

Thank you, Rip.

It's a pleasure to be in Owatonna today to personally thank you all for the work that you have done in rural Minnesota.

The Minnesota Initiative Funds – the local nonprofit network that energizes rural areas – are key to helping Minnesota compete on the world stage.

You are the local leaders that can make success happen.

If there's one thing that I strongly believe, it's that government should not and cannot act alone. State, local and federal governments need to work with local nonprofits and the business community to link citizens and communities to opportunities that help them thrive.

When I say that I want to position Minnesota to compete on the world stage, I mean ALL of Minnesota – not just the seven county metro area, but the entire heartland of our great state.

Rural Minnesota, traditionally dependent on agriculture, has been largely left out of today's economic boom.

Government, business and nonprofits must work together to reverse that trend.

How?

Well, we need to think out of the box and swallow a dose of common sense. We've learned time and again that rural communities cannot depend solely on agriculture to survive.

Yes, agriculture will always be important to rural Minnesota. But agriculture alone is not the answer.

Government has tried to convince communities that it is the only answer. State and federal policy makers have poured money into individual payments to farmers, mostly untargeted, and largely without a plan for the future.

We need a strategy that recognizes that we can't put all of our eggs in one basket anymore.

As many of you know, I have directed a group of my Commissioners to look at ways to boost off-farm income in rural Minnesota. The Departments of Trade and Economic Development, Housing Finance, Transportation, Economic Security, Commerce and Administration have led the effort to reach out to your communities.

They started at the Rural Summit in Rochester and continue to meet with all regions of rural Minnesota to determine your region's unique priorities for your own economic future.

I wanted my Cabinet to open a dialogue with rural leaders that would determine how to reinvigorate rural areas and prioritize state resources.

I'd like to thank the leadership of the Minnesota Initiative Funds for helping to start this dialogue. Because of you, we were able to have good conversations with leaders all around the state about what it will take to thrive into the future.

From these conversations, we learned a few important things that have helped drive our policy discussions:

- We learned – once again - that not all regions of Minnesota are alike. You have your own strengths and weaknesses, and your own priorities for economic growth. The state cannot and should not paint Minnesota with one broad brush.
- We learned that access to telecommunications services will be the key to many communities' growth potential. I want telecom reform debated at the Legislature this year. Don't let the Legislature off the hook again this year. Stand with me to demand that we have an open and honest debate and pass a telecom reform bill that's good for rural Minnesota.
- We learned that the number one workforce issue all around the state is PEOPLE. Rural areas need a K-12 and higher ed system that gives them well-trained workers, attractive to metro and out of state employers.
- We also know that we need a more fair and simple tax system that is geared to the 21st century economy.

My tax reform proposal will attempt to bring accountability to the tax system.

I believe that the state should take over the responsibility of paying for the entire K-12 education system.

And, I believe that we should recognize that services play a big role in our economy. The service industries account for 60 percent of today's economy, but only make up 40 percent of tax revenue.

It's common sense: A simple and fair tax system will make *all* of Minnesota more competitive.

These regional conversations about priorities were a good beginning.

There's more to be done.

Help us to continue to get rural Minnesota energized to step up to the plate to determine its own destiny.

The Ventura Administration will do its part and continue to communicate with rural Minnesota.

Consider this our open door policy for rural Minnesota leaders.

You are an essential part of the link that can help rural Minnesota succeed.

Let me repeat again: The strength of Minnesota's nonprofit network in rural Minnesota can and should be a partner with government. Government should not be looked upon as the only way that rural communities will survive.

I've seen how rural communities can pick themselves up after natural disasters, mine closings and tough economies. I have complete confidence that Minnesota's communities can persevere.

But this takes leadership.

Thank you for your leadership. Keep up the good work.