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The Rural Development Utilities program has been a real boost to rural economic growth as well as a positive for the protection of the public health and the environment over the past 30 years that I have been involved with the program.

The program has become harder to access since the 2000 census data has come into play. Therefore I would encourage a change in the loan/grant criteria such that the municipalities below the poverty level with their median household income have more opportunity to access the program at a rate they can afford. A tiered interest rate might be one way to make the program more usable and something less than the 4.5% rate that has been around for 30 years except for one quarter a few years ago when there was an apparent glitch and the interest rate dropped to close to 3.5%.

50% of the market rate for poverty level municipalities and 75% of market for low/moderate income municipalities is one suggestion. Of course the availability of more grant dollars would be a definite plus for the program.

I have seen the program work well in rural Minnesota and rural Michigan over the past 30 years and I can attest, but for the program there would be many more impoverished communities in rural America.

However there are still communities that have not been reached as the money has been short and the latest census data makes the program unaffordable for some even with a 75% grant. Therefore untreated wastewater continues to flow and the public health, the environment and rural economic growth are adversely affected.

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