# Rural Policymaking in Action

Highlighting State Actions to Advance Rural Prosperity & Equity

### Overview

- Rural communities, particularly communities of color in rural places, experience disparities in health, wealth, and opportunity that stem from the fundamental drivers of health inequity.
- State governments are important actors in ensuring that rural communities thrive and have the tools to address structural and systemic inequities as well as chronic disinvestment.
- We encourage state and local leaders to use these case studies which outline key policy efforts by US states to generate new policymaking approaches that benefit rural communities.

## Background

Across America, many states are taking action to promote thriving rural communities.

Representing a significant portion of the country's population, landmass, and economy, rural America is a rich mixture of diverse communities, people, and cultures – all of which have a myriad of unique strengths and assets. However, rural communities face rising housing costs, lack of health care access, broadband deserts, and limited job opportunities; and these deepening health, social, and economic inequities have been exacerbated by the COVID-19 pandemic and the resultant economic crisis on top of long-standing inequities. Given the unique diversity and strengths of each rural community, policy solutions need to be tailored to the community conditions and lived experiences of people in those communities. State governments are important actors in ensuring that rural communities thrive and have the tools to address structural and systemic inequities as well as chronic disinvestment. State governments make key investment decisions about infrastructure, education, and many other matters – decisions that help determine the long-run capacity of the entire economy.



Our current moment in history presents an opportunity to build on the assets of rural communities and advance equitable development in rural places. For instance, the federal government's focus on equity through agency actions, plans, and funding available through the Infrastructure Investment and Jobs Act and the American Rescue Plan Act are examples of resources that state and local leaders can leverage. Additionally, states across the country are establishing state rural offices in recognition of the importance of strategically aligning state agency efforts, policies, and resources to better serve rural communities.

As part of ChangeLab Solutions' <u>Toward Better Rural Futures</u> project, we have identified key policy efforts in several states that can serve as guides for strategic action at the state level. Toward Better Rural Futures aims to foster greater collaboration and alignment across local, regional, and state levels of government. The project equips leaders with the tools and knowledge to fundamentally shift power, opportunity, and resources in order to create healthy rural places where everyone can thrive. This work seeks to address the systemic and structural barriers and chronic disinvestment that impede rural and tribal communities' health, well-being, and opportunity. Our hope is that state and local leaders will use these short case studies to generate new policymaking approaches that will advance rural prosperity and equity.

### Colorado

#### Workforce Development & Health Care Access

Colorado is increasing workforce development opportunities and access to health care resources in rural communities by investing over \$425 million. So far, the state has committed to increasing access to health care resources and services by allocating federal and state funds to rural communities, by passing key legislation that promotes health care workforce opportunities, and by creating programs that strategically build capacity in rural communities.

In 2020, the State of Colorado allocated \$400 million from the American Rescue Plan Act and state general funds to increase the number of providers, physicians, and other direct health care workers in rural communities. In addition, in 2022, the governor signed legislation establishing the <u>Colorado Rural Health-Care Workforce Initiative</u>, which allocates \$1.2 million to higher education institutions so that they can incentivize and promote workforce opportunities in the health care industry for rural communities. The Colorado Rural Health-Care Workforce Initiative authorizes institutions of higher education to take a two-pronged approach: (1) create rural tracks for students who have expressed interest in working in rural communities for at least two years after graduation; and (2) reserve admissions seats for students who wish to pursue a health care-related program. The legislation also requires institutions to provide students with culturally responsive training and hands-on experience needed to work in rural communities.

Relatedly, the <u>Care Forward Colorado</u> program, which began in fall 2022, aims to address Colorado's workforce shortage in rural health care by providing health care workers with zero-cost training programs at community and technical colleges. This program applies



to students who wish to pursue specific health care certificate programs (e.g., Certified Nursing Assistant, Emergency Medical Technician, Pharmacy Technician, Medical Assistant).

In summary, the state has made efforts to reverse health inequities in rural communities by attracting health care leaders to rural communities, incentivizing workforce opportunities, providing relevant training experience, and providing residents with stable job opportunities.

### Kansas

In 2019, Kansas established the <u>Office of Rural Prosperity</u> (ORP), a department that "advocates for and promotes rural Kansas and focuses on efforts designed to aid rural improvements." The ORP website states that the department "identifies key policy priorities and blends administrative action with legislative work to remove barriers to prosperity." ORP helped coordinate all of the Kansas initiatives and policy innovations mentioned in this section.

#### Economic Security & Prosperity

The State of Kansas is increasing economic security and prosperity by promoting **individual development accounts** (IDAs). An IDA is a savings account for low-income individuals that can be used to start a small business, pursue higher education, or purchase a first home. These savings accounts can increase economic opportunities because individuals can receive up to a <u>3:1 match for every dollar saved</u>. IDAs can improve the well-being of the 31% of Kansas residents living in non-metro areas by increasing the number of individuals and families above the federal poverty line, increasing homeownership rates, and improving educational outcomes. The state works with community-based organizations and tribal and religious entities, which serve as program administrators of IDAs. The state provides program administrators with full autonomy to develop programs that meet the specific needs of their community. So far, program administrators have developed programs in which IDA account holders use the money saved to start a small business, pursue higher education, or purchase a home.

#### **Broadband Internet Connectivity**

Kansas's state government has committed to improving and increasing access to broadband internet connectivity in rural communities by <u>launching multiple programs</u> and investing more than \$140 million to improve and build broadband infrastructure. To address internet access inequities affecting rural communities, the state created programs such as the <u>Broadband Acceleration Grant Program</u> that fund broadband infrastructure projects and make internet connectivity more reliable and affordable. In fact, the state's investment in <u>broadband infrastructure can directly and indirectly promote equitable</u>, <u>healthy environments</u> for rural communities by improving educational outcomes and increasing access to health care services. For example, unreliable and unaffordable broadband connection was a root cause of learning loss experienced by students in rural communities during the pandemic. In addition, unreliable and unaffordable internet makes accessing telehealth services and resources nearly impossible, affecting rural individuals, especially older adults, at a disproportionate rate. By investing in broadband



infrastructure, the State of Kansas hopes to help connect individuals with health care providers through telehealth, promote remote learning, and increase workforce development opportunities. This investment is a commitment to the future well-being of all Kansas residents.

#### Housing Development

In a statewide effort to improve the quality of life in Kansas, the state is creating special **Rural Housing Incentive Districts (RHIDs)** that encourage housing development. The goal of the RHID program is to promote housing quality by capturing the property tax increase for developers in these zones and then reimbursing this amount back to developers to offset public infrastructure expenses. This program serves cities with a population under 60,000 and counties with a population under 80,000. A housing quality issue in rural communities that affects homeowners and renters alike is **aging housing stock**. In 2023, the State of Kansas passed Senate Bill 90 (SB 90), which expands project eligibility for RHIDs to include renovations of buildings that are more than 25 years old.

### Oklahoma

#### Economic Development

In Oklahoma, 34% of the state's population live in rural communities. According to the US Department of Agriculture's Economic Research Service, <u>Oklahoma's poverty rate</u> in 2020 was 16.8% in rural areas, compared with 13.1% in urban areas. The State of Oklahoma is making efforts to close this gap. By allocating \$30 million to the <u>Oklahoma</u> <u>Department of Commerce</u> for <u>Rural Economic Action Plan (REAP) grants</u>, Oklahoma is increasing economic development opportunities and improving the lives of rural communities. The purpose of the REAP program is to enhance economic development, promote public health and safety, and encourage intergovernmental collaboration. During fiscal year 2023, as the distributor of REAP funding for the Central Oklahoma region, the Association of Central Oklahoma Governments (ACOG) will distribute an unprecedented \$2.7 million to communities in Canadian, Cleveland, Logan, and Oklahoma counties.

REAP grant projects include improvements to rural water infrastructure; rural solid waste disposal or treatment; rural sanitary sewer construction or upgrades; provision of rural health care services (including emergency medical care); broadband connection improvements and construction; projects that increase employment levels; and municipal energy distribution system improvements. REAP grants are practical, and funds are easy for communities to access because no matching funds are required, making actions more attainable.



# North Carolina

#### Medicaid Expansion

Rural communities face a range of barriers to accessing health care services – such as provider shortages, hospital closures, and long travel times. In North Carolina, rural residents are 40% more likely than urban residents to be uninsured and eligible for Medicaid expansion. The State of North Carolina is reducing barriers to health care by <u>expanding Medicaid</u> to low-income adults. A large share of North Carolina residents without health coverage live in rural communities with a higher concentration of poverty, a greater population of older adults, and higher rates of chronic conditions.

Medicaid is a key asset for providing health care in rural communities because it helps fill the health coverage gap for low-income adults. The health coverage gap exists for several reasons, including the high cost of private insurance and a lack of employment opportunities that offer employer-sponsored health insurance. By expanding Medicaid, North Carolina has committed to improving health outcomes and strengthening the economy in rural communities. Increased Medicaid funding in rural North Carolina communities will also help to keep clinics and hospitals open and preserve jobs.

### Wisconsin

#### **Economic Development**

Wisconsin recognizes that rural communities and residents are the backbone of the state. For this reason, in 2020, the state created the <u>Blue Ribbon Commission</u> ("the Commission") and developed the <u>Office of Rural Prosperity</u>. As these initiatives were starting up, many rural communities stated that high rates of local leadership turnover and restrictive financial streams limited their growth and development potential – problems that these initiatives are now seeking to address.

The Commission was created to provide policy recommendations to improve living conditions and increase economic development in rural communities. Executive Order #65 requires the Commission to gather and act on community input on the current and long-term challenges that rural Wisconsin communities are experiencing. In addition, the state created the Office of Rural Prosperity to serve as a one-stop shop to help rural stakeholders navigate federal, local, and private programs. The Office of Rural Prosperity has helped rural communities access funding sources such as the Community Development Investment Grant Program and the US Department of Agriculture's Rural Microentrepreneur Assistance Program. The Office of Rural Prosperity hopes that these efforts will improve overall quality of life and economic opportunities for rural communities in Wisconsin.





### Conclusion

ChangeLab Solutions encourages policymakers and health advocates who wish to implement similar equitable policies in rural communities to reach out to their counterparts in other US states, including the departments and agencies identified in these case studies. In addition, we have recently published <u>a suite of articles and resources</u> that describe the unique opportunities and challenges for advancing equitable policymaking in rural communities:

- Promoting Health Equity in Rural Communities (success story)
- Identifying Policies That Advance Racial & Economic Justice in Rural Places (blog post)
- Pathways to Improved Housing Quality in Rural Places (blog post)
- How Poor Water Access Dilutes Quality of Life in Rural Areas (blog post)
- Broadband Connection in Rural Communities (blog post)
- Advancing Rural Prosperity: Policy Strategies to Support Equitable Development in Rural Communities (strategy brief)
- Equitable Policymaking in Rural Communities (webinar)

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