



NATIONAL ASSOCIATION OF REGIONAL COUNCILS

2010 LEGISLATIVE PRIORITIES ECONOMIC DEVELOPMENT ADMINISTRATION

ISSUE

The National Association of Regional Councils (NARC) supports sufficient and sustained funding for the Economic Development Administration (EDA) reauthorization (PL 108-373) at minimum the FY2008 authorized level of \$500 million as an important element of public investment in infrastructure development, creating jobs and boosting local, regional and national economies.

RECOMMENDATIONS

EDA's stated mission is "to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy." In order to accomplish this, **EDA must be revamped with a renewed federal commitment to ensure critical regional economic development needs are met to maintain and grow our economy and create jobs.**

FUNDING

- Reauthorize EDA through a five-year reauthorization at the FY2008 authorized funding level of \$500 million (at a minimum) to sufficiently provide for programs and operations resources at all levels of the agency – EDA dollars are an even more critical resource in the face of the fiscal budget crisis currently affecting most state and local governments.
- Increase funding and flexibility for EDA's core programs – Planning, Public Works and Economic Adjustment Assistance programs, which should remain the primary focus of EDA.
- Increase individual planning grants – currently Economic Development Districts (EDDs) are receiving the same \$52,000 per year they received 25 years ago.
- Support increases in funding for ongoing EDA programs to promote regional approaches in economic development.
- Provide funding, separate from the core EDA programs, for regional business incubators and clusters.
- Authorize "Regional Infrastructure Improvement Zones" (RIIZs), a change to the federal tax code that would allow for businesses or individuals to make tax deductible contributions toward COG/MPO pre-approved infrastructure projects.

PROGRAM

- Examine the expanded use of Comprehensive Economic Development Strategies (CEDs), comprehensive regional plans done every five years, to direct all government economic development spending within the region, holding other federal agency funding subject to CEDs.
- Consider coordinating CEDs with other federally-required planning processes, such as the regional transportation (Transportation Improvement Program).
- Provide additional Revolving Loan Fund (RLF) resources with increased local flexibility.
- Support balance between public and private sector investment to raise planning funding.
- Encourage projects that contribute to sustainable "green" construction, resource conservation, greenhouse gas emissions reduction and "green" economy opportunities through Global Climate Change Mitigation Incentive Fund.
- Codify in law the duties, functions and responsibilities of EDDs and reinforce the agency's long-standing relationship with EDDs to secure a comprehensive and consistent network throughout the country.
- Increase the EDA role in disaster planning and recovery.
- Provide opportunities that encourage and support regional approaches to comprehensive economic development.
- Include EDA, its programs and expertise for job creation, as an important partner in the federal interagency Sustainable Communities Partnership.

DEPARTMENTAL

- Fully staff EDA and its regional offices to fulfill all essential regional economic development and planning needs.

BACKGROUND

EDA is the only federal agency focused solely on private sector job growth and serves as a vital resource for distressed communities striving to improve their local economies through bottom-up economic development strategies with infrastructure grants, strategic planning assistance, business development capital or technical assistance. According to EDA, its programs help "create new American jobs at a cost of only \$2,825 per job" and "leverages over \$28 in private sector investments for every taxpayer dollar we invest."