 300,000 individuals from Indigenous communities. In addition, we served more than 1 million people of color.

The RCAP network is the sum of six regional partners across the U.S. that collectively cover every state and territory, including Tribal lands and Colonias:

- Communities Unlimited (CU) The Southern RCAP
 - Serving Alabama, Arkansas, Louisiana, Mississippi, Oklahoma, Tennessee, and, Texas.

- Great Lakes Community Action Partnership (GLCAP) The Great Lakes RCAP
 - Serving Illinois, Indiana, Kentucky, Michigan, Ohio, West Virginia, and Wisconsin.
- Midwest Assistance Program (MAP) The Midwest RCAP
 - Serving Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, South Dakota, and Wyoming.
- Rural Community Assistance Corporation (RCAC) The Western RCAP
 - Serving Alaska, Arizona, California, Colorado, Hawaii, Idaho, Nevada, New Mexico, Oregon, Utah, and Washington.
- RCAP Solutions (RSOL) The Northeastern and Caribbean RCAP
 - Serving all six New England States, New York, New Jersey, Pennsylvania,
 Puerto Rico, and the U.S. Virgin Islands
- Southeast Rural Community Assistance Project (SERCAP) The Southeastern RCAP
 - Serving Delaware, Florida, Georgia, Maryland, North Carolina, South Carolina, and Virginia.

In line with RCAP's mission of even further expanding its impact in rural communities in the years to come, laid out in the sections below are some of RCAP's key recommendations for the 2023 Farm Bill. Also included are some relevant case study examples of RCAP's work in these areas.

Rural Utilities Service Water and Environmental Programs (WEP)

RCAP Water and Environmental Programs Farm Bill Recommendations:

- Reauthorize the Water & Waste Disposal Technical Assistance & Training Grant Program to the maximum amount (Section 306(a)(14)(A) of the Consolidated Farm and Rural Development Act 7 U.S.C. 1921 et seq.), set-aside no less than 10% of funding for expanded technical assistance and capacity building. RCAP also requests additional language for emergency response technical assistance to meet the growing need in assisting rural communities recover and rebuild post natural disasters.
- Reauthorize the **Water & Waste Disposal Loan & Grant Program** (Section 306 of the Consolidated Farm and Rural Development Act).
- Reauthorize the Solid Waste Management Grant Program (Section 310B of the Consolidated Farm and Rural Development Act) at \$20 million a year over five years.

RCAP has been providing on-the-ground technical assistance and training to small and rural water and waste systems for 50 years in all 50 states and territories. Through our partnership with USDA-RD, RCAP and our regions in one year alone helped rural and Tribal communities from across the country leverage approximately \$400 million in infrastructure funding from a variety of federal, state, local, and private funding sources. Through these programs we also conducted 140 trainings, serving more than 1,300 systems, and reaching about 2,500 participants.

RCAP has been a leader in the water system regionalization space, especially when it comes to sustainable solutions for small, rural, and Tribal communities. In addition to intensive technical assistance and training work as a neutral third-party facilitator helping communities navigate what is often a complicated undertaking, RCAP developed a process to help guide both TA providers and communities through the ins and outs of regional collaboration. RCAP also developed two helpful research products, one outlining ten lessons learned from communities across the country who have participated in activities across the regionalization spectrum and another outlining local, state, and federal policy recommendations that would help incentivize and ease the pathway to sustainable and resilient regional solutions. Regionalization is not a silver bullet, but we believe it should always be on the table for consideration, especially as the water workforce dwindles, regulations become more stringent and disasters more intense and frequent — no one must go it alone.

Across the United States, I see firsthand communities facing threats to their drinking water from several harmful contaminants, such as lead and PFAS. As we are all well too aware, rural communities have historically been overlooked by federal investments when it comes to addressing water challenges, especially the nearly 23 million households who rely exclusively on groundwater delivered through private wells for their drinking water.

Beyond those on small water systems and private wells, we also know that many communities are hauling water by hand as a practice in Tribal areas and the Colonias. Lack of access to water and sanitation, a result of both historical and geographical factors, is most prevalent in Alaska, the Dakotas and northern New England, but there are additional pockets of this issue throughout the U.S.

A report from DigDeep and the US Water Alliance shows that gradual improvements are being made in this space, but that the rate of progress is declining. The population without complete plumbing in the United States was reduced from 1.6 million people in 2000 to 1.4 million in 2014. For comparison, those lacking complete plumbing dropped from 27 percent in 1950 to 5.9 percent in 1970. This data suggests that communities making up the remaining access gap face particularly entrenched challenges. (Closing the Water Access Gap in the United States by Dig Deep and US Water Alliance)

One solution to help drive positive public health benefits for millions of rural Americans is The Healthy H2O Act, introduced by Rep. David Rouzer, who serves on this subcommittee, and Rep. Chellie Pingree. This bipartisan legislation would improve quality of life in the communities we serve by having the USDA provide direct assistance to households and licensed childcare centers on private wells in low-income, rural communities to test drinking water for contaminants and fund filtration technology for proper remediation.

Additionally, RCAP has been providing solid waste management services to low-income small, rural, and Tribal communities for decades. Since 2014, with funding from the USDA-RD, RCAP has assisted more than 160 rural communities (26 of which were Tribal), serving more than 1

million rural residents in 30 states and the U.S. territories in the Caribbean. Of those served, 28% were low-income and 45% were people of color. RCAP has more than 20 highly experienced staff who provide solid waste management technical assistance and support.

As you know, USDA water, wastewater, and solid waste grant and loan programs and their associated technical assistance programs directly benefit small, rural, and Tribal communities with safe and affordable drinking water and sanitation services. Additionally, these programs are important to the health and safety of rural Americans, and the economic vitality of their communities. RCAP supports robust reauthorizations of the Water and Environmental Programs in the next Farm Bill.

Solid Waste

On the Cheyenne River Reservation in South Dakota, the Cheyenne River Sioux Tribe operates a landfill for the benefit of the individuals residing on the reservation and in surrounding areas, with approximately half of the population served residing in or near the community of Eagle Butte, SD, and the other half distributed in more sparsely populated rural areas.

The landfill lacked engineering design as described in CFR 40 258.27 Surface Water Requirements, CFR 40 258.28 Liquids Restrictions and CFR 40 258.51 Ground-water monitoring systems. Important issues included the lack of a health and safety plan for the program. Open dumping – the unsanitary disposal of solid waste – is a common practice in communities across the Reservation including La Plant, Red Scaffold and Cherry Creek.

To build capacity and address this issue, any new facility would have to be designed, constructed and operated in compliance with the Tribe's solid waste management code (Ordinance No. 91-01xb) and Title 40 CFR Subchapter I – Solid Wastes. Constructing a new 10-acre landfill cell that is compliant with RCRA and closure of the existing open dump landfill is considered to the best alternative. At the request of Indian Health Services (IHS) and Cheyenne River Sioux Tribe (CRST), Midwest Assistance Program (MAP) developed an up-to-date Solid Waste Management Report for Cheyenne River Economic Development Corporation (CREDCO).

MAP assisted CREDCO by developing a current Solid Waste Management Plan for the future landfill development and associated equipment. With great assistance from CREDCO and some obstacles in other financial areas that we were able to overcome, this task was completed in a timely manner. With the availability of USDA-RD Solid Waste Funding, MAP was able to develop this important document for the Tribe. The availability of this funding was critical in ensuring the health and safety of the landfill, solid waste and the people of the Cheyenne River Sioux Tribe and surrounding area.

Rural Housing Service Community Facilities Programs

RCAP Community Facilities Programs Farm Bill Recommendations:

- Reauthorize the Community Facilities Technical Assistance and Training Program
 (Section 306(a)(26) of the Consolidated Farm and Rural Development Act), set-aside no
 less than 10% of funding for national multi-state technical assistance and capacity
 building and to create additional flexibility under the program by removing caps on
 funding.
- Reauthorize the **Community Facilities Direct Loan & Grant Program** (Sec. 306(a)(19) of the Consolidated Farm and Rural Development Act).
- Authorize a Community Facilities Connect Program to provide five-year direct community facilities technical assistance in each state and territory to help underserved rural areas access the Community Facilities Direct Loan and Grant Program plus other funding sources.

One of RCAP's most recent initiatives was through a Community Facilities (CF) Technical Assistance Cooperative Agreement with USDA-RD. Community Facilities Technical Assistances consists of enriching resources and leveraging funding to improve, expand, or build necessary community facilities, such as healthcare facilities, city halls, fire stations, schools etc. Over a two-year pilot period, RCAP actively worked with 42 communities in 22 states, reaching eligible rural areas with an average population of 4,461 people and a median household income significantly below the national median. With \$400,000 in funding through this cooperative agreement, RCAP was able to leverage an additional \$51 million in funding for communities from USDA and other sources for these projects.

Under the pilot program, RCAP was able to assist The Pinal Hispanic Council, which operates five non-profit health centers in southern Arizona with their CF funding application and preplanning to expand and upgrade their facilities to serve the growing demand for health and wellness services and to address the ongoing opioid crisis. As a result, the project is moving forward after years of being tabled due to a lack of funding and capacity.

Additionally, RCAP was able to provide disaster recovery technical assistance under the Community Facilities Technical Assistance and Training Program (CF-TAT), which was authorized in the 2014 Farm Bill. Over the course of the project, RCAP provided technical assistance to 29 federally-declared disaster impacted communities in five states and one territory. RCAP had the ability to scale to more states and impacted communities but was limited due to funding constraints under the program. The eligible rural communities had an average population of 2,389 people and a median household income around half of the national median. RCAP unlocked and leveraged \$1 million from USDA and other funding sources for six communities with direct disaster funding application assistance through TA.

RCAP's expertise, on-the-ground networks, and long-standing relationships make us a valuable resource for rural and Tribal communities trying to access USDA Community Facility financing by providing technical assistance and support at every step of the process, from planning to implementation and leveraged funding. RCAP works with communities to integrate disaster

resilience and mitigation strategies into their projects. RCAP also targets rural low-income communities and persistent poverty communities, addressing barriers to accessing and utilizing federal funds.

Currently, RCAP does not have any CF-TAT funding to meet the on-the-ground rural community need in this area. Program changes through the next Farm Bill and increased dedicated funding would directly allow RCAP and other qualified organizations to provide much needed technical assistance in multiple states and to model CF technical assistance programs after other successful programs at USDA-RD.

Rural Investment Initiative

RCAP Community Facilities Programs Farm Bill Recommendations:

 Authorize a Rural Investment Initiative with dedicated resources in the Rural Development Title to support locally driven capacity building and financing for small towns and rural communities across all mission areas of USDA-RD.

Lastly, RCAP supports the authorization of a Rural Investment Initiative (RII), which, if enacted would be a locally-driven, flexible capacity building and financing program to support all mission areas of Rural Development: utilities, housing, and businesses. Many USDA-RD programs that help unlock private investment are difficult for rural towns and organizations to access. Local governments and non-profit organizations often lack the staff and technical expertise to apply for grants. It is also exceptionally challenging for often part-time local government officials and their limited staff to track and advocate for their community's fair share of funds from states or apply for federal grants. The RII would match rural communities and their needs to a cohort of local, regional, and national technical assistance providers, making it easier for communities to access technical assistance and ensuring better access to all USDA-RD programs, financing, and services. The RII would be designed to provide financial capital directly to communities and strengthen human capital to unlock new investment, including public private partnerships, that would improve the capacity, economic health, and overall well-being of local communities.

RCAP is in support of the Administration's Rural Partners Network (RPN) concept but believes Congress should further codify and shape RPN to make lasting policy changes in the next Farm Bill. The RII could accomplish this, as much can and should be done to help with low USDA staffing levels and agency technical upgrades. Strong USDA-RD authorizations with dedicated resources through the next Farm Bill will ensure the agency's ability to deliver timely services, staffing, and financing to rural America while making it easier for communities to apply and access funding.

Closing

I would like to thank the committee for their work to reauthorize critical USDA-RD programs in the next Farm Bill. RCAP looks forward to working with each of you to ensure USDA-RD and rural communities have the tools they need to promote improved quality of life for rural America. On a national level, RCAP is on the steering committee of two advocacy coalitions working together on policy solutions geared towards lasting change in rural —The Rural Network and the Reimagining Rural Assistance Network. Both coalitions stand ready to work with you on a strong Rural Development Title that works for all rural places and people.

RCAP works with communities and partners across the country to advocate for and generate economic opportunities for rural areas. The services provided through these programs deliver critical assistance in the small and disadvantaged communities where it is most needed. I thank the committee for inviting me to testify today, and I look forward to working with you and your colleagues to ensure rural people and places have the resources they need to be successful.



Who Is RCAP?

RCAP is a non-profit national network of **six** regional organizations that provide technical assistance and training to leaders in rural communities throughout the United States

We help communities develop, operate, and maintain viable water and wastewater systems; maintain compliance with federal/state regulations; protect public health and the environment; and build local leadership capacity

RCAP serves more than
2,503 unique rural
communities every year
RCAP employs more
than 300 engineers,
operators, accountants,
former mayors and other
experts who are out in
the field assisting rural
leaders

For over **45 years**, RCAP has worked with USDA and EPA to improve the quality of life in rural America

Contact Maranda Saling with RCAP for more information:

> 330-309-7055 msaling@rcap.org



2023 Farm Bill Priorities

The Rural Community Assistance Partnership (RCAP) supports the enactment of a robust and comprehensive Rural Development Title in the reauthorization of the Farm Bill. RCAP calls on Congress and the Administration to emphasize rural development programs and strategies that will create opportunities for all rural Americans including underserved places. RCAP supports several key priorities in the Farm Bill that will boost rural economies, create jobs, and improve the quality of life in rural America:

Rural Utilities Service: Water and Environmental Programs

- Reauthorize the Water & Waste Disposal Technical Assistance & Training Grant
 Program to the maximum amount (Section 306(a)(14)(A) of the Consolidated Farm and
 Rural Development Act 7 U.S.C. 1921 et seq.), set-aside no less than 10% of funding for
 expanded technical assistance and capacity building, and include additional language for
 separate emergency response technical assistance activities under emergency disaster
 supplementals from Congress.
- Reauthorize the Water & Waste Disposal Loan & Grant Program (Section 306 of the Consolidated Farm and Rural Development Act).
- Reauthorize the Solid Waste Management Grant Program (Section 310B of the Consolidated Farm and Rural Development Act) at \$10 million a year over five years, create additional flexibility under the program by removing caps on funding.
- Reauthorize the Rural Decentralized Water Systems Grant Program
 (Section 306E of the Consolidated Farm and Rural Development Act), include additional
 program eligibility and flexibility by raising the income eligibility requirements from 60% of
 statewide median household income up to 100% in cases of extreme need.
- Reauthorize the Revolving Funds for Financing Water and Wastewater Projects Program (Section 306 of the Consolidated Farm and Rural Development Act).
- Reauthorize the SEARCH Special Evaluation Assistance for Rural Communities and Households Program, include additional matching flexibility under the program to include in-kind or waivers in cases of extreme need.
- Reauthorize the Water & Waste Disposal Predevelopment Planning Grant Program, include additional matching flexibility under the program to include in-kind or waivers in cases of extreme need.

Flexible Technical Assistance Services and Coordination Across USDA-Rural Development Mission Areas

 Authorize a flexible program for expanded capacity building and flexibility across all USDA-Rural Development mission areas, including adequate resources to implement modern plans, community broadband access, create jobs, and leverage new infrastructure development to increase the resiliency of rural communities.

Rural Housing Service: Community Facilities Programs

- Reauthorize the Community Facilities Technical Assistance and Training Program
 (Section 306(a)(26) of the Consolidated Farm and Rural Development Act), set-aside no less
 than 10% of funding for expanded technical assistance and capacity building and create
 additional flexibility under the program by removing caps on funding.
- Reauthorize the Community Facilities Direct Loan & Grant Program (Sec. 306(a)(19) of the Consolidated Farm and Rural Development Act).















USDA Community Facilities Cooperative Agreement

RCAP REQUESTS the continuation of funding for its Community Facilities Technical Assistance Cooperative Agreement with USDA given the success and community impact of the pilot program, which ended on September 30, 2022.

RCAP currently is seeing continuing demand for our services and for flexible funding under a national community facilities technical assistance co-op program supported by USDA. The pilot funding allowed RCAP to work with towns of populations less than 5,000 and provided communities with much needed local capacity to plan for and leverage funding for the construction or improvements of crucial community facilities such as health clinics, community centers, fire stations, libraries, and other public facilities.









\$400,000

2-Year Cooperative Agreement



\$51 Million*

Funding from USDA & Other Sources

RCAP IS SEEKING \$600,000 over a 2-year period to continue this program with a national scope This program has shown itself to be incredibly useful to our technical assistance providers and the rural communities they serve. It has been a resource that fills in the gaps other existing Technical Assistance and Training programs cannot.

It funds the time, resources, and capacity necessary to leverage and implement new funding for crucial community facilities in towns with America's lowest populations and lowest incomes.

With an unprecedented amount of funding coming to communities through the Infrastructure Investment and Jobs Act (IIJA), this program will help ensure that rural and disadvantaged communities have the necessary capacity to access and implement this funding in the areas that need it most.



In one project alone, RCAC (the western RCAP) staff leveraged a total of \$1,980,000 in USDA loan funds, a \$100,000 CF Economic Impact Grant, and a \$13,000 State CF Grant for a total of \$2,093,000 in funds. This helped the **Foundation for Little Colorado Revitalization (FfLCR)**, a non-profit organization located in Springerville, Arizona with their community facility for their "Local Food System Regionalization" project.



RCAP REQUESTS the continuation of funding for its Community Facilities Disaster Relief Technical Assistance and Training program with USDA given the success and community impact of the pilot program, which ended on September 30, 2022.

RCAP currently is seeing continuing demand for our services and for flexible funding under a national community facilities technical assistance program in disaster relief areas. The previous funding allowed RCAP to work with towns of populations less than 5,000 and provided communities with much needed capacity to plan for and leverage funding for the repairs, replacement, and construction of essential community facilities like city halls, fire stations, police stations, and health centers that were affected by natural disasters such as hurricanes, tropical storms, floods, and forest fires. These disasters are not slowing down as we have seen with recent hurricanes Fiona and Ian as well as the continuous forest fires in the Western U.S so the need will continue to be there and RCAP stands ready to assist.

USDA Community Facilities
Disaster Relief Technical
Assistance and Training



\$250,000





\$526,760

Funding from USDA & Other Funders

RCAP IS SEEKING \$600,000 over a 2-year period to continue to provide community facilitiesrelated disaster relief in communities that need it most due to a lack of capacity to access typical federal aid
dollars due to low population, low income and limited resources. Under this current program we were only able
to fund 3 of our regional partners due to the \$250,000 funding cap so with the the requested funding increase we
would be able to fund up to 6 total regional partners covering the entire U.S. and the territories including Puerto
Rico which needs additional disaster recovery technical assistance right now. We could only serve communities
that had disasters within the years 2018-2019. This left communities experiencing new disasters outside of
eligibility for this program. If we changed the requirements to serve communities that experienced federally
declared disasters within the last 5 years from the project start date, we would also be able to respond to newer
disasters while continuing to serve communities that need help with long term recovery from previous disasters.



The disaster relief program was managed by the Maryland and Delaware State RD office despite being a national program. The Community Facilities Technical Assistance and Training Program was created in the 2014 Farm Bill (Section 6006) with the intention of the program being a national program that is managed and coordinated by the National USDA-RD Office. Congress also reaffirmed this intention in the 2018 Farm Bill found here on page 664. It would be incredibly beneficial to see this program housed for the purpose of coordination between national service providers and multiple states impacted by a disaster.



RCAP Solid Waste Management Programming

The Rural Community Assistance Partnership (RCAP) is a network of seven nonprofit organizations working together to provide training, technical assistance, and capacity building to small, rural and Tribal communities in the areas of water, wastewater, solid waste and community and economic development. RCAP has been providing solid waste management

RCAP has been providing solid waste management services to low-income small, rural and Tribal communities since 2004. Since 2014, with funding from the US Department of Agriculture (USDA), RCAP has assisted more than 160 rural communities and counties (26 of which were Tribal), serving more than 1 million rural residents in 30 states and the US Caribbean. Of those served, 28% were low income and 45% were people of color. RCAP has over 350 technical assistance providers located throughout the 50 states and the US Territories who live and work in the rural and Tribal communities they serve, including more than 20 highly experienced staff who provide solid waste management support.

RCAP's wide variety of solid waste services are targeted to meet the specific needs of rural communities with an end goal of improved solid waste management and planning, while reducing potential pollution of water resources. Through this work, RCAP seeks to improve public and environmental health as well as the quality of life for rural communities. The goal of our Solid Waste staff is to reduce the use of disposable items, teach reuse of products within the communities they serve, and promote recycling and composting best practices which protect natural resources and valuable landfill space.

RCAP's approach to hands on training and in-depth technical assistance is to concentrate on local capacity building so that the communities served have the tools and resources to be successful and sustainable for years to come.



Some of the categories of typical services provided include but are not limited to:

- Community and school waste stream reduction through education and program development on re-use and recycling;
- Safety and operations, including the handling and management of Household Hazardous Waste:
- Development of school and community composting programs, including vermicomposting, to reduce food waste entering the waste stream;
- Training and technical assistance surrounding emerging contaminants including but not limited to PFAS and pharmaceuticals:
- Illegal dumping site identification, mapping, prevention, and alleviation strategies;
- Solid waste best management practices, budgeting and rate analyses, and funds leveraging for equipment needs and facility upgrades; and
- Introduce communities to the concept of Integrated Solid Waste Management Systems and help develop the infrastructure to implement these best practices.