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# ECONOMIC DEVELOPMENT IN THE MISSISSIPPI DELTA

## HEARING

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

UNITED STATES SENATE

ONE HUNDRED SIXTH CONGRESS

SECOND SESSION

**SPECIAL HEARING**

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# ECONOMIC DEVELOPMENT IN THE MISSISSIPPI DELTA

**TUESDAY, MARCH 14, 2000**

U.S. SENATE,
SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT, AND RELATED AGENCIES,
COMMITTEE ON APPROPRIATIONS,
*Itta Bena, Mississippi.*

The subcommittee met at 9:30 a.m., on the fourth floor of the Mississippi Valley State University Administration Building, Hon. Thad Cochran (chairman) presiding.

Present: Senator Cochran.

## DEPARTMENT OF AGRICULTURE

### OFFICE OF THE SECRETARY

**STATEMENT OF JILL LONG THOMPSON, UNDER SECRETARY FOR RURAL DEVELOPMENT**

OPENING REMARKS

Senator COCHRAN. Let me call the subcommittee hearing to order, first of all, to thank the officials here at Mississippi Valley State University for permitting us to convene the hearing on the campus.

We're very grateful to all of you who have helped us organize the hearing and make the arrangements for the conduct of the hearing. We extend to you our sincerest appreciation.

We are very happy to acknowledge the leadership of Dr. Lester Newman, who is President of Mississippi Valley State University. We've had an opportunity to meet in my office and talk about the plans for the university and how our office can be helpful in the appropriations process in Washington.

We know that we have provided annually a curriculum enhancement appropriation for Mississippi Valley State University over the last several years which helps to enrich the curriculum and support the budget of this university.

We hope to be able to build on that investment here at this university, because we know the important role that it plays, not only in the State of Mississippi, but regionally, and we acknowledge that and congratulate you for it.

This morning we are convening the hearing here in the Mississippi Delta to review federally supported programs that are designed to promote economic development in this region of the coun-

try. Our hearing has been authorized by the Chairman of the Committee on Appropriations of the United States Senate, Senator Ted Stevens of Alaska.

We are very happy to have representatives of three departments of our Federal Government here this morning to discuss the Delta Regional Authority, which has been proposed by President Clinton.

We have reviewed some of the information that's been made available, but we thought it would be appropriate to have representatives of the departments that would be coordinating the activities of the Delta Regional Authority here today to discuss the plans and let us know more about the details of what we can expect from this program.

We know that this has been an area of the country that has been beset with a lot of economic problems because of changing economic conditions. Agriculture, which had been the backbone, economically, of the Mississippi Delta for so long, has undergone a tremendous change in terms of the kind of work opportunities that are available, the support industries that are needed.

The modernization of agriculture has meant the loss of a lot of traditional jobs here in the Mississippi Delta and the outmigration of a lot of the people who used to live here in the Delta. So to deal with these realities, we've had to reexamine what will work in terms of economic development and new job opportunities for this area.

And I think that is going to be in this area of accommodating to the realities of change that we find our biggest challenges. I'm convinced that we have some resources here in this region that we haven't utilized to the fullest potential.

And I'm particularly interested in trying to examine how we can better utilize our educational institutions. This university where we are today, others in the region, Alcorn State University, Delta State University, our community colleges, and of course, the elementary and secondary system, which is the bedrock, the center, the core, of our educational responsibility.

But we have resources in this State that are significant in their potential to contribute to economic revitalization of this region, and the people who live here ought to be able to obtain the benefits, the full range of benefits, that could flow from the utilization of our educational institutions.

So I welcome all of you who are here today. We will have another panel of witnesses following this initial panel of Government department representatives who come from the educational institutions and the other organizations who work for the economic betterment of the people of the Delta region.

So I'm going to welcome our first panel and encourage you to make whatever remarks you would like to make at the hearing. We have your testimony that you have prepared which we appreciate, and those statements will be incorporated into the record in full.

The Honorable Jill Long Thompson is Under Secretary for Rural Development from the United States Department of Agriculture.

Dr. Judith Johnson is Deputy Assistant Secretary for Elementary and Secondary Education from the Department of Education, and Dr. Albert C. Eisenberg is Deputy Assistant Secretary for Trans-

portation Policy at the United States Department of Transportation.

They make up our first panel of witnesses. We welcome you and thank you for being here. Ms. Thompson is not a stranger to the Delta. I know she's been here on several occasions in her capacity at the Department of Agriculture, and we appreciate her long interest in our State and her presence here today. I'm going to ask Secretary Thompson to begin our hearing.

Ms. THOMPSON. Thank you, Mr. Chairman. And it really is a pleasure to be here; and as you know, I've had an opportunity to be in the Delta and this part of Mississippi on a number of occasions. And it's a very, very pretty part of our country, and I'm very happy to be on the Mississippi Valley State Campus this morning. I thank you for having me here.

I would like to talk about some of the successes that we've had this morning as well as why we feel it is so important that there be authorization and funding for the Delta Regional Authority. The DRA is a top priority of this administration and the President.

He believes it is vital to improving the long-term economic security of this region. Legislation that would accomplish this goal S. 1622 and H.R. 2911 have been introduced in both the House and Senate.

The goal of the Delta Regional Authority is to increase the amount of resources and also to improve the effectiveness by which those resources are used to address the present development needs in the Delta.

The authority would provide for the long-term continuing coordination of resources in the local community. Creation of a new Federal agency will allow us to meet this goal by strengthening the Federal-State partnership and will provide an on-going targeted Federal presence in the region.

As members of the authority, the Governors of the seven Delta States, and the Federal members will identify the projects that the authority will fund. Half of the authority's resources will be targeted to the most distressed counties in the region, and we expect the authority will actively work with existing economic development organizations to help identify and prioritize needs.

Community-based organizations as well as State and local governments will be eligible to receive authority funding.

We believe that it is very important that the families in the counties of the Delta have the same kinds of opportunities that families elsewhere enjoy, the opportunity to work, provide for their families, and to build financial security.

To address such problems, the President's budget proposes this authority to bring the resources together. I am a firm believer and we do believe in the administration that the private sector is best suited to provide opportunities while the role of the Federal Government is to provide the economic environment, so the private sector can do what it does best, which is create opportunities.

Over the past decade, USDA investments have created millions of jobs; however, the positive effects of the robust economy have not reached all rural areas. We see that in my home State of Indiana. We see that across the country.

There are some particular challenges in the Mississippi Delta. I've been fortunate to travel throughout the country and to see successes, but also to see what the need is that exists currently.

For example, in the 219 Delta Counties during the 1993–1998 period, the average unemployment rate declined from 7½ to 5½ percent.

However, and you know this as well as anyone, there are still pockets of unemployment rates as high as 14 percent, and the poverty rates are still too high. Poverty in the Delta Counties remains at 175 percent of the national average; and in over half of the counties, the rates are still over 20 percent.

This is evidence that full-time employment does not always ensure an income that's sufficient to provide for basic needs. In fact, over 60 percent of the rural families live below the poverty line still have at least one member of the family fully employed.

These are also the areas that tend not to have the capacity to compete successfully for economic development of Federal financial assistance. I think you appreciate this as much as anyone. In our small rural communities, we have a lot of the people who work two jobs. They have their regular job that oftentimes doesn't pay very well and virtually volunteer their services to hold a local, public office.

It's unlike in the urban communities across our country where in the urban communities you have folks who are employed full-time, who have master's degrees in public administration and their sole responsibility is to write grant applications for Federal and State and private funds.

That's not the case in rural communities, and many of the communities that experience high unemployment rates, it's a particularly high challenge.

Since 1993 the rural development mission area, over which I have responsibility, has invested approximately $3.5 billion in the 290 counties of the Mississippi Delta through the programs of the Rural Housing Service, the Rural Utilities Service, and the Rural Business Cooperative Service.

While these investments, Mr. Chairman, are impressive, they should not be viewed in isolation. We estimate that the economic value of these investments to local economy in Mississippi is at least twice that amount.

Let's see. As I was just mentioning—you know what I'm reminded of, my grandmother always told me if you wear shoes that squeaked, it means they are not paid for. I'm wondering since this is happening, I'm not telling the truth.

But I am telling the truth. We estimate that the economic value of these investments to local economies in Mississippi is $2 billion.

Additionally, we have made significant effort to attract other funding to each project that we finance so that we leverage the Federal dollars with State and local and, most significantly, the private sector dollars.

The empowerment zones and the enterprise communities are one of the best examples of the success of this policy. Since December of 1994, there has been a total of $876 million invested in the original 3 empowerment zones and 30 enterprise communities. This includes $164 million by the private sector.

Clearly, this coordinated effort is having an impact, and it's having an impact because of the leadership at the local level, in the local communities that make up the empowerment zones and the enterprise communities.

I'm very proud of the accomplishments that we have been able to achieve through our various programs in rural development; and of course, they would not have been realized without the funding provided by Congress and the leadership you have provided on the Appropriations Committee on Agriculture. That has been very, very important to making things happen to rural communities in your home State of Mississippi as well as across the country.

We've created a large number of jobs. We've been able to work with families to make it possible for them to own homes, and they would not have been able to do so without our programs.

We've been able to fund health clinics and child care facilities and schools and libraries, police stations, and fire stations serving over 8 million rural residents as a result of our community facilities programs.

We've been able to provide water and sewer funding. We've been able to accomplish a considerable amount. The biggest challenge that we've seen as we look to the future and look to trying to determine how we can make the dollars that we do spend do the greatest amount of good in the Mississippi Delta as well as across the country is to ensure a coordinated effort.

I know from my experience in this position over the last 5 years that just in the Mississippi Delta I have many groups and individuals come to me individually to talk about programs that they are putting together and to seek possible funding from the United States Department of Agriculture.

Oftentimes, while the projects that are being proposed and often that come to fruition are very effective, they could be even more effective if there were some kind of a regional way that we could coordinate the efforts and the resources so that whether you're in Mississippi or in Arkansas or Southern Illinois, wherever you happen to be, that you might have access to information and resources in other parts of the Delta that are experiencing the same challenges.

And that's why we feel that the Delta Regional Authority would be so valuable with most of the funding, as you know, going for technical assistance and programs, a very small amount of the funding going for the administration, for salaries and expenses; but it would be an opportunity to put into place and institutionalize the successes that have already taken place and that we hope to continue into the future. Thank you.

PREPARED STATEMENT

Senator COCHRAN. Thank you, Ms. Thompson, for your statement and the helpful information that you provided to our hearing.

[The statement follows:]

PREPARED STATEMENT OF JILL LONG THOMPSON

Mr. Chairman, Members of the Committee, it is a pleasure to present to you the President's fiscal year 2001 Budget Request for the Rural Development Mission

Area of USDA. With your permission I will summarize my statement and request that the full text of the statement be presented in the hearing record.

Before discussing the budget request for 2001, I am pleased to share with you some of the results of the funding the Committee provided Rural Development for fiscal year 1999. I am very proud of the results, and I think the Committee will be as well. With the $1.7 billion appropriated for Rural Development programs in fiscal year 1999, investments totaling $9.9 billion were made in rural people, communities and businesses. A conservative estimate of the economic impact of that investment is $18 billion. The following is a sample of the successes.

—The investment in rural businesses, housing and community infrastructure created or saved about 200,000 jobs.

—Almost 66,000 rural families that could not otherwise qualify for mortgage credit were able to buy or improve their homes; over 5,000 affordable rental units were added to the rural housing stock; and 42,357 low-income households were able to obtain decent housing at an affordable rent.

—Almost 500 community facilities projects, such as health clinics, child care facilities, schools, libraries, police stations and fire stations serving over 8 million residents were built.

—Almost 2 million rural residents were provided new or improved public water supply or waste disposal systems; 2.8 million rural residents received improved electrical service; 287 rural schools and 131 rural health care providers benefitted from the distance learning/telemedicine facilities.

—Over 200 marketing networks and cooperative partnerships were established or increasing their business outlets.

While the aggregate statistics are impressive, they do not tell the human side of the story which is substantial, but is difficult to report statistically. Actual successes are described below.

—The local job market in a small, rural community in Kentucky was improved with the reopening of a local textile plant which had been closed by a large national company. With assistance from Rural Development, the plant was refurbished with modern equipment and now employs 125 residents.

—A single mother in rural Maine, suffering from memory impairment due to an automobile accident, now has a home for herself and her 6-year-old daughter. After the accident they had been required to move several times and for a while lived in a motel.

—The 1,200 residents of a small town in Georgia will, for the first time, have local health care and child care facilities. The clinic will provide health care 7 days a week and the child care facility will be open 24 hours a day to accommodate children whose parents work at night.

—A county-wide volunteer fire department in Texas replaced their 30-year-old radio equipment with new communications technology which will allow direct communications with the county police and emergency medical services.

—Approximately 9,100 residents in the very isolated Bering Straits region of Alaska will have improved health care. Diagnosis-quality images will be transmitted to medical specialists in Anchorage from 15 villages, a clinic in tribal headquarters and two health care providers in Nome. The residents are scattered over 25,000 square miles with some having no road access.

Mr. Chairman, as you and the Committee review the fiscal year 2001 Budget request for Rural Development, please keep in mind that the reason each of these programs was authorized, in some cases decades ago, was concern that rural America was being left behind economically. Although there has been significant progress during the past three decades in addressing these needs, the poverty rate in many rural communities is still unacceptable. After showing some improvement in the 1970's, many rural areas are once again significantly lagging behind the improvement in the national economy. And more recently there has been increased concern about the future economic opportunities of rural communities due to the concentration of agricultural production and processing.

We all know that, as farming operations increase in size and processing operations vertically integrate, ties to the rural community are weakened. Larger farms can purchase their inputs, including capital, from larger and more distant sources. Larger farms also find it easier to negotiate directly with processors rather than local buyers. This often results in less income being retained in local communities and less capital available for other business needs and for diversifying the local economy to counter the effects of concentration. This situation is exacerbated by consolidation in the banking, retailing, and in health care. Consequently, there are fewer rural economic hubs than once existed. And evidence shows that the greater the distance from an economic hub, the lower the economic growth rate.

Mr. Chairman, although there have been significant successes in rural areas generated by the programs we administer, the Federal government is not, nor should it be, a substitute for the wealth generating capacity of the private sector. That is why we, in Rural Development, continue to stress that cooperatives are a good solution to some of the development needs in rural areas. Agricultural producers have the opportunity to maximize their position in negotiating prices for their commodities through marketing cooperatives. They can also increase their profits by utilizing cooperatives to process and add value to their commodities. An example is a new cooperative soybean processing plant whose farmer-owners will realize an additional forty cents per bushel. Most of the additional earnings remain in the local community. We would like to see more cooperative business operations such as this one and others that we have financed in recent years. Through market forces, member-owned cooperatives help grow local economies and rural communities.

We believe it is our responsibility to assist the private sector make these opportunities a reality. This has been the focus and the message of the President's "New Markets" initiative to encourage the private sector to view poverty stricken rural and urban areas as potential market opportunities. Last fall I had the pleasure of accompanying the President to Hermitage, Arkansas, to demonstrate the success of a very small cooperative venture that includes 17 member producers. Three years ago before the cooperative was formed, these producers sold 3,400, 20 pounds cases of tomatoes worth $60,000, and fifteen of the producers were on the verge of bankruptcy. Last year the sales had increased to 570,000 cases worth $4 million. During peak season, the cooperative employs 120 people in a town with a population of less than 700.

Other examples include a very small cooperative in northern Florida that is selling its fresh vegetables and fruits to local school districts. Some of the producers have seen their incomes triple as they provide very competitively priced, nutritious and fresh produce to school children. Rural Development was a partner in this cooperative; much of the work was done by the Natural Resources Conservation Service, the Farm Service Agency, and, of course, the farmers. Another success story is a wheat farmer's cooperative in Colorado who purchased a bakery that was closing. They now process their own wheat into bakery products that are sold to a national sandwich chain and local supermarkets in the Denver area. They have already exceeded their capacity and are looking at options for expanding their operations.

In addition to the economic successes enjoyed by these operations, Mr. Chairman, is the satisfaction one sees on the faces of the producers when they realize they can be just as entrepreneurial as some of the "dot com" companies. Success breeds success. Seeing people realize they can be in charge of determining their future is one of the most rewarding parts of this job. A few years ago I told you of the joy I saw in people's faces after they had completed building their own homes through our mutual and self help housing programs—believe me, that joy is equaled when I see agricultural producers realize they can take greater control and generate greater profits in the food chain. They no longer feel captive of the markets.

I urge each Member of the Committee to visit some of these operations and enjoy that experience for themselves. You have appropriated the funds that made it possible.

BUDGET REQUEST

Mr. Chairman, the President's commitment to improving the economies of rural America continues and that is reflected in the budget request for fiscal year 2001. The Rural Development budget request for programs is $12.4 billion, $1.3 billion higher than the level enacted for fiscal year 2000. This level requires only about $300 million in additional budget authority, not counting what is requested in the Farm Safety Net proposals, which I will discuss later. But, Mr. Chairman, if the Rural Development Mission is to deliver programs of this amount and carry out our fiduciary responsibilities of protecting the $80 billion loan portfolio, we must have sufficient administrative expenses.

ADMINISTRATIVE EXPENSES

The request for administrative expenses for fiscal year 2001 is $581 million, $48 million higher than appropriated for fiscal year 2000 and includes $20 million increase in administrative expenses to support a new guaranteed loan accounting system and other system improvements. I realize the burden this places on the Committee, but the potential risk that may occur without the appropriate level of oversight far overshadows this cost. For example, between housing loans of the Rural Housing Service and the farm credit operations of the Farm Service Administration, we are obligating about $8 billion in guaranteed loans annually, and we do not have

an automated accounting system that provides the capacity to manage these funds. This is irresponsible and is not a legacy that I want to leave.

Yet, because we cannot afford to reduce staffing any further than we have, I have made the decision to reduce other administrative expenses, including investments in accounting systems, to maintain the staffing level needed to deliver the programs and do the best we can in managing the assets with which we have been entrusted. These were not good decisions, and are decisions I would prefer not to make. For example, when I became Under Secretary, the training budget for Rural Development was about $11 million. Over the past years we have reduced that budget to about $2 million in training that we classify as mandatory, i.e, training that is the minimum needed for our staff to perform at acceptable levels. The loan programs we administer are much more complex than anything found in the private sector, and we have a significant number of new employees that are coming on board. We are not providing them adequate training. We have also reduced travel from over $21 million to just over $11 million at a time when we need to travel more to adequately supervise and monitor our loan portfolio. We have made these decisions because we had to, but I have concerns about our ability to maintain our fiduciary responsibilities.

Mr. Chairman, the $48 million increase requested for salaries and expenses is about 40 percent of the pay cost increases that we have had to absorb during the time that I have served in this job. Absorbing these costs is the same as a reduction as a reduction in funding.

An important part of the efforts to modernize field operations for the Natural Resources Conservation Service, the Farm Service Agency and the Rural Development agencies is the effective consolidation of three separate and largely redundant administrative systems into one under the proposed Support Services Bureau. This is a glaring inefficiency that needs to be eliminated. Consolidated support would be provided for information technology, financial management, travel, procurement, civil rights and human resource management. These services would be provided under the direction of an Executive Director who would report to a board of directors comprised of the heads of the agencies to be serviced. Unfortunately, language in the fiscal year 2000 Appropriations Act prevented us from implementing our plans for the Support Services Bureau. I would ask you to take a look at that language and work with us to move our operations into the modern world. By poling resources in the administrative arena, each agency will be in a better position to provide greater program support.

Mr. Chairman, before I leave the area of administrative expenses, I would also like to advise the Committee that the Office of General Counsel is critical to our success in protecting the interest of the taxpayers. We consider the Office of General Counsel to be an integral part of our team, and they are particularly helpful to us in resolving the problems we encounter in our more complex lending programs, such as like the multi-family housing and the electric loan programs. They have my support and I believe they deserve the support of the Committee.

Mr. Chairman, I would also like to take just a moment to discuss consolidation of some of the administrative systems that serve the Natural Resources Conservation Service, the Farm Service Agency, and Rural Development. We should not get bogged down in terms such as "Support Services Bureau" that, in my opinion, may have confused the objective. Mr. Chairman, Members of the Committee, the Natural Resources Conservation Service, Farm Service Agency and Rural Development are, for the most part, located in the same offices, and we are going to share one information system. Does it not, therefore, make good sense that we have one personnel system, one travel administration system, and. one procurement system that serves all three?

I would ask you to take another look at the language included in the fiscal year 2000 Appropriations Act that prevents us from implementing the plans for administrative consolidation; work with us to improve our administrative operations and place us in a better position to enhance delivery of the programs and services that each of us are entrusted, by Congress, to provide to the residents of rural areas.

PROGRAM BUDGET REQUEST

Mr Chairman, I shall now discuss the requests for the various programs administered by Rural Development.

RURAL HOUSING SERVICE

I was honored to attend the 50th anniversary of the single family housing loan program in December of last year in Georgia at the home built with the first loan issued under this program. The wife of the family with the first loan and the wid-

ower of the Farmers Home Administration employee making the first loan were also in attendance. While the ownership has changed, the home is still in immaculate condition. The story of how much this home, and hundreds of thousands like it, have meant to rural families, and rural communities, is something that should be told again and again. This country can be very proud of this home ownership program.

The budget request for the programs administered by the Rural Housing Service totals $6.7 billion, almost $900 million more than the level appropriated for fiscal year 2000, requiring almost $200 million more in budget authority. This increase reflects the Administration's commitment to improving housing conditions in rural areas and, in particular, improving homeownership opportunities, a key ingredient in building stable communities and economies. The request for single family housing, direct and guaranteed loans totals $5.0 billion and will support about 64,000 housing units and, in the process, provide nearly 44,000 jobs, primarily in the construction trades.

We are proposing a modest increase in the multi-family housing program which provides housing for some of our most vulnerable citizens. A significant portion of these units are occupied by female heads of household, generally elderly females or single mothers, with annual incomes of about $7,300. The budget request will provide for the construction of 1,400 units and the rehabilitation of over 4,000 existing units. Mr. Chairman, while there is a significant need for new multi-family housing throughout rural areas, we also have a significant problem in meeting the need for rehabilitation of an aging portfolio, and in maintaining the availability of these units for very low income tenants. The request for the multi-family housing guaranteed loan program will provide for the construction of about 6,400 units. The request for rental assistance is $680 million, $40 million higher than the level available for 2000. Most of the request is needed to renew contracts for 42,800 units. Without rental assistance, it would be impossible to provide affordable rental housing for very low income families, most of whom have no other housing alternative.

As I have told the Committee on many occasions, one of the great joys of this job is to see the satisfaction and absolute joy on the faces of families and their children when they have completed building their own homes with the help of new neighbors. The mutual and self help program is community building at the most basic level, neighbor helping neighbor in the construction of new homes. The Administration is requesting a significant increase in this grant program, $12 million which is used to provide the technical expertise and supervision during construction. Families participating in the program receive loans through the single family direct loan program.

We are also requesting modest increases in the farm labor housing loans and grants and we are proposing $5 million be appropriated for emergency assistance for migrant and seasonal farm workers. This program, although authorized in the 1990 Farm Bill, was not funded until last year's emergency supplemental appropriations act. The contribution of migrant and seasonal farmworkers to feeding our nation is often overlooked. The $20 million made available for the first time last year is equally important and a very small cost to pay, compared to the value these families contribute to this economy. The assistance was used to pay back rent and utilities, school fees, and a number of other obligations that could not be met, due to natural disasters destroying the crops these individuals and families would have harvested.

Mr. Chairman, I would also like to thank the Committee for having the foresight to provide $6 million in fiscal year 2000 for the Rural Community Development Initiative. These funds will be used by a wide variety of organizations to assist us in developing the capacity of rural communities to become more self-reliant. It is through these efforts that we endeavor to teach community leaders that dependence on the Federal government is not the answer to long-term economic problems. The communities, themselves, must develop the capacity to build local economies. It is also through efforts like this that we engage other organizations with resources to work with us in building homes for low income families. We are very proud of the number of funding partnerships we have established in the past couple of years. Through these efforts we are stretching the capacity of the tax dollars with which we are entrusted.

Mr. Chairman, we are also requesting a significant increase in the low income housing repair loan and grant program, This program provides the very basic improvements in owner occupied single family homes to make the house safe and livable. However, the most important contribution of the program may be that it allows elderly men and women to live the remainder of their lives in their own homes with a degree of dignity. It is also one of the most utilized programs we have in most disaster situations. It was used extensively in North Carolina following Hurricane Floyd.

The request for community facilities totals $484 million, $24 million of which is for grants, including $6 million to continue the Rural Community Development Initiative which is being implemented this year, and $5 million for the hazardous weather early warning alert system, the need for which has been recently demonstrated again in rural Georgia. Increasing the community facilities grant program is one of our highest needs. We can accomplish more with this program than almost any program in our portfolio. As Members of the Committee realize, this program finances rural health facilities, child care facilities, fire and safety facilities, jails, education facilities, and almost any other type of essential community needed in rural America. However, it is very difficult to reach many of the more impoverished communities that are unable to repay loans. Additional grant funds are needed to offset the cost of these loans.

RURAL BUSINESS-COOPERATIVE SERVICES

Mr. Chairman, the key to creating economic opportunity in rural areas is the development of new businesses and employment opportunities. This is primarily the role of the private sector. However, due to concentration and integration of the agriculture industry, and more recently the consolidation of the banking industry, local lending institutions frequently do not have the capacity or the capital needed to sustain local businesses and generate new growth. Further, something that should not be overlooked is that frequently, the Rural Business Service is only a partner, and sometimes a minor partner, in the loans made through these programs. We expend a lot of effort in every program, including housing and utilities, to leverage other monies into the projects we finance.

The programs, particularly the Business and Industry loan guarantee program, were enacted to supplement the efforts of local lending institutions in providing that capital. The program requested for the Rural Business-Cooperative Service is $1.5 billion with the majority of the request for the Business and Industry Loan Guarantee program, $1.2 billion, compared to $869 million in fiscal year 2000. We will also again establish a policy objective of $200 million of the total for the development or expansion of cooperative businesses. As you know, we have established similar priorities in other years, and while we have not yet achieved our objectives, the level used by cooperatives is increasing each year. For example, through the first quarter of fiscal year 2000, we almost matched the level used by cooperatives in fiscal year 1999.

I am particularly pleased that this budget request includes funding for a Cooperative Equity Capital Fund which will be used to assist producer's of livestock and other cooperatives to counter the effects of market concentration. This request is included in the Farm Safety Net proposal as a mandatory expenditure of the Commodity Credit Corporation. I have mentioned that the lack of capital is a major problem that rural areas face in economic growth. While not everyone agrees on the degree to which capital is lacking in rural areas, there is agreement on the lack of equity capital, and this need is greatest when crop and livestock prices are depressed. More and more producers are beginning to realize that the only means of gaining a greater share of the food dollar is to own the processing or manufacturing facilities. We intend to use this program to meet some of that demand and we will be submitting legislation for the consideration of Congress outlining how we intend to use the program.

Complementing this request is an increase in cooperative development grants which will be used to assist in the development of new cooperatives. These grants are made to cooperative development centers which augment our internal staff resources in providing technical, financial, and management assistance in the creation and maturation of new cooperative ventures. As provided in last year's Appropriations Act, a portion of these funds will be devoted to assistance to small and minority producers. It is these producers that more frequently, and more quickly, feel the effects of reductions in prices. The same producers can benefit more through the use of cooperatives to market or process their commodities. The Administration will also again be submitting legislation to authorize assistance to non-agriculturally related cooperatives. I believe such authority is important to the economic success of rural areas.

We are proposing that the Intermediary Relending Program be increased by almost 70 percent. The demand for this program is increasing significantly, and with part of the increase we wish to improve our ability to assist tribal governments establish revolving loan funds. We plan to do this in conjunction with the Small Business Administration and the Department of Treasury's Office of Community Development Financial Institutions. This would be a joint effort to aid tribal governments establish lending capacity, but also to aid private sector lenders in dealing with

some of the obstacles they have encountered in lending to tribal organizations. The importance of these small revolving loan funds to rural communities is demonstrated not only in the successes of this program, but also in the fact that a significant portion of other grant programs are used to establish similar loan funds.

We are also proposing an $8 million level for the Rural Business Opportunity Grant program, a 100 percent increase over the level provided for fiscal year 2000. This program was authorized in the 1996 Farm Bill and funded for the first time for the current fiscal year. These funds can be used by a variety of organizations, such as the Empowerment Zones/Enterprise Communities, Rural Conservation and Development districts and others to develop economic development strategies.

The budget request also includes $3.5 million in budget authority for bio-mass demonstration projects. Specifically, $2 million will be available for firms that will use the Business and Industry loan guarantee program to develop, process, or market bio-based products; $1 million will be available for electric borrowers to demonstrate the value of generating electricity using bio-based products as the fuel, and $500,000 will be available for cooperative development grants for cooperatives that process or market bio-based products.

The National Sheep Industry Improvement Center has recently entered into an agreement with the Livestock Production Association to establish a revolving loan fund which will be used to improve the infrastructure of the sheep and goat industry. We are requesting $5 million of the remaining $30 million authorized for this program to augment that effort.

We are also requesting $15 million for the third year of the Empowerment Zones/Enterprise Communities designated in the 2nd round of this program.

RURAL UTILITIES SERVICE

The Rural Utilities Service provides financing for electric, telecommunications, and water and waste disposal services that are the backbone of economic development. Last fall we celebrated the 50th anniversary of the telecommunications program, and this year we will celebrate the 60th and 65th year of the water and waste disposal and electric programs, respectively. The successes of these programs and the benefits they have provided to rural America are unparalleled. Over $70 billion has been invested in rural America through these programs, and the economic growth they have generated has repaid the cost 100 fold. And even more remarkable is that less than one percent of the amount loaned has been lost through defaults. The capital investment generated by the program levels requested in the budget will generate about 100,000 jobs, but more important is the opportunities generated, particularly through the telecommunications programs. It has long been the policy of RUS that fiber optic cable be used for telecommunication rather than the copper wire that is found in most urban areas. However, much of the rural traffic still must be routed through other exchanges with less capacity. The "digital divide" is composed of issues such as this.

Mr. Chairman, when President Clinton announced the Digital Initiative in early February, he was criticized for constructing a political deal, and he responded that, "this is not a political deal. If I had waited for the market to solve universal telephone access, there would still be places in Arkansas where people wouldn't have a phone." Paraphrasing another comment in that regard, the bottom line of the President's proposal is a better bottom line for firms in the technology industry. The President knows how important these programs have been to rural America over the decades and he sees the opportunities they can bring in the future.

The level requested for the programs administered by the Rural Utilities Service is $4.3 billion, the same as is available for fiscal year 2000. For electric loans we are requesting $1.5 billion, requiring $26 million in budget authority. Again this year, we respectfully request that the budget authority be provided in a single amount, rather than by individual program. This additional flexibility permits us to more effectively manage demand for the four different programs.

Our request also includes $670 million for telecommunication loans, including those made by the Rural Telephone Bank, and an additional $325 million for the distance learning/telemedicine programs, which includes a significant increase for grant funds. One of the concerns that I have with the lack of opportunity in many rural areas is that unless we are able to reach the children in poverty stricken families and provide them the opportunity to expand their education, they will soon be left behind by the technology-driven economy and the rapidity with which knowledge is changing. Distance learning/telemedicine program is one of the best tools we have for ensuring that they are not left behind. We also request $102 million to finance a broadband internet access loan and grant pilot program.

The request for water and waste disposal programs is $1.6 billion which will require less budget authority than was available in fiscal year 1999, but a significant increase over fiscal year 2000. With this funding we estimate that we will build, improve, or expand 1,155 water and waste disposal systems serving 2.4 million people and create 42,000 jobs in the construction related fields. In addition, we will improve our leveraging of funds with State Revolving funds that are also used to finance water and waste disposal systems to ensure that each dollar provided by the taxpayers is used to its maximum. Our primary target is still those residents without safe, dependable water in their homes, especially those with the most serious quality or quantity problems—the systems classified as Water 2000 systems.

When we were challenged early in this Administration to provide every resident in rural America with safe, dependable water in their homes, we knew that we could not meet the ultimate objective. However, the challenge has led to the reduction in the number of rural residents without this basic necessity from 1.1 million in 1990 to under 700,000 now, and this is something we all should be proud of. We will continue to pursue that objective in fiscal year 2001, although we must be frank and tell you that the ultimate objective may not be reachable due to sparsity of population making affordable systems improbable or terrain that increases cost to the point that systems are not affordable.

Mr. Chairman, before I close, I must return to the issue of administrative expenses. These programs that all of us are so very proud of and that contribute so much to the economies and the quality of life in rural America cannot continue to be delivered without adequate support of the dedicated employees and the automated systems that are needed to ensure proper accounting of the taxpayers dollars. To continue down the path that we have been on in the past few years may be penny wise, but it is dollar foolish. I am very proud of our accomplishments in reducing expenses. But, being economical and reducing expenses where one can is different than not providing the resources needed for our staff to operate successfully. Since I have held this position, the Rural Development Mission Area has met every streamlining target we have been given, but we have also been asked to absorb $80 million in pay raises and other inflationary items that also should be considered as reductions, but never are. Rural Development and other USDA entities have reached the breaking point and without some relief, all of us may face the embarrassment of a major failure. I do not want this on my record, and I, as a former Member of Congress, am sure that none of you want to be responsible for such a failure either.

The Congress and the Administration, as well as the taxpayer, have every right to be proud of the fact that we have eliminated the word "deficit" from policy discussions. Let us acknowledge the fact and move on to ensuring that every individual in this country has the opportunity to participate in a dynamic, growing economy, but do so with the recognition that delivering these programs wisely costs money. The economic growth we create with these investments in rural America more than pay for the cost of the programs and the associated administrative cost. It is time we started counting both sides of the ledger.

Mr. Chairman, Members of the Committee, this concludes my formal statement. The Administrators and I would be glad to answer any questions you may have. Thank you for the opportunity to appear before you to discuss the Rural Development budget request with you.

## DEPARTMENT OF EDUCATION

### STATEMENT OF JUDITH JOHNSON, DEPUTY ASSISTANT SECRETARY, ELEMENTARY AND SECONDARY EDUCATION

Senator COCHRAN. Now, I'm going to turn to Ms. Johnson. Ms. Johnson is Deputy Assistant Secretary for Elementary and Secondary Education at the United States Department of Education. Welcome.

Ms. JOHNSON. Thank you. Mr. Chairman, I'm really honored to be before you today to discuss the Department of Education's commitment to providing educational opportunity in the Mississippi Delta region.

I have submitted my written testimony for the record and will limit my oral comments to highlights of that testimony. For the

past year I've served as the Department's senior representative to the administration's Mississippi Delta Interagency Taskforce.

I'm pleased to be back at Mississippi Valley State. This is my third visit to Mississippi in the past 6 months. As a New Yorker, it is quite a contrast and I enjoy the State tremendously.

In October 1999, I traveled to the delta regions of Mississippi as part of the administration's Mississippi Delta Initiative to participate in listening sessions, to meet with community leaders, and most importantly, for me to visit schools in the region.

And also at that time, I had the opportunity to be the guest of honor with President Lester Newman at a Mississippi Valley State-Alabama State football game. As you know, in 1998 U.S. Department of Transportation Secretary Rodney Slater began assembling a Federal Mississippi Delta Interagency Taskforce to assess the impact of various Federal initiatives on the Delta region.

That taskforce released a report entitled, Mississippi Delta: Beyond 2000. I led the efforts of the Department of Education to prepare our submission to that report. Over the past 7 years, the administration and Congress have collaborated to make a sizable investment in the Mississippi Delta's K–12 education programs.

We understand the importance of supporting the education system. As you say, we need to develop a skilled work force in the 21st century, one where all of the adults, not some, but all of the adults possess the employable skills needed to participate in the economy.

My testimony will highlight some of the more promising programs supported by Federal dollars in the Delta region. The President's fiscal year 2001 budget also proposes a $150 million increase to support economic opportunities in the Mississippi Delta region including the $30 million to create a new Delta Regional Authority to support continued economic growth and development.

The Delta Regional Authority as you heard is a top priority of the administration and the President, and legislation has been introduced both in the House and the Senate to accomplish this goal.

The Delta Regional Authority will help facilitate the efficient channeling of resources to the seven States, 219 county Mississippi Delta region, by strengthening the Federal-State partnership and providing ongoing targeted Federal statistics through a Federal clearinghouse in the region.

Let me turn now to the U.S. Department of Education. We recognize that the Federal Government as a junior partner in our Nation's educational system, and that the real progress in improving education depends primarily on State and local efforts. But as partners, we can do more to create the conditions for improvement.

President Clinton is requesting a $40.1 billion budget in discretionary spending for the Department of Education. An increase of $4.5 billion or 12.6 percent.

My testimony will highlight some of the major initiatives and where possible, provide the possible funding totals for the Mississippi Delta region. As you may know, the Delta report in 1990 called for students of the Delta region to demonstrate competency in core academic subjects, including reading and mathematics.

Over the past 7 years, the administration has provided States and school districts with additional support to ensure that all students can achieve to high standards.

The cornerstone of this national effort to provide all children with a high quality education is the Improving America's School Act of 1994, which reauthorized the 1965 Elementary and Secondary Education Act (ESEA). This ESEA legislation is currently before the Senate for this organization.

Let me focus us on just a few of the programs.

21st Century Community Learning Centers. Some students need extended learning opportunities to learn the basics in core subjects. The centers have provided students in all seven Delta States with after-school programs that are academically rigorous.

One example, the Mid-Delta 21st Century Community Learning Centers Consortium in Mississippi is implementing an expanded after-school program and a 4-week summer academy in four school districts located in the Mid-Delta Empowerment Zone. The consortium, which is based at the Humphreys Public Schools operates these programs 4 days a week, 2 hours weekly. Academic skill enhancement in math and language arts is offered 2 days a week.

Let me talk now about the Class Size Reduction Initiative. The administration has also provided school districts with funding to create smaller classes for students in the Delta.

By the summer of 2000, Delta school districts will have received more than a $100 million through the Class Size Reduction Initiative to hire approximately 3,000 new teachers to reduce class sizes in the early grades.

As an educator with 30 years of experience, I cannot underscore enough the importance of smaller class sizes in the early grades to ensure that our children leave the third grade able to read for understanding and able to achieve success in the remainder of their school careers.

The Jackson Public Schools in Jackson, Mississippi, used these funds to hire 20 additional teachers and placed them in 20 low-performing elementary schools. These experienced teachers are also serving as mentors for less experienced teachers.

We also requested an additional $450 million for class size reduction in our new budget to reduce class size in the early grades for a total of $1.75 billion.

Let me turn now to Modern School Learning Environments and School Modernization. Students and teachers cannot reach for excellence in outdated, dilapidated, overcrowded classrooms. We know this is a serious problem in the Delta region.

For this reason, the administration has proposed in fiscal year 2001 to subsidize almost $25 billion in bonds to the President's School Modernization Bond Initiative. The seven Delta States would receive an estimated $3.3 billion to upgrade school facilities.

Furthermore, this year the President has proposed $1.3 billion in discretionary funds for urgently needed school renovations through grants and no interest loans.

Probably the most dramatic change in public schools to take place in the last 5 years has been the introduction of technology into all of our schools and into our classrooms. We have in the Office of Elementary and Secondary Education (OESE) a program that provides support through the Technology Literacy Challenge Fund. Between fiscal year 1997 and fiscal year 2000, Mississippi received $25 million in funding for technology software and train-

ing through the Technology Literacy Challenge Fund, with approximately half of that funding targeted to the Delta.

We also provided $450 million in our budget proposal for the Technology Literacy Challenge Fund, an increase of $25 million from last year. If appropriated, the seven Delta States would be allocated more than $65 million in fiscal year 2001.

During my visit to Mississippi last October, I had a chance to see first-hand the impact of Federal education dollars and technology at Brown Elementary School in Leflore County, Mississippi. During my visit to a computer resource center at Brown Elementary School, Principal Jean Hall informed me that the computers were paid for by Title I funds, a software program used to teach reading was funded through the Technology Literacy Challenge Fund, and the Internet hook-ups were made in part affordable by the E-rate. This school and other schools in the Delta region need to spend a lot of time focusing on eliminating what we all know to be the dangers of the digital divide.

As part of the administration's Delta Regional Authority proposal, the Department of Education is also requesting $10 million for a targeted demonstration program to improve middle school teachers' competence by providing training on how to use technology in the classroom. It is of no value to have the computers in the classrooms if our teachers aren't able to use them effectively.

I turn now to Title I, our major school reform effort. The Delta Commission report in 1990 called for increased targeted services to low-income, rural students. In fiscal year 2000 alone the Department will provide over $350 million to school districts in the Delta region through Title I designed and focused on servicing disadvantaged students.

The goal of the Title I Program is to ensure that no child leaves school unable to achieve success because of their ethnic origins or their family's economic status.

School districts in the seven Delta regions will receive approximately $370 million in fiscal year 2001 under Title I formula funding.

You also receive Migrant Education funds. Funding is provided for the Delta region for migrant students through competitive grants.

Mississippi Valley State University received a $353,000 grant in fiscal year 1999 to support its longstanding Migrant Education Program. This grant provided opportunities for migrant students to complete their GED and to go on to or enroll in post-secondary education or vocational training.

Thirty-five percent of those Migrant Education students are also placed in career positions.

The Department is committed to providing Mississippi Delta region with technical assistance targeted to the region's unique circumstances. Last week on March 9 and 10 more than 100 educators from all seven Delta States attended the first ever Delta Safe Schools Conference at Arkansas State University in Jonesboro, Arkansas.

Today is the final day of the Department of Education sponsored Delta Region Rural Workshop in Helena, Arkansas. Thirty-eight community colleges in the seven State Delta region have been in-

vited to bring staff teams to this workshop. The training sessions focus on strengthening their skills for seeking competitive grants, and opportunities are there for them to hear presentations on existing program models that can be replicated in this region.

In conclusion, my experience in the Mississippi Delta last fall, staring down the fields of cotton during the harvest season provided me with a flashback of the heroics of the Civil Rights Movement in the 1960's.

As a student growing up at that time, I can remember vividly the photo essays, the poetry, and the music that captured that historical period.

The first phase of the Civil Rights Movement was to give young people access to integrated schools, other public facilities, and the right to vote. We are now at that second stage for all of our children. The next stage must provide all of our students with a world-class, technology-rich education in order to allow them to fully participate in the 21st century.

We must end what Secretary Riley calls "the tyranny of low expectations." This change will not occur without dedication and hard work. The challenge for us in the Department of Education is to help provide educators at State and local levels with the tools they need to do the job.

Mr. Chairman, thank you for providing me with the opportunity to return to Mississippi and to testify before your subcommittee. I'll be happy to answer any questions you may have about the Department's efforts to expand educational opportunity in the Mississippi Delta region.

PREPARED STATEMENT

Senator COCHRAN. Thank you, Ms. Johnson, for being here today and for the statements that you have made.

[The statement follows:]

PREPARED STATEMENT OF JUDITH JOHNSON

Mr. Chairman, I am honored to appear before you today to discuss the Department of Education's commitment to promoting educational opportunity in the seven-state, 219 county Mississippi Delta region.

Since 1997, I have served as Deputy Assistant Secretary for Elementary and Secondary Education. Prior to joining the Department, I spent 30 years in education at the local level as a teacher, guidance counselor, principal, and district administrator. For the past year, I have served as the Department's senior representative to the Administration's Mississippi Delta Interagency Taskforce.

I am pleased to be back at Mississippi Valley State. This is my third visit to the Magnolia State in the last six months. In October of 1999, I traveled to the Delta region of Mississippi as part of the Administration's Mississippi Delta Initiative to participate in listening sessions, meet with community leaders, and visit schools in the region. At that time, I had the distinct honor of being the guest of President Lester Newman at a Mississippi Valley State-Alabama State football game. My testimony will provide some reflections on what I experienced visiting schools in Mississippi's Delta region.

President Clinton's concern for the Mississippi Delta region predates his Presidency. In 1988, Congress (through Public Law 100–460) established the Lower Mississippi Delta Commission (Delta Commission) to study living conditions for individuals residing in a 219 county region running along the Mississippi River. Then-Arkansas Governor Bill Clinton was named chairman of the Delta Commission. In 1990, the Delta Commission released a report that outlined a ten-year action plan for local governments, state governments, community and business organizations, and the federal government to expand opportunity in the Delta region.

In 1998, U.S. Department of Transportation Secretary Rodney Slater began assembling a Federal Mississippi Delta Interagency Taskforce to assess the impact of various Federal initiatives on the Delta region. The Taskforce released a report in October of 1998—entitled *Mississippi Delta: Beyond 2000*—that outlines recent investments made by the Federal government in the Delta. I led efforts at the Department of Education to prepare our agency's submission for the *Mississippi Delta—Beyond 2000* report. Over the past seven years, the Administration and Congress have collaborated to make a sizable investment in the Mississippi Delta K–12 education system. While the achievement level in many Delta counties lags behind the national average, there are many Delta schools and districts that have demonstrated improvement over the past decade. My testimony will highlight some of the more promising programs supported by Federal dollars in the Delta region in the context of the Delta Commission 1990 report.

ADMINISTRATION FISCAL YEAR 2001 BUDGET REQUESTS

*Delta Regional Authority*

The President's fiscal year 2001 budget also proposes $159 million to increase educational opportunities in the Mississippi Delta region, including $30 million to create a new Delta Regional Authority to support continued economic growth and development. The Delta Regional Authority is a top priority of the Administration and the President. Legislation has been introduced in both the House (H.R. 2911) and Senate (S. 1622) that would accomplish this goal.

The Delta Regional Authority would help facilitate the efficient channeling of resources to the seven state, 219 county Mississippi Delta region. The Delta Authority would provide for the long-term coordination of resources to the Delta. This new Federal agency would allow us to meet this goal by strengthening the Federal-State partnership, and will provide an on-going, targeted Federal clearinghouse in the region. As members of the authority, the Governors of the seven Delta States would work in partnership with leaders in the Federal Delta Authority to identify projects to fund. Half of the Delta Authority's resources would be targeted to the communities with the highest poverty-rates.

*U.S. Department of Education*

We recognize that the Federal government is the junior partner in our Nation's education system, and that real progress in improving education depends primarily on State and local efforts. But the Federal government can provide additional resources to support local educational initiatives, especially to help ensure high standards for all students and teachers, modernized school environments, and targeted support for disadvantaged students.

President Clinton is requesting $40.1 billion in discretionary spending for the Department of Education, an increase of $4.5 billion or 12.6 percent. On February 29, 2000, U.S. Education Secretary Richard Riley testified before the Senate Appropriations Subcommittee on Labor, Health and Human Services, and Education, on which you also serve Senator Cochran. My testimony today will highlight some of the major initiatives and, where possible, provide funding totals for the Mississippi Delta States.

HIGH STANDARDS FOR ALL STUDENTS

The 1990 Delta Report called for students in the Delta region to demonstrate "competency" at three key grade levels in core academic subject areas, including reading and mathematics. Over the past seven years, the Clinton Administration has provided states, and school districts with additional support to ensure that all students can achieve to high standards.

The Congressional legislative cornerstone of this national effort to provide all children with a high-quality education is the Improving Americas Schools Act (IASA), the 1994 reauthorization of the Elementary and Secondary Education Act of 1965. Under IASA, States are required to develop and implement challenging content standards, aligned assessments at three key grade levels, and, based on these assessments, procedures for identifying and assisting schools that fail to make adequate progress toward helping students reach state standards. Congress required States to phase in these requirements over time, and to fully implement all of the requirements by the beginning of the 2000–2001 school year. All States and school districts receiving funding through the Department's $8 billion Title I program are required to meet these requirements.

The Delta states have made great strides in meeting these Congressional requirements. Each of the seven Delta States has developed rigorous content standards in

at least reading and mathematics. These States are currently in the process of field-testing their assessments in the core academic subjects.

*Title I Accountability Fund*

As part of the fiscal year 2000 budget agreement signed by the President last fall, substantial new resources—$134 million nationally through the Title I program—are available to turn around low-performing schools. This law also requires school districts receiving these Accountability Fund grants to provide students in low-performing schools with an opportunity to choose a higher-quality public school. In July, 2000, the seven Mississippi Delta States will receive over $19 million to provide low-performing schools with additional supports.

The fiscal year 2001 budget would provide states and districts with additional support to help improve educational quality in low-performing, high-poverty schools. The President's request for Title I includes $250 million for a second year of Accountability Fund grants to help turn around chronically failing schools. The seven Delta states will receive more than $35 million through second year allocations under the Title I Accountability Fund.

*21st Century Community Learning Centers*

Some students need extended learning opportunities to learn the basics in the core subject areas. The 21st Century Community Learning Centers program has provided students in all seven Delta states with after-school programs that are academically rigorous. Here are two examples of promising extended learning programs.

—The Mid-Delta 21st Century Community Learning Centers Consortium in Mississippi is implementing an expanded after-school program and a four-week summer academy in four school districts located in the Mid-Delta Empowerment Zone. High rates of poverty, low levels of educational attainment, and high rates of unemployment plague the area. In 15 of the 18 districts, more than 80 percent of the students are eligible for free and reduced lunch. The public school enrollment in this district accounts for 12 percent of Mississippi's dropouts. The consortium, which is based at the Humphreys Public Schools, operates programs four days a week, two hours daily. Academic skill enhancement in math and language arts is offered two days a week. Training sessions on violence prevention and conflict resolution skills are also offered. All of the centers have implemented parenting programs that operate three times a week offering skills in literacy, job training, and life skills.

—The East Baton Rouge Parish School Board in Louisiana has after-school centers at one of its middle schools and its two feeder elementary schools. The Centers integrate Title I activities, school health services, transportation and new technologies for learning. Working with a variety of local non-profit organizations, 21st CCLC program funds allow its three school Centers to build and expand upon existing support for after-school activities. For instance, the Boys & Girls Club is serving approximately 100 students at the Prescott Middle School Center in extended day activities and its summer day camp.

The President has requested $1 billion in fiscal year 2001 for the 21st Century Community Learning Centers program, a $547 million increase from last year. The seven Delta states would receive millions of dollars to support high-quality extended learning opportunities for young people, especially those attending high-poverty schools.

*Class Size Reduction Initiative*

The Administration has also provided school districts with funding to create smaller classes for students in the Delta. The Project Star study—conducted in the Delta State of Tennessee—clearly demonstrates the positive impact of smaller classes of 13–17 students in the early grades on student achievement, especially among poor students. By the summer of 2000, Delta school districts will have received more than $100 million through the Class Size Reduction Initiative to hire approximately 3,000 new teachers to reduce class size in the early grades.

Using Class Size Reduction funds allocated in fiscal year 1999, the Jackson Public Schools in Jackson, Mississippi hired 20 additional teachers and placed them in 20 low-performing elementary schools. Many of these teachers had previously retired or had left the district, but were recruited to return because of the opportunity to teach in smaller classes and to work closely with other teachers. These experienced teachers are also serving as mentors for less experienced teachers and they often team up with beginning teachers to provide regular support and supervision.

The President has also requested an additional $450 million for Class Size Reduction to reduce class size in the early grades, for a total of $1.75 billion. The request would bring the total number of teachers hired under this program to 49,000, al-

most halfway to the President's goal of hiring 100,000 new teachers by 2005. The seven Delta states would receive over $231 million.

*Teaching To High Standards*

A quality teacher is the greatest in-school factor influencing student achievement. The Administration is requesting a total of $1 billion in teacher quality and recruitment funding incentives. For example, the Teaching to High Standards State Grants—a Title II ESEA reauthorization proposal—would promote $690 million professional development linked to state standards and assessments. We need to help provide teachers with the resources and training necessary to bring standards to the classroom. Under this new proposal, the seven Delta states would receive over $90 million in state formula grant funding to support quality teaching.

*Comprehensive School Reform Demonstration*

The Comprehensive School Reform Demonstration (CSRD) program helps raise student achievement by assisting public schools across the country to implement effective, comprehensive school reforms that are based on reliable research and effective practices, and that include an emphasis on basic academics and parental involvement. As of July, when fiscal year 2000 funds are distributed, Delta States will have received over $70 million, providing start-up funds to schools to implement comprehensive reforms. The President has requested an additional $20 million for CSRD in fiscal year 2001 for a total of $240,000,000, which would bring the total funding allocated to the seven Delta states under CSRD to approximately $100 million.

Poindexter Elementary School in Jackson, Mississippi is using a grant from the Comprehensive School Reform Demonstration program to implement the Success for All model. Success for All is an intensive reading program that features research-based instructional practices, extensive professional development, and frequent assessment. Although Poindexter has just begun implementation, faculty, and parents are committed to making schoolwide improvements that will help all children reach high standards.

MODERN SCHOOL LEARNING ENVIRONMENTS

*School Modernization*

Students and teachers cannot reach for excellence in outdated, falling down, overcrowded classrooms. This is indeed a serious problem here in the Delta region. In 1990, the Delta Commission report stressed the importance of providing all young people in the Delta with a safe, technologically-rich educational experience to enable them to fully participate in the information-based economy of the 21st century.

For this reason, the Administration has proposed in fiscal year 2001 to subsidize almost $25 billion in bonds through the President's School Modernization Bond initiative. Under this program, holders of the bonds would receive tax credits in lieu of interest, and States and school districts would therefore not need to pay those financial costs. The seven Delta States would receive an estimated $3.3 billion to upgrade school facilities.

Furthermore, this year the President has proposed $1.3 billion in discretionary funds for urgently needed school renovations and repairs. Numerous construction projects could be funded in the Delta through grants and no-interest loans, with a priority on high need districts.

*Technology Literacy Challenge Fund*

The Delta region has received millions of dollars in Federal funding during the 1990s to help ensure that teachers have the skills and resources to provide students with a rich educational experience enhanced by advanced technology. This funding has been often targeted to high-poverty regions such as the Delta.

Between fiscal year 1997 and fiscal year 2000, Mississippi received $25 million in funding for technology software and training through the Technology Literacy Challenge Fund (TLCF), with approximately half of that funding targeted to the Delta. Delta districts in Louisiana received $4,600,000 of the $5,900,000 in TLCF funding allocated by the State in sub grants directly to districts. For example, St. Barnard, St. Charles, Plaquemines, and Jefferson Parishes in Louisiana received a $450,000 TLCF grant in fiscal year 1998 to provide teacher-training initiatives focused on technology connected lessons in mathematics.

The Department fiscal year 2001 budget also provides $450 million for the Technology Literacy Challenge Fund (TLCF), an increase of $25 million from last year, to help schools bring technology to the classroom. The seven Delta states would be allocated more than $65 million through TLCF in fiscal year 2001.

*E-rate*

Mississippi is one Delta state that has benefited substantially from Federal funding for technology and, in particular, Internet hook-ups. For example, Mississippi received $25 million in discounts between January 1998 and June 1999 from the E-rate to wire schools and classrooms to the Internet. Due in part to these Federal investments, the percentage of schools in Mississippi with "network connections" increased from 10 percent in 1995 to 51 percent in 1998.

During my visit to Mississippi last October, I had a chance to see first-hand the impact of Federal education dollars on technology at Brown Elementary School in Leflore County, Mississippi. During my visit to a computer resource center at Brown Elementary, Principal Jean Hall informed me that the computers were paid for by Title I funds, the software program used to teach reading was funded through TLCF, and the Internet hook-ups were made in part affordable by the E-rate. This resource center provides students the opportunity to expand their vocabulary and reading comprehension skills.

*Middle School Technology Teacher Training*

As part of the Administration's Delta Regional Authority proposal, the Department of Education is also requesting $10 million for a targeted demonstration program to provide middle school teachers in the seven Delta states with training on how to use technology in the classroom. Teachers at the school or district level would serve as "master teachers" of technology to assist other colleagues with technology.

*Star Schools*

Star Schools funding provides a wide variety of technology services to schools, such as interactive video training programs. Funding under Star Schools is provided to consortia of States. Two consortia have received funding in the Delta.

—The mission of Project Impact is to transform traditional classrooms into technology-rich centers of learning to help students to achieve high academic standards. The Star Schools Consortia for Project Impact—which includes Louisiana, Mississippi, and Missouri—will have received $10 million in funding between fiscal year 1997 and fiscal year 2001. Project Impact delivers instruction to elementary and middle school students and teachers through a distributed learning system, which allows participants to access information via satellite, television, multimedia, and the Internet.

—The Next Generation distance learning project will provide Kentucky, Louisiana, and Mississippi over $9.6 million between fiscal year 1997 and fiscal year 2001. The Next Generation project develops curriculum-based computer materials in science and mathematics and distributes those resources on demand. Specific projects entail building an Internet-based Calculus/AP Calculus course and creating, with the National PTA as a partner, stronger ties between the school and community.

*MCI WorldCom Foundation Marco Polo Internet Teacher Training*

On December 10, 1999 at Earle High School in Earle, Arkansas, President Clinton announced a unique partnership between the Administration and the MCI WorldCom Marco Polo Foundation. The MCI WorldCom Foundation Internet website provides K–12 teachers with quality lesson plans and materials in the core academic subjects areas. The Foundation has agreed to train, free of charge, as many as 4,500 district curriculum specialists throughout the seven-state Mississippi Delta region on how to access information from their Internet site. These specialists, in turn, will train over 100,000 teachers on how to effectively incorporate the Marco Polo lesson plans into their day-to-day teaching.

Having worked on behalf of the Administration with MCI WorldCom Foundation Director Caleb Schutz to secure this initiative, I can attest to the Foundation's commitment to ensuring that all teachers in the Delta region have access to high-quality, engaging resources. The lesson plans, developed by leading institutions such as the National Endowment for Humanities and Kennedy Center of Performing Arts, provide teachers with the tools necessary to teach to high standards.

TARGETED SUPPORT FOR DISADVANTAGED STUDENTS

*Title I—Aid to Disadvantaged Students*

The Delta Commission report in 1990 called for increased "targeted services to low-income rural students." The Administration has provided the overwhelming majority of federal education funding to poor communities in the Delta through the Title I program. In fiscal year 2000 alone, the Department will provide over $350

million to school districts in the Delta region through Title I to serve disadvantaged students.

The Department is requesting $8.4 billion in fiscal year 2001 for Title I grants to local educational agencies, an increase of $416 million. Title I provides additional funding to educate educationally disadvantaged children, especially those attending high-poverty schools, to achieve academic success. School districts in the seven Delta states will receive approximately $370 million in fiscal year 2001 under Title I formula funding.

*Migrant Education*

The Migrant Education program, authorized by Title I, Part C of ESEA, provided formula grants to State education agencies to establish or improve programs for children of migrant workers. In fiscal year 1999 alone, the seven Delta states received approximately $20 million through Migrant Education formula grants.

The Department also provides additional educational funding to the Delta for migrant students through competitive grants. For example, the Migrant Education High School Equivalency Program (HEP) is a discretionary grant program designed to help migrant farm workers and their children complete and succeed in post-secondary education. Two currently funded Migrant Education HEP projects are in the Delta region.

—Mississippi Valley State University in Itta Bena, Mississippi received a $353,000 HEP grant in fiscal year 1999 to support its longstanding migrant education program. This program serves about 120 migrant and seasonal farm workers each year. The average student is African-American, is between 17 and 23 years of age, and is a member of a large family of seasonal farm workers. The primary goal of the program is to help students complete the GED and enter post-secondary training or employment. A majority of the students annually complete the program requirements and earn their GED. According to a recent program evaluation, approximately 45 percent of the students continue on to post-secondary education or vocational training, and about 35 percent are placed in career positions.

—Based at the University of Tennessee in Knoxville, the Southeastern HEP program is a multiple-site project serving migrant and seasonal farm workers in a three-state region. The project coordinates closely with other State and district programs. During the 1998–99 school year, 91 percent of the 135 migrant students who participated in this Tennessee-based HEP program completed their GED.

The Administration's fiscal year 2001 budget provides a $25.3 million increase for Migrant Education programs. The total Department request for Migrant Education this year is $380 million.

*Bilingual Education*

In addition to Migrant Education, another essential component to the President's Hispanic Education Action Plan is an effort to promote English language skills among Hispanics and others whose first language is not English. Several southern States, including Delta states, are experiencing large increases in limited English proficient (LEP) student populations. For example, the number of LEP students in Arkansas and Kentucky has increased by more than 100 percent since 1991. Below are two examples of Bilingual Education discretionary grants recently awarded in the Delta.

—The Biloxi Public Schools in Harrison County, Mississippi received a $150,000 Bilingual Education grant in fiscal year 1998 to support the Educational Economics and Mainstream Project (EESPMP). The EESPMP is an enhancement project that serves approximately 236 LEP students in grades four though seven in nine Delta schools. Extended learning time is supported through an after-school bilingual tutoring program and an intensive English-language summer school.

—The Jefferson Parish School District in Jefferson, Louisiana received a $210,000 Bilingual Education grant in fiscal year 1998 to support comprehensive school services for LEP students. The 1,808 LEP students in the Jefferson Parish School District receive English language instruction and native language tutoring in core academic subjects. This Comprehensive School grant allows Jefferson Parish School District to establish bilingual classes in grades K–2. Teachers will be provided with innovative professional development to better prepare them to instruct in a bilingual environment.

The President's fiscal year 2001 budget request includes $460 million for bilingual, foreign languages, and immigrant education programs, an increase of $54 million over last year.

IMPROVED MATHEMATICS ACHIEVEMENT

The National Assessment of Educational Progress (NAEP) makes available student achievement data in reading and mathematics that can be compared between States that elect to take part in this voluntary national assessment. All of the Delta States excluding Illinois take part in the state NAEP assessment. (Since the NAEP exam is given to a representative sample of students across a particular state, district-by-district comparisons cannot be made.)

During the 1990s, students in the Mississippi Delta made significant achievement gains in mathematics. Between 1992 and 1996, fourth- and eighth-grade students in Arkansas, Kentucky, Mississippi, and Tennessee demonstrated statistically significant improvements on the mathematics exam. Fourth graders in Louisiana also significantly improved their mathematics scores on NAEP (SEE APPENDIX A).

During this period of NAEP score increases, countless individual Title I schools have experienced substantial improvement on State mathematics assessments. For example, fourth-grade students at the Glen Oaks Park Elementary School in East Baton Rouge Parish, Louisiana, where three-fourths of the students are eligible for free or reduced priced lunch, have improved their median national percentile rank on the mathematics section of the California Achievement Test (CAT) from the 29th percentile in 1993 to the 75th percentile in 1997.

*Eisenhower Mathematics/Science Consortia*

Improved mathematics achievement is also supported by the Department of Education's regional Eisenhower Math/Science Educational Consortia. Ten Eisenhower Consortia identify and disseminate exemplary mathematics and science education materials and provide technical assistance in implementing innovative teaching methods.

The Eisenhower Mathematics/Science Consortium SERVE has supported a host of innovative projects in the state of Mississippi that have helped to improve student achievement in mathematics and science.

—The Eisenhower Consortium SERVE collaborated with the Leflore County School District in Greenwood, Mississippi to sponsor the nine-week Mississippi Research Project. Eighth-grade students from Greenwood participated in a nine-week biology research project that included a hands-on science program at the Gulf Coast Research Center. Students either traveled to the Gulf Coast for the field experience or learned about it from materials and specimens brought back by fellow students. Prior to the research field experience, the average student score on a marine life test was below the 50th percentile. After the Gulf Coast visit, the average test scores of the participants were above the 75th percentile. The project organizers in Mississippi called the Gulf Coast field experience "the single most important factor" influencing student success.

—In 1998, Booneville Public High School, in Booneville, Mississippi was one of 50 schools recognized nationally at the School Tech Expo Showcase of Model Schools, a program to honor schools that have utilized the latest technology to dramatically improve classroom learning. The Eisenhower Consortium SERVE supports the Booneville Public Schools in various ways. The Consortium introduced programs that expose young people to careers in math and science.

—The Eisenhower SERVE Consortium recently funded Algebra Project training sessions for teachers in Jackson, Mississippi. The Algebra Project attempts to increase the proportion of urban, inner-city, and rural students who take ownership of their educational experience, enroll in advanced mathematics courses, enter college, and later become contributors to their communities. According to recent studies, students exposed to the Algebra Project take college preparatory math courses at a higher rate and score higher on achievement tests than their non-participating peers.

When touring schools in Mississippi last fall, I attended a distance learning mathematics class taught by Algebra Project Director Bob Moses. The lesson I observed provided ninth-grade students at Lanier High School in Jackson, Mississippi and Simmons High School in Hollandale, Mississippi the opportunity to expand their ability to utilize the graphic calculator through distance learning instruction. Students in this Algebra Project class demonstrated not only the ability to utilize a graphic calculator as a learning tool, but also the motivation to continuously expand their understanding of mathematics.

IMPROVED LITERACY LEVELS

In 1990, the Delta Commission acknowledged that the Mississippi Delta region had one of the lowest literacy rates in America. Investments made this past decade by Federal, State, and local governments in reading instruction, especially in the

early grades, are beginning to show signs of impact. Reading scores on the NAEP assessment have either improved or remained constant for students in the six Delta states taking part in the NAEP assessment. Between 1992 and 1998, fourth-grade students in Mississippi and Kentucky made significant improvements on the NAEP reading exam (SEE APPENDIX A).

One school that has demonstrated significant improvement in student achievement in the 1990s was the Portland Elementary School in Ashley County, Arkansas, where three-fourths of the students are eligible for free or reduced priced lunch. Since instituting an innovative reading program through a $60,000 Department grant in 1994, Portland Elementary School saw average third-grade reading scores on the Standard Achievement Test increase from the 25th percentile in 1993 to the 46th percentile in 1999.

*America Reads*

President Clinton's America Reads Challenge has supported increased literacy levels in the Delta. This national campaign challenges every American to help all children learn to read, including those with disabilities or limited English proficiency. The America Reads Challenge sparks collaboration between educators, parents, college students, and other community members.

Under the America Reads work-study waiver adopted in July of 1997, the Federal government pays 100 percent of the wages of college work-study students who serve as reading mentors or tutors to preschool and elementary school children. By 1998, more than 1,100 colleges joined the America Reads work-study program, including dozens of schools in the Delta region.

The Macon Ridge Economic Development Region in Louisiana formed a partnership with the Louisiana Coalition for Literacy to help improve reading skills of children age 6 through 12. Delta Service Corp members, Federal work-study students and community volunteers served as tutors for the children at the Concordia Public Library, the Concordia Parish Head Start Center, and the Tenas Parish Head Start Centers. Tutors also assisted Parish librarians with "Prime Time Family Reading" events to help encourage reading at home as well.

*Reading Excellence Act*

In October of 1998, Congress authorized $260 million through the Reading Excellence Act to serve approximately 500,000 pre-Kindergarten through third-grade children. The Reading Excellence program attempts to provide children with the readiness skills and support the need to learn how to read by the end of third grade and elementary school teachers with training on effective, research-based methods of reading instruction.

In August of 1999, the Department of Education awarded 17 states Reading Excellence program grants through a competitive process. Two Delta states received funding in fiscal year 1999: Kentucky and Louisiana. Kentucky was allocated $7.5 million and Louisiana was awarded $15 million over three years under the Reading Excellence program. This year a new Reading Excellence program competition for $241 million will fund approximately 12 new state grants for three years. The Administration has requested $286 million for the Reading Excellence Act in fiscal year 2001, a $26 million increase.

DEPARTMENT OF EDUCATION TECHNICAL ASSISTANCE

In 1990, the Delta Commission report talked about helping provide additional Federal resources to "rural schools" in the region. The Department of Education is committed to providing the Mississippi Delta region with technical assistance that is targeted to the region's unique circumstances. The Department is hosting two conferences in March aimed at improving the quality of education in the Delta.

*Delta Safe Schools Conference*

Last week, on March 9 and 10, more than one hundred educators from all seven Delta states attended the first-ever Delta Safe Schools Conference at Arkansas State University in Jonesboro, Arkansas. Participants attended training workshops coordinated by the National Resource Center for Safe Schools that provided information on various programs that have effectively reduced school violence and student substance abuse. Presentations were also provided by Department of Education staff on the various Department grant programs aimed at supporting safe schools.

Jonesboro, Arkansas was selected as the site of the conference since the community was awarded a three year, $8.4 million grant in 1999 through the Safe Schools/Healthy Students Initiative. Through the initiative, the Departments of Education, Justice, and Health and Human Service provide Federal funding to promote comprehensive approaches to school safety. The Jonesboro Public Schools will work in

partnership with alcohol and drug, human service, and early childhood programs to provide high-quality training and support to both students and school personnel.

*Delta Regional Rural College Workshop*

Today is the final day of Department of Education-sponsored Delta Region Rural College Workshop. Phillips Community College in Helena, Arkansas served as the host site on March 13–14 for the workshop. The 38 community colleges in the seven-State Delta region have been invited to bring staff teams to this workshop to attend training sessions that will strengthen their skills in seeking competitive grants, and to hear presentations on existing program models that can be replicated in this geographic region. Other Federal agencies/organizations are participating in the conference, including the National Science Foundation, the Department of Labor, and the Appalachian Regional Commission.

CONCLUSION

In conclusion, I will return once again to my experience in the Mississippi Delta last fall. Staring down the fields of cotton during harvest season provided me a flashback to the heroics of the Civil Right movement activists in the 1960s. I can remember vividly the photo essays, the poetry, and the music that captured that historical period in ways that invite every American to reflect upon the enduring effects of the period.

The first phase of the Civil Rights movement was giving young people access to integrated schools and other public facilities and the right to vote. The next stage is providing all students with a world-class, technology-rich education in order to allow them to fully participate in the 21st century. We must end what Secretary Riley calls "the tyranny of low expectations." As was the case with the early Civil Rights movement, this change will not occur without dedication and hard work. The challenge for the Federal government is to help provide educators at the state and school level with the tools to do the job.

Mr. Chairman, thank you for providing me the opportunity to return to Mississippi and testify before your subcommittee. I will be happy to answer any questions you may have about the Department's efforts to expand educational opportunity in the Mississippi Delta region.

APPENDIX A: NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS (NAEP) TEST RESULTS FOR MISSISSIPPI DELTA STATES

| State | Mathematics scores | | | | Reading scores | |
|---|---|---|---|---|---|---|
| | 1992 State average—4th grade math | 1996 State average—4th grade math | 1992 State average—8th grade math | 1996 State average—8th grade math | 1992 State average—4th grade reading | 1998 State average—4th grade reading |
| Arkansas | 210 | [1] 216 | 257 | [1] 262 | 211 | 209 |
| Kentucky | 215 | [1] 220 | 263 | [1] 267 | 213 | [2] 218 |
| Louisiana | 204 | [1] 209 | 250 | 252 | 204 | 204 |
| Mississippi | 201 | [1] 208 | 246 | [1] 250 | 199 | [2] 204 |
| Missouri | 222 | 225 | 271 | 273 | 200 | 216 |
| Tennessee | 211 | [1] 219 | 259 | [1] 263 | 212 | 212 |

[1] Denotes a NAEP score increase between 1992 and 1996 that is considered "statistically significant improvement" based on sample size and diversity of student characteristics.

[2] Denotes a NAEP score increase between 1992 and 1998 that is considered "statistically significant improvement" based on sample size and diversity of student characteristics.

## DEPARTMENT OF TRANSPORTATION

### STATEMENT OF ALBERT C. EISENBERG, DEPUTY ASSISTANT SECRETARY FOR TRANSPORTATION POLICY

Senator COCHRAN. I think I'm going to turn now to Mr. Eisenberg for his comments; and then when he completes his statement, I'll have an opportunity to ask questions of the entire panel. Albert Eisenberg is the Deputy Assistant Secretary for Transportation Policy at the U.S. Department of Transportation. You may proceed.

Mr. EISENBERG. Thank you, Mr. Chairman. It's a great honor for me to be here to represent the Department of Transportation and the administration. We very much appreciate your holding this hearing. We commend you for it. It's an important hearing and we look forward to working with you on a bipartisan basis for the common goals of progress in the Mississippi Delta.

I will summarize my remarks and appreciate your insertion of the report for the record. While my comments encompass the entire Mississippi Delta region, as a former county-elected official, and county board chairman, I recognize the local quality of public policy, so I hope you will bear with me if references to Mississippi appear with some regularity in my testimony.

Mr. Chairman, the administration and the Department of Transportation have a deep concern of this region. We have worked assiduously with you, with Congress, and with others for the economic and social progress of this important part of America's heartland.

And over the last 7 years, much progress has indeed been made. My testimony indicates for the region and many of its communities the trends are heading in the right direction. Lower unemployment and increased job growth, higher earning for jobs, and several key measures as the Nation's strong economy has reached into the Delta.

Yet, we all know there are significant critical challenges that remain in infrastructure, housing, job adequacy, education, private investment, as many places unfortunately continue to lag behind non-Delta communities in the Delta region and across the country as well.

The Mississippi Delta Region Initiative, this administration, builds upon the recommendations of the 1990 Lower Mississippi Delta Development Commission whose landmark report pointed the way for the Delta's progress in the ensuing decade.

The President has designated Secretary of Transportation, Rodney Slater, to lead this initiative. And under his leadership, I serve as the chairman of the Initiatives Interagency Taskforce which includes departments represented here on this panel today.

Our work is based on numerous listening sessions, conferences, meetings, and consultations with public, and private State holders throughout the Delta. And I had the opportunity to spend a great time in the Delta last year.

For example, we held a listening session in Vicksburg in October of last year, and the President and several Cabinet members visited Clarksdale. In July, the Department of Transportation team, which I led, held a series of consultations in Greenville, Tallahatchie County, and here at this university this past December.

An interim report which has been alluded to in other testimony resulted from such consultation. It's been widely distributed and I ask that a copy of this report be included in the record.

Senator COCHRAN. A copy of it will be printed in the record in full.

[The information follows:]

THE MISSISSIPPI DELTA: BEYOND 2000

FOREWORD

In the autumn of 1989, Governor Bill Clinton of Arkansas wrote eloquently of both the bright promise and the profound problems faced by the people of the Mississippi Delta region. In submitting the Interim Report of the Lower Mississippi Delta Development Commission to President George Bush, Governor Clinton first delivered the "bad news": people in the Delta "are the least prepared to participate in and to contribute to the nation's effort to succeed in the world economy." Then, Governor Clinton conveyed the "good news":

"The Delta region has tremendous human resources: people with a strong work ethic, and rekindled hopes for the future. Productive land, water, timber, energy and vast natural beauty are abundant along the banks of the Mississippi River. The Delta people are trying to help themselves. Each of the states in the Delta region made significant progress by investing in education, economic development, human services, and transportation."

In the spring of 1990, Governor Clinton submitted to President Bush the final recommendations of the Lower Mississippi Delta Development Commission. Entitled *The Delta Initiatives: Realizing the Dream—Fulfilling the Potential,* the Final Report carried out the objectives mandated by legislation passed in 1988 (Public Law 100–460): to study and make recommendations regarding economic needs, problems, and opportunities in the Lower Mississippi Delta region, and to develop a ten-year regional economic development plan. As Chair of the Commission, Governor Clinton emphasized that the report was not just another tome to be consigned to the dusty shelves of government archives, but was a "Handbook for Action—one that can turn the Delta and its 8.3 million people into full partners in America's exciting future, full participants in the changing global economy." This Interim Report of "The Delta: Beyond 2000" summarizes some of the progress made over the past decade in fulfilling the recommendations offered in The Delta Initiatives, and begins to review the challenges still remaining for the Delta's people at the dawn of a new millennium.

The present volume builds upon an update on transportation and employment issues completed in 1995 by the Federal Highway Administration (FHWA), entitled *Linking the Delta Region with the Nation and the World*. The FHWA update emphasized that the 1990 Commission's recommendations "served as a guidepost in President Clinton's administration and during the 1996 budget negotiations and reconciliation efforts to balance the budget in a way that reflects the values and priorities of the American people." In 1990, Rodney E. Slater took part in the Commission's work as vice-chair of the Arkansas State Highway Commission, and in 1995 he directed the update as Administrator of FHWA. In *Linking the Delta Region with the Nation and the World*, Administrator Slater stressed that the Commission's 1990 recommendations embodied the President's goals: "investing in education, training, and the environment; protecting Medicare and Medicaid; and targeting tax relief to working families."

As Secretary of Transportation, Mr. Slater has collaborated with many federal, state and local entities in continuing the vital efforts to promote the Delta's development. In July, 1998, Secretary Slater convened a meeting with Delta grassroots leaders and federal officials in Memphis, Tennessee. Jill Long Thompson, Under Secretary for Rural Development of the Department of Agriculture, played a dynamic role in helping Secretary Slater organize that meeting, where ten federal agencies signed the Mississippi Delta Regional Initiative Interagency Memorandum of Understanding (MOU). Original signatories included the Departments of Transportation, Agriculture, Commerce, Housing and Urban Development (HUD), Health and Human Services (HHS), Labor, Education, Interior, the Small Business Administration, and the Environmental Protection Agency. In 1999, the initiative was expanded to include the Departments of Defense, Treasury, Veterans Affairs, Justice, Energy, the National Office of Drug Control Policy, and other agencies. This Interim Report is a product of the collaboration of these agencies' efforts throughout the Clinton administration, and Secretary Slater would like to extend his deep appreciation to all of them for their diligent work. The MOU's purpose is to create a basic framework for cooperation among the participating agencies "on economic revitalization initiatives in the Delta region."

The Delta 2000 Initiative recognizes that the federal agencies play only one part in promoting the region's advancement. It is essential to forge a coalition of federal, state, local, private business, nonprofit foundations, and other grassroots organizations to meet the challenges the region will face beyond the year 2000. The Interim

Report condenses many of the important developments in the Delta during the 1990s, but it is not an exhaustive study of all federal activities in this immense region—it would require many volumes to accomplish that feat. For those people interested in detailed analysis of particular issues analyzed in this Report, an extensive "Inventory" will be available from the Department of Transportation, and will also be placed on the DOT website (http://www.dot.gov/). As discussed in the Executive Summary, the major product of this year's effort to gather and update data on current issues will be a report on recommendations for the Delta's future development. In the autumn of 1999, a series of listening sessions will be held in the region to acquire ideas, information, and counsel from the Delta's people.

We have achieved some progress in the Delta over the last decade, but many challenges remain. During his domestic tour in the summer of 1999, President Clinton successfully reminded America that certain areas of our country—such as the Southwest Border region, Appalachia, native American reservations, and the Mississippi Delta—have not fully participated in the unprecedented prosperity of the 1990s. The Delta was featured prominently in that tour, including a meeting in Clarksdale, Mississippi. In August, 1999, the President met with local leaders in Helena, Arkansas. The underdeveloped regions like the Delta offer great opportunities for new markets to the private sector, and a coalition of federal, state, and local entities must cooperate to make those opportunities become a reality. Governor Clinton poignantly expressed that thought ten years ago, in words that ring true today: "Our own people are leading the way. However, much more must be done if the Delta region is to become a full partner in America's future. That will require the federal, state and local governments as well as many private sector groups and the community at large to work together in a spirit of dedication and innovation."

## INTERIM REPORT OF "THE MISSISSIPPI DELTA: BEYOND 2000"

### EXECUTIVE SUMMARY

In 1988, a bipartisan coalition of U.S. Representatives and Senators supported the legislation creating the Lower Mississippi Delta Development Commission, including Rep. Mike Espy of Mississippi, Rep. Bill Alexander of Arkansas, Senator Dale Bumpers of Arkansas, and many other members of Congress from the Delta. Governor Clinton chaired the Commission, with Governor Ray Mabus of Mississippi and Governor Buddy Roemer of Louisiana serving as Commissioners. The Lower Mississippi Delta is comprised of 219 counties in Louisiana, Mississippi, Arkansas, Tennessee, Missouri, Kentucky and Illinois. The region has historically suffered from endemic poverty. *The Delta Initiatives: Realizing the Dream—Fulfilling the Potential* embodied the ideas and information gathered from many public hearings, research, and statistical information presented by the Delta's people concerning how to promote economic development and improve the region's quality of life.

The Commission published an Interim Report in October, 1989 containing an extensive array of data and detailed summaries of projects then underway. The Final Report published a year later focused on recommendations for improving the Delta's economy in the future. The Interim Report of "The Delta: Beyond 2000" initiative—published a decade after the original Commission began its work—will review the progress achieved in fulfilling many of the 400 recommendations of The Delta Initiatives, with some concise summaries of remaining challenges for the future. It should be emphasized that this Interim Report is only the beginning of this year's effort to gather data on current issues in the region; the major product will be an action plan for the Delta's future, to be completed by late 1999. This major report will publish supplemental data and updates of ongoing projects along with new trends that have taken place over the last ten years. However, this plan will primarily focus upon new recommendations for the future social and economic progress of the Delta. The major emphasis in the report on the Delta's future will be upon gathering the information, ideas, and recommendations from grassroots sources throughout the region.

Solving the historic problems of the Delta is a long-term initiative, and those who worked for the original Commission in 1988–90 often pledged that they were committed to this project for the long haul. This Interim Report will demonstrate that in many respects, limited progress has been achieved in addressing the profound social and economic conditions of the people who live at the very heart of America. The great life-giving artery of the Mississippi River, as John Gunther once wrote, "remains what it always was—a kind of huge rope, no matter with what knots and frays, tying the United States together. It is the Nile of the Western Hemisphere." The region encompasses rich natural resources and physical assets, as well as a deep historical and cultural heritage.

Yet, as Governor Clinton stressed in 1990, the Delta cannot become a full partner in America's future without "an honest assessment of where we are in the emerging global economy and what we have to do to increase the capacity of all our people to succeed in it." Thus, while summarizing the advances made in many areas of transportation, health care, economic development, education, housing, environmental protection and other vital issues, the Interim Report acknowledges that many compelling problems remain in a region that has historically lagged behind much of the nation in the realm of economic opportunity. The Delta 2000 Initiative follows the grassroots policy of the original Commission, as it seeks information and counsel from local communities throughout the region in preparing the report focusing on the Delta's future. In this endeavor to seek the counsel of Delta residents, a series of listening sessions will be held in the Delta in the autumn of 1999.

THE MISSISSIPPI DELTA REGIONAL INITIATIVE INTERAGENCY MEMORANDUM OF UNDERSTANDING, 1998

This Interim Report marks the first step in fulfilling the Mississippi Delta Regional Initiative Interagency Memorandum of Understanding (MOU). As discussed in the Foreword, 10 federal agencies signed the MOU at a meeting with local Delta leaders organized by Secretary Rodney Slater in Memphis, Tennessee in July, 1998. The MOU was expanded to include a number of additional agencies in 1999. The Memorandum's purpose "is to establish a general framework for cooperation among the participating agencies on economic revitalization initiatives in the Delta region."

The participating agencies pledged to "work together to coordinate and support a broad-based government-wide review and assessment of the Delta." The Memorandum underscored the rural nature of much of the Delta, stating: "This effort will build upon the work of President Clinton and Vice President Gore to strengthen rural communities for the 21st century." In particular, the agencies committed themselves to provide an update of the 1990 Report, *The Delta Initiatives: Realizing the Dream—Fulfilling the Potential*, as well as to continue the process of implementing that report's recommendations. Looking forward to the major report on recommendations for the future that will be published later in 1999, the MOU stressed the importance of cooperating with state and local organizations in developing an action plan for revitalizing the region. The Memorandum recognized that the Delta "has long been considered one of the poorest regions of the Nation."

SUMMARY OF THE INTERIM REPORT

The Interim Report follows the major categories set forth in The Delta Initiatives, focusing on transportation; human capital development (including education, community development, job training, health, and housing); natural and physical assets (agriculture, natural resources and the environment); and business and industrial development (technological and entrepreneurial enterprise, small business development, and tourism). For people interested in extensive data and analysis on a particular issue, there is a detailed Inventory on each of these issues that buttresses the Interim Report. Several of the Interim Report's key findings include the following:

—*Transportation*.—The Commission's 10-year goal envisioned an improved network of limited access highways, airports, and rail and port facilities to promote economic growth. The great majority of the nearly 70 specific transportation recommendations in The Delta Initiatives have either been fulfilled or substantially fulfilled. The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) and the Transportation Equity Act for the 21st Century of 1998 (TEA–21) dramatically increased Highway Trust Fund investment in highways and transit. Delta states have used the flexibility established in ISTEA to fund improvements to the Great River Road, as well as for scenic easements, historic preservation and other projects. For example, in Arkansas during the 1990s approximately $140 million was used to complete about 120 miles of highway reconstruction, surfacing, widening and other projects in Delta counties. Such transportation improvements are a powerful engine for economic growth and improving the quality of life in the Delta.

—*Job growth*.—From 1993 to 1998, the annual average unemployment for the entire 219-county region declined from 7.5 percent in 1993 to 5.7 percent in 1998. During this period, 184 of the 219 counties experienced job growth. There were some substantial success stories, such as declining unemployment rates for the major regional urban areas such as Pulaski County, Arkansas; Jefferson Parish, Louisiana; Shelby County, Tennesee; and Hinds County, Mississippi, that were similar to or slightly lower than the historically low national unemployment averages of the 1990s. A few rural areas witnessed improvement, such as Madi-

son Parish, Louisiana, where the unemployment rate fell from 14 percent in 1990 to 7.5 percent in June, 1999.

President Clinton signed the Balanced Budget Act of 1997 and the Workforce Investment Act of 1998, two major pieces of legislation that are dramatically helping people make the transition from welfare to work. The impact of these laws is explored in depth by the Department of Labor and other agencies in the Report and the Inventory. Virtually all of the participating agencies pursued policies directly or indirectly related to job growth, such as welfare-to-work, transportation, small business promotion, Empowerment Zones and Enterprise Communities, and other economic development initiatives.

—*Persistent unemployment dilemmas in rural areas and inner cities*.—However, some inner city neighborhoods did not participate in the overall urban prosperity, and rural areas in general still lagged far behind the national unemployment rate. In fact, some rural counties still suffered from unemployment rates two and three times as high as the national average. For example, St. Francis County's unemployment rate declined from 13.4 percent in 1993, but in 1998 its annual average—though a substantial improvement—still remained at a high 9 percent. The continuing unemployment problems in many rural areas pose the greatest remaining challenge in the region's employment horizons.

—*Empowerment Zones/Enterprise Communities (EZ/EC) and Champion Communities*.—The EZ/EC program is the major Clinton-Gore administration innovation in the field of community development. In Round I of the EZ/EC program announced in 1994, there were eight rural and five urban EZ's and EC's in the Delta, with another rural Delta EZ (in southern Illinois) being added in Round II of the program in 1999. There are more than 50 rural "Champion Communities" and four urban Champion Communities in the Delta; these are communities that did not receive EZ or EC designations, but developed strategic plans and receive priority assistance in response to their federal applications for funding and technical help.

The program is based upon the principles of sustainable development, leadership from the local grassroots level, economic opportunity, long-range strategic planning, and community-based partnerships. The Interim Report summarizes the federal funding and tax incentives offered by the EZ's and EC's; however, the grassroots leadership and strategic planning phases of the program are more important, ultimately, than the federal funding amounts. One of the great successes of the program has been the communities' successes in "leveraging" funds. For example, the rural communities drew $10.225 million from their EZ/EC funding from 1994 to the beginning of 1999, while their total funding—including state, local, private business, and nonprofit foundation sources—amounted to ten times that much, or approximately $107.4 million. The EZ's and EC's provide a model for grassroots community leadership and sustainable development.

—*Education*.—Nearly a decade after the 1990 Commission's recommendation to target resources to "low-income, rural students" in the Delta, the Department of Education provided over $350 million in fiscal year 1998 alone to high-poverty school districts in the Delta. Under President Clinton's Class Size Reduction Initiative, the Department provided more than $50 million to this region in fiscal 1999 to hire approximately 1,500 new teachers in the early grades. A series of initiatives such as the Technology Literacy Challenge Fund (TLCF), Star School and the "E-rate" targeted funding for improving technology to high-poverty regions. For example, the Delta districts in Louisiana alone received $4.6 million under TLCF in fiscal year 1998.

While continued investment in public education is needed to increase student academic achievement in the region, many Delta schools and districts have recently demonstrated significant gains in student test scores. For example, third grade students at the Portland Elementary School in Ashley, Arkansas improved their reading scores on the Stanford Achievement Test from the 25th percentile in 1993 to the 46th percentile in 1999. The percentage of eleventh graders in the Memphis City Public Schools scoring 'proficient' on the Tennessee Comprehensive Assessment Program (TCAP) Writing Assessment increased from 19 percent in 1994 to 56 percent in 1999. "We still have a long way to go, but we believe our progress is largely a result of our schoolwide approach to reform and the initiation of extended learning opportunities, both of which are facilitated by Federal program funding and flexibility reforms," states Memphis City Schools Superintendent—and American Association of School Administrators (AASA) 1998–99 Superintendent of the Year—Dr. Gerry House.

—*Agriculture*.—Agriculture remains an economic juggernaut in the Delta. This region is one of America's most prolific producers of cotton, rice, soybeans, and

other major agricultural products. USDA pursued policies to promote the economic viability of the traditional major producers, as well as new initiatives intended to promote direct marketing, sustainable agriculture, alternative products such as aquaculture, and other policies aimed at preserving marketing and credit opportunities for small and minority farmers. In the late 1990s, farmers faced one of the most severe depressions in American history. Emergency federal relief for agriculture was developed in the summer of 1999, and this legislation will be dealt with in depth in the major recommendations for the Delta's future to be completed later in 1999.

—*Infrastructure*.—The Departments of Commerce, HUD, EPA, Energy, and USDA's Rural Development have brought numerous local infrastructure projects to the region, such as adequate water and sewer systems, telecommunications, electricity and natural gas, rural health care, public safety and other projects needed for economic development and improved quality of life. For example, the Department of Commerce programs provided more than 370 grants totaling over $114 million in the Delta from 1993 to mid-1999. The total funding for the 219-county area from Rural Development's Community Facilities, Rural Business Programs, and Water & Waste programs amounted to approximately $858,224,000 from 1993 to mid-1999. The Rural Utilities Service provided first-time telephone service to more than 8,200 rural residents, while more than 77,000 residents received improved telecommunications. In addition to traditional infrastructure, Rural Development's Distance Learning and Telemedicine program combined improvements in access to health care and educational opportunities in the health care field for approximately 800,000 rural residents in the region.

—*Natural Resources and the Environment*.—The Clinton-Gore Administration has dealt with major natural resource and environment issues facing the Delta, including wetlands protection and restoration, air and water quality protection, wildlife and natural resource conservation, and environmental justice. In 1993, the Administration developed a fair, flexible, and effective wetlands policy that increased regulatory certainty for private landowners while protecting wetlands. This policy has resulted in the protection, creation or enhancement of approximately 300,000 acres of wetlands through a variety of programs, including the Wetlands Reserve Program. In addition, by the end of the decade a total of 2 million acres were enrolled in the Conservation Reserve Program, which had begun before the 1990s but expanded during the decade. This Program encourages voluntary enrollment of highly erodible land, cropped wetlands, wildlife habitat, and wetland restoration acres to ensure protection from erosion while improving water quality and wildlife habitat. Approximately two million acres are currently enrolled in the Delta.

The Administration is working to empower States and localities to prevent, assess, safely clean up, and sustainably reuse brownfields and other waste sites. It is also providing stronger public health protections by establishing new safety standards for all pesticides used on foods under the Food Quality Protection Act, and by providing new tools and resources for cleaner, safer water under the 1996 Safe Drinking Water Act Amendments and the 1998 Clean Water Action Plan. In addition, the Administration is focusing attention on the environmental and human health conditions plaguing minority and low-income communities in the Delta. The designation of the Lower Mississippi River as an American Heritage River by President Clinton in 1998 is helping to focus these and other federal efforts to strengthen historic and cultural preservation, natural resource protection, and economic revitalization.

—*Tourism*.—The natural splendors of the Delta, as well as its historical and cultural sites, are among its major tourist attractions. Thus, initiatives related to preserving natural resources and the environment support efforts to promote the region's tourist industry. Tourist revenue brought almost $13 billion to the Delta in 1998. Millions of visitors come to enjoy the natural beauty, culture, food, and deep historical, musical and literary heritage of the region. The President's designation of the Lower Mississippi River as an American Heritage River in 1998 (as mentioned above) will help preserve and enhance the great river's appeal for tourism. The National Park Service, Department of Transportation, Department of Commerce and other agencies pursue a series of initiatives designed to promote tourism for the region.

—*Housing*.—Under the leadership of Secretary Andrew Cuomo, HUD has promoted more equitable housing opportunities for moderate and low-income people, both in homeownership and rental housing. HUD has vigorously enforced the Fair Housing Act to attack the problem of discrimination in housing. Funding for HUD's homelessness assistance programs more than tripled from 1992

to 1999, although the 1990 Commission's ambitious goal of eradicating homelessness entirely in the Delta remains elusive. HUD has pursued innovative housing policies to expand opportunities in inner city areas; one example is the renovation of the Farish Street district in Jackson, Mississippi.

—*Rural housing*.—USDA's Rural Housing Service assisted approximately 43,000 Delta households to buy or improve their homes; loans for single-family housing in the region from fiscal years 1993 through 1999 came to a total of $2.236 billion. In rental housing, more than $254 million was provided for more than 10,000 rental units in the region. Despite these achievements, senior citizens and minorities in the region still suffer from inadequate housing. Fifty eight percent of rural elderly renters in Arkansas, Louisiana, and Mississippi are "cost-burdened" in housing, meaning that they pay greater than 30 percent of monthly income for shelter costs. Rural African Americans in the Delta have a 51 percent poverty rate in Arkansas, a 54 percent rate in Louisiana, and a 52 percent rate in Mississippi. While some areas have experienced some advances in housing, large sectors of the population have not participated in these gains, especially low-income senior citizens and African Americans in rural areas.

—*Health Care*.—In the Report, the Department of Health and Human Services (HHS) reviews Medicare, Medicaid, Temporary Assistance for Needy Families (TANF), and the special needs of rural hospitals and inadequate access to health care in rural areas. HHS also pursues programs aimed at improving health care for senior citizens, minorities, and HIV/AIDS patients in the Delta. A division of the Centers for Disease Control has worked on an initiative for health education, training, research and environmental health in the region through the Mississippi Delta Health and Environment Project, a partnership among federal, state and local governments, Historically Black Colleges and Universities (HBCU), faith-based organizations, community organizations, and environmental advocacy groups in the region.

—*Child care and youth issues*.—HHS takes the lead in a series of child care initiatives. The early childhood education program, Head Start, expanded its enrollment in Arkansas, Louisiana, and Mississippi from 41,996 in 1990 to 55,248 in 1998. The Child Care Development Fund, Healthy Child Care America Campaign, and other child care efforts are active in the Delta. A network of Family Youth Services Bureau Program centers operate in the region to prevent youth from dropping out of school, provide temporary shelter to runaways and reunite them with their families when possible, and help teenage parents make the transition from unemployment to self-sufficiency. Teen pregnancy declined in Arkansas by 7.9 percent from 1991 to 1995, while in that period Louisiana reduced its rate by 8.2 percent and Mississippi by 5.9 percent. The national reduction was 6.5 percent. Despite these gains, teen pregnancy in the region is still too high.

—*Hunger, nutrition and food security*.—The Food and Nutrition Service of USDA reviews issues in the school lunch, food stamp, the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), Cooperative Extension nutrition programs, food recovery and gleaning, and other initiatives that form the hunger safety net for low-income Americans. Although these bedrock anti-hunger programs have eliminated the most grievous cases of malnutrition that Senator Robert F. Kennedy dramatized with his travel through the Delta in 1967, low-income people in the Delta still suffer from inadequate access to good nutrition.

Two innovative models of anti-hunger efforts are the Lower Mississippi Delta Nutrition Intervention Research Initiative and the Mississippi Action for Community Education (MACE) anti-hunger partnership. The research initiative is a coalition of community leaders, nutrition experts, and USDA officials that evaluates nutritional health in the Delta and develops strategies for addressing them. The MACE anti-hunger efforts include food stamp outreach, nutrition education, support for local food pantries, and increasing School Breakfast and summer feeding programs. For example, during 1994 and 1995, MACE sponsored and administered a demonstration food stamp outreach program through a grant sponsored by USDA. MACE was instrumental in identifying and enrolling thousands of low-income and/or elderly people living in rural areas of the Mississippi Delta region who were eligible for but not receiving food stamps. This project also supports efforts to expand summer feeding and School Breakfast programs in rural school districts.

REMAINING CHALLENGES: RURAL POVERTY AND INNER CITIES

The Report demonstrates that two challenges remain especially poignant for the years beyond 2000: addressing the plight of both rural areas and of inner city neighborhoods in unemployment, health care, housing, the agricultural economy, and a host of other issues. In part, the dilemma of the rural poor feeds the problem of the inner city poor, for many agricultural laborers and small farmers forced from the land by mechanization and other broad socio-economic trends of the past 50 years sought refuge in the great urban centers, both outside the region and in Memphis, New Orleans, Jackson, Little Rock or other cities. The statistics show that for the majority of people living in the Delta's cities, employment and other measures of prosperity are improving; but some neighborhoods in the city's heart have been left behind. As Michael Harrington wrote in his classic, *The Other America: Poverty in the United States* (originally published in the 1960s and updated in the 1980s), many of the sharecroppers and cotton pickers from Arkansas and Mississippi or the rural poor from southeast Missouri "share common problems—the fact that the backwoods has completely unfitted them for urban life." Many of the inner city's poor arrived from rural areas and became mired in cycles of poor education, dependency and poverty. Attacking the problems of poverty in the most downtrodden rural areas will thus relieve some of the long-term pressures on depressed inner city neighborhoods. Among all families, average poverty rates in the rural Delta have been in a range 6 to 9 percent higher than in urban Delta areas. Actions flowing from the Mississippi Delta Regional Initiative should be channeled into those areas which have the most urgent need for help. The Delta's rural areas persistently lag behind not only the national standards but even those of the urban areas of the region in all of the fundamental issues analyzed in The Delta Initiatives.

THE PLIGHT OF MINORITIES AND RACE RELATIONS

Historically, the melancholy legacy of racial discrimination has posed one of the most formidable barriers to the Delta's progress. Approximately 40 percent of the region's population is African American, yet the measures of prosperity and opportunity are depressing for this large section of the Delta's people. For example, poverty rates among rural African Americans in Arkansas, Louisiana and Mississippi all range above 50 percent. The Clinton administration has pursued an array of initiatives intended to address racial and ethnic disparities in employment, educational opportunity, health, small business, housing, and other fields. The Empowerment Zones and Enterprise Communities in the region are located in areas with large minority populations. The voluminous data gathered in this Report and the accompanying inventories on specific issues should foster a dialogue about race relations that will aid the Delta 2000 Initiative in developing a plan for the future that will ameliorate race divisions and bring fair opportunities for all races and ethnic groups in the region. The listening sessions in the autumn of 1999 will provide another forum for this dialogue. At the height of the civil rights movement, Dr. Martin Luther King, Jr., lamented the racial oppression in the Delta in his famous "I Have a Dream" speech, but envisaged a day in the future when it would become an oasis of racial understanding: "I have a dream that one day, even the state of Mississippi, a state sweltering with the heat of injustice, sweltering with the heat of oppression, will be transformed into an oasis of freedom and justice." Mississippi and the other areas of the region have advanced beyond the racial oppression of those troubled times, yet the Delta still faces a long journey before it reaches King's vision of racial justice.

NEW ISSUES FOR THE APPROACHING MILLENNIUM

The Commission's Report in 1990 was a wide-ranging, broad-minded document that looked ahead to many of the developments and issues that the region dealt with during the decade. In The Delta Initiatives, Governor Clinton explicitly used a phrase about expanding into "new markets" to reach areas whose potential had not yet been developed. President Clinton focused on this same theme in his New Markets Initiative, which is intended to focus investment and resources in developing those regions of America that did not fully enjoy the national prosperity of the decade, such as the Southwest Border region, Appalachia, Native American reservations, and the Mississippi Delta. No one, however, could have foreseen such extraordinary developments of the decade as the unprecedented national prosperity, with low inflation, low interest rates and high economic growth; the explosion of technological advancement and gains in productivity; or the expansion of computer technology and the information revolution of the Internet. This Interim Report deals with some of these new developments, such as the use of telemedicine and distance

learning, the increasing importance of computers in education and business, and others. In the listening sessions and the creation of recommendations, the Delta 2000 Initiative will remain attentive to new and emerging issues for the next century.

EMPOWERMENT AT THE GRASSROOTS LEVEL

This Interim Report is founded upon the work of literally hundreds of federal employees, most of whom live and work in the Delta. They gathered and compiled this data from their records, experiences, and from countless conversations and interactions with the region's people. Nonetheless, this Report marks just the first step in beginning the dialogue that will be fostered in the autumn listening sessions and will culminate in a "Blueprint for the Delta's Future" by the end of 1999.

The principal contributors of the new recommendations for the future will be the grassroots leaders throughout the region. The federal government is only one partner in the dynamic coalition needed to move the region forward. Federal, state and local governments, private business, and nonprofit foundations must all play key roles. The federal government can provide technical assistance and resources, but ultimately, empowerment and lasting change flow from leadership at the grassroots level. As Bill Clinton expressed the empowering nature of broad-based grassroots participation in 1990, "Being in the vanguard of change need not be a distinction limited to the freedom-hungry citizens of Eastern Europe or Poland or the aggressive business people of Singapore or Korea. The people of the Delta belong in that vanguard. They want to be there, and they can be, if each of us will do our part."

DEFINITION OF THE DELTA REGION

Six decades ago, William Faulkner wrote movingly of the Mississippi River's profound allure: "A river known by its ineradicable name to generations of men who had been drawn to live beside it as man always has been drawn to dwell beside water, even before he had a name for water and fire, drawn to the living water, the course of his destiny . . ." The Mississippi Delta region encompasses 219 counties stretching from the area around New Orleans, Louisiana to southern Illinois. More than 8.3 million people live there. The seven states making up the region are bound together by basic shared characteristics. The region is blessed with great natural resources: the rich fertile soil along the Mississippi River's east and west banks, a warm climate with long growing seasons, and a total of over two million acres of water area, including more than 89,000 miles of rivers and streams. The region boasts a deep cultural heritage, including many of the great musical and literary figures of the twentieth century, such as Mahalia Jackson, Louis Armstrong, Richard Wright, Eudora Welty, and Faulkner.

Notwithstanding its assets, however, the Delta has historically been plagued by hardship and poverty. With the mechanization of large-scale farms early in the twentieth century, the Delta experienced an exodus of its children to the industrial centers of America. Substandard housing, inadequate transportation systems, limited access to capital, limited business and industrial development, low educational levels, and other deficiencies have troubled the region's people. Strained race relations have compounded the problems associated with the Delta's poverty. While this Interim Report summarizes some of the constructive efforts to address these problems, much work remains if the region is to overcome the legacy of its often troubled past.

The majority of the region lies in the southernmost area of the Delta. Of the 219 counties, 42 are in Arkansas, 45 are in Mississippi, and 45 parishes are in Louisiana. For Arkansas, Louisiana and Mississippi, these counties make up over half of the area and population of these states. The Tennessee Delta region includes the large urban area of Memphis and a total of 21 counties in western Tennessee. Louisiana has the most heavily populated Delta region, with more than 2.8 million people living there—approximately one third of the entire region's population (based on the 1990 Census). The Arkansas, Mississippi, and Tennessee Delta areas had roughly similar populations in the range of 1,350,000 to 1,450,000. Over 7 million of the region's inhabitants live in the four southernmost states. A total of about 1.3 million people live in the northermost areas of the Delta in Missouri, Kentucky, and Illinois.

The region includes 29 counties in Missouri, 21 counties in Kentucky, and the 16 southernmost counties of Illinois. Relatively speaking, of course, the Delta regions of Kentucky, Missouri, and Illinois are much smaller portions of these states. The data discussed in this Interim Report focuses on areas within the 219-county region. However, since the Delta areas are economically and politically linked to the states in which they are located, a few passages in the extensive Inventory (referred to the Foreword) will include some statistics placing these areas within their statewide

context. However, the great majority of the facts and figures in the Inventory, and virtually all the material in the Interim Report itself, will focus on the 219-county region. The major report on the Delta's future will include extensive additional data specific to the 219 counties.

SECTIONS OF THE INVENTORY

For those people interested in an in-depth analysis of a particular section or sections summarized in the Interim Report, the Inventory addresses the major themes of The Delta Initiatives, broadly emphasizing human capital development, natural, physical and environmental assets, and business and industrial development. This Inventory will focus on the fundamental thrust of The Delta Initiatives recommendations rather than a compilation of minutiae on every one of the 400 recommendations. It is important to recognize that this Inventory consists largely of federal actions

The authors of the 1990 Report had no illusions about the difficulty of the initiatives they were launching, and stressed that the goals were purposely designed to be ambitious. The authors stated, "The Delta Commission recognizes that some may not be fully attained within a decade's time, but together the goals outline an overall plan that can make the Lower Mississippi Delta and its citizens full partners in creating the nation's best possible future when the dawn of that new age arrives."

HUMAN CAPITAL DEVELOPMENT

*Community Development*

"Ever since I became President, I have done what I could do to increase investment in undeveloped areas through the empowerment zones, which give tax credits and put tax money into distressed areas—through getting banks to more vigorously approach the Community Reinvestment Act and setting up Community Development Financial Institutions."—President Clinton, speaking about community development in his Clarksdale, Mississippi "New Markets" initiative tour, July 6, 1999

The field of community development embodies one of the Clinton-Gore administration's most innovative policy initiatives: the Empowerment Zones/Enterprise Communities (EZ/EC) program. The 1990 Report contained a major section on "Community Development," the basic principles of which are now being supported in EZ/EC communities in the Delta and in other regions of the country. In Round I of the EZ/EC program announced in 1994, there were eight rural and five urban EZ's and EC's in the region, with 39 additional rural communities and four urban communities in the region gaining "Champion Community" status under the program. These communities receive priority assistance in response to applications for funding and technical assistance.

The family of EZ/EC communities enjoyed a major expansion nationwide with the announcement of Round II in January, 1999. A number of new communities were designated in the Delta, including a new Empowerment Zone in rural southern Illinois and 15 new rural Champion Communities, bringing the total number of Champion Communities to more than 50. The U.S. Department of Housing and Urban Development (HUD) administers the urban communities, while rural communities participating in the program are assisted by the U.S. Department of Agriculture (USDA). The urban Enterprise Communities are in Pulaski County, Arkansas; Ouachita Parish, Louisiana; Memphis, Tennessee; Jackson, Mississippi and New Orleans, Louisiana. The rural Empowerment Zone and Enterprise Communities are as follows: the Mid-Delta Mississippi Empowerment Zone, Mississippi; North Delta Mississippi EC, Mississippi; Northeast Louisiana Delta EC, Louisiana; Macon Ridge EC, Louisiana; Mississippi County EC, Arkansas; East Central Arkansas EC, Arkansas; Fayette/Howard EC, Tennessee; East Prairie Enterprise Community, Missouri; and, finally, in the Round II designation in 1999, the new Southernmost Illinois Delta EZ was established in Illinois.

*EZ/EC principles*.—The EZ/EC program is based upon four key principles: economic opportunity, sustainable community development, community-based partnerships, and strategic vision for change. Each community was required to engage in extensive community planning to develop a strategic plan for its EZ/EC application. The communities received Health and Human Services Social Security block grants, and Empowerment Zone employers gained a number of tax incentives, such as tax credits equal to 20 percent of the first $15,000 in wages or training expenses for qualified employees.

A crucial feature of the program was the communities' success in leveraging their federal funding with commitments from state, county, and local governments, private businesses, and nonprofit and foundation awards. The average leveraging ratio

for rural communities in the period from 1994 to the beginning of 1999, for example, was approximately 10 dollars of additional funding for each one dollar of EZ/EC funding. The total amount these communities drew from EZ/EC funding was approximately $10.225 million, which leveraged roughly ten times as much, or about $107.4 million. Thus, the great majority of the EZ/EC communities managed their financial resources so as to multiply the impact of the federal funding and make their community and economic development sustainable for the long term.

The community development section of the inventory provides details about specific projects regarding a variety of issues in the Delta, including: job creation and retention; housing; health care; infrastructure; small business development; small and limited resource farmer issues; education and training; and other issues. The program looks forward to success for the Round I and Round II communities, as well as the possibility of continued expansion through passage of a third round of community designations throughout the Delta and the rest of the country.

Moreover, in collaboration with the Department of Treasury, many communities have been assisted by the Community Development Financial Institutions initiative, which has provided extensive financial support for many community development organizations in local areas throughout the region. In President Clinton's "New Markets Initiative" trip to Clarksdale, Mississippi, in July, 1999, he announced nearly $15 million in new private investments in the Enterprise Corporation for the Delta, a nonprofit organization that uses federal grants to leverage private investments in business. The President announced that the Bank of America would pledge $500 million in equity for business enterprises in low-income areas; of that total, $100 million will go into a Community Development Financial Institution (CDFI). The President said that "We are going to do everything we can in the government to give the financial incentives necessary for people to invest here."

*Regional planning*.—The communities also played a dynamic role in promoting a regional approach to economic and community development. The rural and urban EZ's and EC's in the region banded together to form the Southern EZ/EC Forum, which is working with other nonprofit foundations as well as local, state and federal governments to promote their long-range vision of regional development. The Forum, calling itself the Mississippi Delta Regional Initiative, was organized in 1995 and has developed its own multi-state strategic plan. Vice President Al Gore has endorsed the Southern EZ/EC Forum's efforts, which are among the key forces supporting the overall "Delta: Beyond 2000" initiative.

An important regional entity that promotes the Delta's development is the Delta Compact, which is largely comprised of community-based nonprofit organizations in Arkansas, Louisiana, and Mississippi that attempt to direct resources to the most distressed communities and populations in the Delta. More than 35 Delta Compact signatories have committed over $40 million in resources and technical assistance to this collaborative enterprise.

The Department of Commerce continued its longstanding policy of providing regional planning support to the Delta during the 1990s. The Agency funded 29 multi-county regional planning organizations (Economic Development Districts) helping Delta communities develop comprehensive economic development strategies to provide economic opportunity. The Economic Development Administration (EDA) provided further support for regional planning efforts by funding seven University Centers servicing the Delta.

*Examples of EZ/EC community development accomplishments*.—The EZ/EC program is the most innovative and wide-ranging of the development initiatives discussed in this report, since it is inter-related with activities for transportation, job creation, health care, education, infrastructure, small business development, and other issues analyzed in all sections of The Delta Initiatives. The following examples are just a tiny sampling of EZ/EC activities, but they reflect the types of grassroots community development generated by this program:

—*Job growth promoted by regional distribution center in Mississippi*.—Using tax credits and EZ/EC funding, the Mid-Delta Mississippi EZ attracted a regional distribution center for Dollar General Stores that created hundreds of jobs in Indianola, Mississippi. The project involves a 800,000-square-foot facility that will ship household products to 370 local stores. Public and private investment in this project exceeded $38 million. The Mississippi Department of Community and Economic Development provided $2 million in community development block grant funds. EZ tax credits provided up to $3,000 for every resident hired. Dollar General invested more than $25 million. With all the leveraging of private and state funds, this project received a 30 to 1 return on the initial EZ/EC investment of $900,000. In this largely agricultural area, the job base had been shrinking due to technological and market changes in farming. The CEO of Dollar General, Cal Turner, Jr., stated that his company chose Indianola be-

cause of the availability of labor and the total community support. The center provides large numbers of well-paid jobs and has the potential to help stop the brain drain of people leaving the local area.

—*Job creation and/or retention at Macon Ridge EC*.—By early 1998, the Macon Ridge Louisiana EC summarized its record regarding jobs: a total of $953,000 was loaned, with leveraging of private funds adding up to $787,000. A total of 118 minority jobs were created or retained, with 111 jobs held by women being created or retained. The EC reported 25 minority-owned businesses and 20 businesses owned by women participating in the program.

*Community Housing Efforts:*

*Housing revitalization in Mississippi County*.—The Mississippi County, Arkansas EC developed and implemented a comprehensive plan for affordable housing development and community improvement in Mississippi County. The plan coordinates efforts to achieve affordable home ownership, rental opportunities, and community improvement projects. To address the problem of a lack of information about credit and housing opportunities, the EC implemented a credit repair counseling and home ownership training program. Since its inception, 70 families have participated in this counseling program. The EC area has suffered from deteriorating housing stock that has lowered the standard of living for many low-income families. In response, the EC created a preservation and rehabilitation program for owner-occupied units. The EC surpassed its original goal of rehabilitating 20 housing units and now has rehabilitated 43 homes. The EC has also focused on creating affordable, clean decent rental units for low-income residents. The EC has constructed 57 new rental houses for families, again surpassing its original goal of 20 new homes.

*Partnerships with nonprofit grassroots organizations*.—The North Delta Mississippi EC has developed an effective collaboration with Tallahatchie Development League (TDL), a nonprofit, grassroots organization that promotes community development in "education, economics, and family life." TDL is a partner in the EC's Housing Preservation Grant Program, and also takes part in the EC's Housing Preservation Grant program. In partnership with the North Delta Area on Agency, TDL offers 27 meals per day to senior citizens in the Tutwiler community. The League has co-developed 72 units of housing within the EC. TDL also provides consulting services to communities and other nonprofits in preparing applications for housing, Rural Development Section 515 programs, the Affordable Housing Program, and community development block grant funding.

*Community Health care:*

*Delta Futures project for reducing infant mortality and teen pregnancy*.—This federally funded "Delta Futures Safe at Home Project" provides a series of services in nutrition, the Women, Infants and Children (WIC) supplemental nutrition program, health information and education about the dangers of tobacco. The North Delta Mississippi EC partners with a consortium of health care providers, schools, Head Start, businesses, and community-based organizations that contribute solutions to the fight against infant mortality, low birthweight, and infant mortality.

*Nursing Assistants Program*.—The Northeast Louisiana Delta EC sponsored a Nursing Assistants program at the Louisiana Technical College's Tallulah campus. Students are enrolled dually in high school and the nursing assistants program, which enables them to become certified nursing assistants who can go to work immediately after graduation. In 1998, 37 students enrolled in two classes in Tallulah and 20 enrolled in a class in Lake Providence. Last year, 22 students graduated from the program. The program is an excellent preparation for students considering a job in the health care industry.

*Infrastructure*

*Macon Ridge, Louisiana infrastructure development*.—Numerous examples of infrastructure development took place in 1998 in the Macon Ridge Enterprise Community, which received a series of infrastructure improvements through USDA Rural Development funding. The following are several prominent examples:

—Turkey Creek Water System received a grant amount of $1,815,000 and a loan of $695,000 for the construction of a rural water distribution system, including water production wells, elevated storage tank, distribution lines and service connections for approximately 400 households in Franklin Parish.

—In Ferriday, Louisiana, a Rural Business Enterprise Grant of $225,000 was used to acquire the land and building for the Macon Ridge Enterprise Community Resource Center.

—In Harrisonburg, a $250,000 grant and $200,000 loan was used to construct a new wastewater treatment facility.

—For the Concordia Parish Water District, a $1.294 million grant and $482,000 loan upgraded a water system that had been inadequate by constructing three new water wells, four exchange units, a new metal building and a 200,000 gallon potable water storage tank.

—In the towns of Wisner, Newellton, and St. Joseph, and Catahoula Parish, USDA Community Facilities grants were used for improvements to fire and police department equipment.

*Railroad improvements to Tennessee industrial park.*—The Fayette/Haywood County EC solved a major transportation problem for the Haywood County industrial park in Brownsville, Tennessee. The industrial park had been filling up and there were almost no sites remaining with railroad access. The EC applied for a $600,000 USDA Rural Development grant and started laying a railroad spur to the underserved area of the park. A Fortune 500 company got in touch with the park just as the spur was being constructed, ultimately resulting in the opening of a $20 million high-tech papermaking plant employing 35 people. The USDA funding was essential to the project, which came in under budget, in turn enabling a second spur to be built that will encourage more firms to locate at the Brownsville park.

*Telecommunications.*—The Fayette County/Haywood County EC is working with local and state partners to promote a state-of-the-art community telecommunications center for workforce development. The Fayette County School Board is creating a Telecommunications and Business School that will be equipped with computers and Internet access. The EC developed a strategy to establish job training programs relevant to the needs of local and regional markets. Local and state officials, Shelby State Community College, and Rural Development are all cooperating in this joint effort to enhance telecommunications in the local area.

*Community Small Business Development:*

*Historically Black colleges and Universities grant for business incubator.*—The Northeast Louisiana Delta Community Development Corporation worked with Grambling State University to obtain a grant from the U.S. Department of Health and Human Services (HHS) to develop a business incubator for new and emerging micro-businesses. The grant was awarded through the Office of Community Services' Historically Black Colleges and Universities. This project will provide economic opportunities and promote self-sufficiency for low-income residents of the area.

*North Delta Revolving Loan Fund for small businesses.*—The North Delta EC has funded 19 small businesses from its revolving loan fund. Each loan was in the amount of $10,000. The businesses provide job opportunities and entrepreneurial opportunities for local residents. The EC's vision for a business revolving loan fund (RLF) became a reality for Quitman County, as the EC Board approved Quitman County Economic Development District as administrator for the RLF. In 1998, the business plan application process led to 15 loans, 88 percent of which were made to minorities. The total amount loaned was $166,300, which was used for a variety of purposes from business expansion or purchasing equipment to inventory replenishments for existing businesses.

One third of the $250,000 available was set aside for businesses going into the new business incubator located in Lambert, which will be in operation by the fall of 1999. An additional EC initiative is a new Community Training Institute, which will provide training in budgeting, grant writing, credit repair, and other issues of interest to EC residents.

*Community Education and Training*

*Little Rock preschool program.*—In the Pulaski County/Little Rock, Arkansas EC, the "Success by Six" program is creating a community where children have the necessary skills to enter school ready and able to learn. The EC is partnering with 10 state and local entities and a steering committee representing more than 50 individuals or organizations. "Success by Six" features home visits by volunteer neighborhood residents who are trained as family resource advocates. For families with pregnant women or children under 6 years old, home visitors conduct assessments, determine household needs, and connect family members to community resources such as health care, social services, and educational programs. The program is working with roughly 20 families. Approximately 10 home visitors have been trained, with many more submitting applications to take part. Research has demonstrated that by reaching out to families when children are in their earliest formative stages, serious problems can be avoided in the future and less funds will be expended upon remedial education, health care, or other social costs. The program is planned as a long-term assistant for family resources.

*New Orleans Safe Harbor Schools Initiative.*—The New Orleans EC created a "Safe Harbor Schools" initiative for educational activities in 10 sites within the com-

munity. Now in its fourth year of operation, the program is moving beyond basic survival skills to include creative learning experiences in language, arts and math. Safe Harbor Schools offered tutoring programs and enrichment activities presented by certified teachers. Offerings included computer skills and family learning events, as well as classes in conflict resolution and mediation. Four of the Safe Harbor sites are for middle and high school students. In the Algiers community, the program is focusing on out-of-school populations due to a high truancy and dropout rate, with GED preparation and career counseling being offered to 50 EC youths and students. Progress has been made in keeping students motivated by use of the computer lab and job training center, and through contact with the school's numerous partners. The project has been a success for many young people who completed their GED and job training.

With the success of Round I and the announcement of Round II in early 1999, the family of Delta EZ's, EC's, and Champion Communities enjoys great promise for future growth. The particular projects summarized above represent only a small fraction of the accomplishments, but they demonstrate how communities are meeting and in many cases surpassing the program's goals, leveraging resources and creating sustainable development. Ultimately, the success of the EZ/EC idea flows from men and women in the Delta communities who have demonstrated the commitment and hard work needed to make their vision of opportunity and revitalization become a reality.

*Community Efforts to Fight Substance Abuse*

In 1990 the Commission recommended that drug intervention, education, and prevention programs be improved and/or created to make local communities and schools in the Delta drug-free. Like other areas of America, the Delta continues to suffer from drug and alcohol abuse and associated problems of student failures, drug dependency, and crime. Obviously, federal, state, and local law enforcement agencies play a crucial role in the fight against substance abuse. Many of the specific steps recommended by the Commission involved the Congress, the state and local level, religious organizations, or local school districts. The Clinton administration has pursued a variety of initiatives to promote collaboration among state, local and federal entities. The Office of National Drug Control Policy (or ONDCP, based in the Executive Office of the President) coordinates many of these collaborative initiatives, including the following examples:

—*High Intensity Drug Trafficking Areas Program (HIDTA)*.—This program encourages joint efforts among federal, state and local law enforcement agencies to address critical drug trafficking problems that have a harmful impact in surrounding areas of the United States. Each HIDTA assesses regional drug threats, and then designs and implements strategies to combat the threats. Nationwide this program grew from five regional programs with a $25 million budget in 1990 to 31 programs and a $184 million budget in fiscal year 1999. The Delta was included in this expansion: six counties in the region have been designated in three separate HIDTA programs. East Baton Rouge, Jefferson, and Orleans parishes in Louisiana and Hinds County in Mississippi are part of the Gulf Coast program; Cape Girardeau and Scott counties in Missouri are in the Midwestern program.

The Gulf Coast HIDTA was designated in 1996. The Coast serves as one of the transit and staging zones for drug trafficking, due to the 8,000 miles of coastline, extensive swamps, rivers, hundreds of small airstrips, and an intricate rail system. Funding of $6 million in 1999 was distributed across the Gulf Coast to support state operations centers and associated task forces to disrupt drug trafficking organizations, reduce the demand for drugs, and strive for a drug-free environment in local communities.

—*Drug-Free Communities Program*.—The Office of National Drug Control Policy funds community coalitions that work to increase collaboration among government, the private sector and community organizations that demonstrate a long-term commitment to reduce drug use. For example, in fiscal year 1998, the Shady Grove M.B. Church coalition of Greenville, Mississippi received $100,000 to provide after-school and other prevention programs for local youth. This local coalition serves the city of Greenville as well as Washington, Bolivar and LeFlore counties. This grant in fiscal 1998 was funded as part of a nationwide competitive process, and the program is continuing, with another round of grants to be announced later in 1999.

—*The National Youth Anti-Drug Media Campaign*.—This campaign is one of the Office of National Drug Control Policy's most important efforts to implement the first goal of the National Drug Control Strategy: "Educate and enable America's youth to reject illegal drugs, as well as alcohol and tobacco." This campaign dis-

seminates drug prevention messages through television, radio, video, newspaper, Internet, and other formats. In 1997, the total Media Campaign funding for the Delta was $3.087 million. This investment also generated significant pro-bono contributions in the form of free air time for the campaign through news and public affairs programs as well as other programming with drug-prevention as its theme.

The effort serves major media markets in the Delta such as Little Rock, New Orleans, Baton Rouge, Jackson, Paducah, Kentucky, and Springfield, Missouri. Examples of local outlets carrying Youth Anti-Drug Media Campaign messages include television stations such as WNOL in New Orleans, KDEB in Springfield, KBSI in Paducah; radio stations such as KIPR in Little Rock, WEMX in Baton Rouge and KMEX in New Orleans; and newspapers such as The Jackson Clarion Ledger, New Orleans Times-Picayune, and many others. A comprehensive school program reaches middle and high school students throughout the region. Vehicles for the school program include Weekly Reader, Scholastic, Channel One (in-school television). The overall media campaign reaches 82 percent of teachers, coaches, mentors and other people in a position to directly influence youth on an average of 3.5 times each week. Ninety percent of all teenagers see anti-drug advertising an average of 4.4 times each week.

HOUSING

HUD has worked with local communities throughout the Delta in promoting more equitable housing opportunities for moderate and low-income people. The Housing inventory contains detailed information on HUD's efforts to reduce the financial, informational, and systemic barriers to homeownership as a part of President Clinton's National Homeownership Strategy.

HUD pursues a series of other projects for assisting moderate and low-income people, such as escrow accounts of a percentage of monthly rent for high-end rent paying tenants to be used later for down payments on homes; Community Development Block Grant funding projects; assistance with loans; assistance for the elderly and disabled; and a variety of policies aimed at eradicating racial, religious or other forms of discrimination in housing. The Commission had recommended that an additional 400,000 units of decent, affordable rental housing be provided for low-income Delta residents, and HUD reported that building permits for an estimated 310,000 such units had already been issued by 1998.

*Homelessness issues*.—An array of initiatives aimed at eliminating homelessness from the Delta. While acknowledging that this ambitious goal has not yet been achieved, addressing homelessness is one of the Clinton administration's priorities. Nationally, funding for HUD's homelessness assistance programs grew dramatically from $284 million in 1992 to $975 million in 1999. An innovative approach called Continuum of Care involves comprehensive and cooperative local planning to ensure the availability of a range of services—from emergency shelter to permanent housing—needed to meet the complex needs of the homeless. However, the 1990 Commission set the highly ambitious goal of eradicating homelessness by 2001. That goal has not been met.

*Housing discrimination issues*.—HUD has greatly expanded efforts to enforce the Fair Housing Act. From the early 1990s to 1998, HUD secured more than $3.2 million to compensate people who had suffered discrimination in violation of housing laws. Using its authority under the Fair Housing Act, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act, HUD has investigated, settled, and when necessary prosecuted cases of housing discrimination.

*Rural housing*.—In addressing housing problems for rural areas, USDA's Rural Housing Service assisted nearly 43,000 Delta households to buy or improve their homes. These loans for single-family housing in the region from fiscal years 1993 through 1999 came to a total of $2.236 billion. Regarding rental housing, the 1990 Report recommended that Section 515 Rural Renting Housing and Section 521 Rental Assistance programs be expanded. Through these programs, RHS provided more than $254 million in low-interest loans for more than 10,000 rental units in the rural areas of the Delta.

As the distressed rural counties of the Delta suffered many of the worst unemployment rates, these areas also experience many of the worst housing problems. The Housing Assistance Council reported in 1997 that people in rural areas of the Delta are more likely to live below the poverty line: 24 percent of the Arkansas rural residents lived below the level, 29 percent of the Louisiana residents, and 31 percent of the Mississippi rural residents lived below the poverty line. Yet even these statistics mask the staggering levels of poverty among the most vulnerable rural groups: for the three states mentioned above, rural African Americans in the

Arkansas Delta have a 51 percent poverty rate, the African American rural poverty rate in Louisiana is 54 percent, and for Mississippi the level is 52 percent. Among all races, single-parent families with children are the most likely to be poor. Among all families, poverty rates in the rural Delta on average are approximately 6 to 9 percent higher than in urban Delta areas. African American, female-headed households in the rural Delta faced poverty rates of 76 percent in Arkansas, 79 percent in Louisiana, and 75 percent in Mississippi.

These poverty rates obviously pose serious problems for housing in the region. About 6 percent of African American households in Arkansas lack plumbing, 4 percent in Louisiana, and 6 percent in Mississippi—the averages of the entire population are almost three times superior to that rate. People in the Delta have a higher housing cost burden—defined as paying greater than 30 percent of monthly income for shelter costs. In Arkansas 42 percent of the rural households and 39 percent of the urban are cost-burdened, 47 percent of the rural households and 44 percent of the urban in Louisiana, and 44 percent of rural households and 43 percent of the urban in Mississippi. Senior citizens are especially vulnerable: 58 percent of rural elderly renters in Arkansas, Louisiana and Mississippi as a whole are cost-burdened. Thus, while some areas of the Delta have experienced some advances in housing, major populations have been left behind, especially the low-income elderly and African Americans in rural areas.

HOUSING EFFORTS HELP REVITALIZE DOWNTOWN JACKSON, MISSISSIPPI DISTRICT

Forty years ago, Jackson, Mississippi's Farish Street district was a thriving commercial and residential area where African-American businesses and blues clubs flourished. The 125-block district traces its roots to a settlement founded by freed slaves in the 1860s.

"From the 1920s through the era of Jim Crow, Farish Street was really in its heyday," says Michael Hervey, Executive Director of the Farish Street Historic District Neighborhood Foundation. "It was a self-contained community because African-Americans had no place else to go. After integration, though, many residents elected to move out and look for the American Dream in the suburbs."

Like other inner cities neighborhoods across the country, the Farish Street district experienced its share of disinvestment during the 1960s and 1970s. However, Farish Street was luckier than other inner-city neighborhoods that watched urban renewal change their unique characters. Historic buildings along Farish Street remain standing and intact. When the area received a historic district designation in 1994, its downward spiral began to reverse.

The first sign of that reversal was the Farish Street Housing Project, a $2.5 million, foundation-initiated project that renovated 35 historic shotgun houses during 1998. The foundation is now seeking support for a $15-million project to create an entertainment district that Hervey hopes will become a regional tourist destination.

The housing project, completed in March 1999, involved a host of partners. The National Equity Fund provided $1.6 million from the sale of Historic Preservation Tax Credits. A consortium of local banks furnished $600,000 and the City of Jackson gave $175,000 from its Community Development Block Grant allocation from the Department of Housing and Urban Development.

The shotgun homes, built between 1930 and 1950, were completely gutted inside and their outside structures were retained and restored. Each home required new plumbing, electrical wiring, fixtures, and appliances. Eligible residents who qualify for Section 8 rental subsidies will be able to rent the one-, two-, and three-bedroom bungalows. After the 15-year tax credit compliance period ends, the homes will be sold to qualified buyers. For now, tenants won't pay more than 30 percent of their incomes for rent.

The project will provide much-needed housing in an area where more than half of the residential stock is vacant, substandard, or abandoned. In addition, the project already has helped the local economy by providing construction jobs for almost 60 local workers. Minority-owned firms received 80 percent of the project's business.

EDUCATION

While education is primarily a responsibility of state and local governments, improving K–12 education is a major priority of the Clinton-Gore Administration. During this decade, the U.S. Department of Education worked in partnership with the state and local level to help increase levels of student achievement, create greater regulatory freedom, and expand targeted funding in the Mississippi Delta region.

*Targeting of funds to poor communities.*—The Clinton-Gore Administration has met the Commission's 1990 goal of providing "targeted services to low-income, rural

students" in the Mississippi Delta. The Department of Education—through its Title I program—provided over $350 million in fiscal year 1998 alone to high-poverty school districts in the Delta to help improve student achievement. Under the Administration's Class Size Reduction Initiative, Delta school districts received over $50 million in fiscal year 1999 to hire up to 1,500 new teachers in the early grades. The Project Star study conducted in Tennessee demonstrates the positive impact of smaller classes of 13–17 students in the early grades on student achievement, especially among poor students.

Migrant farmworkers and their children living in the Delta have also benefited from Federal funding. During the 1998–99 school year, 91 percent of the 135 migrant students who participated in a University of Tennessee Program—supported by a $350,000 Federal grant in fiscal year 1999—completed their G.E.D. A $270,000 Federal grant in fiscal year 1999 provides family literacy services to 120 migrant families residing in the Kentucky Delta through the Ohio Valley Educational Cooperative (OVEC). Native-American students living on reservations in the region have also received additional Federal funding. The Department of Education awarded $177,097 in fiscal year 1999 to the Mississippi Band of Choctaws to implement a tutorial program aimed at improving student academic achievement.

*Access to technology*.—The Delta region has received millions of dollars in Federal funding during the 1990s to help insure that teachers have the skills and resources to provide students with a rich educational experience enhanced by advanced technology. Four Federal programs—the Technology Literacy Challenge Fund (TLCF), Technology Innovation Challenge Grants (TICG), Star Schools and the E-rate—all target funding for technology to high-poverty regions. In fiscal year 1998 alone, Delta districts in Louisiana received $4,600,000 of the $5,900,000 in TLCF funding allocated by the State in subgrants directly to districts. For example, St. Barnard, Plaquemines, St. Charles, and Jefferson Parishes in Louisiana received a $425,000 TLCF grant in fiscal year 1998 to provide teacher-training initiatives focused on technology-connected lessons in mathematics and language. Between fiscal year 1998 and fiscal year 1999, Concordia and Catahoula Parish Schools in Louisiana received over $2,600,000 in Federal TICG funding to expand the successful Trainer of Teachers program to poor, rural school districts in order to help teachers use technology to improve student learning in core academic subjects, such as English, mathematics, and science.

*Increased flexibility for states and schools*.—The increased flexibility provided to states and schools by the Department of Education has helped bring about improved student achievement. The Commission recommended in 1990 that Congress allow "states and/or school districts to employ innovative pilot projects to educate low-income, at-risk students." Schools and districts were given greater authority to create their own reforms through the 1999 reauthorization of the Elementary and Secondary Education Act (ESEA). Due in great part to the implementation of a research-based schoolwide reform supported by Federal legislation and funding, the percentage of fourth graders in the Memphis City Public Schools scoring 'proficient' on the Tennessee Comprehensive Assessment Program (TCAP) Writing Assessment increased from 20 percent in 1996 to 34 percent in 1997. According to Memphis City School Superintendent—and 1998–99 American Association of School Administrators (AASA) Superintendent of the Year—Dr. Gerry House, "the increased funding and flexibility in Federal programs support our goal of improving student achievement by focusing resources in a coordinated way to meet the diverse educational needs of our urban, poor children."

In 1997, a pilot program called Ed-Flex granted 12 states (including Illinois) increased flexibility in decision-making on the use of Federal funds in exchange for increased accountability for improved student achievement. President Clinton signed legislation in 1999 expanding Ed-Flex eligibility to all 50 states.

*Mathematics achievement*.—During the 1990s, students in the Mississippi Delta have made the greatest achievement gains in mathematics. The Commission called for all Delta students to demonstrate "competency" in mathematics and science at "grades four, eight and twelve." Results from the voluntary National Assessment of Educational Progress (NAEP) demonstrate that mathematics scores have improved this decade in the three states where a majority of the population reside in the Delta region. NAEP test scores for fourth and eighth grade students in Arkansas, Louisiana and Mississippi improved by significant amounts between 1992 and 1996. Many schools within these three States experienced substantial improvements during this period of NAEP score increases. For example, fourth grade students at the Glen Oaks Park Elementary School in East Baton Rouge Parish, Louisiana have improved their median national percentile rank on the mathematics section of the California Achievement Test (CAT) from the 29th percentile in 1993 to the 75th percentile in 1997. The federally funded Eisenhower Math/Science Educational Consor-

tium has provided numerous teachers in the Delta with training aimed at improving teaching and learning. The Consortium recently funded Algebra Project training sessions for teachers in Jackson, Mississippi. Studies have demonstrated that the Algebra Project has had a beneficial impact in Jackson on student motivation and problem-solving skills.

*Literacy levels.*—The Commission in 1990 called for a general increase in "literacy" for children and adults in the Delta. Under the Clinton-Gore Administration's America Reads Work-Study Program, the Federal government pays 100 percent of the wages of work-study students who tutor children or adults in literacy programs. Numerous colleges located in and near the Delta region take part in the America Reads program in order to help reach the President's goal of ensuring that all children can read by the end of the third grade. Federal funding has supported efforts in the Delta to improve literacy levels for both children and adults. Since instituting an innovative reading program through a $60,000 Department of Education grant in 1994, the Portland Elementary School in Ashley, Arkansas saw average third grade reading scores on the Stanford Achievement Test increase from the 25th percentile in 1993 to the 46th percentile in 1999. Over 1,400 adult learners in five Mississippi Delta counties in Louisiana—East Carroll, Madison, Tensas, Catahoula, and Concordia—are provided literacy training and life skills by a $330,000 matching Federal-State Adult Education grant.

The Department of Education and other advocates of improved education in the region recognize that these improvements are just a beginning, and much more progress needs to be achieved to bring all the Delta's schools up to the level of opportunity enjoyed by most Americans.

TEST SCORES IMPROVE AT NEWBERRY ELEMENTARY SCHOOL MEMPHIS CITY SCHOOL DISTRICT

The Newberry Elementary School in Memphis, Tennessee enrolls over 850 students in kindergarten through the fifth grade. Over fifty-five percent of the students at Newberry are eligible to receive free or reduced-price school lunches. Supported by Federal legislation passed in 1994 that expanded opportunities for schoolwide reforms, Newberry implemented a research-based reform model through New American Schools known as Expeditionary Learning Outward Bound (ELOB). Through adopting the ELOB model, educators at Newberry have instituted a schoolwide curriculum that centers on the purposeful, in-depth study of two or three projects each year from an interdisciplinary perspective. School projects usually take students outside the school and bring the community inside the school.

Students at Newberry have demonstrated dramatic improvements in writing. The number of fourth grade students scoring 'proficient' on the Tennessee Comprehensive Assessment Program (TCAP) Writing Assessment increased from 13 percent in 1994 to 79 percent in 1999. Teachers at Newberry foster a 'culture of revision' by maintaining writing portfolios for all students and providing real-life writing exercises. For example, during the 1998–99 school years, students were asked to write letters to local businesses requesting supplies to create a school garden. "When students write to business people in their own community requesting products, they are motivated by a desire to express themselves clearly and accurately," explains Newberry fourth grade teacher Kelly Douglas.

Technology has helped students at Newberry improve their writing skills. Federal funding has allowed the Newberry school and similar schools across the country to substantially increase their number of computers and Internet hook-ups. "The Internet pushed the roof off the building and collapsed the walls. Now the whole world is our classroom," explains Newberry Principal Marilyn Ingram.

JOB GROWTH

In the six years following the completion of the Lower Mississippi Delta Development Commission's Final Report, 365,000 new jobs were created in the region, an increase of almost 12 percent. In 1993, the annual average unemployment for the entire 219-county region was 7.5 percent. (Averages over an entire year are more accurate than comparing the figures for a single month, which can contain temporary aberrations.) By 1998, the annual average unemployment had fallen almost two percentage points, to 5.7 percent. Over this period, all but 35 counties in the region experienced job growth.

Despite the general improvement in the region's employment level, many of the poorest counties still suffer from high unemployment. For example, in 1988, West Carroll Parish in Louisiana had an unemployment rate of 24.86 percent. By 1998, the annual unemployment rate for West Carroll Parish had declined by more than 10 percent, but it remained at the high level of 14.8 percent. In Arkansas, St.

Francis County's rate fell from 13.4 to 9 percent from 1993 to 1998, while Lee County's unemployment fell from 11.2 to 9.2 percent; the lower levels are still far higher than the national rate that hovered roughly in the 4.3 percent range in 1998–99. Unemployment in Williamson County, southern Illinois, fell from 12.8 to 8.2 percent. There were other rural counties that did not improve over this period. Coahoma County, Mississippi, for example, had a 10.9 percent unemployment rate in 1993, and by 1998 the level was still at 10.4 percent.

In contrast, many of the urban areas of the region enjoyed low unemployment levels in the 1990s. Pulaski County, Arkansas (4.9 to 4.0 percent), Jefferson Parish, Louisiana (6.1 to 4.1 percent), Shelby County, Tennessee (5.5 to 3.7 percent), Hinds County, Mississippi (from 5.3 to 4.1 percent) all improved to rates that were comparable or slightly lower than the national average from 1993 to 1998. Clearly, these figures show that the more rural areas in the heart of the Delta either did not participate at all in the economic boom, or their relative improvement left them at still unacceptably high levels. While problems remain in some areas of the large cities, the most urgent need for economic regeneration lies in the rural areas like West Carroll Parish or St. Francis County that continue to suffer from unemployment rates two and three times higher than the national average.

*Job training*.—The 1990 Commission Report emphasized that "even entry level positions now require advanced skills attainment," and therefore it is essential that Delta residents have access to the most comprehensive job training programs possible. The U.S. Department of Labor has promoted a series of job training and welfare-to work projects that are summarized in this section. President Clinton has signed the Balanced Budget Act of 1997 and the Workforce Investment Act (WIA) of 1998, two major pieces of legislation that will have a major impact on achieving this goal:

*Welfare-to-Work*.—Moving people from welfare-to-work is now one of the primary goals of Federal welfare policy. The Balanced Budget Act of 1997, signed by the President on August 5, helps to achieve that goal by authorizing the U.S. Department of Labor to provide Welfare-to-Work Grants to states and local communities to create additional job opportunities for the hardest-to-employ recipients of Temporary Assistance for Needy Families (TANF). This program is helping Americans make the transition from welfare and dependency to work and self-sufficiency.

In order to receive formula funds under the Welfare-to-Work program, a state must submit a plan to the Department of Labor for the administration of a grant. After the Department determines that the plan meets statutory requirements, states administer the formula funds and assure that they are coordinated with funds spent under the TANF block grant. Generally, private industry councils (or workforce investment boards) established under the Job Training Partnership Act administer the program at the local level in coordination with elected officials. Funds allocated to states are based on a formula that equally considers states' shares of the national number of poor individuals and adult recipients of TANF assistance. A state is allowed to retain 15 percent of the money for welfare-to-work projects of its choice. For every two dollars of federal funding, states provide one dollar of non-federal funding.

Under this program, the 25 percent of funds not allocated by formula are available for competitive grants awarded by the Secretary of Labor directly to local governments, private industry councils, community development corporations, community action agencies, and other private organizations that apply in conjunction with a private industry council or local government.

In 1998, substantial federal welfare-to-work formula allocations were devoted to the Delta. The 45 Delta parishes of Louisiana received a total of over $15 million in 1998. The Service Delivery Area (SDA) including Cross, Phillips, Crittenden, St. Francis, and Lee counties in east Arkansas received over $1.4 million, while the Southeastern SDA including Grant, Arkansas, Lincoln, Bradley, Ashley, Desha, Jefferson, Cleveland, Drew, and Chicot received over $1.25 million. The central area including Arkansas' largest county, Pulaski, as well as Prairie, Monroe, and Lonoke counties received $826,311. The northeastern Arkansas SDA received over $750,000. Mississippi did not submit state welfare-to-work plans in either 1998 or 1999. The Inventory section on job training contains an in-depth analysis of statistics on each local area in the region.

Examples of the kinds of programs designed to move people from welfare to work are much more instructive than a recitation of the dollar figures:

—*New Orleans Welfare-to-Work Collaborative*.—Under the competitive grant part of the program, an important example was the $5 million project awarded to the City of New Orleans for the New Orleans Welfare-to-Work Collaborative, an organization made up of more than 60 businesses, service providers and consumer representatives. This project emphasizes pay for performance and family

self-sufficiency. It will provide specialized services for substance-abusing mothers and noncustodial parents of children receiving welfare benefits. The target community—in the central city of New Orleans in an Enterprise Community, New Orleans East and Lower Ninth Wards—faces a shortage of low-skill jobs that pay a wage sufficient to sustain a family. A lack of education, inadequate transportation and child care, and substance abuse are major problems this project will address. The Orleans Private Industry Council will establish an Employer's Information Line to provide information on the incentives to employers to hire welfare recipients. This line will also be a rapid response mechanism to solve any workplace problems in relation to newly hired workers in the program. A work center will provide job skills and educational assessments of each participant; it will work with local agencies to expand transportation and child care facilities. The program aims to move these populations into long-term employment, thereby increasing both the financial and emotional support that noncustodial parents give to their children.

—*Little Rock one-stop work center*.—Another $5 million under the competitive grant phase of this program was awarded to the City of Little Rock for an innovative project that focuses on a "one-stop center" anchoring employment and supportive services. A unified, individualized Employment Support Plan will be developed with each client, with the goal being a connecting and focusing of services that promote sustained employment. A "whole family" approach includes job placement, employment education and training, substance abuse treatment, assignment of a personal mentor/job coach to assist with job retention, child care and transportation assistance, and help in locating housing. The Pulaski County plan integrates "high tech" assistance based on computer-linked providers and data bases with "high touch" help from personal mentors and job coaches. This plan involves a coalition of state, federal, university, private business, and nonprofit foundations as partners, including: Advocates for Battered Women, Goodwill Industries, United Way of Pulaski Center, Housing Authority—Little Rock, Southwest Airlines, University of Arkansas at Little Rock, and Arkansas Employment Security Department.

—*Hinds County, Mississippi Remedial Employment Opportunity Program (REOP)*.—Although Mississippi did not submit a state plan and thus did not take part in the formula funding for welfare-to-work, Hinds County, Mississippi did receive a $3,294,191 award under the competitive grant part of the program. The target community includes the city of Jackson, an Enterprise Community in an area of historically high poverty. The project aims to address the same fundamental problems as do the New Orleans and Little Rock plans: inadequate education, poor work histories, substance abuse, inadequate transportation and child care, and inadequate job skills. The goal of REOP is to match new workers and their need for economic self-sufficiency to area employers. Local substance abuse treatment centers, housing and other community organizations will work with private employers. The Education and Training Institute, Inc., (ETI) is a social service corporation charged with strengthening the family through self-sufficiency. ETI will manage the program in the recruitment, outreach, eligibility requirements, case management, referrals and follow-up for the Hinds Private Industry Council.

*Workforce Investment Act of 1998*.—On August 8, 1998, President Clinton signed the Workforce Investment Act (WIA) of 1998. This new authority overhauls the job training system by repealing the Job Training Partnership Act effective June 30, 2000 and by bringing together many Federal, State and Local partners into a comprehensive one-stop service delivery system—a customer-driven overhaul that will help employers get the workers they need and empower job seekers to meet the challenges of the new century by getting the training they need for the jobs they want.

Annually, the Department of Labor allots by formula federal job training funds to the seven states in the Lower Mississippi Delta Region. These funds may be used to provide a wide array of services based upon individual need for low-income adults and youth, welfare recipients, and dislocated workers. Governors, in turn, allocate the funds to local communities where decisions are made on who will be served from among the eligible population, and how the funds will be used to help or qualify individuals find new jobs or first jobs. State and local officials have significant flexibility regarding how these funds are used and generally make decisions based upon the population being served and the needs of the local communities. One stop delivery systems have been developed throughout the Delta, where access to America's Job Bank and America's Talent Bank is available to all job seekers. Approximately twenty Job Corps Centers are located in the region, with more than 10,000 youth receiving residential basic and vocational training annually.

The welfare-to-work and workforce investment reforms are relatively new programs, and thus data on their effects are not complete as of yet, although the gradual increases in job growth and reduction in welfare rolls appear to be moving in the right direction. The welfare-to-work programs provide innovative new approaches to the old problems of ending the debilitating cycle of dependency and unemployment.

LINKING LIVABLE COMMUNITIES, TRANSPORTATION AND JOBS IN THE DELTA

In many areas of the Delta, small communities struggle with the challenge of finding jobs and obtaining transportation to the workplace. Some rural counties in Mississippi, for example, face a rising demand for transit due to substantial growth in the number of people commuting to job sites, as well as a growing population of senior citizens. Aurelia Jones-Taylor is a dynamic grassroots leader who has worked with the Federal Transit Administration (FTA) and other federal, state and local organizations to promote connections between transportation and job growth. She has a master's degree in Business Administration and 25 years experience in project management.

Ms. Jones-Taylor was instrumental in implementing a series of public transportation accomplishments in the north Mississippi Delta. Through a Livable Communities Project, the FTA provided a $100,000 grant for marketing and communications, improving transit facilities such as bus stops and shelters, and expanding access to job opportunities. Passengers have better knowledge of arrival and departure times of buses. The project helped to enhance other capital projects and leveraged funding from other agencies. "It means improved service delivery, safe and secure places where clients can wait for rides and better on-time services," says Ms. Jones-Taylor.

Another innovative transportation project was "JOBLINKS," designed to help Temporary Assistance for Needy Families (TANF) recipients in the North Delta Mississippi Enterprise Community find transportation to job sites. The project succeeded in helping to connect 279 people in rural northern Mississippi with jobs and to develop relationships with employers.

JOBLINKS was created by the Delta Area Rural Transit System (DARTS), which received $90,000 from the Community Transportation Association of America to provide general public transit services. When Welfare-to-Work was first being implemented in Mississippi, DARTS partnered with local stakeholders to interview residents of housing projects about job readiness, need for child care and transportation to jobs. DARTS provided vouchers for people seeking jobs, as well as free transportation for the first two weeks after they obtained employment, until the person received the first paycheck.

Ms. Jones-Taylor is Executive Director of DARTS, which was established in 1992 by the Aaron E. Henry Community Health Services Center, a private, nonprofit corporation providing primary health care services. The Health Services Center began providing rural public transit services for access to health care in the 1990s. The Federal Transit Administration (FTA) approved the transportation plan for this project. In 1997 alone, for example, more than 130,000 one-way trips were provided, of which more than 80 percent were employment and job-training related.

Jones-Taylor pursued a strategy of obtaining funding from multiple sources. She coordinated an Innovative Financing Grant of $290,000 from FTA to renovate an existing facility to become a Regional Transportation Center. A Rural Business Enterprise Grant of $234,000 from USDA was used to provide matching funds and purchase buses. The Mississippi Department of Economics and Community Development also provided $200,000 to buy vehicles. Service is provided 24 hours per day, seven days per week. The Regional Transportation center provides "one-stop shopping" services for multi-county areas. Jones-Taylor said, "The problem is moving a few people over a large distance with a little money. Without the cooperation of all transportation providers, it won't be done." The center allows the coordination of dispatching, vehicle storage and maintenance for rural and specialized transit providers. The providers each had separate contracts with fuel suppliers, maintenance garages and service organizations; they would often provide service in overlapping areas. The new transportation coordinating center allows these transit providers to increase daily service up to 20 percent with their existing staff and equipment, while remaining within existing levels of funding.

Before these transportation improvements, many people in Coahoma and Quitman counties had to endure round-trip commutes exceeding 140 miles to the job center where they worked in Robinsonville, Mississippi. DARTS expanded public transportation from those counties to Robinsonville; in addition, the enhanced system supports the transportation needs of employees at small businesses by pro-

viding group rides to day care centers, job placement centers, and employment sites. Says Jones-Taylor, "The Livable Community grant, JOBLINKS, and the other innovative transportation improvements help rural people in the Delta make the critical transition from poverty to self-sufficiency."

HEALTH AND HUMAN SERVICES

The 1990 Report placed great emphasis upon issues in the field of health and human services. In the Inventory, the Department of Health and Human Services (HHS) provides an in-depth review of Medicare, Medicaid, Temporary Assistance for Needy Families (TANF), and other major programs.

*Medicaid*.—Through HHS' review and revision of Medicaid plans, HHS and the Delta states have been working in partnership to maximize Medicaid coverage for eligible recipients and increasing coverage to the working poor not previously covered through state plans. Title XXI (the Children's Health Insurance Program, or CHIP) has allowed states to expand access to health care coverage through Medicaid and new state-designed insurance programs. The Department has exercised its authority under the Social Security Act to expand health care coverage.

The Temporary Assistance for Needy Families (TANF) now partners with Medicaid to assure that transitional Medicaid services are available to TANF recipients as they move from public assistance to self sufficiency. Moreover, in March, 1999, HHS agencies issued a guide to states that in part sets out opportunities the states have under the law to expand coverage under Medicaid to low-income working families. HHS will be contacting all states about these opportunities as well as reviewing how effectively they coordinate Medicaid and TANF.

HHS also reviews a series of programs for improving health care access for senior citizens, minorities, and HIV/AIDS treatment and services in the Delta. The Agency for Toxic Substances and Disease Registry (called ASTDR, this is part of the Centers for Disease Control and Prevention) has been working through the Mississippi Delta Project: Health and Environment, a partnership among federal, state and local governments, Historically Black Colleges and Universities (HBCU), faith-based organizations, community organizations, and environmental advocacy groups in 219 counties in the Delta. This initiative includes health education, training and research. The research projects are designed as models for developing partnerships regarding environmental and public-health related concerns in the region. For example, the ASTDR has developed an Assessment Protocol for Excellence in Environmental Health that has been used in pilot projects in Arkansas and Mississippi to identify environmental hazards. In fiscal year 1999, the ASTDR will implement this protocol in Memphis, Tennessee, in collaboration with the Memphis-Shelby County Health Department and local community groups. ASTDR is also working with EPA as well as state and local health officials and environmental justice advocates on an initiative based in Memphis and other Delta areas on an initiative focusing on environmental justice issues. This effort primarily involves minority and low-income people regarding environmental health issues.

*HIV/AIDS*.—The HIV/AIDS Bureau of HHS targets medical services for unserved or underserved populations. This program involves formula grants awarded to states to improve the quality, availability, and organization of health care and support services for people living with HIV. The AIDS Drug Assistance Program provides assistance in providing HIV/AIDS medical therapies to uninsured or underinsured people. A Special Projects of National Significance Program provides funding to public and private nonprofit entities to assist in the development of innovative models of HIV care. For example, a project at the University of Mississippi Medical Center is enhancing the capacity of health care providers in rural clinics to diagnose and treat HIV by expanding the Delta AIDS Education and Training Center's capacity to provide clinical training. In particular, this project gives training for rural health care providers with a computer-based distance learning system. For areas of the highest HIV incidence, the Center makes available updated medical references, means for interactive training, and access to sources of additional HIV funding.

*Child care*.—The Head Start program provides early childhood education to young people throughout the nation, and the Delta in particular enjoyed substantial increases in the number of children enrolled from 1990 to 1998. In Arkansas, Louisiana and Mississippi, the number of children enrolled in Head Start expanded from 41,996 in 1990 to 55,248 in 1998. Head Start in the Delta in recent years has increasingly placed emphasis on full-day, full-year models that meet child care needs of working parents.

The Child Care Development Fund, which is the primary source of federal funds to states, Indian Tribal Organizations and territories to assist low-income families to pay for child care, has had a major impact in the Delta. A series of initiatives

for improving child care are now underway. The Child Care and Head Start bureaus have launched a new training and technical assistance initiative, Quality in Linking Together: Early Education Partnerships (QUILT), which will work with state, tribal, and regional leaders to develop a strategic approach to support early education partnerships at the local level. A Head Start/Child Care Workgroup has been established to address the need for full-day, full-year services to children and families. Members from central as well as regional offices of Head Start, Child Care and QUILT are developing strategies for combining resources, sharing information on training and technical assistance. The Healthy Child Care America Campaign is a collaborative effort of health professionals, child care providers, and families that has developed a Blueprint for Action, which identifies goals for child care and suggests specific ways of achieving these goals. The Inventory discusses in detail a series of other child care initiatives on childhood immunization, dissemination of child care information, and related issues.

*Youth services*.—The Family Youth Services Bureau provides programs that serve vulnerable youth in the Delta. The Basic Center Program provides temporary shelter to runaway youth while working to reunite them with their families when possible. The Transitional Living Program provides long-term residential, educational and vocational resources to homeless youth. This program works to keep youth from dropping out of school, and it especially focuses on helping teenage parents make the transition to work and self-sufficiency, thereby preventing them from becoming dependent on public assistance. There are two Basic Center shelters and a Transitional Living Program in Jackson, Mississippi, and a Basic Center shelter in Vicksburg, Mississippi. There are four Basic Centers in Arkansas, five in Louisiana, three in Kentucky, and Tennessee has several Centers, including one in Memphis.

*Teen pregnancy*.—Finally, teen pregnancy decreased in the years from 1991 to the mid-1990s in the Delta, but is still too high. Arkansas and Louisiana reduced their rates of teen birth and pregnancies by a higher percentage than the nation as a whole between 1991 and 1995: Arkansas' reduction was by 7.9 percent and Louisiana reduced its rate by 8.2 percent, as compared to the national reduction of 6.5 percent. Mississippi's rate decreased by 5.9 percent. In 1995, the President created the National Campaign to Prevent Teen Pregnancy, through which HHS has developed partnerships with national, state and local organizations, private business, faith-based organizations, tribal organizations, parents and other family members, and adolescents. The goal is to build new partnerships that promote community-wide efforts to prevent teen pregnancy.

*Infant mortality*.—Infant mortality declined overall in the 219 Delta counties during the last decade. Those counties experienced a 16.6 percent reduction in infant mortality between the aggregated average calculated for the four-year period 1986 through 1989 and the period 1994 through 1997; for those same periods, the national infant mortality rate declined by 25 percent.

For the densely populated counties of Pulaski, Arkansas; Hinds, Mississippi; Shelby, Mississippi; and East Baton Rouge, Jefferson, Orleans, Ouachita, Rapides, and St. Tammany Parishes in Louisiana, there were 12.42 infant deaths per 1,000 live births in 1990. That number gradually declined in the 1990s, falling to 10.71 in 1997 (the most recent year for which statistics are available). Thus, infant mortality rates declined by approximately 14 percent from 1990 to 1997 in these eight Delta counties.

These major population centers in the Delta still lag behind the national average, which declined from 9.22 infant deaths per 1,000 live births in 1990 to 7.23 in 1990, a decrease of 22 percent. Even more disturbing was the plight of minorities in the Delta: for example, in Mississippi, African Americans' infant death rates fell from 15.5 to 14.7 per 1,000 live births from 1989 to 1996; similar statistics for Arkansas showed a decline from 15.5 to 13.8, and in Louisiana a decline from 15.6 to 14.7. The rates for African Americans are approximately double those of whites in these three states. The rates for all people declined from 11.7 to 10.8 in Mississippi; 9.9 to 9.1 in Arkansas; and 11.0 to 9.8 in Louisiana. Despite the decreases, infant mortality rates in the Delta are still much too high.

*Rural health care*.—The Commission recommended a careful review and revision of Medicare/Medicaid reimbursements to eliminate inequities in payments to rural hospitals." The Medicaid program provides the following options:

—*ADD-ON PAYMENT*.—States currently have considerable latitude in determining rates of payment in the Medicaid program. Rural hospitals receive Medicaid funding as described in their State plans. One way for a State take into account the unique position of rural hospitals is to establish within that State's Medicaid plan a methodology that specifically targets rural hospitals. Through a State Plan Amendment, a State could elect to institute a special add-on payment for rural hospitals in addition to their regular reimbursement.

—*DISPROPORTIONATE SHARE HOSPITAL PROGRAM*.—Another avenue of flexibility currently open to States is the Disproportionate Share Hospital (DSH) program. Within certain Federal limits, States can designate any group of hospitals as qualifying for DSH payments, including rural hospitals. States can amend their State plans to implement a DSH payment that would be geared toward their rural hospitals: the qualifications for this DSH payment can be crafted in such a way that any uncompensated care costs incurred by rural hospitals could be met through the State's DSH program. Such an option would be feasible to the extent that these hospitals have incurred uncompensated free care and Medicaid costs, and provided that the State's DSH methodology overall does not cause the State to exceed the hospital-specific DSH payment limits or the State's statutorily-defined DSH allotment.

The Medicare program provides:

—*Rural Referral Centers*.—Rural referral centers (RRCs) were first identified for special consideration in the 1983 Prospective Payment System (PPS) legislation. Congressional intent was to recognize that, within rural areas, there were hospitals that provided care in a volume and with the sophistication of hospitals in urban areas. These hospitals serve as "referral" sites for rural physicians and other community hospitals that may lack the resources or expertise to handle cases outside the norm. Any hospital that was classified as a rural referral center (RRC) in 1991 and had since lost that status was grandfathered back into the RRC program by the Balanced Budget Act. In addition, the BBA made it easier for RRCs to get a higher wage index under PPS.

—*Medicare-Dependent Hospitals*.—The Medicare Dependent Hospital (MDH) program was reinstated by the Balanced Budget Act of 1997. The Medicare-Dependent Hospital designation was originally created under the Omnibus Budget Reconciliation Act of 1989. It provided extra financial assistance to rural hospitals with less than 100 beds that had 60 percent or more of inpatient days or discharges attributable to Medicare patients. Originally, the Medicare Dependent Hospital designation was set to expire for cost reporting periods ending on or before March 31, 1993. The Omnibus Budget Reconciliation Act of 1993 extended the designation until September 30, 1994 with a smaller financial benefit for MDH status. The Balanced Budget Act reinstated the MDH program for cost reporting periods beginning on or after October 1, 1997 and before October 1, 2001.

In 1998, the Balanced Budget Act provided for funding to States to help stabilize small rural hospitals, develop networks and integrate emergency medical services in rural areas. These development grants are being made under the State Rural Hospital Flexibility Program, authorized at $125 million through fiscal year 2002. With a $25 million appropriation for fiscal year 1999, this new grant program will help stabilize rural hospitals and improve access to health services in rural communities. Grants will be awarded to states for: (1) developing and implementing rural health plans with broad collaboration; (2) stabilizing rural hospitals by helping them consider, plan for, and obtain designation as "Critical Access Hospitals" (CAH); (3) supporting CAHs, providers and communities as they develop networks of care; and (4) helping improve and integrate emergency medical services.

Hospitals that are designated as Critical Access Hospitals will receive cost-based payments from the Medicare program. Medicare payments to all other hospitals will not change. Delta states have the option of participating in this program.

ONE DELTA COMMUNITY'S STRUGGLE FOR ADEQUATE HEALTH CARE

Many distressed communities in rural areas struggle to preserve access to health care. Como, Mississippi, home of the famous blues artist "Mississippi" Fred McDowell, is an underserved town in the Delta with 1,500 residents in town and 1,500 residents in the outlying country. "It's a sleepy, laid-back town that's had a little health clinic since God was a boy," says Stuart Guernsey, local administrator for the North Delta Mississippi Enterprise Community. Then, as happens in too many rural areas, the for-profit hospital that operated the clinic gave two weeks notice and left town.

This posed a huge burden for many residents. For the aged and disabled who lived far from town, the additional 10 miles to the next town was a logistical and economic burden. Many couldn't afford the $20 it would cost to be driven there and back.

The town publicized the need to raise money to tide the clinic over to the next funding cycle. They sponsored many events, including one at the elementary school on Martin Luther King Day, and managed to raise $10,000 in goods and services. They still needed $20,000 to keep the clinic open for six months. Then the local peo-

ple hit on a new idea: they asked the elementary school principal to have his fourth and fifth grade students to write an essay beginning, "We need a health clinic in Como because. . ."

Responses ranged from the touching to the hilarious. Sixty of these letters were sent overnight to Doris Barnett and Janet Wetmore of the Health Resources Services Administration, with whom Guernsey had been corresponding. Three days later he received a call. The money had been awarded. "We would probably have gotten their money anyway," says Guernsey, "but the timing of the letters was perfect and their poignancy bumped things along."

The Aaron Henry Community Health Center re-opened in April, 1998 to the delight of Como residents and students. One of the fifth grade students who wrote a letter, Ortavius Towns, expressed his gratitude by saying, "We want to thank the government for opening the clinic back up to provide health care for children and adults. I'm glad I wrote that letter."

The Enterprise Community (EC) helps the clinic with transportation for clients and publicity, as well as in bringing partners to the table in cases such as the closure. The EC also assists another clinic in nearby Crenshaw, Mississippi that has a dental office, pharmacy, and general family practice clinic. Crenshaw—like so many rural places in the Delta—is even more isolated than Como, with nearest town 15 to 20 miles away. The arduous efforts of these small towns exemplify the struggles of many Delta communities to maintain adequate health care.

HUNGER, NUTRITION AND FOOD SECURITY

"There are others from whom we avert our sight. Some of them—are on the back roads of Mississippi, where thousands of children slowly starve their lives away, their minds damaged beyond repair by the age of four or five."—Senator Robert F. Kennedy, speaking in 1967 about hunger and poverty in the rural Mississippi Delta

In 1967, Senator Robert F. Kennedy riveted the nation's attention on the terrible plight of hungry people in the Mississippi Delta. As a member of the Senate Labor Committee's Subcommittee on Poverty, Kennedy went with Marian Wright Edelman, Charles Evers and others to the poorest places in the Delta. Edelman recalled Kennedy holding children with bellies swollen from malnutrition and lamenting, "How can a country like this allow it? Maybe they just don't know." Partly as a result of the national outcry generated by Kennedy and others in that era, the hunger safety net has been strengthened for the hungry in the Delta and other depressed areas of America: school lunch, food stamps, the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), and the Cooperative Extension nutrition programs have become bulwarks in the fight against hunger in America. While it is no longer easy to find flagrant instances of hunger and malnutrition that existed in the 1960s, there are still many people in the Delta who do not have secure access at all times to a high-quality, reasonably affordable food supply.

The more subtle, but nonetheless serious problem of hunger and food insecurity in the prosperous world of the 1990s confronts the basic dilemma Kennedy regretted three decades ago—the reality that many prosperous Americans are unaware that so many people, especially children, often go to bed hungry in underdeveloped areas like the Delta. The Commission in 1990 recognized the importance of these nutrition programs. Vice President Al Gore has attempted to address this issue, working with U.S. Department of Agriculture Secretary Dan Glickman in convening the 1997 National Summit on Food Security to awaken public consciousness about this persistent problem. The Vice President has emphasized the need for supporting the bedrock anti-hunger programs such as school lunch, WIC, and food stamps. The Vice President endorsed the efforts of USDA and other federal agencies to work with private anti-hunger institutions to expand field gleaning activities to provide food for the hungry, and to increase the amount of food rescued from being thrown away and given to food banks and similar organizations. President Clinton signed the Good Samaritan Act, which reduced liability concerns for good faith donors of food to anti-hunger organizations. The Lower Mississippi Delta Nutrition Intervention Research Initiative and other anti-hunger organizations have played an important role in the quest to promote adequate nutrition in the region.

The 1990 Commission specifically recommended that residents of the Delta should have access to health education programs, of which food security is a vital part. As an example of research on the food security issue, USDA's Economic Research Service Geographic Information System (GIS) analyzed access to grocery stores in the Delta. The analysis combined data on the location and sales of grocery stores by postal ZIP code, with the location of all consumers, as well as consumers with incomes below the poverty level. The analysis demonstrated that substantial areas in

the region are underserved by grocery stores, leaving substantial numbers of residents with little access to stores offering a wide variety of food at reasonable distances.

In response to the nutrition needs of the Delta, USDA joined with community leaders and nutrition experts in the region to form the Lower Mississippi Delta Nutrition Intervention Research Initiative. The mission of this Initiative is to evaluate nutritional health in the Delta, and to help develop successful strategies for addressing nutritional problems on a larger scale. Participating institutions include Alcorn State University, Arkansas Children's Hospital Research Institute, Southern University, University of Arkansas at Pine Bluff, and the University of Southern Mississippi.

The Delta Nutrition Intervention Research Initiative completed a survey of 36 Delta counties and parishes in Arkansas, Louisiana and Mississippi on nutrition and health problems, community resources available to address them, and other community-based food security issues. The Initiative completed a "Foods of Our Delta Survey" that studied collection of dietary intake data and pilot projects on food security, health preferences, and food assistance programs. The Initiative continues to pursue ongoing nutritional research projects, as part of the overall effort to expand public awareness of the persistent problem of hunger and inadequate nutrition, and to develop sound models to address those problems.

Despite the progress on some issues, problems persist in the health and human services arena, particularly in providing appropriate services to low-income and minority Delta residents. HHS and its local, state, and private partners are committed to building upon the accomplishments made thus far in the 1990s to bring equal opportunities in health and human services to the people of the Delta.

MISSISSIPPI ANTI-HUNGER PARTNERSHIP

*Mississippi Anti-Hunger and Poverty project*.—Formed in the afternoon of the Civil Rights Movement, the Mississippi Action for Community Education (MACE) is a non-profit community development corporation that tries to break the cycle of chronic poverty and deprivation suffered by the rural poor in an 18-county area in the Delta.

A close look at socioeconomic conditions confronting African Americans in the Mississippi Delta reveals some startling statistics. One out of every five families is poor—twice the national average. One out of every two African American Mississippi children are born into poverty. The unemployment rates for people of color living in the MACE service area average 9.6 percent, with between 46.4 percent and 62.8 percent of all non-white families living below the poverty level. Against this background, MACE created its Anti-Hunger Partnership and Empowerment Program (MAPEP), consisting of a diverse group of AmeriCorps members working with action-oriented community-based organizations located throughout the Delta.

MACE has attempted through intensive research and collaboration efforts with various social service agencies, community-based organizations, empowerment zone initiatives, and government entities to develop a strategic plan and set of objectives that build upon each other. The anti-hunger program targets the counties of Humphreys, Washington, Sharkey/Issaquena, Madison, Tallahatchie, and Quitman. A major part of MACE's service area is located within the Mid-Delta Empowerment Zone (MDEZA) and the North Delta Enterprise Community (NDEC). The objectives of MAPEP are food stamp outreach, nutrition outreach, support for local food pantries, and growth of Summer Feeding and School Breakfast Programs.

During 1994–95, MACE sponsored a food stamp outreach program through a grant sponsored by USDA. MACE was instrumental in identifying and enrolling thousands of low-income and/or elderly people living in rural areas of the Mississippi Delta region who were eligible for but not receiving benefits. The members use direct door-to-door contacts with program-eligible residents within the target counties plus other areas in need, and provide other appropriate technical assistance, transportation, and related services to connect residents with food stamp benefits.

MAPEP AmeriCorps members promote nutrition and food safety among low-income families and elderly residents. This consists of community outreach including workshops held at senior citizens' facilities, faith-based organizations, schools, recreational centers and in-home visitations. MAPEP AmeriCorps members also provide referrals on behalf of elderly residents to such programs as Meals on Wheels, elderly nutrition centers, and church-sponsored feeding programs. Where necessary, the AmeriCorps members make every effort to provide transportation for these residents. The members work with local extension agencies, specifically with their nutrition experts, to sponsor workshops in the counties served by MACE.

Despite efforts to provide adequate, nutritious food supplies to poverty-stricken residents of the Delta, many obstacles still inhibit this process—low wages, long distances to major grocery stores, poor transportation, and inadequate education. In 1998–99, nine community gardens and three food pantries were set up, with more than 50,000 pounds of food distributed. MACE also works with six local school districts to support expansion of the Summer Food Service Program and the School Breakfast Program. These are important supplements to the school lunch program. Educational research studies have amply demonstrated the importance of a healthy breakfast for students to learn.

MACE followed the principle that community self-help efforts are most effective when all segments of the community participate. Its local affiliates, located throughout the Delta, have extensive histories of providing direct services for the social and economic interest of rural residents, who comprise 95 percent of their membership. Placing MAPEP AmeriCorps members with the affiliates gave the program immediate acceptance among those it seeks to serve.

Melvina Carter of Hollandale, Mississippi stated her appreciation for this grassroots anti-hunger effort by saying, "Before I started getting food from MAPEP, we could hardly make ends meet. We had to use extra money to pay the electric bill, but now we get cheese, powdered milk, margarine and a lot of other stuff that we couldn't afford."

## ENVIRONMENTAL, NATURAL AND PHYSICAL ASSETS

### TRANSPORTATION

"The Mississippi Delta is the crucible of Southern culture. Its celebrated Highway 61 crosses the historic landscape of the Native American settlements, slave plantations, blues juke joints, civil rights scenes, agribusiness, third-world poverty and settings from the fiction of Richard Wright and Tennessee Williams. These diverse worlds offer a unique portrait of both the American South and our Nation."—William Ferris (now chairman of the National Endowment for the Humanities), writing in Encyclopedia of Southern Cultures, 1989

Transportation is crucial to the achievement of the Commission's goals. Transportation allows people to reach health care facilities, jobs, markets, tourist sites, and educational institutions. It helps businesses prosper by providing access for workers and customers, and it helps farmers get their produce to market. It is, as Secretary Rodney Slater says, "the tie that binds." As previously mentioned, In the six years after Governor Clinton submitted the 1990 Report, 365,000 new jobs were created in the Delta, an increase of almost 12 percent. In the period from 1993 to 1998, overall regional unemployment fell from 7.5 to 5.7 percent. Advances in the region's transportation system played a crucial role in this economic development.

The Commission's 10-year goal was an improved system of limited access highways, airports, and rail and port facilities in order to promote economic expansion and growth. More than 70 of the Commission's recommendations were related to what it described as the creation of a "Delta Transportation Network."

The Commission made several general highway recommendations, beginning with one urging that Congress and the President should release funds currently being held in the Highway Trust Fund. Highway Trust Fund investment in highways and transit was increased dramatically by the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) and the Transportation Equity Act for the 21st Century of 1998 (TEA–21). ISTEA authorized $151 billion over six years for highway and transit programs while TEA–21 went one step further. The 1998 act created new budget categories for highway and transit discretionary programs, establishing a budgetary firewall between the transportation programs and other domestic discretionary spending. As a result, TEA–21 guaranteed a spending level of $198 billion over six years. In addition, TEA–21 increased to 90.5 per cent the minimum annual return on contributions to the Highway Trust Fund for every state. The Delta region states are expected to receive additional Federal transportation funding through this provision.

*The Great River Road*.—Another major recommendation stated that Congress should prioritize funding for the Great River Road and immediately provide funds for its completion. Individual states are using the flexibility established in ISTEA to fund improvements to the Great River Road and for scenic easements, historic preservation and other projects. For example, in Arkansas since 1990 about 120 miles of improvements, including easements, historic preservation, highway reconstruction, highway resurfacing and major widening, have been completed at a cost of about $140 million.

*Aviation*.—The Federal Aviation Administration (FAA) provided approximately $48 million to airports in the Delta for the Airport Improvement Program (AIP) between 1993 and 1999. Federal legislation authorizes the Secretary of Transportation to make project grants for airport planning and development under the AIP to maintain a safe and effective system of airports. Eligible projects under the AIP include airport system and master plans; construction, expansion or rehabilitation of runways, taxiways and aprons; items needed for safety or security; navigational aids; land acquisition; noise control; and limited terminal development.

*Rail service*.—The Department of Transportation has engaged in a series of rail service improvements in the region. For example, in November, 1998, Secretary Slater announced the designation of the Gulf Coast High Speed Rail Corridor linking New Orleans with Baton Rouge and other cities in the South. Under TEA–21, this Corridor received approximately two million dollars in earmarks for high-speed rail development and grade crossing.

*Completion of Commission's transportation projects*.—The heart of The Delta Initiatives transportation recommendations consisted of a detailed inventory of transportation improvements for the highways, aviation, maritime, and rail network of the Delta. Probably no other area discussed in the 1990 Report contained such a large number of highly specific recommendations; and there is probably no area that now displays as many successful completions of those recommendations. These efforts were led by the Department of Transportation, with important contributions by the Army Corps of Engineers and other agencies. The Corps, DOT, Commerce and other agencies contributed substantial federal investments in the area of maritime transportation. For example, Commerce funded feasibility studies for port facilities in seven communities of Louisiana alone. The Corps completed over 30 navigation projects along the Mississippi River, while DOT completed numerous maritime transportation projects throughout the entire region. The great majority of the nearly 70 specific recommendations for all modes of transportation in the original report have either been completed, or significant progress has been made in completing them. These transportation projects have provided a powerful impetus to improving the quality of life and economic development in the region.

TRANSPORTATION AND TOURISM-RELATED PUBLIC INVESTMENTS PROMOTE PHILLIPS COUNTY

Transportation projects and public investments related to promoting the tourist industry served as a catalyst for economic development in Phillips County, Arkansas in the 1990s. Important improvements included:

—1990—Resurfacing and road rehabilitation projects were begun on more than 32.4 miles of state highways connecting population and production areas.

—1990—The Delta Cultural Center, a museum with exhibits on the culture and landscape of the Arkansas Delta, opened in Phillips County.

—1991—The Arkansas General Assembly approved a highway improvement program that included substantial capacity improvements for Phillips County.

—1993—Stage I of the new Helena Slackwater Harbor was finished and Stage II was begun. The harbor will facilitate the transfer of bulk goods (particularly agricultural goods) between highway and water transportation.

—1994—The King Biscuit Blues Festival, begun in 1986, had a record success. Attendance at this festival, an annual tourist event held in downtown Helena, grew from 15,000 to 80,000 in less than a decade. Attendance continued to be high through the late 1990s.

—1995—Developments continued on the Helena Riverwalk, an elevated boardwalk with a view of the Mississippi River. Site visits for passengers on the Mississippi riverboats, and the Lexa-to-McGehee bicycle and pedestrian trail (acquired partly with transportation enhancement funds) enlarged the county's scope for tourism.

—1995—Further transportation improvements consisted of widening, reconstruction, and resurfacing were developed for about 32 miles in the county.

—1995—Contracts were let for seven miles of new railroad construction to provide rail access to the slackwater harbor and for a 16-inch water line to serve industrial tenants. Construction began for a new road to the north end of the slackwater harbor.

—1995—The first tenant for the slackwater harbor was announced and appropriate site construction began. A new plant was located in the industrial park adjacent to the slackwater harbor.

AGRICULTURE

The 1990 Report recognized the major importance of the agricultural sector in the Delta. Adequate credit must be made available to high-risk farmers, and the Report generally emphasized the need for helping minority or limited-resource farmers who are troubled by small acreage and limited capital. The Commission urged more attention to direct marketing and other alternative marketing methods, and the development of sustainable agriculture. USDA under Secretaries Mike Espy and Dan Glickman inherited a problem of discrimination against minority farmers by USDA in the past, and while they have acknowledged the terrible plight of African American farmers and how much remains to be done to alleviate this problem, they have changed policies at the Department and promoted greater attention to the problems of minority and limited resource farmers. USDA attempted to reverse policies of the past that had discriminated against small and minority farmers, and such programs as farm credit for socially disadvantaged farmers were expanded. In the Clinton administration, USDA has devoted tremendous attention to the task of improving the plight of the small and minority farmer.

*Marketing for minority and limited resource farmers*.—During the 1990s, USDA increased its efforts to promote farmers' markets and other direct marketing initiatives to assist limited resource farmers. Secretary Dan Glickman pursued a series of objectives recommended by the National Commission on Small Farms in 1997–98, including promotion of better marketing for the roughly 94 percent of America's farmers who are in the medium to small range in size.

USDA conducted a series of marketing feasibility studies and other technical assistance were provided to farmers' markets in the Delta. Marketing initiatives for aquaculture, for farmers seeking to change from tobacco to other crops, and other alternative agriculture projects were assisted. The Women, Infants and Children (WIC) Farmers' Market Nutrition Program greatly expanded in scope from 1993 onwards. The WIC farmers' market program simultaneously creates a new market for small fruit and vegetable farmers while promoting better nutrition for nutritionally at risk women, infants and children. Missouri, Illinois, Kentucky were part of the program before 1998, and Arkansas and Mississippi joined the WIC Farmers' market program in 1998; the Delta is the center of activity for this program, because the region contains large concentrations of produce farmers as well as WIC clients. In addition, the Foreign Agriculture Service has conducted a new series of policies designed to include small farmer cooperatives in farm export trade opportunities.

*Cooperatives' assistance for small farmers*.—In other initiatives addressing the Commission's concern for limited resource farmers, USDA promoted its programs for assisting cooperatives, which are ideal mechanisms for addressing low population densities, smaller markets, and higher service costs. USDA's Rural Business Cooperative Services funded 25 technical assistance projects in the Delta, and conducted a series of projects with 1890 land grant institutions.

*Sustainable agriculture*.—The Commission urged Congress and USDA to support a stable, sustainable, agriculture, which is profitable yet preserves the environment. On this subject, USDA has formed the Sustainable Agriculture Research and Education program (SARE). SARE has pursued a variety of projects in the Delta aimed at promoting value-added enterprises, sustainable forestry practices, and environmental research projects. The Delta will also benefit from President Clinton's Executive Order of August 12, 1999 creating a national initiative to accelerate the growth of bioenergy, which is the use of biomass (organic matter) to produce electricity, transportation fuels such as ethanol, or chemicals. Corn has long been used to produce ethanol, and the technology is improving for using rice straw as a viable biomass resource.

*The farm crisis*.—The Delta is one of the most prolific agricultural regions in America. Annually the region's farmers produce huge quantities of cotton, rice, soybeans, and many other agricultural products. USDA assists the Delta's farmers in their vital efforts to provide the food and fiber essential for America's livelihood. However, in the late 1990s, farmers in the Delta suffered from a national and international crisis in agriculture. Federal relief for farmers emerged in the summer of 1999, and this legislation and the farm crisis will be a vital part of the dialogue in the listening sessions and the recommendations for the future.

INFRASTRUCTURE

The Commission recommended that local infrastructure, such as adequate water and sewer systems, telecommunications, electricity and natural gas, rural health care, public safety and other projects were essential in the quest for greater economic development and improved quality of life. The Commerce Department, HUD, and USDA's Rural Development brought numerous infrastructure projects through-

out the Delta. For example, from 1993 to mid-1999, EDA provided over $114 million in assistance. The total funding for Rural Development's Rural Business Programs, Community Facilities, and Water & Waste programs amounted to approximately $858,224,000 for the period from 1993 to mid-1999.

*Water and waste programs*.—The water and waste programs provided a sound water supply and improved water and waste disposal systems in many rural areas. EPA's Clean Water and Drinking Water State Revolving Funds (CWSRF and DWSRF) are providing millions of dollars in low-cost financing for a broad range of infrastructure projects, including the construction or improvement of wastewater treatment plants, management of stormwater and sewer overflows, and implementation of polluted runoff control projects. In addition, they are providing financing for the installation, upgrading, or replacement of water infrastructure to ensure that systems provide drinking water that meets all public health standards. In recognition of the special needs facing small systems, a minimum of 15 percent of the funds available through the DWSRF must go to systems serving under 10,000 persons. Also, to assist rural communities where even a low-interest loan may not be affordable, states have the option of providing additional subsidies to disadvantaged systems through their DWSRF, including forgiveness of principal and extended loan repayment terms.

USDA's Rural Utilities Service provided $287,945,936 in loans and $217,664,431 in grants for water and waste services. In addition to financial assistance, Rural Development provided extensive technical assistance through engineers and other USDA personnel. Many of the areas served were previously burdened by inadequate or nonexistent infrastructure, as well as deficiencies in organizational structure and management needed to obtain financing. The quality of life in many areas has been substantially improved by provision of sewer, water and other services in the 1990s, although many other rural areas in the region still lag behind in infrastructure. Rural Development continues to receive a large number of applications for these types of funding.

*Energy supply and delivery*.—Assuring an adequate, reliable supply of electric power to the Delta is crucial for the economy. Industry will not locate new businesses and factories without reliable power. The Department of Energy (DOE) and the Rural Utilities Service pursue a variety of programs for supporting electric infrastructure. DOE conducts numerous research and grant programs that support this critical infrastructure, benefitting public and private utilities, universities, small businesses, farms and families. Three modern nuclear power plants are located in the region: Riverbend in West Feliciana Parish, Louisiana, Waterford in St. Charles Parish, Louisiana, and Grand Gulf in Claiborne County, Mississippi. These plants produce large amounts of electric power—over a third of the region's entire electricity supply—without emitting noxious fumes displacing tons of greenhouse gas emissions. The emissions associated with acid rain and global climate change are not emitted from the region's nuclear power plants, thereby maintaining economic development without damaging air quality.

Beginning in fiscal year 2000, the Department of Energy's Nuclear Energy Plant Optimization (NEPO) program will work with utilities in the Delta and elsewhere to develop new technologies to assure that these economically vital power plants to continue supporting sustainable, environmentally responsible economic growth well into the 21st century. The Department of Energy also works with the region's universities, in cooperation with local electric utilities, to provide research and technology development. This year a new grant was awarded to Louisiana State University. DOE's nuclear technology program provides substantial support to Historically Black Universities and Universities (such as Southern University and Xavier University in Louisiana, Tennessee State University, and others) including grants and scholarships.

*Rural electric power*.—The Rural Utilities Service (RUS) plays an important role as a federal credit agency, providing financial assistance and technical guidance for rural utilities. RUS is the successor to the Rural Electrification Administration (REA), which was formed in 1935 at a time when only 10 percent of the nation's rural homes had electricity. The agency makes loans for construction of distribution lines, transmission lines, generating plants and related facilities so that they can provide electric service to rural areas at affordable costs. RUS makes the loans primarily to rural electrical cooperatives, nonprofit associations, and public utilities. Borrowers repay the loans with interest from their operating revenues. The electric projects contribute to job creation and encourage small business, farming and retail establishments in the region. The projects are far too numerous to list in their entirety, but to give two examples:

—*Woodruff Electric Cooperative Corporation, Forrest City, Arkansas*.—Woodruff Electric Coop received RUS loans for investments in electric infrastructure for

projects that had created several hundred jobs by mid-1999, with estimates of total job creation over the period of the loans estimated at approximately 900 jobs by the fall of 2001. Through the aid of the statewide electric cooperatives association, Woodruff was instrumental in recruiting several major industries to counties with endemic poverty, including Cross, Lee, Monroe, St. Francis, Woodruff, Prairie, and Phillips counties.

—*Southwest Tennessee Electric Membership Corporation, Brownsville, Tennessee*.—This coop engaged in numerous infrastructure projects in eight western Tennessee counties during the 1990s. Approximately 4,000 jobs were generated by investments in electric power involving RUS loans. Loans included one for more than $2 million to clients in Haywood (part of the Fayette/Haywood Enterprise Community), as well as $1,433,958 for Lauderdale County and $1,145,000 for Hardeman County. The agency makes substantial loans to "outmigration" counties—where more people are leaving than coming into the county.

*Telecommunications, health care and distance learning*.—Rural Development provided first-time telephone service to thousands of rural residents, while more than 77,000 residents received improvements in the form of upgraded telecommunications infrastructure. The Rural Utilities Service provided a total of $298 million from fiscal years 1993 through 1999 for electric, telecommunications, and distance learning. USDA's Distance Learning and Telemedicine program combined improvements in access to health care and educational opportunities in the health care field for approximately 800,000 rural residents of the region.

USDA's Rural Development invested a total of $3.39 billion for infrastructure, housing and business development projects in the Delta from 1993 to 1998. However, mere dollar figures do not themselves tell the story of accomplishments or deficiencies. Community development leaders increasingly stress the importance of embracing a comprehensive approach that takes into consideration all phases of an area's social, educational and economic life. As discussed in the Community Development section, the Empowerment Zones, Enterprise Communities and Champion Communities have promoted business and industrial development in their communities, and they provide an effective model for community development. These activities, in addition to those of SBA, RBS, Commerce, as well as state and local entities, have promoted private sector development in the region. Yet it is painfully clear that in some areas of the Delta, the impact of the economic recovery has not been experienced, and the region as a whole has not participated fully and fairly in the prosperity of this decade.

## ENVIRONMENT AND NATURAL RESOURCES

The Commission recognized the importance of protecting and enhancing the vast natural resources of the Delta while improving the quality of life and economic viability of local communities. The Commission focused on a variety of concerns about natural resources, including wetlands, water quality and quantity, air quality protection, and other environmental issues.

The Environmental Protection Agency and the Departments of Agriculture, Commerce, the Army Corps of Engineers and other divisions of the Department of Defense, and Interior have partnered with tribal, State, and local governments, as well as with the private sector, to achieve the Commission's goals. These collaborative efforts have resulted in a wide spectrum of accomplishments in the areas of environmental protection, water and air quality improvements, waste management, wetland quality and quantity, habitat preservation and restoration, forestry and minerals management, environmental outreach and planning, and support of local empowerment efforts. A total of approximately 300,000 acres of wetlands were protected, enhanced or created by the various wetlands programs, including the Wetlands Reserve Program. In addition, by the end of the decade a total of 2 million acres were enrolled in the Conservation Reserve Program (this program is discussed below; it had begun before the 1990s and was expanded during the decade.) The following examples highlight the Clinton Administration's achievements in these areas.

—*A fair, flexible and effective federal wetlands policy*.—Following years of controversy over wetlands regulatory policy, the Clinton-Gore administration established a policy in 1993 that provides increased regulatory certainty for private landowners while protecting wetlands. This bold Administration action has substantially reduced the controversy over wetlands. Highlights include the use of a single, widely acceptable, wetland delineation procedure that all federal agencies use, establishment of an administrative appeals process, and rules ensuring that certain prior converted croplands are not subject to wetland regulations.

—*Protecting and restoring freshwater wetlands and bottomland hardwoods*.—Through land acquisition, reforestation, conservation easements, and partnerships with public and private landowners and conservation agencies, freshwater wetlands and bottomland hardwoods were restored and protected throughout the Delta. Federal agencies are collaborating with various groups on projects in Louisiana, Mississippi, Tennessee, and Kentucky. About 22,000 acres of wetlands have been restored on National Wildlife Refuges, in addition to more than 150,000 acres restored in cooperation with private landowners and State agencies. In addition, an extensive database has been compiled that is of wide practical value for wetlands and environmental issues.

—*The Wetland Reserve and Conservation Reserve Programs*.—By the end of 1999, nearly 300,000 privately owned wetland acres will be voluntarily enrolled in the Wetland Reserve Program, which is aimed at restoring wetlands on marginally productive agricultural land. Expanding wetlands enrollment is one of the key actions in the Clinton-Gore Administration's Clean Water Action Plan. The financial benefits of the Wetland Reserve Program, including permanent and long-term easements and alternative sources of income in the form of hunting and other recreational leases, have enabled landowners to reduce their debt and stay on their land while restoring wetlands on a voluntary basis. In addition, privately-owned acres throughout the Delta are also currently enrolled in the Conservation Reserve Program, which encourages voluntary enrollment of highly erodible land, cropped wetlands, wildlife habitat, and wetland restoration acres to ensure protection from erosion while improving water quality and wildlife habitat. Approximately two million acres are currently enrolled in the Delta.

—*Restoring coastal wetlands*.—Federal agencies have been active in the protection and restoration of Louisiana's coastal marshes and swamps, which have been disappearing at the rate of 25 to 35 square miles per year. Since 1991, more than 90 coastal wetlands restoration projects have been undertaken to protect, restore or create as many as 80,000 acres of coastal wetlands. The 74 active projects will protect, restore or create about 64,400 acres of coastal wetlands.

—*Reducing pollution threats to National Wildlife Refuges*.—Restoration of wetlands and shallow water areas on former agricultural lands through Interior programs as well as USDA habitat restoration programs have reduced pollution threats to National Wildlife Refuges in the Lower Mississippi Valley.

—*Protecting and improving water quality and quantity*.—Efforts to protect water quality in the Delta region continue to progress on many fronts, with federal, state, public and private partners working together. More than 35,000 acres of riparian buffers have been installed, and multiple polluted runoff control projects have been implemented. Best Management Practices to help reduce agricultural runoff have been evaluated for most commodities produced in the Delta. Freshwater diversions and barrier island restoration projects are also ongoing in the Delta to enhance marshlands. In addition, a series of ground water projects addressing withdrawal and recharge issues are being conducted to evaluate future demand and availability of water, including studies on the Mississippi River Valley Alluvial Aquifer in eastern Arkansas—one of the major agricultural areas in the nation—as well as the Sparta aquifer in Arkansas and Louisiana, a major source of water for public and industrial needs.

—*Mississippi River/Gulf of Mexico Nutrient Task Force*.—Scientific investigations in the Gulf of Mexico have documented a large area with oxygen levels so low that most aquatic species cannot survive. A coalition of federal and state agencies have banded together to assess the causes and consequences of this Gulf "dead zone," and to develop strategies for reducing nutrient loads in the lower Mississippi Delta, which are thought to be the predominant cause of the oxygen depletion. While the focus of the assessment is on hypoxia in the Gulf of Mexico, the effects of changes in nutrient concentrations, loads, and ratios on water quality conditions within the Mississippi-Atchafalaya riverine systems is also addressed, and the Task Force has become a major force for addressing overall water quality issues in the Gulf.

—*Remediation, reclamation, and redevelopment*.—Remediation and reclamation activities in the Delta region include Interior's rural abandoned mine program, which has reclaimed two-thirds of the 22,000 coal mine acres in the Delta. In addition, several Brownfields Assessment Demonstration Pilots are being conducted in the Delta to provide a cleaner environment, new jobs, and an enhanced tax base. These goals are achieved by addressing abandoned or underutilized industrial and commercial facilities, the expansion or redevelopment of which are complicated by real or perceived environmental contamination.

—*Environmental Education and Outreach*.—Federal and State agencies and private organizations worked together to empower communities, and increase envi-

ronmental education and regional awareness in the Delta region. Activities included efforts to increase public awareness of chemicals released into the air and water, medical testing on the impact of the pesticide methyl parathion, and funding of the Centers for Children's Environmental Health and Disease Prevention Research to provide community-based prevention and intervention projects.

—*Environmental Justice*.—Federal agencies helped provide community training, infrastructure development, data collection and dissemination, community clean-up projects, children's health initiatives, business start-ups, strategic planning, and cooperative business ventures in low-income and minority communities through the Environmental Justice Program, various rural assistance programs, and other activities.

—*American Heritage Rivers Initiative*.—The Lower Mississippi River was designated as one of fourteen American Heritage Rivers, with segments along Memphis, Tennessee, and between Baton Rouge and New Orleans, Louisiana. The local communities that nominated their stretches of the river have identified environmental priorities linked to reclaiming lands for people and wildlife, including wetlands protection, brownfields redevelopment, and riverfront redevelopment. Several federal agencies, including the National Park Service, Environmental Protection Agency, Army Corps of Engineers, Fish and Wildlife Service , National Marine Fisheries Service, and U.S. Geological Survey are working with local community groups to protect natural and wildlife amenities, preserve historic sites, develop tourism opportunities, and enhance greenways along the river.

Federal agencies have been active in the Delta in many ways. The Administration continues to work with local, state, and private partners in addressing the remaining challenges in the field of the environment and natural resources.

PRESERVING THE DELTA'S NATURAL RESOURCES

The lower Mississippi River valley has lost more than 85 percent of its bottomland hardwood forests over the last 50 years. Now, actions are being taken on public and private lands to reverse the downward slide, and to grow new forests.

On and around Yazoo National Wildlife Refuge in Mississippi, 14,000 acres have been replanted since 1989. In 1999 alone, almost 5,300 acres were planted with bottomland hardwood seedlings, including a variety of oaks such as Nuttall, willow, water and cherry bark, as well as ash, cottonwood, sycamore, persimmon, sweet pecan and sugar berry. This extraordinary effort involved the Yazoo National Wildlife Refuge, the Mississippi Department of Transportation and some private landowners. Boy Scouts, Girl Scouts, and other volunteer groups planted 1.5 million seedlings in a three-month period.

"This land, like a lot of the soybean land, should never have been cleared. Three out of five years it's wet, and we have a vested interest to control and manage for duck hunting. The next natural step was to restore the high ground to trees. We are looking forward to having deer hunting there."—David Coon, Wetland Hunting Club in the Mississippi Delta.

These newly-forested wetlands benefit many wildlife species—black bears . . . white-tailed deer . . . wood ducks, mallards and other waterfowl . . . shorebirds . . . and migrating songbirds. Efforts such as this will go a long way in restoring much needed habitat for wildlife and a place for people to enjoy for generations to come.

BUSINESS AND INDUSTRIAL DEVELOPMENT

A variety of job creation and retention initiatives, welfare-to-work projects and other initiatives have been promoted in the Delta. The Small Business Administration (SBA), USDA's Rural Business Services and the Department of Commerce especially contributed regarding these issues. This section if the Inventory concludes by addressing tourism issues, which has great potential not only for promoting economic development but also for preserving the Delta's profound cultural, musical and literary heritage.

In 1990, the Lower Mississippi Delta Development Commission noted that "the central challenge facing the Delta is the challenge to develop a strong business and industrial sector that will enable the region's economy to be one of growth and vitality . . ." Using innovative methods, such as "circuit rides," SBA's field offices and resource partners located throughout the region are conducting extensive outreach activities to the Delta's small business community. Activities focus on informing

small businesses about available financing programs and about training and technical assistance resources.

*Access to capital*.—Since 1990, the SBA has reemphasized existing programs and streamlined procedures to make it easier for small businesses to gain access to capital. For instance, since 1990 SBA's 504 program (offering fixed rate financing on purchases that also serve a public purpose) has made $1.2 billion in loans through 41 lenders operating in the region. SBA has also developed new programs. For example, in 1991 the Microloan Program was established. It was inspired by a community-lending program in Pine Bluff, Arkansas. The Microloan Program serves the Delta's smallest businesses and as many as 14 intermediary lenders in the Delta have provided over 1,000 SBA funded microloans. These have been powerful engines for retaining and creating jobs.

New resources, such as the Mid-Delta Enterprise Community's One Stop Capital Shop in Itta Bena, Mississippi and Women's Business Centers in Alabama, Arkansas, Kentucky, New Orleans, Louisiana, Mississippi, Missouri and Tennessee were created to help small businesses obtain the financing and technical assistance critical to building a successful small business.

SBA also helps families and businesses of the Delta during times of disaster. SBA's Disaster Assistance Program provides Federally funded assistance for funding long-range recovery. Between fiscal year 1991 and fiscal year 1998 SBA made over 10,00 loans in Mississippi Delta counties.

*Rural economic development*.—USDA's Rural Business-Cooperative Service (RBS) pursues a number of activities for promoting business development in the rural Delta. The Business and Industry (B&I) Guaranteed Loan Program helped create jobs and stimulate rural economies by providing financial backing for businesses. Similarly, the Intermediary Lending Program provides loans to intermediaries, which in turn provide loans for recipients developing business facilities or community development projects. The Rural Business Enterprise Program assists public bodies, nonprofit corporations, and federally recognized Indian Tribal groups for development of small and emerging private business enterprises. Another major rural development engine is the Rural Economic Development Loan and Grant Program, which financed economic development and job creation projects based on sound economic plans. In the fiscal years from 1993 to 1998 in the 219 counties of the region, these Rural Business Service programs provided a total of $245,128,336 in loans and $28,702,124 in grants.

The Department of Commerce has also been active in the Delta, using its infrastructure, planning, technical assistance and business finance/revolving loan fund grants to stimulate economic growth and provide job opportunities. Commerce provided over $114 million in grants to the region during the fiscal year 1993 to mid-fiscal year 1999 period.

LOCAL INGENUITY CREATES JOBS IN A LOUISIANA DELTA COMMUNITY—LOCAL UNEMPLOYMENT FALLS FROM 14 PERCENT IN 1993 TO 7.5 PERCENT IN JUNE, 1999

The economic life of Tallulah, Louisiana, changed for the better one winter evening in 1998 when Moses Williams sat down to watch the television news. As the camera panned the New Orleans seaport, the newscaster announced that Avondale Industries, the sixth largest shipbuilding firm in the country, was looking for expansion sites in Louisiana. Williams, president of the Northeast Louisiana Community Development Corporation, knew exactly where he wanted Avondale to expand. He called Tallulah Mayor Theodore Lindsey, and in February, 1998, both sent letters to Avondale asking the company to consider opening a shipbuilding plant along the Mississippi River in Tallulah. That summer, the deal was closed and the Northeast Louisiana Delta Enterprise Community had a new employer.

The Avondale success story was part of job creation initiatives in Madison Parish during the 1990s that led to a decrease in unemployment from 14 percent in 1993 to 7.5 percent in June, 1999. "That's the lowest unemployment we've had here in 20 years," said Williams.

Williams soon discovered that because Avondale uses a modular approach to building its ships, the company could produce ship parts off the coast and then move those parts to New Orleans to be assembled. That made Tallulah a good candidate for the plant. In letters to Avondale, Williams and Lindsey pointed out Tallulah's other advantages: It already had a port facility on the Mississippi and a trained labor force of welders who were ready to work. In fact, says Williams, Tallulah had more welders than local businesses could employ. All had received their training through courses at the local campus of Louisiana Technical College.

"The college had actually been catching flack for producing too many welders," says Williams. "Once those welders were trained, they couldn't find jobs here, so

they were leaving Tallulah and going down south for part of the year to work offshore."

When Avondale executives showed interest in Tallulah's port facility, state and local officials got involved to induce the company to make its move. Avondale invested $2 million to renovate an existing building on the port. The Louisiana Legislature contributed $1.3 million to make infrastructure improvements so the port could accommodate Avondale's operation. The company qualified for Federal and State tax credits.

Avondale now employs 75 local residents and expects to increase its workforce to 200 by the end of 1999. The new jobs are a welcome shot in the arm for an area "where unemployment is always more than twice the State average," says Williams. Those jobs may be just the beginning of economic development success for Tallulah, as the shipbuilding operation attracts other business to the city. Not long after receiving a firm commitment from Avondale, the local Enterprise Community lent $118,000 to a sewing company (called LAPCO) that specializes in making jackets for welders. Intrigued by the possibility of selling its product directly to the shipbuilder, LAPCO leased a vacant, city-owned building and used its EC loan to purchase factory equipment. LAPCO, which opened its Tallulah plant in August, 1998, will employ 50 to 100 local residents.

The fact that Tallulah managed to recruit a large corporation to bring in a plant locally does not mean that this is the identical pattern for other communities to follow, or that the success of this project came from outside the community. To the contrary, the key elements of success behind this project came from within the community itself: the skilled labor, the technical college, the port facility, the local ingenuity, and above all the cooperation and leadership that came from people in Tallulah. The collaboration of local leaders with federal, state, and private entities in these successful projects provides a good example for communities to follow in job creation and business development.

TOURISM

"There are few more beautiful sights than an Arkansas forest in late February; I mean a forest in the river-bottom, where every hollow is a cypress brake—Scarlet berries flicker on purple limbs, the cane grows a fresher green, and in February, red shoots will be decking the maple twigs, there will be ribbons of weeds which glitter like jewels, floating under the pools of water and ferns waving above, while the moss paints the silvery bark of the sycamores, white-oaks, and gum-trees on the north side as high as the branches, and higher, with an incomparable soft and vivid green."—The nineteenth century writer Alice French, writing about the natural beauty of the east Arkansas Delta, 1887.

The Delta hosts millions of tourists every year who come to enjoy the natural beauty, history, culture, food, and music of this wonderful region. These visitors are also a critical part of the Delta economy, bringing almost $13 billion in added revenue annually into the region. Because of the economic power of tourism, Delta communities throughout the region enjoy new businesses, jobs, home and school construction, and other opportunities. The table below demonstrates the strength of the tourist market in the Delta. The dollar totals cover only the 219 Delta counties of each state for 1998. Memphis and New Orleans are such large tourist attractions that they give a major boost to the dollar figures for their respective states. These amounts are based on national as well as state models for measuring tourist revenue.

[In billions of dollars]

| | |
|---|---|
| Arkansas | 1.8 |
| Illinois | 0.27 |
| Kentucky | 0.55 |
| Louisiana | 5.67 |
| Missouri | 0.78 |
| Mississippi | 1.36 |
| Tennessee | 2.54 |
| Total | 12.96 |

*The Great River as a natural resource attraction.*—Woven deeply into the fabric of the nation's history, the 975-mile reach of the lower Mississippi River presents the Delta's most under-utilized natural resource attractions. The river and its 2.5 million-acre flood plain possess abundant fisheries, wildlife resources, and opportunities for hunting, fishing, boating, hiking, and sightseeing. In July, 1998, President

Clinton designated the Lower Mississippi River as one of fourteen American Heritage Rivers, with segments along Memphis, and between Baton Rouge and New Orleans. The President began the American Heritage Rivers Initiative in 1997 in order to support local efforts to enhance America's rivers and river fronts. The goals of this Initiative include historic and cultural preservation, natural resource protection, and economic revitalization. It will use federal resources more effectively to assist communities, but it does not create any new regulatory requirements for property owners or state, tribal and local governments. Several federal agencies will work with local communities to protect the natural and wildlife amenities of the great river and surrounding wetlands.

*Promotion of tourism*.—The Department of Commerce works closely with the private sector in promoting tourism into the region. One example of this activity is Commerce's work with Travel South USA, a nonprofit regional marketing organization that represents Arkansas, Louisiana, Mississippi, Tennessee, Kentucky, and several other Southern states. Commerce Secretary William Daley announced in 1999 that Travel South had been selected to take part in the Market Development Cooperator Program, a public-private partnership developed to help small and medium-sized American firms expand exports that support jobs for Americans. Travel South will receive a $400,000 grant for this project. This funding will allow Travel South to implement a strategic marketing program designed to increase visitation from Latin America into the region.

*National Wildlife Refuges*.—The Fish and Wildlife Service's network of National Wildlife Refuges throughout the Delta serves as an excellent resource for ecotourism development. This is another example of the inter-related nature of the major issues addressed in the 1990 Commission's report—preservation of wetlands and the other natural resource and environmental initiatives also reinforce the vast ecotourism potential of the Delta. National Wildlife Refuges established or enlarged with the aid of a total of $25.4 million in federal funds during the 1990s include Bayou Savage National Wildlife Refuge in Orleans Parish; Big Branch Marsh National Wildlife Refuge on the north shore of Lake Pontchartrain; Bayou Cocodrie National Wildlife Refuge southwest of Vidalia, Louisiana; and Black Bayou Lake National Wildlife Refuge in Ouachita Parish. These refuges comprise more than 54,000 acres.

*National Parks*.—Similarly, a number of National Park Service Projects were established or enlarged in the 1990s. The Ozark National Scenic Riverway received $10.8 million in additional funding in 1998. By 1995, virtually all privately owned land had been purchased along the scenic Buffalo National River. The Natchez National Historical Park was authorized in 1988; during the 1990s $8.5 million was devoted to acquiring land and properties for the Park, which is one of the best preserved concentrations of antebellum properties in the country. Jean Lafitte National Historical Park received $3.9 million in the 1990s to acquire land within the park and park protection zone. The National Park Service recently conducted a Congressionally-mandated study of the Atchafalaya Basin that developed a range of alternatives to protect natural resources and provide for recreational use. Alice French wrote so eloquently of the Delta's natural splendor a century ago, and these actions are vital in ensuring that the region's natural beauty will endure for future generations to see and enjoy.

*Mississippi Delta Region Heritage Study*.—The Mississippi Delta Region Heritage Study was presented to Congress in 1998 as an initial analysis of the Delta's cultural, natural, and recreational resources. In particular, it highlights potential locations for an African American Heritage Trail and a Native American Cultural Center. This study brought together a diverse coalition of federal, state, and local entities, tribal governments, private nonprofit organizations, academic institutions, and communities throughout the seven-state, 219-county region. The National Park Service worked closely with the Louisiana Endowment for the Humanities to identify museum organizations that had exhibitions interpreting Delta culture. The Center for the Study of Southern Culture at the University of Mississippi conducted research to find sites not listed on the National Register of Historic Places that could have an important role to play in expanding interest in the Delta's culture and history for visitors to the region.

The region that produced Mahalia Jackson, Louis Armstrong, Eudora Welty, Walker Percy, William Faulkner, and Richard Wright unquestionably enjoys a profound cultural heritage. In analyzing ways of expanding the Delta's tourist industry, the Lower Mississippi Delta Region Heritage Study provides an excellent foundation from which the federal, state, local and private partners can make decisions regarding promotion of cultural preservation and tourism in the Delta in the next century. New Orleans and Memphis are already capitalizing on the tourist industry's potential; and scenic areas in some parts of the Arkansas Delta have also experienced some successes, as revealed by the $1.8 billion in tourist revenue for that area in

1998. One example of the potential for growth is the success of the King Biscuit Blues Festival in Helena, Arkansas: this annual tourist event for blues enthusiasts drew 15,000 visitors when it began in 1986, but expanded more than five times to an attendance of 80,000 in the mid-1990s. But many other areas of the region have untapped markets, and such initiatives as the Mississippi Delta Region Heritage Study provide insights into ways of tapping the Delta's great potential for a dynamic and rapidly growing tourist industry.

DIVERSITY

A fundamental theme running throughout the Report is the need to ameliorate race relations in the Delta. Racism has been one of the most destructive forces in preventing the people of the Delta from making progress in attacking the region's social, political, and economic problems. In many areas—community development, educational opportunities, small business assistance, and others—there have been important strides made in the 1990s for the African-Americans, Hispanics, Native Americans, and other minorities in the Delta. However, much remains to be done, and minorities in the Delta have not received their fair share of participation in the economic boom. Approximately 40 percent of the Delta's people are African American. The number of Hispanics in the region is relatively small but is growing rapidly.

There are exceedingly diverse and numerous issues discussed in this Report and the following Inventory that deal partly or entirely with race relations. A sketch of several examples is listed below, as an illustration of some of the important activities underway in the field of ethnic and race relations:

—*Magnet Schools*.—The Magnet School Assistance Program (MSAP) has assisted school districts that are planning and implementing magnet schools as part of the district's approved desegregation plan to reduce, eliminate or prevent minority group isolation. For example, the Monroe City School District in Louisiana will receive up to $3,730,659 over three years of its MSAP project to establish technology-based magnet schools at Carroll Junior High School and Carroll Senior High School. The program will foster partnerships with business, technical colleges, and universities to create a strong link between school-based and real-world learning.

—*Minority education at elementary, secondary and college levels*.—Through the 1994 reauthorization of the Elementary and Secondary Education Act (ESEA), additional Federal resources were directed to schools with high percentages of students living in poverty through the Title I program. A substantial majority of elementary and secondary schools in the Delta receive Title I funding. At the college and university level, a number of initiatives have been pursued, including assistance for the Historically Black Colleges and Universities (HBCUs) program, which makes up another major component of the effort to assist minorities obtain opportunities for educational advancement.

—*Bilingual and migrant education programs*.—The Department of Education's Bilingual Education program assists Hispanics and others with Limited English Proficiency (LEP), and its Migrant Education Program reaches out to migrant farm workers' children who suffer from the combined effects of poverty, mobility, and limited English proficiency that are characteristic of many migrant children. For example, the Orleans Parish School District received $463,676 in Federal funding in fiscal year 1998 through a Bilingual Education Comprehensive School grant to restructure, upgrade, and reform the current program for over 1,300 LEP students speaking more than 20 languages.

—*Minorities in the agricultural sector*.—The U.S. Department of Agriculture has pursued a number of policies for assisting small farmers and farm workers, many of whom are minorities. Expansion of marketing opportunities, more credit opportunities, and other policies for the disadvantaged have been pursued, although much remains to be done to correct the historic discrimination that has been inflicted upon minority farmers.

—*Farm labor*.—Similarly, numerous efforts have been made to provide aid for farm laborers, many of whom are African American or Hispanic. In addition to the education programs cited above, housing is a major issue for migrant workers. Farm Labor Housing in the Delta region, as funded through USDA Rural Development, has traditionally consisted of single family dwellings located on private lands, which the agricultural producer funded. But, with changes in the agricultural economy of the Delta, there has been a shift away from that type of housing. In the 1990s, Mississippi built 26 on-farm labor housing units totaling $1.23 million, and western Tennessee built two units at a cost of over $100,000. In Arkansas, however, construction of new, on-farm units has contin-

ued at a more significant rate, and an innovative, overnight housing and referral facility for migrant farmworkers was developed in Hope, Arkansas. During the 1990s, Rural Development in Arkansas provided 47 domestic Farm Labor Housing loans to finance 62 on-farm units totaling approximately $2,610,000.

Moreover, Rural Development in Arkansas also granted $2.5 million to construct the new Hope Migrant Complex. The Hope Migrant Farm Labor Center was constructed to assist families and individuals as they travel through a "migrant stream"—where workers travel to points north and south, anticipating work opportunities along certain routes. Each year, thousands of families following the midwestern migrant stream travel through Hope, and many families stop at the Labor Center to rest. They are provided with housing, job referrals and social services assistance. Farm workers have historically been among the most socially and economically distressed groups in the region, despite their essential contribution in producing the food Americans eat every day. USDA's Rural Development and the U.S. Department of Labor are working on this and other projects to assist farm workers throughout the region.

—*Housing opportunity*.—The Department of Housing and Urban Development (HUD) has vigorously invoked its authority under the Fair Housing Act to prosecute cases of housing discrimination. HUD has funded the Fair Housing Initiatives Program, which supports private nonprofit organizations, state and local governments and other entities committed to enhancing compliance with the nation's fair housing laws. Furthermore, HUD launched a rigorous, independent study of racial and ethnic discrimination in housing and rental sales in order to enhance its continuing effort to enforce fair housing opportunities.

—*Minority small businesses*.—The Small Business Administration's (SBA) MicroLoan program assisted small businesses throughout the region, with over half of them going to African Americans. SBA's Section 7(a) Loan Guaranty Program provides loans to eligible, credit-worthy small businesses that cannot obtain financing on reasonable terms through normal lending channels. This program has steadily increased its loan activity for minorities. In fiscal year 1992, 15 percent of the loans were made to minorities and 14 percent to women, while in fiscal year 1998, that percentage had risen to 24 percent to minorities as well as 24 percent to women. In fiscal year 1999, SBA guaranteed 4,052 loans in the region, amounting to more than $755 million, and almost half of the loans were to minorities and women. Similarly, the Community Development Financial Institutions Fund has provided opportunities for small businesses, including many African American businesses, working with community development organizations such as the Enterprise Corporation for the Delta and many others.

—*Minority government contracts*.—The federal government has made a concerted effort to provide minorities with opportunities to increase involvement with federal contracting. The 1990 Commission explicitly recommended such assistance. The Department of Defense gives attention to minority defense contract awards, and SBA's Section 8(a) program is a set-aside for small disadvantaged businesses. African Americans, Hispanic Americans, Native Americans and Asian Pacific Americans are included among those assumed to be disadvantaged under the Small Business Act. There are 683 companies taking part in Section 8(a) in the Delta region. Examples of the benefits: in four Delta counties in Arkansas in 1998, $18.5 million in federal contracting dollars were awarded to small and disadvantaged businesses; three Louisiana Delta counties received almost $32 million.

—*HUBZones*.—Similarly, the historically underutilized business zone program provides federal contracting opportunities for qualified and certified individually-owned small businesses located in areas with high unemployment, low-income residents, or on Native American reservations. Almost every county along the Mississippi River is included among the more than 7,500 HUBZones across the nation. SBA pursues a number of other policies aimed at providing fair opportunities for minorities (and all small, disadvantaged businesses) through its Small Business Development Centers and other initiatives.

—*Minority health*.—In 1998, President Clinton instructed federal agencies to pursue a major initiative to eliminate racial and ethnic disparities in health. The U.S. Department of Health and Human Services is leading this effort to focus attention on minority health issues. One example of this attention is the Mississippi Delta Environmental Health Project, supported by HHS through a cooperative agreement with the Minority Health Professions Foundation. This project determines environmental and other problems that affect minority health, addresses demographics, identification of health care providers and environmental services in the region, and implements strategies to address these problems.

—*Environmental Justice for Minorities*.—Pursuant to the Clinton administration's Executive Order 12898, "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations,"the Environmental Protection Agency has funded a variety of low-income and minority communities through its Environmental Justice Program, including grants to Delta institutions of higher learning to study hazardous waste, health and the environment in the region.

—*Empowerment Zones, Enterprise Communities, and Champion Communities*.—One of the major Clinton-Gore administration innovations in community development is the EZ/EC program. The 15 rural and urban EZ's and EC's in the Delta are located in economically distressed areas with large minority populations.

The Inventory discusses in detail these numerous initiatives aimed at providing fair social and economic opportunities regardless of race or ethnic group. But much more needs to be done to attack the remaining racial problems. As the Delta 2000 Initiative moves forward to recommendations for the future, we especially invite suggestions and ideas as to how we can advance civil rights for all people in a region that has suffered historically from the blight of racism.

LOOKING FORWARD TO THE DELTA'S FUTURE

Many challenges remain—from lifting up the economies of the most distressed rural areas and inner cities, to improving health care for residents of all racial, ethnic, as well as socio-economic status, to building upon the progress made during the 1990s in such areas as transportation, preservation of natural resources, and education. The Report for the Delta's Future will include a section supplementing the data summarized in the Interim Report, and then will proceed to the crucial issue of recommendations for the future. True to the Commission's original emphasis upon an honest assessment of "where we are in the emerging global economy," this Interim Report acknowledges that many areas of the Delta continue to be troubled by social and economic problems. The recommendations for the future will be developed in depth in the Report for the Delta's Future, to be completed by the end of 1999. All people interested in the development of the region that lies at America's heart are invited to provide their information, suggestions, constructive criticism, and ideas as the Mississippi Delta Regional Initiative continues the work of revitalization begun in 1990 and carries it into the next century.

Mr. EISENBERG. Thank you, Mr. Chairman. The Department of Transportation for its part has either completed or has underway the overwhelming number of the 70 transportation recommendations of the 1990 commission outline.

My written testimony indicates a significant investment of transportation funds that the administration, working with the States, localities, and nonprofit organizations, has made in the Delta States and in the Delta communities.

Among the projects benefitting Mississippi are funding for I–69, four-laning funds for I–61, airport improvement grants for nine Mississippi airports totaling $33.8 million, transportation enhancement funds for Clarksdale, HOV construction funds for I–55 South, shipyard modernization funds for Ham, Mississippi, and funds for ITS deployment in Oxford to name just a few facilities.

In a few weeks, a final report and agenda cataloging the progress of the Delta since the 1990 commission report will be finalized. It will be entitled "Delta Vision, Delta Voices: The Mississippi Delta Region Beyond 2000."

It will be formally unveiled at a national conference on the Mississippi Delta to be held in the Washington D.C. area on May 10 and 11 held there in order to focus national attention on the Delta and its needs.

An important part of that report will, in fact, be the voices of the Delta where groups, individuals, interested parties, Members of Congress, anyone who has a view to submit to us will have that

view and those recommendations, incorporated in that report, making it clear that we are all together in this great endeavor.

Consistent with the administration's continuing commitment to the Delta that has been noted here today already, the administration has requested $159 million for fiscal year 2001 programs and projects in the region. My testimony along with the others outlines these requests.

A principal issue before you, of course, is the creation of the Mississippi Delta Regional Authority, which I would like to discuss. This has been introduced, as you know, in both the House and Senate as H.R. 2911, S. 1622 and enjoys bipartisan co-sponsorship as well as the announced support of several Delta Governors also on a bipartisan basis.

The authority contained in these two bills is the top priority of this administration and of this President. He believes that it is vital to improving the long-term economic security of this region.

It's modelled on the successful Appalachian Regional Commission which had played an important role to the progress of the Appalachian States.

Mr. Chairman, it's important to separate what the proposed authority would do from what it would not do. The authority is rooted in the fact that this region is not a collection of States. It is a region bound together by one of the world's great rivers, by a rich tapestry of history, heritage, cultures, and common needs and problems.

The authority would be a wonderful example of the devolution of responsibilities to the States and their partners that this Congress has so strongly and effectively espoused. The Governors would all be members of the authority and would choose their own co-chairman to serve with the counterpart chosen by the President.

This authority would be the home for homegrown solutions to regional problems. It would provide technical assistance to small, poorer localities that are only part-time staffed and negotiate sometimes complicated application procedures necessary to require Federal funds for critically needed projects.

This function would work in close partnership with the State, municipal, and county organizations which now assist in this role.

Mr. Chairman, of the 164 Delta municipalities in Mississippi, some 50 percent of their mayors are part-time. And many of the full-time mayors are actually retired persons or people who hold second jobs.

Local governments have told us that authority assistance with this kind of function would be a great benefit to them. The authority would also aid communities with dollars to match the funding requirements of Federal programs, the matching fund requirements.

The transportation projects typically require a non-federally match of 20 percent. It would also provide grants for a variety of Delta needs determined by the States and their partners.

It would serve as the gathering place for States, localities, private sector industries, charitable, academic, faith communities and institutions to determine and address region-wide solutions to region-wide problems.

Recognizing that many of the problems do not stop at each State's borders, this authority would reach across State lines, helping States and localities, partners, to address issues and needs that could not be resolved solely within each State. In doing this, it would fill a large gap that exists in the Delta's capacity to work together across this vast region on the common problems it faces.

There is no broad regional entity in the Delta today that serves as a continuing gathering place for policies, programs, projects, technical assistance, research, and regional marketing and promotion. Without such an institutional framework, large-scale interstate efforts have a tough time holding themselves together.

This authority would provide a one-stop shopping opportunity for all who have an interest in the progress of the Delta, and that one-stop shopping opportunity would produce results for less cost and with much less redtape. And it would provide a regional forum for the generation of new ideas and new efforts.

This authority, however, would not supplant existing structures. It would not usurp anybody's power prerogatives. It would create no new layers of government. The legislation specifically indicates it would not impose any program or project on any State. This authority would be of the Delta and for the Delta.

Mr. Chairman, we are mindful of your interest to the contributions of the Delta that will be found among the region's colleges and universities. We encourage and welcome that involvement within the context of an institutional framework of the authority as well as the contributions that they may make on their own.

The region has outstanding institutions of higher learning. In areas such as research, conferences, programs, particularly pertinent to their areas of concentration, these institutions, along with other public and private entities through the region, should and must have the opportunity to participate in the overall effort to promote a more cohesive approach to regional efforts. We are committed to this kind of a partnership.

Let me quickly mention the specifics of the administration's budget request at which point I will conclude. The budget request as noted does contain this new authority, contains a number of programs and projects, some of which my colleagues have indicated today.

Sixty-nine million dollars would be provided for the Department of Transportation alone. That transportation request provides for $25 million specifically dedicated to I–69 and the Great River Bridge, and an additional $23 million for additional bridge and road projects to be decided by the States and their partners at their discretion.

In addition, there is $20 million for improved access to jobs, health care, and other needs of which $5 million is specifically charged for new bus purchases and establishment of new routes. And as is noted, $30 million would go for this Delta Authority, the overwhelming result of which would go specifically to Delta communities to their needs.

PREPARED STATEMENT

Mr. Chairman, I would conclude at this point and with my colleagues be happy to address any questions you might have.

[The statement follows:]

PREPARED STATEMENT OF ALBERT C. EISENBERG

INTRODUCTION

Mr. Chairman, I appreciate the opportunity to appear before you today to discuss the role of the Department of Transportation specifically, and of the Administration generally, in addressing the needs of the Mississippi Delta Region. We commend you for holding this hearing in order to focus attention on the issues and concerns confronting this region. My testimony will concentrate on programs and activities of the Department, as well as the broader Mississippi Delta Region Initiative of the Administration. This initiative, chaired by the Department of Transportation, features a proposed Delta Regional Authority and budget requests from several federal departments, which total $159 million.

The Administration has demonstrated a long and continuing commitment to addressing the range of needs facing the Mississippi Delta Region. This important part of America's heartland encompasses seven states, 219 counties and parishes, and 8.5 million people, bound together economically, historically, socially, and culturally by one of the world's great rivers. During the last seven years, the region has made important social and economic progress as it seeks to take its full place in the circle of prosperity that the rest of the country enjoys. At the same time, we fully recognize that numerous challenges remain in a number of domestic areas, including economic growth, transportation infrastructure, education, health services, and housing opportunities. For example, in 1999, in 15 Delta counties, the unemployment rate was higher than 10 percent.

The Administration's Mississippi Delta Region Initiative is a comprehensive proposal that should be viewed as an evolution of the Administration's commitment to the social and economic progress of the Mississippi Delta. We believe that the proposal will add value to the work that has been going on in the Delta and will help the region to participate more fully in the unprecedented prosperity and economic growth that the country is experiencing.

Our proposals come from the Delta. We spent a long time listening to the voices of the Delta in four listening sessions and numerous discussions held throughout the region. The result is a comprehensive regional initiative with many pieces:

—An interim report on the federal government's progress toward meeting the recommendations and goals of the 1990 commission report;

—A final report and agenda entitled "Delta Vision, Delta Voices—The Mississippi Delta Region Beyond 2000;"

—A national conference to take place in the Washington, DC, area to focus national attention on the Delta region; and

—A legislative package, including a proposed Mississippi Delta Regional Authority and funding proposals addressing key issues affecting the Delta.

Before discussing the Department's and the Administration's efforts, let me first briefly summarize the recent history of federal efforts in the region.

In 1988, with bipartisan support including you, Mr. Chairman, the U.S. Congress established the Lower Mississippi Delta Development Commission, with the mandate to study the unique problems of the region and make recommendations for future action. Two years later in 1990, the Lower Mississippi Delta Development Commission, chaired by then-Governor of Arkansas Bill Clinton, submitted its final report entitled, "Realizing the Dream . . . Fulfilling the Potential." This report contained 63 goals and more than 400 recommendations for the federal government and the non-federal public and private interests in what the Commission called a "handbook for action."

Now nearly a decade later, the Administration's Mississippi Delta Region Initiative, led by Transportation Secretary Rodney Slater, has been charged with assessing where we stand in relation to the goals and recommendations that were set forth in 1990, and developing recommendations for the next set of actions. Under the Secretary's leadership, I chair the interagency task force responsible for producing the final report and agenda of the initiative entitled, "Delta Vision, Delta Voices—The Mississippi Delta Region Beyond 2000," as well as the May 10–11, 2000, national conference for the initiative. An Interim Report entitled, "The Mississippi Delta Beyond 2000, Interim Report" reviews the federal government's programs and investments in the Delta and their outcomes. Produced in September 1999, the report has been distributed to public and private stakeholders throughout the Delta.

This interim report summarizes the progress made in the Delta since 1990 across the range of federal programs and activities: in transportation, job growth, unem-

ployment, empowerment zones, education, agriculture, infrastructure, natural resources and the environment, tourism, housing, health care, child and youth issues, and hunger and nutrition concerns. I commend this document to you, and submit a copy of this interim report that I ask be included in the record.

U.S. DEPARTMENT OF TRANSPORTATION ASSISTANCE TO THE DELTA

Specifically, I would like to highlight a number of USDOT transportation investments in the region that have important relevance for the future of the Mississippi Delta and the improvement of its economic conditions.

The Department of Transportation maintains a continuing presence in the Mississippi Delta, contributing effectively to help meet the transportation needs of the states and their communities, both rural and urban.

As you know, the greatest amount of the transportation funds under the jurisdiction of the Department of Transportation are provided under the Federal-aid highway program and are apportioned to each state by formula. At the same time, substantial funding for public transit is provided through congressionally earmarked projects and formula grants to states and transit agencies. The Department also administers a number of programs that Congress has authorized for competitive application, addressing such needs as job access, support of international trade, and innovative transportation financing and solutions.

It is important to note that the projects funded by the Department are determined by the states and localities working in partnership with their stakeholders through planning, with a strong public participation component that is described in TEA–21 and supported by the Department.

Advances in the region's transportation system play a crucial role in its economic development. In 1990, the Lower Mississippi Delta Development Commission's (LMDDC) 10-year goal envisioned an improved network of limited access highways, airports, and rail and port facilities to promote economic growth. The great majority of the nearly 70 specific transportation recommendations in the 1990 report, The Delta Initiatives, have either been fulfilled or substantially fulfilled.

The LMDDC made several general highway recommendations, beginning with one urging that Congress and the President release funds currently being held in the Highway Trust Fund. Highway Trust Fund investment in highways and transit was increased dramatically by the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) and the Transportation Equity Act for the 21st Century of 1998 (TEA–21). ISTEA authorized $151 billion over six years for highway and transit programs, while TEA–21 went several steps further, providing new programs, new flexibility, and new guarantees of funding for the states. TEA–21 guaranteed a spending level of $198 billion over six years.

*Job Access*.—The Department of Transportation has awarded approximately $3.86 million in fiscal year 1999 Jobs Access and Reverse Commute funds to the Delta (roughly 5.5 percent of Jobs Access funding for fiscal year 1999). The Job Access and Reverse Commute grant program assists states and localities in developing new or expanded transportation services that connect welfare recipients and other low-income persons to jobs and other employment related services. The program encourages a coordinated approach to transportation services.

*Highway Projects in Kentucky*.—The Delta counties of Kentucky have received over $194 million in federal funds for highway construction and rehabilitation since 1993. Projects have included major rehabilitation on the Western Kentucky, Pennyrile and Purchase parkways, and bridge and approaches on US 51 in Ballard County and on US 60 in Livingston and McCracken counties. Additionally, a study for a potential I–69 Connector from I–24 to Marion County has been conducted, as well as a study for a potential I–69 alignment around Henderson from Pennyrile Parkway to the Ohio River crossing.

*The Great River Road*.—Another major recommendation of the 1990 report stated that Congress should prioritize funding for the Great River Road and immediately provide funds for its completion. Individual states are using this increased flexibility to fund improvements to the Great River Road and other major highway-related facilities. In Arkansas alone, since 1990, about 120 miles of improvements, including easements, historic preservation, highway reconstruction, highway resurfacing and major widening, have been completed at a cost of about $140 million.

*Aviation*.—The Federal Aviation Administration (FAA) provided over $400 million in financial assistance from Federal discretionary and entitlement funds allocated from the Federal Airport and Airway Trust Fund for Airport Improvement Program (AIP) projects to over eighty airports within the Mississippi Delta between 1993 and 1999. Federal legislation authorizes the Secretary of Transportation to make project grants for airport planning and development under the AIP to maintain a safe and

effective system of airports. Eligible projects under the AIP include airport system and master plans; construction, expansion or rehabilitation of runways, taxiways and aprons; items needed for safety or security; navigational aids; land acquisition; noise control; and limited terminal development.

*Rail Service*.—The Department of Transportation has engaged in a series of rail service improvements in the region. For example, in November 1998, Secretary Slater announced the designation of the Gulf Coast High Speed Rail Corridor linking New Orleans with Baton Rouge and other cities in the South. Under TEA–21, this corridor received approximately two million dollars in earmarks for high-speed rail development and grade crossings. In addition, AMTRAK has proposed, based on its recent market-based analysis, to expand passenger rail service on the Crescent between Meridian, MS. and Dallas-Forth Worth, TX.

*Safety*.—The National Highway Traffic Safety Administration (NHTSA) has signed agreements on safety projects and programs, such as seat belts and child car seat usage, with the following Delta communities: El Dorado and Union Counties, AR; Jonesboro, AR; Paducah, KY; Mayfield, KY; New Orleans, LA; Cape Girardeau, MO; and Jackson, TN.

*Completion of the Commission's transportation projects*.—The heart of The Delta Initiatives' transportation recommendations consisted of a detailed inventory of transportation improvements for the highway, aviation, maritime, and rail network of the Delta. Probably no other area discussed in the 1990 Report contained such a large number of highly specific recommendations; and probably no area now displays as many successful completions of those recommendations. These efforts were led by the Department of Transportation, with important contributions from the Army Corps of Engineers and other agencies. For example, the Department of Commerce funded feasibility studies for port facilities in seven communities of Louisiana alone. The Corps completed over 30 navigation projects along the Mississippi River, while DOT completed numerous maritime transportation projects throughout the entire region. As noted above, the great majority of the nearly 70 specific recommendations for all modes of transportation in the original report have either been completed, or significant progress has been made in completing them. These transportation projects have provided a powerful impetus to improving the quality of life and of economic development in the region.

RECENT TRANSPORTATION ACTIVITIES IN THE DELTA

Many vital transportation activities were underway in the Delta in recent years. The following are several major examples of the ongoing efforts to improve the region's transportation.

—The construction of the I–69 High Priority Corridor will extend from Sarnia, Ontario, Canada to Brownsville, TX at the Mexican border, and will result in major benefits for the nation's transportation system, as well as the Delta Region. The Corridor crosses the states of Arkansas, Mississippi, and Tennessee, and would potentially have connectors to all of the Delta states. It is expected to generate 27,000 more jobs and $11 billion in wages over a 30-year period. TEA–21 set aside $140,000,000 for each of fiscal year 1999 through fiscal year 2003 for the National Corridor Planning and Development Program and the Coordinated Border Infrastructure Program. In fiscal year 1999, a $10 million grant under the Corridors and Borders Program was awarded for environmental studies for the entire I–69 corridor. Mississippi DOT used its portion of the grant ($923,913), to prepare an environmental impact statement (EIS) for the section of I–69 from the US 61/relocated MS–304 interchange south of Memphis to the Great River Bridge near Rosedale.

—The four-laning of US 61 from the Tennessee state line to the Louisiana state line is progressing well. The segment from the Tennessee state line to south of MS 4 is complete and open to traffic. Paving for the segment from south of MS 4 to south of Coahoma County, MS, near US 49 is scheduled to be completed in June 2001. The segment from the Coahoma County line to Clarksdale, MS, is complete. The section from Clarksdale to the Bolivar County, MS, line, which includes the Bypass of Clarksdale, has been awarded for grading and bridges, and is about 55 percent complete. Paving for this segment is scheduled to begin in September 2000 at an estimated cost of $10 million. The section from the Bolivar County line to Shelby, MS, has just begun. The paving contract for the section from Shelby to Merigold, MS, is about 50 percent complete, and the segment from Merigold to Leland, MS, is complete and open to four-lane traffic.

—Nine airports in Mississippi received over $120 million in Federal Airport Improvement Program (AIP) assistance since 1993. Jackson International is the most active airport in the state and benefited from improved air service in the

past few years including the introduction of low fare service and the substitution of all-jet service for previous prop service. This increased use has resulted in more wear on the airfield pavements requiring overlays and rehabilitation. The soil conditions in Mississippi result in substantial expansion and contraction, which requires more rehabilitation and overlay. This maintenance was performed at Olive Branch, Greenville, and Yazoo City airports among others. Greenwood's airport serves as an aircraft salvage yard for the disassembly of air transport aircraft. Apron and taxiway improvements were made at Greenwood.

—In Clarksdale, MS, a Transportation Enhancement Program grant amounting to $1.6 million has helped transform the old train station there into the Blues Museum. The depot also houses several businesses and includes an area for bands to perform. An additional $870,000 in Transportation Enhancements Federal-aid funds has been provided to acquire and restore the historic Greyhound Bus Station and to purchase and refurbish vintage rail cars for a museum exhibit on the existing rail spur adjacent to the bus station and the recently restored Clarksdale Depot. The Greyhound Bus Station will be used as a tourist information center and will accommodate tour buses. The project is currently in the design stage. These projects are a focal point for Clarksdale's effort to revitalize the central city area and to promote tourism. They provide jobs in both the service and industrial sectors.

—The Memphis International Airport is in the midst of a multi-million dollar expansion program, including the completion and opening of a new east parallel runway in 1996. A center parallel runway will be completed and open in late 2000. Since 1990, the FAA has approved airport improvement projects for airports in the Memphis region totaling $211.6 million. Integrally related to the airport work is the reconstruction and widening of a highway near the Memphis International Airport to improve access for airport patrons and the Federal Express distribution center. All of this activity supports for, the evolution of Memphis as a distribution center for the nation and a key economic center for the Delta, resulting in major economic development and substantial job growth for the region.

—Crowley's Ridge Parkway, Arkansas' only National Scenic Byway, is a 200-mile route running through eight counties in the Arkansas Delta that is already generating job growth. Local authorities expect that the Byway will generate 160 new jobs directly related to tourism in the area. Arkansas received more than $1.03 million in fiscal year 1999 Scenic Byways discretionary funds for 3 projects along the Crowley's Ridge Parkway:

  —$324,000 for development of educational and promotional material for the Parkway;

  —$630,148 for development of a visitor/interpretive center in Piggott, Arkansas, at the Hemingway-Pfeiffer Museum and Education Center; and

  —$91,776 to establish a student internship and service learning program in association with the management and development of the Parkway and development of a hiking/biking trail and an African-American Tour along the Parkway.

The interpretive center was officially opened in July 1999. The town of Piggott, with less than 4,000 people, has opened or expanded 16 new businesses, with eight of them directly related to tourism, has formed a downtown revitalization committee to develop a master plan, and has hosted architectural students from the University of Arkansas Community Design Center to assist with the project. Similar economic benefits are occurring elsewhere along the parkway. Five of the eight county seats along the parkway are developing downtown revitalization plans, three new museums have opened, historic structures are being renovated, and improvements are being made in the five state parks along the ridge.

—The State of Illinois has been allocated $749,000 in fiscal year 2000 National Scenic Byways discretionary grants for the Ohio River Scenic Byway, entirely located within the Delta region of Illinois. These funds are available for various enhancements such as marketing programs, safety pull-offs for farm machinery, visitor centers, restroom facilities, and interpretive kiosks. These grants are expected to stimulate commerce and tourism along this designated National Scenic Byway. In addition, prior to fiscal year 2000 and since fiscal year 1992, FHWA has obligated $162,000 in National Scenic Byways funds for enhancements to this byway.

—MARAD's Title XI Program has provided a significant benefit to shipyards in the Delta region. Approvals were granted to finance the construction of over 250 vessels costing in excess of $3.5 billion in this region. MARAD also provided approximately $40 million Title XI financing for the modernization of four ship-

yards in the Delta region—Avondale, LA; TT Barge, LA; North American Shipping, LA; and Ham, MS.

—HOV Lanes construction on I–55 South, consisting of two projects, is widening I–55 and adding High Occupancy Vehicle lanes (HOV) between the Mississippi State line and I–240 in TN. This approximately 5.7-mile section of roadway is being improved using Federal-aid funds. The additional capacity will reduce congestion on heavily traveled Interstate 55 in Memphis.

—Light Rail in Memphis, Tennessee including the first extension of Memphis' vintage trolley system, connecting the Main Street Trolley with the Memphis Riverfront. It has been completed. The Medical Center Rail Extension is envisioned as the last segment of the downtown rail circulation system, as well as the first segment of a regional light rail line. The Federal Transit Administration (FTA) approved the Memphis Area Transit Authority's (MATA) request to enter preliminary engineering for the rail extension, and this engineering work was completed in late 1999. The capital cost of the project is estimated at $30,400,000. Congress appropriated funds for the Memphis Regional Rail in fiscal year 1994 and fiscal years 1996–99.

—The Memphis Central Station Intermodal Terminal project involves renovation of an historic train station to create a facility that will be used as an intermodal terminal for MATA buses, trolleys, and AMTRAK. Its estimated cost is $23 million, with an estimated Federal Transit Administration participation of $14.3 million. Private sources will provide approximately $5.5 million. Memphis received $3.9 million for this project in fiscal year 1993, and another $8.7 million in fiscal year 1995. Site improvements and building restoration have been completed. Part of the building will be leased to private businesses, and other areas will be provided for a day care center. MATA's Information Center and a police substation are housed on the first floor. The Career Center was officially opened in 1999. Various agencies housed in the center provide job counseling, training, and placement services for clients making the transition from welfare to work.

—With Congressional approval, the Coast Guard nears completion of a new Vessel Traffic Service (VTS) Lower Mississippi River. With a radio call sign of "New Orleans Traffic," this VTS will use of ship-to-ship transponders, radar and closed circuit video cameras to improve the safety of the Lower Mississippi River waterway and Delta Region. First stage testing is complete as 50 Automatic Identification System (AIS) transponders were acquired and tested aboard various types of vessels throughout a 276-mile expanse from the entrance to the Southwest Pass to 20 miles above Baton Rouge. The second stage of testing will soon determine compliance with the universal standard and interoperability between manufacturers, providing over 60 transponders throughout the region. Area stakeholders, representing all major sectors of the maritime industry have played a critical role in executing this successful partnership effort.

—West Memphis' new transit service partnership with MATA officially opened in June 1999, with vital support from the mayor of West Memphis, Arkansas, Arkansas' First District Congressman Marion Berry, and state Department of Human Services representatives. This effort was the product of the Crittenden County TEA Coalition, utilizing state Department of Human Services funds that provide seed money for "welfare to work" initiatives. MATA busses will provide one local route to key destinations for medical, shopping and other needs, as well as an express route to and from Memphis.

—The Central Arkansas Transit Authority (CATA), in Pulaski County, has received the most federal transportation financial assistance in Arkansas. To date, CATA has received 19 grants for a total of $31,568,518. The grantee currently has 6 active grants with total obligations of $11,268,430. Two recently approved grants include $180,000 (part of a fiscal year 1997 earmark) for preliminary engineering and project management services for a River Rail Project, and $794,000 for a Downtown Transfer Center. Another example of transportation projects is a $485,000 Job Access grant to CATA that will provide dependable and low-cost transportation for those moving from dependency into self-sufficiency. New services will include extending the reach of the present system into fast-growing retail and service employment areas with vans operating on flexible schedules and routes. The grant will provide:

—A one-time start-up of five vans for employees of a local business;

—A mobility manager to develop transportation agreements and programs for coordinating transportation for those entering the job market within the Little Rock Enterprise Community; and

—"Graveyard shift" service from local hospitals to a downtown transfer center and "night owl" distribution runs with user-side subsidy of taxi service or publicly owned vans.

Many other examples of transportation activities are underway in the Delta in addition to the projects cited above. These projects demonstrate progress and the ongoing commitment to improve the transportation network for people throughout the Mississippi Delta.

—The fiscal year 2000 DOT Appropriation for the Delta is consistent with the Department's strong commitment to the Delta Region. DOT appropriations in the Delta for fiscal year 2000 exceed $18.6 million, including $5,183,000 in Mississippi for projects such as ITS deployment in Oxford, buses and bus facilities in the North Delta Planning District, a Pearl River Airport Connector Study, and a Next Generation Landing System at McComb Airport. Missouri's share of this appropriation includes $600,000 for job access provided to Southeast Missouri State University; $1.44 million for transit projects in Franklin County, MO, and for the Southeast Missouri Transit Service. Bus grants for Louisiana Delta communities total $4.1 million, while another $3 million is provided for the Florida Avenue Rail Highway Bridge in New Orleans.

THE MISSISSIPPI DELTA REGION INITIATIVE

An important product of the Initiative is the "Delta Vision, Delta Voices" report and agenda, which will summarize the progress toward implementing the 1990 goals and recommendations, indicate unfinished business of the Initiative, recommend what needs to be done to complete the work of the Initiative, and provide strategies for accomplishing that work and recommendations on how to proceed. In addition, recognizing that the Delta's future concerns all levels of government, the private sector and the charitable and faith communities, the report will contain a special section featuring recommendations, ideas, and commitments from the many stakeholders and interested parties that care about the Delta's progress.

The work of the task force has included a high level of involvement and partnership not only among federal departments and agencies, but also especially with the leaders and stakeholders of the Delta Region. Administration-sponsored listening sessions were held in the Delta to gather the perspective of the leaders and stakeholders in the region for the Task Force's report. The sessions took place in 1999 on: September 25 in West Memphis, Arkansas; October 1 in Baton Rouge, Louisiana; October 2 in Vicksburg, Mississippi; and October 4 in Cape Girardeau, Missouri. Over 600 people from the region attended these sessions. In addition, the President, Secretary Slater, and other Cabinet officials and Administration leaders have had continuing communications with Delta stakeholders in meetings, site visits, and conferences, in order to ensure that the Initiative benefits from the Delta's views and knowledge.

*Establishing a Delta Regional Authority*

A key element of the Administration's plan for the Delta is establishment of a Delta Regional Authority (DRA). The Authority is patterned after the Appalachian Regional Commission and will involve close coordination with state and local officials. The President would appoint the federal co-Chairperson of the DRA. The Governors of the seven member states would serve as DRA members and would elect one of these Governors as the states' Co-Chairman.

The DRA is a top priority of this Administration and this President. He believes it is vital to improving the long-term economic security of this region. Legislation has been introduced in both the House and the Senate that would accomplish this goal, S. 1622 and H.R. 2911.

The goal of the DRA is to increase the amount of resources and improve the effectiveness by which those resources are used to address the pressing development needs in the Delta. The Authority would provide for the long-term continuing coordination of resources in the local community. Creation of a new Federal agency will allow us to meet this goal by strengthening the Federal-state partnership, and will provide an on going, targeted federal presence in the region. As members of the Authority, the Governors of the seven Delta states and the federal members will identify the projects that the Authority will fund. Half of the Authority's resources will be targeted to the most distressed counties in the region. We expect the Authority will actively work with existing economic development organizations to help identify and prioritize needs. Community-based organizations as well as state and local governments will be eligible to receive Authority funding.

The Authority would:

—Provide technical assistance to smaller, poorer localities that have only part-time staff to negotiate the sometimes complicated application process necessary for acquiring federal funding for critically needed transportation, housing, basic infrastructure and economic development projects;

—Aid needy localities in meeting the matching fund requirements of federal programs that require such matches;
—Foster cooperation among states, localities, private sector interests, and charitable, non-profit groups to determine region-wide solutions to regional problems; and
—Provide a regional view on issues that cannot be adequately addressed on a state-by-state basis.

I would like to elaborate on these points.

Establishment of the Authority would recognize that the problems and needs of the region do not stop at the borders of individual states. If regional problems that affect all states are to be addressed, there needs to be an entity that has the ability to pull regional resources together. An institutional framework that can range across the vastness of this region would be of vital assistance in assuring that regional interstate agreements essential to the Delta's progress not only advance but also last for as long as they are needed.

The Authority would play a very useful role in coordinating programs, not only among federal agencies, but also between the federal government and state, local, and private programs and projects. Such public/private coordination will not only make assistance to the Delta more timely and cost-efficient, but it will also help create and maintain the strong partnerships essential to the Delta's progress.

*Administration's Budget Proposal for Fiscal Year 2001*

Now, let me turn to the Administration's budget proposal for fiscal year 2001.

The Delta Region today exhibits a blend of progress and challenge. Similar to several other regions of the nation (Appalachia, the Colonias region along the Mexican border, and Native American communities and portions of Alaska) it has faced persistent economic development difficulties that warrant special federal assistance. I have previously discussed the region's unemployment rates. There are other indicators of progress as well. While many Delta counties have relatively low poverty rates, over half of the Delta counties have had poverty rates over 20 percent for the past four decades. The poverty rate in distressed counties of the Delta is now at 32 percent, compared to a national rate of 13 percent. In addition, the per capita income in the Delta's distressed counties is only 53 percent of the U.S. average.

President Clinton's fiscal year 2001 Budget targets $159 million for the Mississippi Delta. Of that amount, $30 million will be used to create a Delta Regional Authority, $69 million would be dedicated for transportation improvements, and the remaining $60 million would support economic development and human resource proposals. Federal agencies would allocate the funding as follows:

—Department of Housing and Urban Development will provide $22 million in Community Development Block Grants to support rural housing and economic development. The funding will be awarded through a competitive process for economic revitalization and community development initiatives in the Delta region.
—Department of Commerce will provide $10 million through targeted Economic Development Administration funding for public works and infrastructure grants.
—Department of Agriculture will provide:
  —$4 million for the Intermediary Relending Program, which finances loans to intermediary borrowers who in turn lend the funds to rural businesses, community development corporations, and others for the purpose of improving rural economic opportunity. The $4 million represents loan subsidy costs and would support a loan level of $8 million.
  —$2 million for Partnership Technical Assistance grants, which provide technical assistance to under-served communities to create strategic plans, better use USDA's rural development grant and loan programs, and achieve sustained economic viability, job creation, and improved quality of life. These grants will be run through the Rural Business Opportunity Grant Program.
—Department of Labor will provide up to $5 million in grants through the Dislocated Worker Employment and Training Program—a state operated program that provides core services, intensive services, training and support to help permanently separated workers return to productive unsubsidized employment. The Department of Labor will award dislocated worker grants for qualified applicants from the 7 States and 219 counties comprising the Mississippi Delta region.
—Department of Education will provide $10 million for a targeted demonstration project designed to provide training to middle school teachers in the seven-state Mississippi Delta region. Research suggests that middle school is an especially critical point for learning the technology-related skills that students will need

to be successful in high school and beyond. The program will use a "train-the-trainers" approach, preparing one or several teachers from each school who can then be technology leaders, serve as resident experts, and assist other teachers in their schools or districts.

—Department of Health and Human Services will provide $7 million through the Health Resources and Services Administration's Rural Health Outreach program for grants to fund rural health clinics in the Mississippi Delta region. This request will fund up to 30 new Rural Health Outreach grants, and will support a wide range of services in the Delta Region including primary care, dental care, mental health services and emergency care. Each grant will require participation by a consortium of three or more providers to encourage the development of shared service arrangements among providers and new networks of care in the Delta Region.

—Department of Transportation will provide:

—$20 million in transit funds, consisting of $15 million from the Federal Transit Administration's (FTA) Capital Investment Grants program for public transit buses and bus facilities to provide affordable transportation and $5 million from FTA's Access to Jobs and Reverse Commute Grants to promote vanpools and new bus routes. Access to Jobs helps non-profits and local governments to assist residents with vanpools, new bus routes, and employer provided transportation alternatives.

—$48 million for new bridge and highway infrastructure in the Delta, including $25 million specifically for I–69 and the Great River Bridge, and;

—$1 million from Federal Highway Administration administrative funds for technical assistance, including training on federal programs, and development of a regional transportation plan and a tourism-marketing plan.

I would like to discuss the proposed fiscal year 2001 transportation funding in greater detail. In the listening sessions and other meetings and forums, many Delta leaders and stakeholders had a number of transportation related suggestions, which the Department's fiscal year 2001 budget request seeks to accommodate.

*Transportation Projects*.—Transportation development, particularly intermodal connections and elimination of bottlenecks, were highlighted by state and local leaders as critically important to the enhancement of economic opportunity in the Delta. For such projects, we propose a total of $103 million for fiscal year 2001-fiscal year 2005, of which $48 million would be made available in fiscal year 2001 and another $55 million would be provided from fiscal year 2002-fiscal year 2005. In fiscal year 2001, the funding would be made available through the Revenue Aligned Budget Authority (RABA). In fiscal year 2001, $23 million would be dedicated to high priority projects in the Delta Region and $25 million would be provided to Arkansas, as the lead state, for development of the I–69 corridor and the Great River Bridge Project.

*Training*.—Listening session attendees made it clear that a great need exists for information on the programs, activities and related funding of the federal government and how to access them. We propose a continuing set of training/information sessions for stakeholders, including local government officials, private non-profit groups, and other interested parties to improve familiarity with the programs of the Department and the process for using them. The project would use existing funds that now go for a variety of outreach and training activities, and project managers would coordinate with other agencies and departments, as appropriate, which would be providing their own training and education programs. In fiscal year 2001, $1 million would be made available to this effort from FHWA's limitation on administrative expenses.

*Access*.—Residents of the vast rural areas and numerous small towns of the Delta suffer from disproportionate isolation and diminished opportunities for access to the normal daily activities of life. Many Delta residents have experienced substantial difficulties in getting to and from employment opportunities and related daily activities such as job training and education, and child day care services, health care services and other basic needs such as access to retail food and clothing stores. In its proposed fiscal year 2001 budget, the Department proposes $20 million dollars to support public transit in the Delta.

*Mid-South Community College Transportation Careers Program*.—This college in West Memphis, AR, has proposed an ambitious and important initiative to encourage careers in the area's burgeoning transportation and distribution industries. This initiative would both benefit area youth who are often under-trained and under-employed, and the affected industries which suffer a labor shortage. Mid-South's program would link the college with high schools and other institutions of higher learning through a network of facilities, specialized curricula and technology. The total cost of the program is currently estimated in the $25–$27 million range, most of

which involves the construction of new buildings and related facilities. The cost could be reduced substantially if existing space were employed. Since DOT does not fund education buildings, its role would be to assist with educational materials and other soft costs, while other federal agencies such as Labor and Education would determine their capacity and authority to provide appropriate financial support for facilities and other program elements. It would be expected that state and business interests would participate financially in light of their own interests in the success of such an enterprise. No new monies would be required to undertake the DOT portion of this activity.

*Regional Transportation Plan*.—Delta leaders have expressed great interest in the formulation of a Delta Region transportation plan. The proposed plan would give direction to the Delta's region-wide transportation needs. It would also send a clear signal to the business community about the region's potential as a business location. The plan could be developed with modest new funds aimed at coordination activities among states and localities and technical assistance. The plan could include illustrative projects not included in the required Transportation Improvement Program (TIP) and long-range plan, but which would be desirable if funding were available. The proposed Delta Region plan would also highlight interstate intermodal facilities. The Department would provide funds to bring states and MPOs together around the idea of a coordinated process to develop a plan and then provide technical assistance and related support in the actual development of such a plan. The development of a Delta Region transportation plan could be an enterprise of the proposed DRA, working in concert with State DOT's and Metropolitan Planning Organizations (MPO's), as well as their national associations, such as the American Association of State Highway and Transportation Officials (AASHTO) and the Association of Metropolitan Planning Organizations (AMPO). A portion of the $1 million from the FHWA limitation on administrative expenses would be dedicated toward this effort.

*Tourism Marketing Plan*.—The Mississippi Delta region enjoys extraordinary recreational, historical, and cultural assets that today generate more than $13 billion per year in revenue from related tourist activities. The development of a regional tourism-marketing plan would harness in coordinated fashion the power of the region's tourism bureaus and agencies locally and at the state level, along with related private sector interests such as chambers of commerce, hotel and restaurant associations, and other entities, to market the entire region as a tourist destination. This would not only be an efficient means of promoting the region's tourist assets, but it would also enhance the region's tourism profile in this country and abroad. The initiative would feature a region-wide conference that would establish the framework of the plan and then a longer-term action program. Existing authorities among relevant federal departments and agencies would combine with funds from public and private tourism interests to defray conference and related costs. Such agencies would include DOT, which has interests in scenic by-way, Millennium Trails, American Heritage Rivers, national park and public lands transportation, as well as the Departments of Interior and Commerce. Federal funding would be used for technical assistance and coordination of activities in partnership with state and local agencies and private sector entities. A portion of the $1 million would be dedicated toward this effort from the FHWA limitation on administrative expenses.

Mr. Chairman, the future progress of the Mississippi Delta region is a goal that we all share. I thank you for the opportunity to share the Department of Transportation's views on this goal, and I would be pleased to answer any questions you may have.

Senator COCHRAN. Thank you very much, Mr. Eisenberg, for your statements, and we appreciate your summarizing the Delta Regional Authority Proposal and giving us your information about how it would really work and what it would and would not do.

Yesterday, I had an opportunity to be a part of a meeting in Jackson that was called by a new partnership that's being developed, a partnership between business and industry in our State, the elected public officials of our State, education leaders in our State, all for the purpose of trying to develop a strategy for economic development through strong relationships with State and Federal leaders.

A very high-minded goal, but one that is really at the heart of our hearing today, too, to try and examine how here in the Mississippi Delta we can develop stronger relationships between our

leaders at the State, local, and Federal level to enhance the economic development in the region.

And some of the notes that I made yesterday I brought with me because I wanted to get the reaction of this panel to some of the comments and statements that were made that I thought were particularly insightful.

One of the goals that was decided and that should be pursued at this meeting was to get industries to let the other leaders know what industries they foresee as being important to our State's economic development. And I think that's an appropriate exercise for the Delta region as well.

We have to know, one person said, what products we have that the market demands. This is an initial first step in developing a strategic plan for economic development. What can we produce here in Mississippi that the markets of the State and the Nation and the world need? For example, of course, here in the Mississippi Delta we need to think of agricultural commodities. We can produce that.

But what other products can we produce? And it was observed that we should target our efforts to taking advantage of the aerospace, telecommunications, manufacturing, automotive, and biosciences here in our State.

The private sector of our State has become successful in all of these areas and so job opportunities exist in these areas. The challenge then for our education leaders and political and Government leadership is, are we designing programs to educate and train and enhance the opportunities of the people in this region to participate in the industries in these areas, aerospace, telecommunications, manufacturing, automotive, and biosciences?

I'm not going to just make a speech. I am going to ask questions of the panel. But I wanted to pass that on as an observation which I think would be helpful for all of us to think about and to try to help ensure that we translate into strategies and programs that will mesh with this overall strategic plan for economic development for the State of Mississippi.

Ms. Thompson, there was a good deal of emphasis placed by the administration on Rural Development Initiatives, which have now led to the creation, as you described, of enterprise zones and empowerment communities. And these programs are now underway.

I think they were slow getting started. I remember asking maybe you even, why we were having so many meetings and weren't providing any loans and grants to people who wanted to take advantage of these new economic development programs?

And we've gotten beyond that now, so we had an opportunity to see some results in the enterprise zones or the community programs. How do you think this Delta Regional Authority Initiative is going to affect the ongoing work of the Department of Agriculture's Rural Development Area that you are responsible for and how is it going to help you do the jobs that you have already started in the enterprise zone and empowerment community programs?

Ms. THOMPSON. One of the things that we have discovered in working with empowerment zones and enterprise communities across the country is that there are some major challenges initially

for the zones in the communities because they don't have a history of working together.

You have a lot of smart people and a lot of talented people who have been working independently of each other doing some very successful kinds of things, but not getting the kind of overall results that you want because they're all working independently of each other.

So that challenge of getting people to recognize that if they work together and pool their resources and their talents, they can make more things happen in their communities. That's a challenge and we are moving to the point where that is even more understood in communities today, in the zones today, than it was a couple of years ago.

We're also finding that it's difficult for an individual community or a small region to do well unless it recognizes the role that it plays as part of the larger region. Another example in addition to the Mississippi Delta would be the Southwest border region of the United States.

And we're trying to work hard to coordinate what goes on in Southern California and Arizona and New Mexico and Southern Texas.

Senator COCHRAN. That's the Colonias Program?

Ms. THOMPSON. In the Southwest Border Initiative and they're tied together and I think that we could be even more successful at the Department of Agriculture with the tying together of a regional approach to development so that in Mississippi, in the Delta area of Mississippi, what happens there is not done in isolation of what's happening in Mississippi or in the Delta region of Tennessee, for example, or Southern Illinois.

Because there really are a lot of similarities as you go across, go up and down the river through the Delta communities and they can all be more successful if they were tied into a regional strategic plan in growth and development, I believe.

Senator COCHRAN. One of the important roles of the Department of Agriculture is assisting with housing needs, and we've worked with you and your Department to try and make sure we targeted funding in our appropriations bills to support some of the needs for housing and improvements in existing housing in this region.

Can you tell us whether the Delta Regional Initiative will have any impact or make any difference in the housing effort that we're making through the Department of Education and Agriculture programs?

Ms. THOMPSON. It will have an impact on rural housing in a couple of ways. First of all, there would be funding for rural housing. But I also believe that learning to become a successful homeowner is a greater challenge if you come from a family that didn't own their own home.

And so there is a lot of education and learning regarding how to buy a home, how to get the best deal on the house, how to get the best interest rate, and then how to maintain the home and make sure that payments are being made and so forth. And I think that through the Delta Regional Authority, through the coordination of efforts, we would do a better job of providing technical assistance

to help first-time homeowners, particularly those who are coming from families that don't have a history of home ownership.

Senator COCHRAN. There's one statement that you made that I think we should take to heart and that is the coordination of effort is needed in the Delta, and I assume by that that means State and local governments and other organizations such as the Delta Council, which is represented here and will be a part of the next panel, and other groups who do volunteer work to try to help improve the lives of those who live in this region.

Is that going to be something that we could expect from the Delta Regional Authority, is the coordination of effort?

Ms. THOMPSON. There would be a greater coordination of effort, but not just in the Delta part of the Mississippi, but in the larger Delta from Southern Illinois down to the Gulf. And I think that would be important, but I think it is very important that the Delta Regional Authority work with the entities that are already there, the State and local governments, the community-based organizations, private industry, also the education institutions including a university like Mississippi Valley State, and also high school and elementary schools.

It's going to be very important for the authority to tie together and to provide information opportunities for networks to form that currently don't exist. In many cases they don't exist within the Delta area of a particular State, and in general, do not exist up and down the Delta.

Senator COCHRAN. We're trying to coordinate some resources and efforts among representatives of some of the Delta region States, the lower Mississippi Delta, the lower Mississippi River Delta, of course, includes Arkansas and Mississippi and Louisiana.

A few years ago Senator Bumpers from Arkansas and Bennett Johnston from Louisiana and I collaborated to develop a nutrition education program, trying to train people with dollars that were allocated to colleges and universities in these three States so that we would have leaders in the communities of these three States who were well-trained and better prepared to deal with the challenges of teaching others how best to prepare and design diets to try and keep our citizens on a track to good health and long life.

This is a real big need in the lower Delta region. Is there anything in the Delta Regional Authority planning that would support or supplant, you said programs weren't going to be supplanted, but I wonder what would be the effect of the Delta Regional Authority on ongoing efforts like that which are funded on an annual basis in the Department of Agriculture's budget?

Ms. THOMPSON. Well, I think one of the biggest challenges that small communities face is that you get to the county line and you have a different government and it's not always easy to work together because of the way funds get channelled to the respective counties or representative townships even.

When you get to a State line, there's an even bigger barrier; but with the Delta Regional Authority, in essence, that line would become invisible because there is probably something even greater than the individual State. And there's so many common challenges in the Delta region.

And as you go from State to State, you see communities facing the same kinds of struggles, whether it's nutrition, education, health care, housing, job creation; and this would allow us to better coordinate and I think be more efficient with the dollars and programs that we have.

But for it to work, it's going to have to tie together the institutions that are already in existence and doing good work individually in the respective communities.

Senator COCHRAN. Ms. Johnson, just the other day Secretary Riley was in Mississippi. I know he was in Bolivar County. He was at Delta State University and when we had our hearing to review the budget of the Departments of Education, Health and Human Services, and Labor, I was there and able to ask him about his trip and make some observations about how we could better utilize funds that are appropriated to the Department of Education in our State.

But I mentioned that visit because we were talking about some of the programs that are designed to help States like Mississippi, and it seems to me with this Delta Regional Authority, I don't know whether we could use the funds that are designed to go to this authority or to be coordinated by this authority, but some new emphasis needs to be made on insuring the grant applications that are submitted from States in this region for things like reading enhancement programs, are given careful consideration, maybe even preference, because of the needs that exist here.

I don't know of any investment that would be more important to economic development than teaching the children, as you say, to read by the time they finish the third grade. And we're not doing that in a lot of our schools in this State.

We've done a lot to improve educational opportunities in Mississippi. As a matter of fact, according to Richard Thompson, who is our State Superintendent of Education, he made comments at this meeting that I attended yesterday that were very impressive about the improvements in education that we have made.

He said since 1985 we have made more progress than any other State; but we were so far behind, we have not caught up yet. And here is another thing he said. We rank third in the Nation in the number of board certified teachers. That's pretty good. Mississippi ranks third in the Nation.

We're achieving some great things. We received a $100 million private gift for reading programs to achieve this goal from the Barksdale family. But we have some goals that are not going to be met unless we get some additional support from the Federal level.

For example, Governor Musgrove has as a goal by 2002 that every classroom in our State will be linked to the Internet, but that's going to cost money. And Dr. Thompson said there was a reading grant application that was submitted to the U.S. Department of Education just recently for $32 million, and it was not approved. The State is reapplying and will try to rework and make the application more attractive.

I hope that you'll be able to go back and bring that to the attention of the grant applicant readers of the Department that we have pending or will soon have pending a $32 million grant application designed to achieve the goal that you and I and others know we

have to achieve if we're going to catch up and to provide students in our State with the kind of successful experiences they need to participate in the economic development opportunities that we have here in our State.

Now, I am going to ask some questions and one is about the Elementary-Secondary Education Act that is up for reauthorization as you pointed out in your comments. I'm worried that the formula for allocating the funds is going to hurt Mississippi because we're going to get less under the reauthorization that's being recommended than we now get.

Do you know anything about that position and the position of the administration on the allocation of funding to Title I eligible States?

Ms. JOHNSON. I'd want to answer by responding to your reading of that proposal. It is our goal to award a grant to every one of the 50 States plus the District of Columbia. And so when States submit applications that are not accepted, we immediately go in and work with the State officials to help them develop an acceptable application.

There have been workshops offered and we're very confident that with the right kinds of technical assistance offered to the State that ultimately every State will have that goal.

You know, as public stewards of the funds, we need to ensure that when the funds are awarded they're used appropriately, and so that's the reason for providing ongoing assistance. So I'm very confident that at some point, Mississippi will receive one of these grants.

Senator COCHRAN. Thank you.

Ms. JOHNSON. On the targeting of funds for Title I, we have always believed that Title I funds need to be targeted to the areas where the students are most in need, where levels of poverty are very high, where large numbers of students are eligible for either free or reduced-priced lunch. That is still our belief.

The formulas for targeting are developed at the House and Senate level, and we are supporters of ensuring that the targeting remains focused on children who need it the most. Our concern, now, is that the bill working its way through the Senate would reduce that targeting and not increase it and that the monies would not be focused on high poverty students. This is not the position of the administration.

Senator COCHRAN. Okay.

Ms. JOHNSON. So we are going to support and argue for an allocation formula that continues and focuses on high-poverty children.

Senator COCHRAN. Thank you very much for that assurance. We will be on the same side in that argument.

Ms. JOHNSON. Great.

Senator COCHRAN. The Delta Regional Authority, of course, is the real subject of our meeting here today, but education is so important and is such a focus of my interest that I want to ask, do you think the Delta Regional Authority proposal is going to be of any particular benefit to our education effort and need to improve our schools and strengthen our colleges and universities in this region?

Ms. JOHNSON. Let me start by first of all answering the question, yes, it will be of an immense benefit and let me give you the rea-

sons why. As we were preparing for the submission of our proposals authorizing Elementary and Secondary Education Act and I lead that effort for the U.S. Department of Education.

We travel to many rural areas around the country and what we heard so frequently is the fact that rural areas were not successful in receiving grant applications to the degree that larger areas are experiencing success.

So what this authority could do would be to help the rural areas come together as consortiums and they can submit their applications because their needs are so common. Give large numbers of students, regardless of which of the seven States they reside in, who lives in poverty, families who are illiterate as well as children who have low literacy levels.

By coming together to the authority, they can improve their opportunities for winning competitions.

They can improve their opportunity for teacher training. They can improve the opportunities to disseminate what we know to be promising practices that can be replicated in our schools throughout the Delta region.

We can offer regional workshops which sometimes are not cost effective if you try to offer them in one place, but as we just recently concluded two workshops in Arkansas for the Delta region, we can begin to do that more frequently.

We're able to get the information, the knowledge, and the training out to all of the school districts; and we think they have so much in common they can only benefit from that. Although it's absolutely true that Mississippi has made great progress, it still has a long way to go to improve the quality of their students achievement to be competitive with the rest of the Nation.

Senator COCHRAN. One of the programs that I've tried to support through arguing for increased appropriations is assistance in the area of technology and the use of computers and other new, modern equipment in our classrooms.

There have been a couple of demonstration programs in the Mississippi Delta that have proven that with access to computers, children take a greater interest in the classroom work. There are fewer dropouts. People show up every day ready to work, ready to learn, and it's so obvious that it's a big benefit.

Are there enough dollars being made available to your Department to provide leadership in this area, to identify ways to assist schools and districts in areas like the Mississippi Delta, to improve their access to technology that's useful in the classrooms?

Ms. JOHNSON. We submitted a budget for the Department of Education that we thought was fiscally appropriate to improve the quality of technology supports throughout our public schools.

We are given a certain amount to work with. We recognize the caps and we have put tremendous, tremendous emphasis on improving technology support throughout the school districts in this country.

The Federal Government I think has taken the leadership role in ensuring that all of our schools have access to the Internet through the E-rate. We have and some of the studies provided more support for bringing technology, particularly computers and

software, into the classrooms than have local and State governments provided.

And so we are the impetus and we are setting the conditions that need enhancing and to be enhanced at a State and local level. If you're asking me can we use more money the answer would always be yes to that.

Senator COCHRAN. We're working on that.

Let me turn to Mr. Eisenberg and ask you about the Delta Regional Authority and how it's going to make available the funds to State and regional government agencies? I think you indicated that there would be funding that would go to the communities through the Delta Regional Authority.

How would that actually work?

Mr. EISENBERG. Well, let's get the mike down here for the record. Mr. Chairman, the authority would have an amount of funding that's dedicated to it for a variety of the programs. The Governors who really make up the commission would, with their stakeholders, with their partners, public and private, develop the plans and projects that then would be the substance of that money.

They would then work with the recipients. They would be able to take applications that would help people apply for funds both within that pot of money dedicated specifically to the authority as well as beyond. And again, as I note in my remarks, homegrown solutions for regional problems and the money would flow from the authority as it does in the Appalachian Regional Commission.

Senator COCHRAN. In your statement you talked about some of our specific transportation projects in this area that your Department is supporting. I–69 is something that we've all heard about and we expect benefits to flow to the Mississippi Delta from the completion of Interstate 69.

Could you give us an update on where we are with that. I know there's a study being done.

Mr. EISENBERG. Right.

Senator COCHRAN. How far along is that?

Mr. EISENBERG. The final supplemental EIS has been approved for the Great River Bridge portion near Rosedale, and we anticipate the record of decision will be approved very, very soon. As you know, under the corridors and borders program, a $10 million grant was approved last year for the States for location and environmental studies.

We understand that the Mississippi Department of Transportation plans to use its portion of the grant which is a little over $900,000 to prepare an EIS for a section of I–69 from US 61 relocated and State 304 interchange south of Memphis to the Great River Bridge near Rosedale.

There are a number of other activities going on respective to different sections of that project. It is our hope that that regional authority would be the participant in bringing elements together to talk about the future of this very important facility and to gather the resources from the different States to promote that particular project.

Senator COCHRAN. You also mentioned the four-laning of Highway 61. This is something that's been long awaited and seems like it will never be finished. What can you tell us about the effect that

the Delta Regional Authority would have on completion of projects like four-laning Highway 61 and maintaining and improving our ports along the Mississippi River?

Mr. EISENBERG. Well, the great bulk of the Department's money goes directly to the States with some pass-through to the so-called metropolitan planning organizations, the regional planning organizations.

Of course, all money ultimately is local, but planning elements and the funding allocations go as I've indicated. Much of that money, if not, well, actually the overwhelming bulk of that money, you know, Mr. Chairman, this formula allocated. There are earmarks, of course, that Congress has produced for high priority projects and partners with that formula money.

Having traveled US 61, I noted the particular way that a two-lane highway works to hold up traffic as it tries to get to where it needs to go. I certainly understand from firsthand experience the need for improvements along that facility.

Of course, it involves more than just one State and the authority, of course, could focus attention, again, since all Governors will be together in that area, they could decide where the priorities are and using their State departments of transportation and their particular authorities in this regard to move things forward.

A great bulk of that money does, as I say, come from allocations from the States; but we do have the authority for obvious responsibility to make decisions to where the money goes.

But we're trying to give a little help here in our own budget with money directly allocated. This is not the usual process for the Department of Transportation, but we give such high priority to that particular facility and we are looking to assistance in that regard to talk specifically about I–69, again, and US 61, with regards to that.

Senator COCHRAN. One thing you may not know is that under the new formula for allocating funds to States under the transportation bill, so-called T21——

Mr. EISENBERG. Yes, sir.

Senator COCHRAN (continuing). That supplanted the ISTEA bill. In the past 5 years if you compare the allocation that our State gets, we get $120 million more each year under the new bill than we got under the old allocation formula.

And that took a little bit of work, but it's like the Title I funding challenge. The States are all competing for these funds and there's just so much money that's made available for these programs and they get allocated under formulas that are decided by Congress as Ms. Johnson pointed out.

But I'm glad we'll have the administration's support on the Title I fight as we work our way through that bill as it proceeds through the Senate and the House. But we've already achieved one of our goals and that was to get a much higher allocation for our State under highway and transportation funding formulas—$120 million a year more for Mississippi than we got under the previous formulas.

Mr. EISENBERG. That's a great achievement, and certainly the administration was supportive of the higher funding.

Senator COCHRAN. We're glad the President signed the bill.

Mr. EISENBERG. Yes, sir. Let me clarify the funding for additional laning of US 61 could be found again depending on how people want to allocate the funds, in the $23 million that is specifically requested for unspecified road and bridge projects in the Mississippi Delta area, the President's budget.

So you've got money dedicated to I–69, the Great River Bridge, and $23 million additional allocated for these unspecified projects above and beyond the money that you have just indicated.

Senator COCHRAN. You mentioned airport development and that's a very important challenge here in this region of our State, and we are pleased to have support from the administration on projects for funding for airport development in this area.

Also, I mentioned ports. We had a delegation visiting Washington the other day who were pointing out the needs for funds through the Corp of Engineers for helping dredge certain ports, one at Greenville, the inner harbor.

For example, we're trying to acquire funding for that, and we've already brought that to the attention of the head of the engineers, civil engineers, and we hope that the administration will cooperate with us on that as well.

But these are all aspects of economic development because without these facilities to transport what we produce in our businesses and industries and on the farms of the Mississippi Delta, we can't do it efficiently without a transportation system. And that's how we compete with countries like Brazil and others that are enlarging their agricultural production and threatening the price stability by that production.

They don't have the transportation facilities. If they ever develop them though, we're going to lose our competitive edge. And we'll be up against a very serious problem.

Mr. EISENBERG. Mr. Chairman, I couldn't agree more with your statement. The Department of Transportation looks at the money, the programs that we have as enablers for larger purposes. Just getting from one place to another and moving around is not transportation.

Transportation is the enabling of economic development, social and racial intergration, bringing people together across distances, providing for livable communities, places that people want to raise their children, want to work and live in. And that's what transportation is supposed to do.

The economic development needs of this region are manifest. They're clear and extend to which the port development assistance that we can provide, additional road facilities, bridge facilities that literally bring places together.

The rural transit kinds of activities that are so important for people who are isolated from health care and jobs. Transit within our larger communities so people can get to work in an environmentally friendly way, efficient way.

These are all part of what we do and something that I'd like to address that you have addressed to others involving education. It's probably not well known. The Department of Transportation with very little amount of money is very much engaged in partnerships across the country, the transportation careers promotion with our high schools and universities.

We find in this general area, particularly, we have a lot of young people that could find good jobs within the transportation and related industries such as distribution if, in fact, they had the skills and, in fact, were presented with the opportunities that were available, that are, in fact, available in these industries.

Truck driving is one aspect. Trucking companies tell us they have a 100 percent turnover a year in some cases and they're offering $35,000 a year and $40,000 a year for jobs. They can't hold people.

Senator COCHRAN. Don't get off into that too much because it reminds me that this administration is getting us off into a very serious quagmire with these high energy costs and trucking companies. Individuals who are in the business are having a hard time making a living now.

We had a whole caravan of truckers come to Washington the other day to demonstrate their displeasure and policies of this administration on gasoline and diesel fuel prices. And that's hurting our farmers. It's hurting every aspect of our economy.

So one thing you have to know, don't train too many truck drivers. There's not going to be any trucks to drive unless you do something about the energy problems.

Mr. EISENBERG. We anticipate that this will be an issue that is more short term than structural.

Senator COCHRAN. Well, we hope so. But just going around with a tin cup to the oil producing cartel saying please, give us a little more oil, that's what Secretary Richardson was doing recently, and they just said no.

They've forgotten that we bailed them out in Kuwait and Saudi Arabia and now they're not helping us to solve our energy problems. It's really something that has to be addressed. Well, I know you're going to take this into consideration.

Mr. EISENBERG. Well, I'm sorry I raised the topic, Mr. Chairman.

Although the topic was education and was aimed at supporting your wise impression and call for additional educational opportunities, there are still opportunities for young people within the transportation industry that we want to promote on a national basis.

And again, looping back to the subject of the hearing today, we really can't do this kind of a job as well with little money and little staff. The best kinds of promotions and transportation career development in many respects is high tech. People don't know that, but it is.

Providing opportunities for young people here in this region really ought to take place at the lowest possible level, at universities like this one and others around the region who have interests and who have lots of people who would be interested, if presented with the opportunity and skills. And we would just like to make a pitch for that.

Senator COCHRAN. Thank you very much. We appreciate your being here and participating in the hearing and all of you on this panel have added to our understanding of the Delta Regional Authority proposal and what it is designed to do, how it will mesh with other programs and initiatives for economic development for this region.

Ms. Thompson, Ms. Johnson, Mr. Eisenberg, thank you very much.

Ms. THOMPSON. Thank you.

Ms. JOHNSON. Thank you.

Mr. EISENBERG. Thank you.

## NONDEPARTMENTAL WITNESSES

Senator COCHRAN. We will now hear from our next panel of witnesses. We have with us today Dr. Lester Newman, who is President of Mississippi Valley State University; Dr. David Potter, President of Delta State University.

Dr. Bobby Garvin was on our agenda to testify, who is President of Mississippi Delta Community College. He is not able to be here today, but he sent a good substitute, Dr. Tony Honeycutt, who will represent Mississippi Delta Community College.

Mr. Arthur Peyton, who is interim director of the Mid-Delta Empowerment Zone Alliance, and Mr. Griffin Norquist, who is representing the Delta Council. He is specifically going to talk about the economic development department of the Delta Council.

We appreciate very much your providing us copies of statements. We've decided to include all of the statements that have been prepared for the committee in the record as you have submitted them in full, and we encourage you to make whatever summary comments or other statements that you would care to or you may read your statement if you'd like. We appreciate you very much for being here.

Let's start with our host, Dr. Newman. This is Mississippi Valley State's president. We thank you for hosting this event and ask you to please lead off with your statement.

### STATEMENT OF DR. LESTER NEWMAN, PRESIDENT, MISSISSIPPI VALLEY STATE UNIVERSITY

Dr. NEWMAN. Thank you, Mr. Chairman. Good morning. Thank you for the opportunity to discuss the role of Mississippi Valley State University and the role that Mississippi Valley State University has and will continue to play in addressing the needs of the citizens of the Mississippi Delta.

Mississippi Valley is proud of its contribution to the development of the Mississippi Delta and highly expects to continue expanding its efforts in the future.

There are three guiding principles that directs the university's community and economic development efforts. These guiding principles are, one, the development of human capital through education is the prerequisite through economic development.

Two, collaboration with public and private entities and residents that's essential to sustain development; and three, with education being both a necessary and an essential condition of development, it is most important that institutions of higher learning be the anchor for broad based development as it relates to K through 12 for education, job readiness, entrepreneurship, et cetera.

The presentation was developed based on the above principles. First, the presentation will highlight some of our past successes as

well as our current activities. Finally, it would focus on future needs of the Mississippi Delta.

If the Mississippi Delta is to move in the desired directions where citizens are afforded a quality education, have access to desired jobs, and have the opportunity to develop wealth through business development.

Some of our past successes as well as current activities, as stated above, development of human capital through education is the prerequisite to human development. Teacher education is the core of Mississippi Valley's mission.

In fact, we were founded as a teacher education institution. This year the university celebrates 50 years, its golden anniversary, of educating citizens of the Mississippi Delta and the State.

To aid and enhance this effort, Mississippi Valley has received approximately $580,000 annually for the past several years from the USDA Cooperative State Research, Education, and Extension Services.

We are very appreciative of these funds. And these funds have been used to, one, enhance Mississippi Valley's teacher education program and to address the K through 12 teacher shortage in the Mississippi Delta; and two, enhance Mississippi Valley's offices of admission and financial aid.

Mississippi Valley's College of Education is working diligently to broaden, strengthen, and elevate its existing teacher education program into a model program. Our primary aim is to prepare students to become public school teachers in the Mississippi Delta.

This is a primary concern of the university to address the K through 12 teacher shortage. The teacher shortage that has been experienced nationally is even more profound in the Delta.

The USDA funds have helped Mississippi Valley to enhance its teacher education program with emphasis on teaching effectiveness and to recruit and produce more students in education.

Over the past 3 years, the following data reflects students who have successfully completed the program and received degrees both a bachelor's degree or master's degree in education.

In 1997, we produced 41 students who received an undergraduate degree in education and 10 students who received masters' degrees. In 1998, 53 students received undergraduate degrees and 11 students received masters' degrees. And in 1999, 49 students received undergraduate degrees and 19 students received masters' degrees in education.

In addition to serving the university and the community better, Mississippi Valley State University has established a partnership with the Delta schools superintendents to establish programs that will provide quality education not only for its students, but public school teachers and students as well.

The mission of this partnership is to impact the teaching and learning process. Mississippi Valley faculty will work with the Delta public school teachers to prepare them to teach science and technology in a more creative way.

More importantly, this partnership will allow students, faculty—faculty and students rather, to work collaboratively with area public school teachers and students to address critical education concerns and issues.

Also, the USDA funds have been used to enhance the admissions office. The admissions recruitment office's role is to recruit students to the university. The admissions office is one of the viable, supportive segments of the university whose purposes are to, one, inform, recruit, and admit prospective students to the university; and two, in a positive way, display and promote the university's academic and nonacademic life.

It is important that the admissions office be enhanced in order for the university to reach and educate more students in the Delta of the opportunities and benefits of receiving a college education.

Many of the students continue to be first generation college students. Upon first encounter by the admissions counselors, too often many of these students do not believe that they have what it takes to go to college or to be successful in college.

And as a result of our recruitment efforts, Mississippi Valley is experiencing a growth in enrollment. This spring our enrollment is more than 2,500 students, the highest in 16 years.

The large majority of these students come from within a 60-mile radius of the campus and most stay in the Delta upon graduation. Mississippi Valley has set a goal for the 2000 fall term to increase its first time entering freshmen enrollment to 500 students. This number constitutes approximately a 45 percent increase compared to fall of 1999 term enrollment.

The overall enrollment goal is set for 3,000 students by the fall of 2002. The office of student financial aid at Mississippi Valley State University provides financial aid for approximately 98 percent of the student body.

In order for the university to successfully reach its enrollment goal, the financial aid office must be able to present a more automated and appealing presentation to potential students and to package financial aid more readily than ever before.

Additionally, the office must be able to teach students about financial and personal management practices that will assist students in making sound decisions to help sustain them through their tenure in college.

Another area that the university has emphasized and has shown great success is in the area of community and economic development. The university's Center for Economic Development provides technical assistance and business-related services to small business, entrepreneurs, agricultural-related businesses, small towns, and nonprofit organizations in 10 counties of the Mississippi Delta.

This region makes up the heart of the Mississippi Delta. The rural population of over 180,000 is predominantly African-American. The percentage of African-American population varies from county to county with an average of 63 percent.

The university's Center for Economic Development has secured a 5-year grant for the Mid-Delta Empowerment Zone for the funding of the One-Stop Capital Shop. The purpose of this program is to expand the services of the Center for Economic Development by providing extensive small business resources and services under one roof.

The One-Stop Capital Shop is a partnership agreement between Mississippi Valley State University, the Mid-Delta Empowerment Zone Alliance, and the Small Business Administration.

Some of their accomplishments, the One-Stop Capital Shop, the only research office housed on a historically black college campus in the Nation provided clients with the latest business resources, guides, computer software programs, and access to the Internet.

The One-Stop Capital Shop allows the university's Center for Economic Development's clients and other individuals an opportunity to receive technical assistance and services to develop a business project from start to finish.

The Center for Economic Development and the One-Stop Capital Shop have served more than 250 clients within their targeted area. They have assisted small businesses and faith-based organizations to secure more than $440,000 in loans for fiscal year 1999.

We sponsored a small town mayors conference held in conjunction with the USDA Rural Development Office of Mississippi to provide technical assistance to town personnel with more than 100 participants attending the conference.

We have established a partnership with the U.S. Department of Housing and Urban Development to rehab and build new houses for low income residents. And we've also hosted the First International Trade Conference for the Mississippi Delta Region.

Future needs and directions, to help residents, local leaders, and elected officials with sustained community and economic development, Mississippi Valley State University has identified the following critical issues that need to be addressed.

One, and foremost, is to continue to work to improve the K through 12 educational system in the Delta. A solution that we are offering is the establishment of a Center for Excellence in Teacher Education that will emphasize effective teaching practices that will ensure that all students learn, establish partnerships and linkages with the area public schools, and conduct and provide appropriate research that lends itself to establishing effective models and best practices for educational improvement.

Two, to provide new and expanded opportunities for K through 12 and college students in the areas of science and technology. And we are proposing to establish a Center of Excellence in Science and Technology and one of the aspects of this will be a summer science academy for middle and high school students in the Delta region.

Three, address the poor health care practices of the residents in the area, and our solution is to establish a health, wellness, and literacy initiative that will help to educate citizens regarding preventive health care and wellness issues.

Four, expand on existing business and help to create new businesses in the region. We are working to establish a Center of Excellence in Business and Entrepreneurship which incorporates the existing programs at the institution as well as expand the efforts to provide a comprehensive approach for business retention and development.

The center is expected to provide a set of educational services to include the integration of entrepreneurship skills and business development opportunities into the academic courses.

Students will be encouraged and nurtured to create businesses of their own. The center will provide technical assistance and hands-on training for business persons. We'll also do market development

and business forecasts as well as have community leaders, local officials, and others to identify profitable market niches.

We're also proposing to establish the Delta Research and Cultural Institute. This center is to assist the residents, local leaders, and elected officials to capitalize upon the vast natural and cultural resources in the Delta.

It is also designed, working collaboratively with individuals, agencies, and community leaders, to conduct research on educational and economic development issues in the Delta. This research will be different from much of the research currently conducted in that it will be prescriptive rather than descriptive.

For too long people have come to the Delta and told us who we are and what our problems are without working with us to develop meaningful and sustained solutions. This institute proposes to remedy the problem by working with community leaders to identify problems, develop practical and workable plans, and implement and evaluate these plans.

In summary, Mississippi Valley has a highly qualified faculty, staff, and administrators who are committed toward working together for a better and more prosperous Delta. Thank you.

Senator COCHRAN. Thank you, Dr. Newman, for your excellent statement. Dr. Potter, let's turn to you. Dr. David Potter is President of Delta State University. Thank you for being here and participating in our hearing.

**STATEMENT OF DR. DAVID POTTER, PRESIDENT, DELTA STATE UNIVERSITY**

Dr. POTTER. Thank you, Chairman Cochran. And I look forward to working with you and our other partners in sharing goals and the recent economic well-being of the Delta and improving the quality of life of all of its people.

The mission assigned Delta State University by a board of trustees is that of a regional university. And that designation has implications for the university's educational, research, and public service programs.

These obligations are especially significant for an institution striving to contribute to the future of the Mississippi Delta. The Delta's legacy of poverty generates many needs and provides opportunities for the university in virtually any direction we turn.

Fortunately, the people of the Delta not only have the desire but the will and potential to lift themselves up given the encouragement and the resources to do so.

I need not list all of the educational, social, and economic and health problems that exist in the Delta. The region has been studied to death, and you are familiar with the myriad of challenges facing its people.

In May 1990, the lower Mississippi Delta developed a commission chaired by then Governor Bill Clinton issued its private report after a 2-year study. The report describes the region as it existed 10 years ago; and unfortunately, much of that description is still valid today.

It states, that:

* * * these are the people that by virtue of place are surrounded by thousands of square miles of some of the country's richest natural resources and physical as-

sets. They have used their sense of place to develop a cultural and historical heritage which is rich and unique.

And yet these are the people who by statistics constitute the poorest region of the United States of America for jobs are scarce and job skill training almost unknown. And mortality rates rival those of the third world, where dropping out of school and teenage pregnancy are commonplace, where capital for small farmers and small businesses are severely limited, where good housing and health care are unattainable for many.

Industry and technology lags a decade behind and funds for research and development barely trickle to colleges and universities. Where illiteracy reigns as a supreme piece of irony since the region has produced some of the best writers and the worst readers in America.

Even so, these are people who prefer hope to despair. This is a region that given the right tools and knowledge can help the Nation as a whole strike a new balance of competitiveness in the global economy. This is a land where the right actions can still bring a new day.

At Delta State, we are making renewed determined actions to be a part of those right actions, and we think we have achieved some tangible and worthwhile results, especially in the arenas of education, rural development, cultural opportunities, and business development.

All of these efforts are part of an evolving and comprehensive strategy to meet the unique constellation of needs of our region, yet we still have much to do before we can take full advantage of our Nation's unprecedented growth and prosperity.

Let me share with you some examples of what we've accomplished with the limited Federal support we have received to date.

In education, our Center for Teaching and Learning provides technology-related professional development for elementary and secondary school teachers and serves as a laboratory for young people thinking about entering the profession.

During the next school year, we will provide technology training for 250 teachers using funds provided in part by the Federal Government. This program helps ensure that Delta school children will not fall further behind in having learning opportunities related to the revolutionary national and international development in information and communication technologies.

Our Delta area association for the improvement of schools is a model partnership of school leaders commended by the National Counsel for the Accreditation of Teacher Education. The partnership serves 34 school districts and provides professional development activities for more than 1,400 teachers and administrators in 1999 supported by a mix of Federal and State funding.

The national faculty has established a regional office at Delta State. It provides special services and assistance to two Delta school districts.

Working with the national faculty program, we are launching this summer a Superintendents' Academy to provide future school leaders with the most up-to-date knowledge of how to manage a successful school district.

The Delta Education Initiative is our most ambitious cooperative effort with a Federal agency supported this year by $1.5 million from the U.S. Office of Education.

It addresses critical teacher shortage and leadership development needs in this region to undergraduate scholarships for prospective teachers, graduate fellowships to pursue further study for working

teachers, professional development for administrators, and technological training in use of technology for teaching and learning.

In rural development, our efforts are concentrated in our Center for Community Development, established in 1994 through a $5 million grant from the W.K. Kellogg Foundation. The mission of this center is to build partnerships with communities and organizations to help themselves.

The future program of the center is the Delta Partners Initiative. This is an initiative to train two cohorts of young Deltans to be the next generation of community leaders. It is focused on teaching these promising citizens an understanding of regional development and public policy issues, community development strategies and successful models, regional capacity building programs, and ways to increase literacy, and develop local human resources.

The center also administers America Reads, Mississippi Delta Reads Partnership, and Mississippi Delta Service Corps programs all funded in total or in part by the Federal Government.

In providing cultural opportunities, the university believes that exposure to and participation in the arts is a crucial determinate in the region's quality of life and educational achievements.

Yet arts education is virtually unavailable in the Delta's public schools. The university has helped fill that void in its Center for the Performing Arts through matinee performances for school children of nationally known musicians, actors, and dancers, and to its State supported Summer Arts Institute.

More than 8,000 elementary and secondary school students are exposed to and trained in the arts each year. Federal funds support this effort modestly through a small grant from the Mississippi Arts Commission.

In business development, so crucial to the economic future of the region, support for small businesses is essential. Small businesses comprise most of the Delta's economy, and they are in great need of services in such critical areas as incubator programs, technical assistance, capital development, and counseling services.

Our efforts to date are concentrated in our Small Business Development Center where we bring together the human resources of our College of Business faculty to assist small business owners. The center annually helps to create 150 new jobs, to retain 350 existing jobs, and to facilitate $6 million of capital investment, while serving about 300 clients per year.

These efforts, again, are supported by modest Federal funds sufficient only to stimulate a small proportion of the business activity needed for a thriving economy.

Our university is relatively new to Federal funding. We intend to pursue these resources with intensity in the future in support of this region. We believe that we are prepared to be good stewards of Federal monies for the Delta.

We have received tangible results with our modest past efforts. We have a capable and energetic faculty with a deep knowledge of the Delta and its people based on firsthand relationships and commitments.

We have a strong reputation within our local community and a network of partners in the cause of development.

Our local understanding and longstanding ties to the region make Delta State and its sister institution, Mississippi Valley, the most effective conduit for Federal monies to improve the quality of life in this region.

We can, and do use, these funds directly and effectively. We have a record, as well of leveraging additional private, State, and foundation support, that multiplies the impact of Federal funds. We are, in sum, an excellent investment in the Delta's future.

Thank you again for this opportunity to discuss our goals. I'll be pleased to answer any questions.

Senator COCHRAN. Thank you, Dr. Potter for your helpful statement. Now, we'll hear from Dr. Tony Honeycutt, who is representing Dr. Bobby Garvin, President of Mississippi Delta Community College. Dr. Honeycutt.

**STATEMENT OF DR. TONY HONEYCUTT, DEAN OF CAREER AND WORKFORCE DEVELOPMENT, MISSISSIPPI DELTA COMMUNITY COLLEGE**

Mr. HONEYCUTT. Again, Mr. Chairman, on behalf of Dr. Garvin, thank you for your presence here today and for your work in support of the Delta region.

The Mississippi Delta area lagged behind in this State and in the Nation in many areas. This has already been pointed out. We feel that education and training, work force training, is the key to the economic vitality of the Delta and to its sustained economic growth.

We have continued over the last several years to continually increase our enrollment. Our enrollment has grown approximately 7 to 9 percent per year during that period of time.

Our current enrollment for full-time students is 2,700 here in the spring semester of 2000. It is important to point out that over the last 3 years we have had 534 students request student housing on our campus that we were not able to supply because of a lack of dormitory space.

Through our work force training efforts last year Mississippi Delta Community College conducted training activities that involved 9,568 employees of 117 businesses within the Delta region and our district.

Although we feel that this is a significant number of individuals and companies, we point out that this represents approximately 30 percent of the businesses that are in our district.

We feel that we need to be able to enhance and expand our existing work force training efforts and that through those efforts we would be able to build the work force of the Delta.

Other programs that we currently are running in support of the Delta programs, Delta counties, the Law Enforcement Academy is in its second year of operation. We have so far graduated approximately 150 certified law enforcement individuals who are now working within the municipalities of the Mississippi Delta.

We believe that the sustained growth of our work force training efforts are based upon and depend upon public and private partnerships throughout the region.

Partnerships so far have resulted in the development of a new, state-of-the-art training facility that was currently under construction in Indianola, Mississippi.

This state-of-the-art training facility, 31,000 square foot facility, received a major portion of its funding from the Mid-Delta Empowerment Zone Alliance in the amount of $4 million.

Other funding has come from private sources. Individual companies within the district have supplied funds and equipment for that facility and also the State Department of Economic Community Development has paid a portion of the costs for that facility.

Again, we strongly emphasize the use of public and private partnerships. We feel these are very effective. We feel that the business industry communities are the ones that really realize what skills their employees need; and in working with them, it helps us to determine the types of training programs that we need to better the work force.

A large part of the new training facility that is being constructed in Indianola would be an assessment and job profiling component. The assessment of the available skills of the work force in this area, an evaluation of those skills, and job profiling in the business industry sector to determine the types of skill that the business industry requires.

The gaps between the available skills and the skills that are required will target our training that will be conducted with this center and throughout our Delta region.

We feel that there is a significant need for an expansion of these programs, of training programs, for the work force throughout the Delta and not only in the number of the training programs but also in the scope of these training programs.

We are currently running training programs that are from the basic skills from adult basic education up to supervisory and management training, manufacturing techniques, other techniques that the business industries are bringing into the Delta area in order to prepare their work force.

Although my remarks here today have been brief, I would like to also submit a written report to be entered into the record. And in conclusion, I'd certainly again like to thank you for your support of this region.

Senator COCHRAN. Thank you, Dr. Honeycutt, and the written report will be accepted and printed in the record.

[The statement follows:]

PREPARED STATEMENT OF DR. TONY L. HONEYCUTT

First let me thank you, Mr. Chairman, for your interest in the Delta region of our state and for your support of Mississippi Delta Community College. I appreciate the opportunity to share with this committee some of the activities we are currently involved in as we partner with other institutions throughout the region to provide the educational and training programs required by the new economy of the Delta.

As you know, unprecedented changes are occurring in the way we conduct of our lives today. The economy of the Delta is experiencing renewed strength and growth and sustaining this growth requires that we focus on the future. A well trained, technology literate workforce is the key ingredient for continued economic growth and development.

Mississippi Delta Community College (MDCC) by virtue of its mission, location, and rich program of curriculum offerings, is committed to being a significant player in this renaissance.

MDCC's over 200 full-time professionals, plus numerous part-time personnel, are willing to open their minds and doors to help students achieve their educational goals. Our staff takes pride in the college as well as a personal interest in each of its student. These professionals are dedicated to their careers and to the success of our students.

Enrollment at MDCC has steadily increased over the past seven years reaching an all time high of over 2,700 credit students in the fall of 1999. These increases have resulted in considerable strain on our existing infrastructure. Requests for dorm rooms have outpaced the number of available rooms. Over the last two years, 534 students have not been able to live on campus due to a lack of dorm space. Since transportation remains a major barrier to educational access, this puts these students at a disadvantage and could mean that they will not be able to reach their educational and/or training goals.

The addition of new programs of study such as our Law Enforcement Academy and the Dental Hygiene Technology has improved the Delta's resources in the areas of health and safety. These and other programs offered by the college have a significant impact on the overall economy of the Delta and the State of Mississippi.

Historically, the Delta region found its wealth in its natural resources such as: rich soil, abundant water, and agricultural crops. The Delta added jobs by being a source of low wages and low-skilled workers. Education and training were nothing but a cost, a burden to the taxpayer. This old equation is reversing, in the Delta, the state, and the nation. Natural resources are less important. Jobs for low-skilled workers are disappearing even as pay for these jobs drop. The emerging economy is not seeking the kinds of workers the Delta has traditionally supplied. The new "knowledge based" economy builds wealth on what people know, not just what they can coax out of the ground.

Agriculture remains an economic juggernaut in the lower Mississippi Delta region. This region has traditionally been one of America's most prolific producers of cotton, rice, soybeans, and other major agricultural products. In the decade of the 90's, agricultural producers have faced one of the most severe depressions in American history but there is hope. Recent developments in plant pathology and availability of advanced technologies such as remote sensing, global positioning systems (GPS) and geographic information systems (GIS) have the potential to greatly improve agricultural productivity and enhance crop yields. The rapid application of science and information technology have dramatically changed the way producers, including farmers, bring their products to the marketplace. However, farmers remain reluctant to invest heavily in "advanced technologies" without the assurance of a steady stream of highly qualified, technically proficient workers capable of utilizing the technology to make decisions.

Mississippi Delta Community College in collaboration with private industry leaders, Mississippi State University, NASA, and the Delta Research and Extension Center propose to develop and implement a curriculum in Spatial Information Systems (SIS). This curriculum will lead to an Associate Degree in Spatially Variable Agricultural Production (SVAP), better known to some as Precision Farming. Through input from existing ATE programs, and training partners established, the curriculum will be developed around both short and long term industry needs for an Advanced Agricultural Specialist (AAS). This program will develop the students' basic competencies, workplace values, and technological awareness through faculty/instructor enhancement internships, practical classroom experiences, student internships, and articulation of curricula from two to four year levels. Programs such as this will help move the Delta from the old economy to the new economy.

The old economy of the 40's and 50's with its backbreaking work, tenant farming and rampant child labor positioned the Delta as the poorest region of the poorest state in the nation. The Delta was and remains today the poorest of the poor. But all is not lost; the Delta has begun to loosen the chains of its traditional poverty. Deltans have never been better educated, in number or degree, than they are today. Although this is good, it is not good enough. As the Delta has climbed to a higher rung on the educational ladder, the ladder has gotten higher. The rungs on the ladder that students, parents, and schools once considered final destinations are now only milestones on a life-long educational journey in the knowledge-based economy.

After years of struggling with fragmented training programs, Mississippi recognized that the solution to training deficiencies lies in "partnerships," involving employers, community colleges, secondary schools, universities, economic development agencies, and other institutions. With the passage of the Workforce and Education Act of 1994, Mississippi began the development of strong partnerships and began implementing a training system that places the community colleges at the center of this "customer-driven" delivery system. The Workforce Investment Act passed by the U.S. Congress and signed by President Clinton in 1998 further validates Mississippi's decision to consolidate workforce-training programs into a one-stop delivery system with community colleges at its center. Realizing that consolidation of the state's workforce training efforts is the number one priority for long range economic growth and development, the Mississippi legislature passed SB 2796 (The Mississippi Comprehensive Workforce Training and Education Consolidation Act) dur-

ing the 1999 session. Although the legislation did not accomplish all that many businesses and educators wanted, SB 2796 did stay the course toward a unified educational/training system for the state's workforce.

Legislation without strong public-private partnerships is not the answer. The educational, legislative, community and business leadership of the Delta realizes that the Delta has unique problems and that unique measures are needed. Measures to overcome these problems must be identified, implemented, and updated as needed. The demand for better and faster training is increasing faster that our delivery systems will be able to accommodate. In order to provide training that will not only sustain the Delta's economy but also propel it into the new millenium, educational institutions must retrofit their delivery systems to meet the demands of employers and employees (incumbent and future) alike.

Far too many Deltans remain too distant, geographically and educationally, from jobs that would move them into a higher standard of living. Demographic trends and inadequate education continues to threaten the Delta's march to prosperity in an economy that increasingly discriminates against the uneducated and undereducated. Just having the programs that other areas of the state and region have is not enough, because as long as we keep training the way we have in the past, we will keep getting the same results from our educational/training programs. In other words, we must reevaluate our training programs in light of recent advances in technology, manufacturing processes, and modern business practices. MDCC took a proactive stance seven years ago with its workforce training programs through the creation of the Center for Career & Workforce Development but future success depends on continuous input and support from the business community. Input on the types of training that is required and support (financial and other) that turns the training plan into a trained workforce.

During fiscal year 1998–99, MDCC's Career & Workforce Division conducted training and other activities for 9,658 participants from 117 businesses in our seven county service delivery area. As significant as these numbers appear, it is important to realize that this only represents approximately 30 percent of employers and employees in the district. More efficient and effective educational/training programs are needed if the region is going to reach its potential.

Wayne Gretsky, the greatest hockey player ever to play the game, said "you do not become a great player by going to where the puck is, you become a great player by going to where the puck is going to be." It is not easy to predict the future and it is not easy to determine the types of training programs that will be required in the future but it is not impossible. We do know what we need to do in order to develop the training programs for current and future workers. Input from employers and employees must be gathered and analyzed to determine the skills that will be required of the future worker. Training programs must be designed, implemented, evaluated, and revised as required skills change. It is important to note that this must be a continuous process else we will constantly be training for yesterday's jobs. We can no longer afford training programs that prepare individuals for jobs that no longer exist or those that do not prepare individuals for jobs beyond the entry level. Businesses operating in a "lean" environment are partnering with MDCC's Center for Career & Workforce Development to ensure a steady stream of skilled employees. Relevant, flexible, and learner-centered education and training programs are being implemented to prepare our citizens and our companies to participate in the new economy. Although this process is not a simple one, we have already seen that it will work.

Two recent events highlight what can be accomplished when public-private partnerships are allowed to work. Community leaders, legislators, educators, and business leaders working together developed a plan to establish a regional state-of-the-art training facility at Mississippi Delta Community College. The newest component of MDCC's workforce training efforts, the Delta Center, was developed with input from current and potential customers and partners of the college and has since received $4 million in construction funding from the Mid Delta Empowerment Zone Alliance. Other contributions include $250,000 from the Department of Economic and Community Development, Dollar General Corporation donated 10 acres of land valued at $140,000, Viking Range Corporation donated all the kitchen equipment, U. S. Axminster donated the carpet, and other corporate partners have indicated a willingness to donate equipment to be used for training. The Delta Center will be unlike any other training center in the state in scope and delivery. Customized training programs designed to provide upgraded skills, delivered at times convenient to the companies and employees is the college's goal for this facility. The Delta Center, which will operate as a component of the Center for Career & Workforce Development at MDCC, is currently under construction and is scheduled for completion in December 2000. We hope to receive additional funding through an EDA

grant from the Department of Commerce and a RBEG grant from the Department of Agriculture to equip and furnish this very important training facility.

Another recent event dealing with workforce training also points out that the Delta has the desire and ability to bring people together to mold solutions for its problems. While other groups were trying to decide how to divide the state, the boards of supervisors of fourteen Delta and part Delta counties formed a coalition that resulted in that group being designated as the state's first service delivery area under the Workforce Investment Act of 1998. The Delta Council spearheaded efforts to ensure that the Delta's interest were paramount in this process. This designation ensures that the Delta will decide what types of training programs it needs and how best to deliver these programs.

The Delta will reach its potential for growth and development of the human component of economic development only if we all pull together. Yes, we have barriers to overcome but these barriers are not insurmountable. We do not need to fix the blame or point fingers at others for our lack of a highly skilled workforce. We are all in the same boat, we call the Delta, and if one end of the boat springs a leak, we all get wet. A highly skilled, flexible, technically literate workforce is the major component of economic development and it is in everyone's best interest to support the Delta's economic advancement through the development of its human capital.

Senator COCHRAN. We will now hear from Mr. Arthur Peyton, who is the interim director of Mid-Delta Empowerment Zone Alliance.

**STATEMENT OF ARTHUR PEYTON, INTERIM DIRECTOR, MID-DELTA EMPOWERMENT ZONE ALLIANCE**

Mr. PEYTON. Senator Cochran, and to those of you here today, I'd like to ensure you that I'm more than gratefully delighted for the opportunity to testify.

I would like to say to you initially that I've sent a detailed and comprehensive report to your office already concerning the Mid-Delta Empowerment Zone. And I wrote one piece of paper to you, but it talked too much about me, so I elected to be precise when I looked at your press release that came out and really address it to some extent and say to you that I'm certainly happy to have you here on this campus.

What I really wanted to say to you, the Agriculture and Rural Development and Related Agencies, is that the Mississippi Empowerment Zone certainly is in great agreement with you being here and we strongly support and applaud the President of the United States and the administrative division in the position of appropriating $153 million for the creation of the new Delta Regional Authority.

Senator Cochran, I can testify that there is a need in the Mississippi Delta for additional funds in order to meet the needs of the people of the Delta. I think that Mississippi universities, the Union College, and others who are part of this certainly would be the individuals that could come in and help out a great deal in trying to bring to fruition the kinds of things that this area needs.

I firmly believe that the President of the United States, the Congress, and the leadership in Washington should provide the rules to oversee these projects. And furthermore, our local, State, and business communities should be equal partners in this initiative.

Now, when you consider the distribution of monies, that's what I like to talk about, money. Majority of the needed funds should go to needy families, those who are in very low income areas of Mississippi. Only limited funds should be provided to people already in excess of $60,000 in salary.

This includes the college people as well. I feel very strongly that in the Mississippi Delta there has been too much double-dipping with funds that have been made available.

People who are working 8 hours getting a fat-cat salary and then, yet at the same time, they're getting this Federal money and making $180,000.

I would further recommend that the executive branch, the legislative branch, and the judicial branch of the Government should work together to make sure that whatever monies are appropriated that it's spent properly.

It is vitally important that the people who are involved in any way in administrating these different programs, they should be properly informed. The central administration should be able to see to it that they do not suffer what we have suffered at the Mid-Delta Empowerment Zone.

We failed initially to put people in place; and as a result, we had 4 years of a real tragedy. But once we realized we made a mistake, we've been able to go back and put in place and create the kinds of programs that are essential for the ongoing growth of this community.

Today I'm happy to report that the Economic Development Division has leveraged $34,476,920.87.

The Housing Division has leveraged $4,393,073.50.

And in our General Division, we have leveraged $11,691,760.94.

Now, I made all them mistakes because I can't deal with all this big money.

But I would like to say to you that we have been able to create at least 956 new jobs in the Mississippi Delta.

Now, as you know, I've sent to your office a copy of this rough report and I've also included in that report the most significant accomplishments. And then too, at the same time, I've sent you the same report that I sent to the United States Department of Agriculture's office about the success and the failures of the Mid-Delta Empowerment Zone.

I congratulate you and I congratulate your staff and I hope that you will continue to do the kinds of things that you are doing as a Senator.

I was so happy to see you over in Greenville when you were talking about Highway 69. And somebody approached you and told you very vividly that that was a Republican highway. And you said to them, that that highway is for the people.

Senator COCHRAN. That's right.

Mr. PEYTON. And I never will forget that. Let me say this, what we'd like to do is invite you and people from your department to come back to us. We are going to have what is called a mid-term, a midday, or a mid-something for the empowerment zone.

And what we want to do is have all of the communities that were historically involved, the representatives from Washington, the representatives from the State, and all of our local people to come back and look at the 5 years that we spent trying to do what was good and yet at the same time find the direction that we would like to go in the future.

I want to remind everybody here, the only thing that works is work. Martin Luther King said it better than anybody else. Fleece

and locks and black complexions cannot fault with nature's claim, it must differ with affection that dwells in black and white the same. If I was so tall as to reach the poles of wrath upon which I stand, I must be measured by my soul. The mind, the mind, is a standard of a man. Thank you very much.

Senator COCHRAN. Thank you, Mr. Peyton. We appreciate your participation in the hearing and your statement for our committee. We'll now hear from Mr. Griffin Norquist, who is representing the Delta Council Development Department. Mr. Norquist.

**STATEMENT OF GRIFFIN NORQUIST, CHAIRMAN, ECONOMIC DEVELOPMENT DEPARTMENT, THE DELTA COUNCIL**

Mr. NORQUIST. Thank you, Mr. Chairman. My name is Griffin Norquist. I am a native of the Mississippi Delta and Chairman of the Board and President of the Bank of Yazoo City, as well as, Chairman of the Economic Development Department of the Delta Council.

As a fifth generation Deltan, I believe it is fair to say that we have a strong interest in the future of the region. Today I would like to briefly address both the general status of our regional economic development activities, as well as, specific areas that have been impacted by Federal action or lack there of.

While the Mississippi Delta is far from achieving its vision of economic heritage with the rest of the Nation, we are making some significant progress. In the last 3 years alone the 18 Delta incorporated counties of Mississippi have had 42 new industries located in the region with over 260 companies constructing significant expansions.

This has resulted in over 7,000 new jobs and over a half billion dollars in new investments. The capital income for the region is gaining on State and national averages and unemployment is continuing to decline. For the first time in history, manufacturing wages in these Delta counties have surpassed the $1 billion mark.

This progress has not been accidental nor will it reverse. It is based upon strong working partnerships led by local leadership and relying upon the continuing assistance of numerous State and Federal agencies that have direct experience in successful rural economic and community development.

The USDA Rural Development has provided tremendous assistance through programs such as the rural business enterprise grants, business and industry loan guarantees, and critical funding for rural water and sewer projects.

Our universities and community colleges have long provided critical assistance in terms of job training of small business assistance and curriculum development. And local economic development agencies are for the first time in history working together to attract companies that will increase well in our entire region. We would hate to see these locally driven initiatives disrupted or superceded with new and potentially less responsive bureaucracy.

There are a few specific issues I would like to address at this point while noting that more detailed comments are attached for the committee's official record. No area can prosper without adequate transportation resources.

In addition to other highway programs, Mississippi is taking great strides in opening up the US 82 corridor and will soon complete this important four-lane project across the entire State.

This highway crosses the Mississippi River near Greenville and will eventually provide four lane access from the Alabama and Mississippi State line in east Mississippi directly to Little Rock, Arkansas.

The Greenville Bridge over the Mississippi River has been classified as a navigational hazard by the United States Coast Guard and is authorized for replacement.

The fiscal year 2000 budget included $9 million in critical funding to finalize all preconstruction activities. This funding was subsequently eliminated by the Department of Transportation and the Federal Highway Administration. We believe that this high priority replacement of a documented navigational hazard is critical to maximizing the economic benefit of our highway infrastructure.

At the same time, we applaud the continuing development of the I–69 corridor and believe it will do much to enhance the economy of the area. Recognizing the importance of our historically black colleges and universities, we would like to express our support for increased funding for Mississippi Valley State University for the purpose of strengthening curriculum and management at the university.

This funding, which was not included in the administration's budget, is essential to stabilizing growth plans for Mississippi Valley State University. Delta State University has embarked upon an initiative partnership with Delta Council and 34 Delta school districts which will train new school administrators, increase the number of new teachers to alleviate our critical shortage, and enhance the overall quality of K through 12 education.

We believe that this $1.5 million allocation should be restored and expanded. Local institutions are best suited to deliver positive results for the future of educational needs in the Delta. And we urge the Congress and the administration to emphasize these efforts rather than starting new projects altogether.

Perhaps the single most important element of economic development in the Mississippi Delta is that of job readiness and skills enhancement training. In terms of upgrading our employment and attracting new investment, the community colleges in our area have been a crucial factor in recent success.

Unfortunately, at the very moment that we are on the brink of success, budget constraints may force institutions like Coahoma Community College in Clarksdale and Mississippi Delta in Moorhead to lay off training personnel.

Mississippi Delta has struggled to obtain funding for a state-of-the-art training facility in Indianola and is continuing to seek avenues to fund equipment and increase staff. Working with USDA and the Department of Commerce, we hope to be able to fully utilize these increased capabilities.

Once again, we need for the Congress and the administration to strengthen these established and existing delivery systems before moving the emphasis to more decentralized systems.

Lastly, I would like to take a moment to thank the committees for supporting what is possibly the single most cost effective eco-

nomic development program in the country. For a number of years, the committee has supported a modest but crucial program called the Delta Rural Revitalization Problem or Delta Project.

It's managed jointly by Mississippi State University and the Development Department of Delta Council. This appropriation has provided massive productivity improvement training for companies such as Viking Range, La-Z-Boy, and Urban Industries.

As a result of this initiative work, Viking has expanded five times and now is recognized as the leader in quality and product flexibility.

Even more importantly, these funds have led to the creation of the Delta Data Center. The Delta Data Center is staffed by one person and operates on the premise that in the field of economic development accurate data and timely response equals success.

This operation has been instrumental in providing real-time data resulting in the location of companies like Dollar General, rural vendors, and numerous others in our Delta.

In addition, the center provides fast accurate information to public and private partners resulting in new water and sewer systems, work force training grants, public infrastructure, and economic development marketing analysis.

It can easily be shown that the center has been instrumental in creating over 1,000 jobs and hundreds of millions in new investments.

At some point in the future we will be delighted to give the committee a brief tour of the center and show the staggering results of this Federal investment.

In conclusion, I would like to reemphasize our thanks to the committee and our unwaivering support for the many partners seeking to bring prosperity to the true Delta region.

We sincerely hope that any effort by the Congress and the administration to bring a higher degree of emphasis to the needs of our Delta region will use our existing and proven public sector institutions such as, Mississippi Valley State University, Delta State University, Coahoma Community College, Mississippi Delta Community College, and the Mississippi Department of Transportation as a primary delivery mechanism for our growth. Thank you.

Senator COCHRAN. Thank you very much, Mr. Norquist. One of the things that we haven't heard much discussion about today is probably the biggest industry in the Delta and the source of most of the jobs in the Delta, although the $1 billion payroll from manufacturing jobs are very impressive, but that's agriculture and those businesses that are related to agriculture.

I know that we shouldn't overlook this major source of jobs and funds and opportunities for the people who continue to live and work here in the Mississippi Delta. Is there something that we need to take back with us to Washington, like don't forget the farmer or don't forget agriculture in all of this? Mr. Norquist, you're probably situated to answer that question as well as anybody.

Mr. NORQUIST. I would ask that you go back and ask them to pray for us more than anything.

I would say that, Senator, had it not personally been for you last year and what you did at the end of the session to provide emer-

gency help, I have no idea what would have happened to us. We all appreciate what you did.

Our problem now is in the pricing, the increase of the fuel costs is just absolutely going to ruin some of them. There's just no way they can continue under the cost. And we also are seeing for the first time, I think, and this is something that the universities can be very helpful with, we're starting to see the despair in their eyes for the first time.

It's one thing since 1995 when we had a crop disaster based on some specific insect. It's another thing that the prices of all of our crops do not allow us to make any money that's reasonable. We have to have some help and it has to be a long, continuing help. It cannot be something that allows the farmer from year to year to struggle with the winds the way they are blowing.

Senator COCHRAN. There are some programs that are designed to help support lending to those involved in agriculture, guaranteed loan programs from the Department of Agriculture. Would you suggest that we need to be aware of the importance of those and to support those? Could you get along with making direct lending from banks or other private sector sources without the Government programs?

Mr. NORQUIST. If it were not for the Government programs of the special FSA Guaranteed Loan Program, and if you along with our Congressmen, had not expanded that program to get the dollar amount up to a higher level—the pressure now though is the cash flowing of those needs and we must have some relaxation from the USDA on those programs to allow the cash flowing needs when we do have low crop prices as we do at this point.

Senator COCHRAN. Related to efficiency in agriculture is coming up with new technologies and doing the necessary research to improve efficiencies in agriculture. Here in the Delta we have some important research facilities not only at colleges and universities, but we're laboratory based, research laboratory, research is being done, but also Agriculture Research Service facilities at Stoneville and Mississippi State University's supported facilities are in the Delta too. How important is that activity?

We do have some high quality jobs. Scientists are located in the Delta. Many who work at these facilities to support them earn good salaries. Can I take back to Washington that these are needed and we need to continue to invest funds through the Federal budget in these activities in the Mississippi Delta? Mr. Norquist, I'll let you answer that, too, then I want everybody to respond to that.

Mr. NORQUIST. I've never been between this many doctors without a physical exam.

A specific example of what you're talking about, is if had it not been for research at Stoneville in biogenetics after the 1995 cotton crop where the big army worm tore it to shreds and we were able to come up with the genetic alternate so that the crop does not have to take the amount of pesticides it was costing them, that simply right there saved cotton farming in our area of the State primarily, and it's because of the work they had done.

The only way we can compete, and we're going against foreign countries that subsidize their farmers dramatically, is to have the

proper research and the best place to have it is here in the Delta where it is, where we do the job and do it constantly.

Senator COCHRAN. Dr. Newman, I think I'm going to ask you the same question in terms of the importance of the biosciences. It's one of those areas that was identified in that meeting I attended yesterday at Jackson State University. Business and community leaders are trying to decide what our goals ought to be and what the strategies should be to achieve those goals, and that was one of the targeted areas of business activity and development activity that we could concentrate on in Mississippi and was a great advantage. Do you agree with that?

Dr. NEWMAN. I most certainly do, Mr. Chairman. It's important that universities engage in research that can be utilized by not only farmers, but also other entities in the Delta. For example, Mississippi Valley is working with the Agricultural Research Service in Stoneville now to develop a program of bioinformatics which is an emerging field that we're told that will create more jobs in science and technology in the next few years than many other fields, most other fields.

We feel that we have to play that role as an institution to be on the cutting edge not only providing the research, but also working with persons in the community to be able to take that research into the community that can be utilized and develop into various businesses and markets that will allow the Delta to grow and expand.

So research is the avenue that will allow us to connect the theory with the practice that will move the community forward in terms of the kinds of development, new developments that will create new markets and jobs within the community.

Senator COCHRAN. Dr. Honeycutt, do you have programs at Mississippi Delta Community College that are directly related to agriculture jobs and job training, and if so, are they supported in any way by Federal funds or the Department of Agriculture?

Dr. HONEYCUTT. Yes, sir. We have agricultural technology programs that operate through our regular vocational technical programs and also some academic programs that are transferable on to the senior universities.

We are currently working in partnership with Mississippi State University, the research center at Stoneville, NASA, and private sector individuals to develop a 2-year degree program that we hope will be funded shortly by the National Science Foundation to develop a 2-year associate's degree program in precision agriculture which would be using geospatial information and remote sensing technologies that are available through NASA currently and how that would be incorporated to make farming and agriculture more efficient in the Delta.

It is being tried in other areas of the country, we understand, but the soil makeup and so on of the Delta and the farming techniques of the Delta are different. And we're working with Mississippi State and others, as I said, to develop those types of programs now. And like I said, hopefully, we will receive funding shortly for this degree program. We've had very good responses from our inquiries about it so far.

Senator COCHRAN. I congratulate you on your involvement in that and wish you well in your quest for those funds. We'll prepare to help you in any way we possibly can to help you——

Dr. HONEYCUTT. We'll appreciate it.

Senator COCHRAN (continuing). At the Washington level to support that. Mr. Peyton.

Mr. PEYTON. It's quite interesting that Mid-Delta has been called upon by NASA in this State to kind of assist them in some ways to perhaps get Valley State, I understand here in Greenwood, there's a program being conducted. And what they need is young people to be trained and we haven't had a chance to talk to Dr. Newman about it, but we hope to do that in the very near future.

But it seems to be exciting the kinds of things they tell me they can do from way up there, from way down here is unbelievable.

We're looking forward to working with them in that regard.

Senator COCHRAN. You probably heard Dr. Newman talk about the summer training program initiative to get respective students to come to the campus and talk about the possibilities for technology training or science.

Dr. NEWMAN. Science and technology.

Senator COCHRAN. Science and technology training, that sounds like a good program. Could you help recruit students for this or pass the word that this is a new addition? We have the summer sports program. We have Federal funds that we try to make available every year so that young students can come to the campus and participate in that. That's been a successful program in the past.

Dr. NEWMAN. Yes, sir.

Senator COCHRAN. And I expect you'll gladly continue that if you get the Federal funding for it.

Dr. NEWMAN. Yes.

Mr. PEYTON. We certainly welcomed that idea. Forty-five years in the teaching profession I thought I was out of it, but I'm ready to go back.

Senator COCHRAN. Tell us more about this initiative for science and technology in the summer, opportunities that will provide for young people, Dr. Newman.

Dr. NEWMAN. The Science and Technology Summer Academy is one of the aspects of our proposed Center of Excellence in Science and Technology. This is our link to the community and to the public schools. And we're working with the areas' superintendents, 15 school districts, to develop the academy that will provide students with rigorous hands-on learning experience in science and technology.

We are also developing a faculty development program that will work with both college professors and public school teachers in teaching young people to make learning in science and technology exciting. And we feel this will allow us to address that great digital divide as we all talk about in terms of technology and students who do not have the resources and exposure to computers and the kinds of training in sciences.

We know that many of the area schools do not have qualified teachers in math and sciences; so therefore, we feel that we have to assist in providing that opportunity for young people to have the

grounding in that area that will allow them to be successful in college.

Senator COCHRAN. I think that is an excellent idea and wish you well in that new program. We can——

Dr. NEWMAN. And may I add that we plan to start it this summer.

Senator COCHRAN. Good, good. Dr. Potter, I was glad that you mentioned the arts and education and the Performing Arts Center at Delta State University. I don't know of anything that's had such an impact in such a short period of time in terms of attracting the quality of the performers who have been there and the publicity throughout the Delta of the availability of arts programs at the Delta State University, so I congratulate you for taking full advantage of that and enhancing the programs for art education and educating in the performing arts there.

Somebody was pointing out to me the other day that in schools where you do not have arts education curriculum in music or some of the other arts programs, you don't have near the attendance and drop-out prevention success as you do in schools that do have those programs, so I'm hopeful that we can do that throughout the Delta region, too.

There may be something we're missing the boat on not including, you know, when I started school they had what they called public school music. But they had a lot of other things that children had an opportunity to do in the arts area. And a lot of that is missing in our elementary and secondary schools.

Is that something that we can work on and improve in our State without a whole lot of pain or requirement of Federal funding? Can that be done with the State and local funds or do we need a federally funded program for that?

Dr. POTTER. There is a State program that we're working in collaboration with now called the Whole Schools Program and the concept behind that program is that the arts in elementary schools are a vehicle or an entry point to stimulate students' interests in all subjects, so using the arts as a kind of teaching tool for other disciplines I think has a lot of promise.

And we're hopeful, that that program is being hosted at Millsaps this summer. We're hoping to host it around the State the next summer. And we're talking about having the subject matter of that arts education to be the Delta and its history, its culture, and heritage so that you're not just using the arts as a stimulus, but you're using the actual content of the arts to help you better understand their own heritage and have pride in that heritage. And that's a program that's run out of the Mississippi Arts Commission.

Senator COCHRAN. Right now, you know, we have Bill Ferris in Washington who's head of the National Endowment for the Humanities. And he's a product of Vicksburg, Mississippi, out in the country from Vicksburg, Mississippi, as a matter of fact.

And he has a great deal of personal interest in the Delta and Delta music and Delta arts and the history of it. And so we might be able to take advantage of his position in that spot to help enhance teaching and learning opportunities in this area as well.

Well, I think you've all put in perspective the role that education particularly can play in helping promote economic development and

provide the grounding education beginning at the kindergarten level where we can improve the opportunities of children who have grown up in the Mississippi Delta to take advantage of the emerging job opportunities.

Griffin Norquist points out how manufacturing is now becoming a very important part of the Mississippi Delta's economy; but if we don't have the students who are competent and skilled and trained and motivated and understand what the requirements of the workplace are and what the expectations are, we're going to miss out on a new growth opportunity for our State.

So I think this panel certainly understands that, but maybe promoting this as a way to stimulate the whole State and the whole region and all of our schools and universities in the State will be a worthwhile thing for us to have done today.

And that's one of the purposes for having this hearing, to try to promote new ways of meeting the challenges that we face in our State for economic progress.

We all want to move forward, but harnessing all of our resources, taking advantage of relationships with the Federal Government, and our congressional delegations has, being able to bring Federal agency people here to get a better understanding of what our special needs are and what our hopes and aspirations are, I think we would be well served to take fuller advantage of these relationships.

And business and industry leaders are hard at work. I can testify to that from my personal meeting yesterday with a lot of those leaders in Jackson. And I'm glad to see this new initiative of working together, trying to cooperate more, setting aside differences of race and culture and background and previous experiences, we can pull together and achieve our goal for the future. And I'm encouraged and I'm optimistic. I think we're on the right track. And we've got a long way to go.

Like Dr. Thompson said yesterday, but we've come a long way. We've achieved a lot of success in this State and it's not well known.

CONCLUSION OF HEARING

I appreciate very much the opportunity of being here today with our staff and representatives of our committee to hear first hand how we can do a better job of supporting the initiatives here in our State and particularly the Delta region. Thank you very much. The hearing is recessed.

[Whereupon, at 12:15 p.m., Tuesday, March 14, the hearing was concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]

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