

Thank you, Mayor Doty.

It's a pleasure to be back in your beautiful city. Duluth is truly a treasure in all seasons. But in summer it's really unique.

For all of you who have traveled to Duluth from elsewhere in Minnesota-from other parts of the country or from other nations-I hope you have packed accordingly.

Because it's been very hot in Minnesota.

In fact, on a particular day last week a radio weather announcer said that at noon it was 92 degrees in downtown St. Paul, 95 degrees in Worthington, 96 degrees in Morehead, 92 in Rochester and 90 degrees in International Falls.

In Duluth, on the shores of Lake Superior, it was 57 and the sweatshirt vendors were making a killing.

As I said Duluth is a unique city. Unique because you just never know what kind of weather is going to greet you. So I hope you packed a sweatshirt.
Let me start by thanking each and every one of you in the audience for your participation at this year's International Rural Summit.

You're here because you care about the future of your rural community. You are here to learn from others and to take action. For that, you should be commended. We need more rural leaders like you-willing to step up to the plate and improve the future of rural communities.

Two years ago, I spoke at your gathering here in Duluth, and I told you about some of my frustrations about the usual government response to rural issues.

I talked about the need to diversify the economies of communities and reduce our dependence on agricultural subsidies. I didn't think that government should be the first place to turn when times are tough.

I was honest and straightforward.

Since that time, I have learned even more about the challenges facing rural communities. I have traveled to all corners of Minnesota and witnessed communities overcoming adversity:

I have seen mass lay-offs in mining towns on the Iron Range.

I have spoken with dairy farmers struggling to stay in business.

I have witnessed cities like Granite Falls recovering from natural disasters.

I've learned a great deal from these experiences.

I learned that the government involvement is no match for market forces and natural disasters.

That's right. We're not in charge.

The forces of change are so great that no amount of money will hold off the inevitable. Markets change, tornados blow away our hopes and floods wash away our dreams.

But while it is difficult to control these forces we can adapt to the changes they bring and indeed we have.

As Governor, I want ALL of Minnesota to reap the benefits of today's booming economy and we've made progress toward that goal.

As many of you know, my Cabinet has worked to involve Minnesota's regional leaders in helping us better understand what your priorities are in each region of the state. We know that every region of the state has its own unique challenges, and we know that there are ways the state can better serve your region.

In fact, in a few minutes, Commissioner Yanisch from the Department of Trade and Economic Development is going to share with you some of the progress we've made on these regional priorities since last year.

But let me mention some of the highlights:

Many of you know that this legislative session was in one sense very difficult and in another very "special."

I'm still in a recovery mode

But I'm very happy to tell you that I believe we accomplished a lot for rural Minnesota.

First, we accomplished a major overhaul of our outdated tax system. And in spite of the skeptics rural Minnesota will see benefits.

- If you own a home, you will see a 23% reduction in your property taxes.
- If you own a farm, you will see a 25% reduction in property taxes. In total we will give \$63 million in relief to Minnesota farmers-and that relief is not just for one year-that relief will go on year after year.
While we may not be able to do much to effect the price of corn we can lower a farmers cost of doing business by reducing their tax burden.
- The same for small businesses and retail establishments in rural Minnesota. In one of the most hard fought issues of this past session we were able to reduce commercial and industrial property tax by 10%. This is a long overdue reduction for businesses.

- If your community needs housing-And whose doesn't? How does a 25% reduction in property taxes on apartments sound? I happen to believe that lower property tax rates will spur the building of affordable homes and apartment units across rural Minnesota.
- And who can complain about that rebate check that may spur some last minute Labor Day vacations to your rural communities?

Second, we made progress on workforce development, a high priority for many of you.

We proposed, and the Legislature adopted, a major overhaul of the state's workforce development system.

This overhaul will combine two state agencies to better align workforce development with economic development. The goal is to do a better job of linking available jobs with available workers-an important priority for communities trying to make a comeback.

Rural Minnesota is home to the best workers in the world. I am sure of it. Now, the rest of the world needs to know about it.

We were also able to increase our investment in housing in rural Minnesota, from \$111 million dollars to \$157 million dollars; and we increased investment in rental housing for low wage working families.

And just as important, we are continuing to move forward on technology and telecommunications.

The Ventura Administration, led by Commissioner David Fisher, is working with the University of Minnesota Extension to reach out to local leaders to help them better understand what advanced telecom and Internet services can do for rural Minnesota.

This "Rural Internet Initiative" will leverage money from the state and the private sector with the expertise of local rural leaders to bring telecom access to all parts of Minnesota.

Hopefully this effort will help reinvigorate the debate about how we serve rural communities with telecommunications.

By the way, we shouldn't let another year go by without reforming our telecommunications laws. I strongly believe that this issue can do more than anything to help rural communities thrive in our fast-changing economy.

I won't let this rest, and I ask you to join me in fighting, once again, for telecommunications reform. We may disagree on how we go about reforming our system, but we'll all agree that we need to work together to get it done. The future of our rural communities is at stake.

And finally, transportation.

Just as I did with telecommunications reform, last year I put my "Moving Minnesota" transportation funding plan on the table and the legislature ignored it.

Of course now most legislators are crying for a transportation funding solution.

But even if the legislature is a little slow I promise you I understand how important roads and bridges are to rural Minnesota and I will not give up on my goal to provide a long-term stable funding source for transportation.

While we have accomplished a lot, there is a lot of work to be done yet. However, we must stay focused, we must work hard and we must not be afraid of the forces of change.

I believe that if we focus:

- On long range plans to limit urban sprawl and the encroachment of big cities into the countryside;
- On adequate roads and transit options;
- On high speed internet availability and;
- On a fair and simple tax structure;

We will-with the work ethic of our rural population-witness a flourish of rural development that will bring stability to our changing rural economy.

And finally, I would like to leave you with this:

More than once during the legislative session I read in newspapers across Minnesota quotes from certain legislators saying, "Jesse Ventura doesn't care about rural Minnesota."

I am the Governor of all of Minnesota.

Whether you are from Minneapolis or Mountain Iron we are all in this together.

And together we will not fail.

Thank you.