



## **Remarks prepared for the *Investing in Rural America Roundtable* with U.S. Secretary Tom Vilsack.**

Erie, PA, April 23, 2024

### **Introduction**

Good morning, my name is Stephan Goetz, and thank you for inviting me here today. I direct the Northeast Regional Center for Rural Development, which is based at Penn State University and serves the NE U.S. region, from West Virginia to Maine. We are one of four centers, with the other three serving the South, West and Northcentral region of the country.<sup>1</sup> As one-stop-shops, we connect and advance the national network of Land-Grant researchers, educators, and practitioners, while reducing duplication of effort. We also link rural communities to state and federal resources, and we help carry out federal priorities related to rural development.

Over 80% of farm households receive at least half of their household income from off-farm sources,<sup>2</sup> so rural community prosperity is also vital to a healthy farming economy. Farmers not only need access to local jobs, goods and services, but also to employees living in local communities to work on their farms.

### **Our work is made possible with funding we receive from the U.S. Congress through USDA's National Institute of Food and Agriculture; here are six examples:**

In 2022, we held national listening sessions *at the request of USDA-NIFA*, giving a voice to 680 rural stakeholders about their priorities for recovery from Covid-19, and the challenges they face, along with their key local assets and opportunities.<sup>3</sup> The results of these sessions are being used today to direct research and regional Extension programs.

For example, tourism and recreational economy development were identified in the listening session as a key opportunity. In Pennsylvania, outdoor recreation already annually contributes \$14bn and over 150,000 jobs to the economy. We are partnering with university experts across state lines to help communities develop robust local tourism sectors, that

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<sup>1</sup> The Centers are a trusted source of economic and community development data, research, decision tools, outreach, and guidance for our nation's rural communities. We link applied research with Extension/outreach in multiple areas related to rural economic development. See: <http://nercrd.psu.edu>

<sup>2</sup> Whitt, C., Lacy, K., & Lim, K. (2023). America's Farms and Ranches at a Glance 2023 Edition (Report No. EIB-263). U.S. Department of Agriculture, Economic Research Service.

<sup>3</sup> Key issues identified in the Northeast region were physical infrastructure and public services; economic development; workforce development and education; and climate change, climate variability and extreme weather. Interestingly, the Northeast was the only region where climate change rose to the top. See: <https://ag.purdue.edu/rrdc/national-initiatives/listening-sessions.html>

balance income flows with the communities' vision of what the sector should or should not look like – for example, by avoiding over-tourism or unsustainable use of resources.

In this context, our Guide to setting up “beer trails” as an economic development strategy has been downloaded over 500 times so far. Our agritourism factsheets and webinars received over 3,000 on-line views and are used by farmers and community leaders to develop the agritourism sector. The just-released 2022 Census of Agriculture shows that the number of farms offering agritourism services in Pennsylvania grew by 15% between 2017 and 2022, and average earnings from these services jumped by 50%, to over \$57,000 per farm! At a time when the number of farms and the amount of land farmed in our state are in decline, helping farmers to develop or maintain sources of income both on and off the farm is critical.

We are also identifying the barriers faced by rural female and minority small businesses. This research allows community leaders to more effectively support the local business sector, which is at the heart of a vibrant economy. Our listening sessions revealed, for example, that lack of basic business services, workforce skills and availability, and access to credit are major challenges for rural entrepreneurs.

Early in the pandemic we quickly pivoted our research and found that food pantries were able to reduce hunger especially among middle-income families. This work was viewed over 13,000 times<sup>4</sup>, and it allowed food pantries to demonstrate the importance of their work to funders at a time when their services were most needed.

Last, climate change is a key concern in our region, and a USDA priority. In response, we have launched a multi-agency collaboration to examine how rural firms are transitioning to the green economy, and how this affects rural communities, in both positive and negative ways.<sup>5</sup> Here we are helping to analyze data that the *White House Office of Science and Technology Policy* (OTSP) officially asked the U.S. Census Bureau to collect from firms.

In sum, with USDA core funding, the Regional Rural Development Centers give a voice to rural Americans and bring land grant university research and outreach capacity to bear on the many challenges that rural areas face, from housing to health care access, workforce development, and preparing for climate change, to list a few. **Without the core funding we cannot do our work in support of achieving rural prosperity.** Thank you for listening.

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<sup>4</sup> The Conversation, accessed April 18, 2024.

<sup>5</sup> For example, while many farms and rural businesses are benefiting from green energy production, conflicts are developing over “agri-voltaics,” and community pushback on wind turbines is increasing.