

Address by Earl F. Gohl, Federal Co-Chair of the Appalachian Regional Commission

Development District Association of Appalachia Annual Conference

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As Prepared for Delivery

Welcome to Washington, D.C.! It's great to see each of you.

During the past two years, I have had the opportunity to visit with many of you in your regions. You have shown me great work, great dreams, and great communities. You have introduced me to the Appalachian army of folks who get up every day and work to make Appalachian communities better places for their kids and their grandkids. I want to thank you for being so accommodating and working with us on these trips.

WHITE HOUSE BUSINESS COUNCIL

In particular, I want to thank those of you who have been the hosts of 15 White House business roundtables that we have held together around the Region this past year. These were a bit off our regular menu of activities, but I have found them to be an important experience where we talked and spent time listening to folks ARC does not normally engage.

If you are wondering what came of all that work and reports from those sessions, let me tell you about a meeting that I participated in a couple of weeks ago in the Roosevelt Room at the White House. The purpose of the meeting was for several of us to report on our White House business roundtables. The session included assistant secretaries and senior staff from a number of large federal agencies, and senior presidential advisors Valerie Jarrett and Mike Strautmanis.

And who got to sit directly across from the president of the United States? Well, that was me. The federal co-chair of the Appalachian Regional Commission.

The only reason I was invited to participate in that meeting was because of the work a number of you did in hosting the White House business roundtable sessions. I am not sure the last time a federal co-chair participated in a meeting in the Roosevelt room, let alone sat across from the president of the United States.

But let me say this: I want to get invited back. And the way I get invited back is by continuing to be engaged with the LDDs and the work that you do, and for us to continue to focus our work on winning the future for Appalachian communities.

Next time, instead of talking about the work that all of us did to help Appalachian communities through the Great Recession, I expect to be talking about the difference LDDs made in making sure Appalachian communities are a part of the nation's economic recovery.

LOCAL DEVELOPMENT DISTRICT PARTNERSHIP

As you may recall, I have said on a couple of occasions that I believe the triad of the Commission staff, the state program staff, and the LDDs is a critical partnership. When we face challenging budgets, it is important not to divide up this partnership but to keep it as strong as possible—which to me means not cutting support for state program staff, not cutting support for LDDs, and not cutting support for the Commission.

And it's my intention to keep to that plan. Keeping this partnership as strong as possible is critical to keeping the ARC mission on course. Having said that, it is important to remember that we—the Commission, the states, and the LDDs—are all *public* agencies doing the *public's* business, using *public* resources, and conducting business with transparency and the highest ethical standards.

The most successful LDDs are incredibly entrepreneurial, and that is a key to your success. But we always need to remember to be entrepreneurial for the benefit of the public.

LDDs do great work and are very credible agencies in their communities. To make sure that you retain that credibility and you can continue that great work, we must all be vigilant and focused on adherence to the highest standards—in the quality of projects that are funded and in the way we conduct our—the public's—business.

LOOKING BACK

Three years ago, when you came to the DDAA conference, President Obama had just taken office.

Our nation had lost jobs for 14 consecutive months.

It was unclear whether American automakers General Motors and Chrysler were going to survive the year.

Your health insurance could be cancelled if you got sick.

The financial industry had collapsed six months before.

The Dow Jones was at 6500.

The new \$837 billion stimulus bill was just a few weeks old.

MOVING FORWARD

This year, the cherry blossoms are about to bloom.

There have been 24 months of consecutive job gains, totaling 3.9 million jobs created.

During the past 3 months, over 750,000 jobs have been created by the private sector.

Your health insurance can't get cancelled just because you are sick or for pre-existing conditions.

There is an independent consumer watchdog looking over the shoulder of the financial industry.

In 2011, American dependence on foreign oil fell to 45 percent down from 60 percent in 2005.

Last year, the U.S. produced 2 billion gallons of oil, the highest amount since 2003.

On Friday, the Dow closed at 13,232.

LDD CONTRIBUTION

During the last three years, LDDs and their local partners have helped invest a good “chunk” of that \$837 billion stimulus into Appalachian communities.

United States taxpayers have invested over \$450 million in broadband systems in Appalachian communities, and we are not talking just about the \$200 million in West Virginia, but the:

- \$9 million in Oconee County, South Carolina
- \$21 million in Appalachian Valley Fiber Network in northwestern Georgia and eastern Alabama
- \$66 million in Appalachian Ohio
- \$9 million in northeastern Tennessee

And the list goes on.

In regard to transportation investments, highway improvements totaled more than \$2.4 billion. And then there was the rail work, which included:

- \$100 million for the Norfolk Southern Crescent Corridor program
- \$100 million in the CSX National Gateway program
- \$20 million to help rebuild the rail connection from the Port of Gulfport, Mississippi, to northern Mississippi
- \$15 million for "Appalachian short lines railroads," which went to upgrading lines in Kentucky, West Virginia, and Tennessee
- \$11 million to SEDA COG for short line improvements
- \$12 million to the intermodal inland port in Prichard, West Virginia

You know, I could stand here all night listing projects in Appalachia, including significant investments in water and sewer, elementary and secondary schools, community colleges and universities, energy efficiency and alternative energy sources. There are people like myself who believe that these projects in Appalachia are investments in America’s future. But you may know of some who would argue that they are just pork for Appalachia. My conclusions come from talking with you, visiting your communities, and seeing a lot of projects funded from a variety of sources.

To me, your projects and investment both from the Recovery Act and other sources have the potential for providing a return to U.S. taxpayers, and are critical parts of your communities’ local infrastructure. But *how* much of a return is really up to you and your leadership, the work of your district, and involvement in your communities’ economic recovery. As the country experiences this economic recovery, it is our job to make sure that Appalachian communities are full partners in that recovery.

It's so critical that we engage our assets, take advantage of both our new and old investments, and use them to grow our communities. We have some great opportunities ahead of us, whether it's in the potential that natural gas can provide, the strengthening of auto-manufacturing and its supply chain, alternative energy development, local foods, or the changes that technology brings to our schools. There is a long list of assets and opportunities. Each of your lists is different, but they all have great potential.

When Guy and the staff prepare for our trips, the most frequently asked question is, "What does Earl want to see . . . what is he interested in?" The answer to that question has been: he wants to see what is important to you. He wants to see what your priorities are. What are your dreams? What are your challenges?

This year we are going to change that up a bit. Because the nation's economic recovery provides a new urgency to our work, it's an opportunity that we cannot miss. It is critical that we are strategic in leveraging our local assets to be full participants in the nation's recovery. We cannot afford to be left behind.

This year, I am going to have a question for you, and my question is this: "What are the three things you are doing to make sure that your Appalachian communities are fully participating in the nation's economic recovery?" I think that is the right conversation to have this year. It helps us focus on what you are doing that will make a difference in your Appalachian communities.

It is about what is on your agenda and in your tool kit that will help your communities win the future.

It is about the contribution that your district is making in Appalachia so that your communities reach their potential as great societies.

I am looking forward to the next couple of days with you.

I am looking forward to this year.

I am looking forward to our conversation.