

Federal State Regional Commissions: An Overview

What is a Federal State Regional Commission?

A commission is an organizing body of local, state and federal leaders that offers programs to help the most distressed regions develop basic building blocks for economic development. It is created through federal legislation. There are five Regional Commissions existing today (see attached map).

Some specific goals for the five Commissions include:

- Emphasis on development of basic infrastructure and private sector business (Delta Region)
- Bring latest telecommunications and technology to Appalachia
- Provide power generation and transmission facilities in rural Alaska
- Build entrepreneurial communities and diversify regional economy (SouthEast)
- Fund 'bottom up' economic development plans that meet regional economic development goals (SouthWest)

Pros and Cons of Federal Regional Commissions

Pros

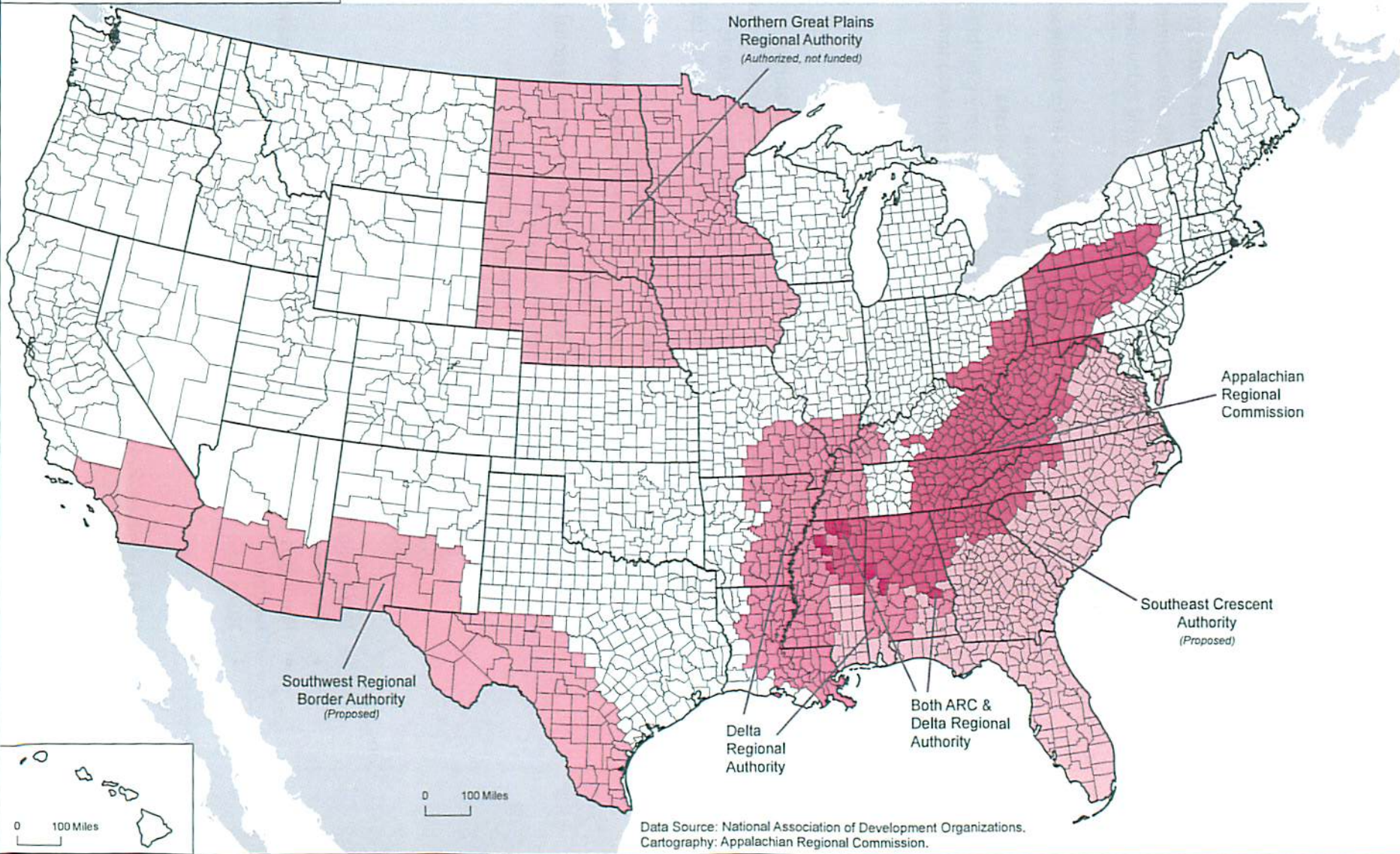
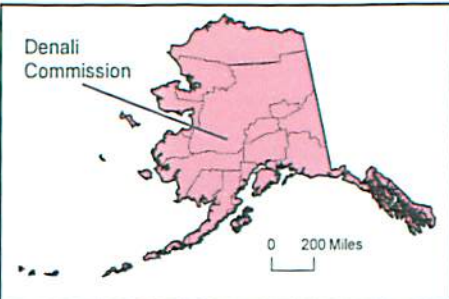
- Decreases poverty rates in counties
 - Rate went from 31.1% (1960) to 13.6 (2000) – Appalachia
 - By law 50% of money allocated to most distressed counties in region
- Helps rural communities with local match money for federal grants
 - \$900,000 matching grant for a \$5.17 million federal/state rural interchange project
- Uses existing local economic development collaborations
 - Congress mandates Commissions use existing local economic collaborations
- Regions are able to define goals for region
 - Ex: definition of distressed counties depends on the regional definition
- Federal funding available through Commission*
 - \$76 million to Appalachian Regional Commission
 - \$1.5 to Northern border Regional Commission
 - \$11.9 million to Alaska Regional Commission
 - \$13 million to Delta Regional Commission
 - \$250,000 to Southeast Regional Commission

Cons

- Requires federal approval and approval of state Governors
- Main focus of regions is technical assistance and planning
- Funding is dependent upon federal budget (funds allocated, but may not be fully funded)
- Takes time to organize

* 2010 funding, House Report 111-278 - ENERGY AND WATER DEVELOPMENT AND RELATED AGENCIES APPROPRIATIONS ACT, 2010
source http://thomas.loc.gov/cgi-bin/cpquery/?&dbname=cp111&sid=cp111bysbv&refer=&r_n=hr278.111&item=&&&sel=TOC_107616&

Regional Commissions



Data Source: National Association of Development Organizations.
Cartography: Appalachian Regional Commission.

Federal State Regional Commissions: Accomplishments

One of the **Appalachian Regional Commission's** tasks is the construction of a 3,025 mile Appalachian Development Highway System to upgrade access and commercial opportunities to an otherwise isolated and rugged area. Under reauthorization legislation signed by President Bush in 2002, ARC also now has special authority and resources to bring the latest telecommunications and technology to the region

- The Commission approved \$75.1 million in funding for 497 nonhighway projects during FY09
- ARC's FY 2009 grant funds attracted an additional \$277.4 million in other project funding, an investment ratio of almost 4 to 1, and \$657.1 million in non-project leveraged private investment, a ratio of almost 9 to 1
- The projects funded during the year will create or retain an estimated 21,183 jobs and train an estimated 23,764 students and workers in new job skills

The **Delta Regional Authority** places a special emphasis on the development of basic infrastructure and private sector businesses, as well as entrepreneurship development and job skills training.

- In FY10, the DRA attracted \$60.3 million in additional project funding and \$31.1 million in leveraged private investment
- Since inception, 6591 jobs created, 6,033 jobs retained, 16,522 families received improved water and sewer, and 3,638 individuals trained for jobs

The **Denali Commission** is tasked with avoiding duplication of rural utility services and assistance, repairing and replacing build fuel storage tanks, and providing power generation and transmission facilities in rural Alaska.

- The Commission awarded \$4 million toward emerging energy technology projects including wind-diesel, wood-pellet boiler, biogas, solar hot water in elder housing, seawater heat pumps, hydrokinetic and battery storage.
- In FY09 the **U.S. Department of Energy (DOE)** issued the Energy Efficiency and Conservation Block Grant (EECBG). Alaskan tribes faced barriers in administering these funds and in response, the Commission offered a 10% match for group applications.

The **Northern Great Plains Authority** has a strong mandate to enhance basic infrastructure and telecommunications capacity in the region. In assisting distressed areas, it will focus on out-migration that has devastated numerous communities throughout the five state region.

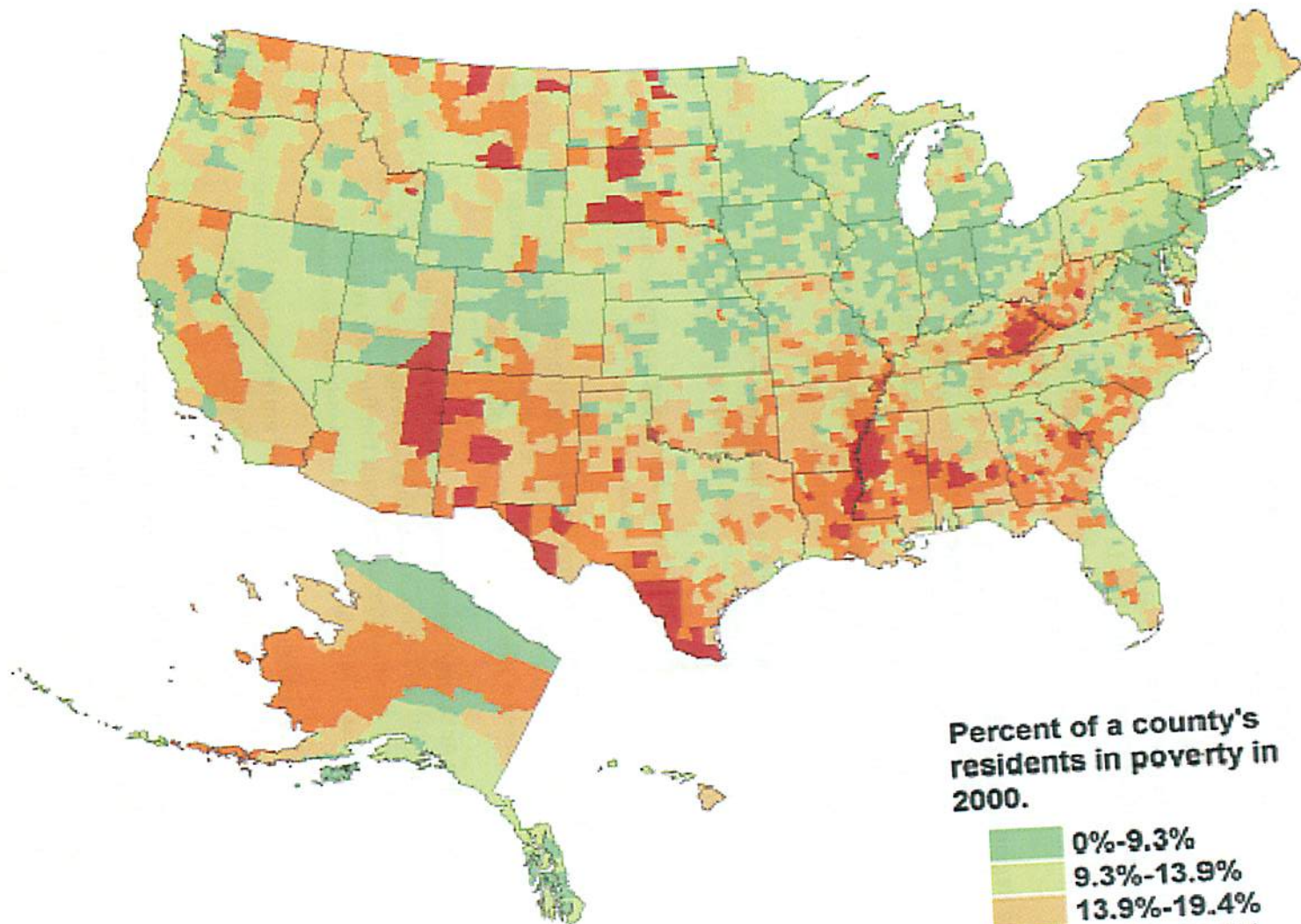
- Authorized by Congress in Farm Bill, but allocations only for planning at the moment.

The proposed **SouthEast Crescent Authority** plans to build entrepreneurial communities and generate a diversified regional economy while minimizing social and environmental costs.

- Seeking \$500,000 for planning and implementation

The proposed **SouthWest Border Regional Authority** would provide a mechanism to help coordinate a planning process from the bottom up as the Authority would fund proposals that are designed at the local level and approved by the state to meet regional economic development goals.

- Initial appropriations sunset in 2006.



Percent of a county's residents in poverty in 2000.

