

October 22, 2019

The Honorable Richard Shelby
Senate Committee on Appropriations
Chair
304 Russell Senate Office Building
Washington, DC 20510

The Honorable Patrick Leahy
Senate Committee on Appropriations
Vice Chair
437 Russell Senate Office Building
Washington, DC 20510

The Honorable Nita Lowey
House Committee on Appropriations
Chairwoman
2365 Rayburn House Office Building
Washington, DC 20515

The Honorable Kay Granger
House Committee on Appropriations
Ranking Member
1026 Longworth House Office Building
Washington, DC 20515

Dear Chairman Shelby, Chairwoman Lowey, Vice Chairman Leahy, and Ranking Member Granger:

As the Committee continues its work to reconcile the Fiscal Year 2020 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, we urge you to maintain the U.S. Department of Agriculture Rural Cooperative Development Grant program at \$6.8 million as provided in the Senate's bill.

The Rural Cooperative Development Grant program is the sole domestic program dedicated to the start-up, innovation, growth or conversion of cooperative enterprises. This program is especially critical to rural America where cooperative businesses play such an important role. Rural Americans have used the cooperative model in agriculture, utilities and financial services for more than a century to own and control their economic future and transform communities. In its short history, RCDG has been used by cooperative development centers to create, preserve or grow nearly 400 rural cooperatives, impacting more than 47,000 cooperative owners and directly or indirectly creating more than 5,800 jobs.

We strongly believe that we are in a cooperative moment. With a wave of small business owners approaching retirement age, communities across the nation are posed with a unique opportunity to create thousands of new owners through conversions to worker- and consumer-owned cooperatives. From child care centers to grocery stores to farms, cooperatives continue to empower rural Americans to access the goods and services they need. More and more small business owners are turning to cooperative conversions as a viable succession plan to ensure the business can continue to provide jobs, goods and services to the community. It is imperative that we seize this opportunity and provide cooperative developers with the resources to provide technical assistance to a wide range of cooperative businesses by funding RCDG at \$6.8 million.

In addition, we would like to thank appropriators in both the House and the Senate for including report language that commends the contribution of cooperative businesses:

Rural Cooperative Development Grants.—The Committee recognizes the important role that cooperatives play in the Nation's rural economy and the continued need to fund established and successful development centers throughout the country.

Thank you for your support of cooperative development in rural communities as you continue to negotiate a final funding bill for Fiscal Year 2020.

Sincerely,

National Cooperative Business Association CLUSA
California Center for Cooperative Development
Carolina Common Enterprise
CoBank
Common Ground Food Cooperative
CooperationWorks!
Cooperative Development Foundation
Cooperative Development Institute
Cooperative Development Services, Inc.
Food Co-op Initiative
Indiana Cooperative Development Center
National Cooperative Bank
National Farmers Union
New Mexico Cooperative Catalyst
North Dakota Association of Rural Electric Cooperatives
Northwest Cooperative Development Center
Rocky Mountain Farmers Union
The Bailey Group, LLC
U.S. Federation of Worker Cooperatives