

For Delivery on April 20, 2021
Hearing: “An Economy that Works for Everyone: Investing in Rural Communities”
Opening Statement

For years, the work of the Committee on Banking, Housing, and Urban Affairs has been far too much about Wall Street, far too little about housing, and almost nothing about people’s everyday lives in urban and rural communities.

“Urban Affairs” may be in our Committee’s title, but we have jurisdiction over matters integral to the economic health and vibrancy of all communities – including rural America. Whether you live in Philadelphia or Cleveland, Perry County, Pennsylvania, or Perry County, Ohio – the work of this Committee is vital to the shared prosperity of all Americans, urban and rural.

This is the first full committee hearing dedicated to rural America in nearly a decade. Senator Toomey held a subcommittee hearing on rural banking in 2015 and I thank him for that. I’m sure he will agree that it has been too long since we focused on the issues facing rural America.

The hopes and dreams of all Americans are pretty similar. We want a job with dignity and to be valued for the work we do. We want a community where our families can grow and flourish. And we want the opportunity to join with friends, family, and neighbors to leave the world better than we found it.

The 46 million people who live in rural communities share these dreams, and they reflect the vibrant diversity of our country.

From the foothills of Appalachia in Pennsylvania and Ohio, to Native American tribal lands on the Great Plains; from Black communities in the Deep South, to Hispanic and Asian communities in the West, we find resilient, hard-working men and women trying to make a better life for themselves, their families, and their communities.

I know the pride people have in their hometowns – like I have in my home town of Mansfield, Ohio. They want these places to be successful. They don’t want to be told to pick up and leave to find better opportunities.

Crumbling infrastructure, high unemployment rates, low wages, and gaps in access to banking, housing, and transit make rural areas especially vulnerable in an economic downturn.

Workers and families and community leaders pour their hearts and their resources into their communities, trying to preserve their legacies and grow new businesses and attract new investment.

But these same communities have watched for decades as investment dried up, plants were shuttered, and storefronts were boarded over. University economists, CEOs, and conservative Washington politicians make public pronouncements about capitalism’s “creative destruction” – dismissing workers’ anger, informing us that these actions are the inevitable result of free and unfettered markets.

Corporations close down factories, and move good-paying union jobs abroad where they can pay lower wages and exploit workers. Ohio workers from Bucyrus to Lordstown know what this does to communities.

Big corporate agriculture has made it harder for small family farms to compete. Local, independent businesses close shop because they can’t compete with Amazon.

Big banks buy up their smaller competition and then close local branches, leaving communities 30, 40, even 50 miles from a place to deposit a check or build crucial relationships at their bank.

The banks claim people can just use online banking – but that doesn't help if your community doesn't even have reliable broadband.

As the banking sector gets more concentrated, it's harder for small businesses, farms, and families to get loans to hire more workers or expand their operation or to buy a home.

The biggest banks and the largest corporations only look at quarterly profits, without considering the long-term economic impact on these communities and small businesses.

And despite the simplistic picture we often see in the national media, these communities are not only made up of people who look like me. Rural America is as diverse and culturally vibrant as the rest of the country. But centuries of violence and displacement and structural racism have pushed rural communities of color even further behind.

Native communities have some of the highest levels of poverty and many families suffer from overcrowded housing without plumbing or heat. The same is true for Black families and farmers that have faced decades of discrimination, including lending discrimination.

Many rural families of all backgrounds don't have a safe, affordable home. And if there isn't affordable housing, communities can't attract new business because there's nowhere for workers to live.

Last month, I was talking to the CEO of a credit union in southeast Ohio who knows the housing needs in his Appalachian community, and wanted to do something about it. He meets lots of well-qualified families who could pay a mortgage, but just can't afford a 20 percent down payment. So his credit union created a new mortgage program for members of his community to have a pathway to homeownership.

That's the kind of ingenuity we see all over the country from leaders who actually live in and understand these places. And we can learn from them.

Our witnesses today know what it means for the local economy when the big banks abandon rural towns, or when a big-box chain store forces out small businesses. They know how working low-wage jobs makes it impossible to make the rent, let alone save for a down payment.

They know that homegrown, local businesses understand what their communities need.

Anyone who's raised a family or started a business in Appalachia or Indian Country or the Carson Valley knows these places can't rely on Wall Street banks and corporations to help them out.

People in rural towns and counties remember how the biggest firms recovered after the last financial crisis, while they were left behind. And they saw history repeat itself over the past year – when big franchises got help from big banks, small businesses went to the back of the line, and Black and Hispanic businesses were far less likely than white owned businesses to get loans at all.

Over and over, I hear the same thing from communities large and small, rural and urban: they need more resources. They've tried to make it on their own because they have to – not because they don't want investment, or don't want their fair share of our country's prosperity.

To recover from this crisis and rebuild a stronger economy, rural communities need direct investment in infrastructure and economic development.

We've made a good start with the American Rescue Plan. Now we can look forward to the American Jobs Plan to help us invest in our rural communities for the long term.

We will invest in broadband and rural buses and affordable housing and the next generation of American manufacturing. We will invest in new energy technology to address climate change and create good paying jobs in communities of all sizes.

If we make these investments, these local communities will be strong and resilient in the face of the extreme weather events – like wildfires, flooding, and hurricanes – that threaten our rural communities more and more each day.

When we put communities, not corporations, at the center of our policy – when we invest in local people and businesses who make up our rural communities – we will get an economy that works for everyone.

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