

U.S. House of Representatives Committee on Small Business
Field Hearing-Monday, June 18, 2018 – Southaven, MS
“The Perspective of Rural Small Businesses in North Mississippi”
Comments by Pat Woods, Owner-Woods Farm Supply-Byhalia, MS

Chairman Chabot, Congressman Kelly, and other distinguished members of committee; I appreciate the opportunity to come before you today representing a small agricultural business in North Mississippi. My name is Pat Woods. My family and I operate Woods Farm Supply in Byhalia, Mississippi, along with roughly 35 employees. We also farm cotton, corn, soybeans, cattle, and timber. In my allotted time, I'd like to focus my brief comments in three primary areas of federal policy: tax reform, regulatory relief, and rural broadband deployment.

- **Tax Reform:** First and foremost, I applaud the efforts of the Congress and the Committee on Small Business to bring true tax reform to the American public and our small businesses across the country. Passage of H.R. 1, the Tax Cuts and Jobs Act was long overdue. Reductions in individual rates, reforms in the corporate rates, and changes in the estate tax rules was a monumental activity that will help put America back on the road to economic recovery. As a small business owner and member of the board of directors for my local bank, I see the benefits of this legislation first hand on a daily basis. For our business, sales are up and new construction loans at our bank have also taken a recent increase. I also serve on our local rural electric power cooperative board of directors. Our management tells us that there has been a recent spike in new connections to homes in our service area. At our operation, my employees are seeing more take home pay in their paychecks and they are investing those extra funds back into the local economy. Additionally, I am pleased with the changes in the estate tax rules that allow me to pass my farm on to my three children. The estate tax is one of the most unfair laws on the books, and I sincerely appreciate those changes made by the H.R. 1. In summary, I can confidently stand before you today and say that the economy is growing in my area and residents are seeing a higher quality of life. All of these positive movements and the boost in consumer confidence, I attribute to the efforts made in the area of tax reform passed by Congress, teamed with a new Administration that fosters a pro-business climate.

- **Regulatory Relief:** Another major area of federal policy for us as small business owners and farms that I'd like to discuss is regulatory relief. As a farm business and farm operation, we deal with a host of federal regulations. One of the largest and most positive movements for us was the repeal and replace of the Waters of the U.S. Rule (or WOTUS) by the EPA. This massive federal overreach would be detrimental to every aspect of my farm and farm business. The overall business community in rural America has benefitted from the new vision at EPA, back to the philosophy of “cooperative federalism;”

where the federal government is more of a partner and co-regulator with state lead agencies. This new view and philosophy at EPA has brought comfort to small businesses and farms that the federal government plans to be there to help them stimulate growth for our economy, and not be an obstacle in the way.

- **Rural Broadband Deployment:** The last final policy area that I'd like to highlight which is vital to small businesses and farm technology is the topic of rural broadband deployment. Rural Mississippi is lagging behind in the area of connectivity to the internet. I hear stories on a daily basis of school children that have to come to town to download their homework, business growth hampered by a lack of adequate service, and precision agriculture technology that loses a signal due to a lack of connectivity in their area. As you know, it's a huge problem for rural America, small businesses, and farm operations. I commend the Committee for all the work that has been done to bring broadband to rural America, and I cannot stress how important this is to stimulating growth of the economy and quality of life for rural Americans. Specifically, I want to thank Congressman Kelly for his efforts in sponsoring legislation last December. *The Small Business Broadband and Emerging Information Technology Act (H.R. 4677)* addresses the bipartisan push for nationwide broadband that specifically targets small businesses' needs and potential. One delivery model I would encourage the Committee to look as a means to bring this vital infrastructure to rural communities is through the rural electric power cooperatives. Broadband is now the electricity of the 1930s. The only way that electricity was brought to rural America was through the rural electric power cooperative model under President Roosevelt's New Deal. Numerous rural electric power associations are effectively deploying broadband across the rural countryside right now. I would ask the Committee to look at ways that Congress can further study this concept; and, also pursue any and all measures of federal policy that fosters connectivity in rural portions of the country.

Again, Mr. Chairman and members of the Committee, I appreciate all that you are doing to promote and protect small businesses across the country. Thank you for the opportunity to be a part of this distinguished group of witnesses. I will be happy to take any questions you may have.