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The Honorable David Scott
Chairman
U.S. House of Representatives
Committee on Agriculture
1301 Longworth House Office Building
Washington, DC 20515

The Honorable Glenn Thompson
Ranking Member
U.S. House of Representatives
Committee on Agriculture
1301 Longworth House Office Building
Washington, DC. 20515

Dear Chairman Scott & Ranking Member Thompson:

On behalf of the Partners for Rural Transformation we write to urge you to support the Rural Partnership Program (RPP) as outlined in the American Jobs Plan that will provide vital, flexible financial resources and capacity building to ensure that small communities in rural America are able to invest in, develop, and sustain locally led community and economic development initiatives.

Partners for Rural Transformation is a coalition of six Community Development Financial Institutions (CDFIs) that serve three-quarters of the country's persistent poverty counties, communities that are overwhelming rural and people of color. With headquarters in the Mississippi Delta, Appalachia, Native American communities, the Deep South, the Rio Grande Valley and regions in the Rural West, the Partners for Rural Transformation has a unique lens on the range of challenges these communities face, solutions to them, and deep connections with diverse local leaders who are dedicated to creating change. The recommendations included here are rooted in decades of experience, which includes deploying over \$2 billion, reaching millions of people who reside in persistent poverty communities.

Members of the Partners for Rural Transformation are lenders and participants in numerous federal initiative such as, but not limited to those run by the Small Business Administration, U.S. Department of Treasury, Federal Housing Finance Administration, U.S. Department of Housing and Urban Development, CDFI Fund, and U.S. Department of Agricultural, and the Environmental Protection Agency. In order to ensure that the U.S. Department of Agriculture is able to deploy RPP funds as quickly and as close to the ground as possible to assist persistently poor rural areas and small cities to recover from the impacts of COVID-19, we offer the following program design suggestions:

- Include flexible grant and loan funds that prioritize project *implementation* to fill the financing gap that often exists for innovative or complex projects.
- Direct USDA Rural Development to award the funds through a competitive grant process to rural communities and locally-grounded organizations with a proven track record of engaging in on-the ground, economic development activities in persistently poor counties and rural areas.
- Target RPP funding to hard to serve and distressed rural communities that often are in the most dire need of community and economic development projects.
- Specifically prioritize RPP funds in persistently poor rural counties and as well as rural areas where low- and moderate-income individuals of color represent the majority of the population.

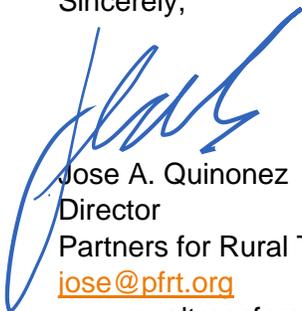
The \$5 billion Rural Partnership Program represents a critical investment in 395 persistently poor counties throughout the United States, the majority of which are rural areas and small communities. Low- and moderate- income communities of color and tribal nations in economically distressed rural areas and small cities for too long have been unable to reach their full potential as existing federal support is fragmented. Federal funds disbursed through state governments rarely reach the rural, persistently poor predominantly low to moderate income communities of color that need it most.

RPP funding will facilitate access to healthy food in existing food deserts, clean water, affordable housing, healthcare, and broadband. The RPP program has the potential to reduce existing inequities, create broader access, strengthen local economies, and enable low- and moderate-income individuals to thrive by delivery funding efficiently to high performing locally grounded organizations.

We support bipartisan collaboration that ensures persistently poor rural counties and small communities receive a significant investment in locally led community and economic development initiatives by funding the Rural Partnership Program at \$5 billion.

If you have any questions, please feel free to contact to Jose Quinonez, Partners for Rural Transformation Director at jose@pfrt.org or Diane Standaert, Partners for Rural Transformation Policy and Advocacy Chair at advocacy@pfrt.org.

Sincerely,



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