

**SMARTER SPENDING, STRONGER RESULTS: REDUC-
ING DUPLICATION AND ENSURING EFFECTIVE-
NESS THROUGH ECONOMIC DEVELOPMENT RE-
FORMS**

(119-37)

HEARING
BEFORE THE
SUBCOMMITTEE ON
ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND
EMERGENCY MANAGEMENT
OF THE
COMMITTEE ON
TRANSPORTATION AND
INFRASTRUCTURE
HOUSE OF REPRESENTATIVES
ONE HUNDRED NINETEENTH CONGRESS

SECOND SESSION

JANUARY 22, 2026

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Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

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JANUARY 16, 2026

SUMMARY OF SUBJECT MATTER

TO: Members, Subcommittee on Economic Development, Public Buildings, and Emergency Management
FROM: Staff, Subcommittee on Economic Development, Public Buildings, and Emergency Management
RE: Subcommittee Hearing on “*Smarter Spending, Stronger Results: Reducing Duplication and Ensuring Effectiveness Through Economic Development Reforms*”

I. PURPOSE

The Subcommittee on Economic Development, Public Buildings, and Emergency Management of the Committee on Transportation and Infrastructure will meet on Thursday, January 22, 2026, at 10:00 a.m. ET in 2167 of the Rayburn House Office Building to receive testimony on a hearing entitled, “*Smarter Spending, Stronger Results: Reducing Duplication and Ensuring Effectiveness Through Economic Development Reforms*.” The hearing will examine the implementation of the economic development reforms included in the Thomas R. Carper Water Resources Development Act of 2024 (WRDA). At the hearing, Members will receive testimony from the Economic Development Administration (EDA), the Appalachian Regional Commission (ARC), Delta Regional Authority (DRA), Denali Commission, Northern Border Regional Commission (NBRC), Southeast Crescent Regional Commission (SCRC), and the Southwest Border Regional Commission (SBRC).

II. BACKGROUND

EDA AND FEDERAL REGIONAL COMMISSIONS AND AUTHORITIES

The EDA is the only nationwide Federal agency focused solely on economic development. Reauthorized for the first time in 20 years by WRDA 2024, its investments in infrastructure lay the groundwork for industrial and commercial development.¹ The EDA was established under the Department of Commerce by the Public Works and Economic Development Act of 1965.²

Federal regional commissions and authorities are independent, Congressionally chartered Federal-state partnerships that seek to address economic distress in des-

¹U.S. ECON. DEV. ADMIN., *About EDA* (last accessed Jan. 8, 2026), available at <https://www.eda.gov/about>; Press Release, U.S. ECON. DEV. ADMIN., *U.S. Economic Development Administration Reauthorized by Congress for First Time in 20 Years* (Dec. 19, 2024), available at <https://www.eda.gov/news/press-release/2024/12/19/us-economic-development-administration-reauthorized-congress-first>.

²U.S. ECON. DEV. ADMIN., TITLE 13 OF THE CODE OF FEDERAL REGULATIONS, available at https://www.eda.gov/sites/default/files/2022-02/EDAs_regs-13_CFR_Chapter_III.pdf.

ignated regions of the country.³ Currently, there are ten statutorily authorized regional economic development commissions; however, only six are currently active: ARC, DRA, Denali Commission, NBRC, SCRC, and SBRC.⁴ Most Commissions are modeled after the ARC; composed of a Federal Co-Chair, appointed by the President, and every constituent state governor (one is appointed the State Co-Chair on a revolving basis).⁵ The Federal regional commissions operate in partnership with state governments, with programming focused on infrastructure, energy, environment, workforce, and business development.⁶

APPALACHIAN REGIONAL COMMISSION (ARC)

The ARC was first established by the Appalachian Regional Development Act of 1965 (ARDA).⁷ The ARC's membership consists of all of West Virginia and parts of Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, and Virginia.⁸ The ARC uses an index-based system to classify counties' levels of economic distress (distressed, at-risk, transitional, competitive, and attainment) to direct funds to the most vulnerable communities.⁹ Since 1965, the ARC has invested \$6 billion over 34,000 different projects to help improve the region's economic health.¹⁰ ARC's five strategic investment goals and objectives include building businesses, the workforce, infrastructure, tourism, and community leadership.¹¹ Funding opportunities include the Area Development Program, the Appalachian Regional Initiative for Stronger Economies (ARISE), Investments Supporting Partnerships in Recovery Ecosystems Initiative (INSPIRE), Partnerships for Opportunity and Workforce and Economic Revitalization Initiative (POWER), Workforce Opportunity for Rural Communities (WORC) and the Appalachian Regional Energy Hub Initiative.¹²

The ARC was reauthorized under the Infrastructure Investment and Jobs Act (IIJA) and was appropriated \$200 million (available until expended) per year for every fiscal year (FY) between FY 2022 and FY 2026.¹³

DELTA REGIONAL COMMISSION (DRA)

The DRA was established in 2000 by the Consolidated Appropriations Act, 2001.¹⁴ The DRA's membership consists of 255 counties and parishes along the Mississippi River in parts of Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee.¹⁵ The DRA's mission is to help make investments supporting transportation infrastructure, basic public infrastructure, workforce training, business development, and development of economically distressed communities.¹⁶ The States' Economic Development Assistance Program (SEDAP) is the DRA's main investment tool to fund public infrastructure, transportation infrastructure, and business development. The Community Infrastructure Fund (CIF) complements SEDAP with investments in water, sewer, and flood mitigation. The Public Works and Economic Adjustment Assistance (PWEAA) program helps distressed communities enhance their infrastructure.¹⁷

³ CONG. RSCH. SERVICE, IF12165, FEDERAL REGIONAL COMMISSIONS AND AUTHORITIES: ADMINISTRATIVE EXPENSES (Mar. 25, 2025), available at <https://www.congress.gov/crs-product/IF12165>.

⁴ CONG. RSCH. SERVICE, R45997, FEDERAL REGIONAL COMMISSIONS AND AUTHORITIES: STRUCTURAL FEATURES AND FUNCTION (Jul. 31, 2025), available at <https://www.congress.gov/crs-product/R45997> [hereinafter CRS R45997].

⁵ *Id.*

⁶ *Id.*

⁷ APPALACHIAN REGIONAL COMMISSION, *ARC's History and Work in Appalachia* (last accessed Jan. 8, 2026), available at <https://www.arc.gov/arcs-history-and-work-in-appalachia/> [hereinafter ARC'S HISTORY].

⁸ APPALACHIAN REGIONAL COMMISSION, *About the Appalachian Region* (last accessed Jan. 8, 2026), available at <https://www.arc.gov/about-the-appalachian-region/>.

⁹ APPALACHIAN REGIONAL COMMISSION, *Classifying Economic Distress in Appalachian Counties* (last accessed Jan. 8, 2026), available at <https://www.arc.gov/classifying-economic-distress-in-appalachian-counties/>.

¹⁰ ARC'S HISTORY *supra* note 7.

¹¹ APPALACHIAN REGIONAL COMMISSION, *Appalachia Envisioned: ARC's 2022–2026 Strategic Plan* (last accessed Jan. 8, 2026), available at <https://www.arc.gov/strategicplan/>.

¹² APPALACHIAN REGIONAL COMMISSION, *Grants and Opportunities* (last accessed Jan. 8, 2026), available at <https://www.arc.gov/grants-and-opportunities/#funding-opportunities>.

¹³ Pub. L. No. 117–58, Div. J, Title III.

¹⁴ CRS R45997 *supra* note 4.

¹⁵ DELTA REGIONAL AUTHORITY, *Service Area Map* (last accessed Jan. 8, 2026), available at <https://dra.gov/map-room/>.

¹⁶ DELTA REGIONAL AUTHORITY, *About Delta Regional Authority* (last accessed Jan. 8, 2026), available at <https://dra.gov/about/>.

¹⁷ DELTA REGIONAL AUTHORITY, *Critical Infrastructure* (last accessed Jan. 8, 2026), available at <https://dra.gov/programs/critical-infrastructure/>.

The DRA was reauthorized in WRDA 2024 for FY 2025 through FY 2029.¹⁸ The DRA was appropriated \$31.1 million in FY 2024.¹⁹ This funding level remained unchanged and was provided again in the FY 2025 full-year continuing resolution and the FY 2026 continuing resolution.²⁰

DENALI COMMISSION

The Denali Commission was established in 1998 to provide job training, economic development, power generation, transition facilities, modern communication systems, water and sewage systems, and promote rural development.²¹ The Commission only represents one state; accordingly, the Commissioners are comprised of the Governor of Alaska, the University of Alaska President, the Alaska Municipal League Executive Director, the Alaska Federation of Natives President, the Alaska AFL–CIO Executive President, and the Associated General Contractors of Alaska Executive Director.²² Ongoing projects include construction of the Goiak bulk fuel farm and power plant and implementation of the Village of Newtok’s relocation to Mertarvik.²³

The Denali Commission’s authorization lapsed in FY 2022 through FY 2024 following the sunset of the authorization of appropriations under the Water Infrastructure Improvements for the Nation (WIIN) Act. WRDA 2024 subsequently reauthorized an annual \$35 million in funding for FY 2025 through FY 2029.²⁴ The Commission was appropriated \$17 million in FY 2024 and FY 2025.²⁵

NORTHERN BORDER REGIONAL COMMISSION (NBRC)

The NBRC was authorized by the Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) and subsequently reauthorized by the Agriculture Improvement Act of 2018 (2018 Farm Bill) and WRDA 2024. The NBRC’s membership includes distressed communities in Maine, New Hampshire, Vermont, and New York.²⁶ The Commission’s main programs include the Catalyst Program, Forest Economy Program, Timber for Transit Program, and state-level comprehensive planning.²⁷ Since its establishment, Congress has both reauthorized the NBRC and provided progressively increasing appropriations, making it one of only three commissions to receive both.²⁸

The NBRC was appropriated \$41 million in FY 2024 and FY 2025.²⁹

SOUTHEAST CRESCENT REGIONAL COMMISSION (SCRC)

The SCRC, first authorized by the 2008 Farm Bill, serves distressed counties not covered by the ARC or the DRA in Virginia, North Carolina, South Carolina, Georgia, Alabama, Mississippi, and Florida.³⁰ Through its strategic plan, the SCRC advances investments across critical infrastructure, health access and outcomes, workforce capacity, business development, affordable housing, and environmental conservation.³¹ Its primary investment vehicle, the State Economic and Infrastructure Development (SEID) grant program, awarded \$34.8 million in FY 2025 to support infrastructure, workforce pathways, and local economic development.³²

After an authorization lapse in FY 2024, WRDA 2024 reauthorized an annual \$40 million in funding from FY 2025 through FY 2029.³³

SOUTHWEST BORDER REGIONAL COMMISSION (SBRC)

The SBRC was first established by the 2008 Farm Bill to represent distressed counties along the southern borders of Arizona, California, New Mexico, and

¹⁸ Pub. L. No. 118–272.

¹⁹ Pub. L. No. 118–42.

²⁰ Pub. L. 119–4; Pub. L. 119–37.

²¹ DENALI COMMISSION, *About Us* (last accessed Jan. 8, 2026), available at <https://denali.gov/about/>.

²² Pub. L. No. 105–277, Div. C, Title III.

²³ DENALI COMMISSION, *Energy* (last accessed Jan. 8, 2026), available at <https://denali.gov/programs/energy/>; DENALI COMMISSION, *Village Infrastructure Protection* (last accessed Jan. 8, 2026), available at <https://denali.gov/programs/village-infrastructure-protection/>.

²⁴ Pub. L. No. 114–322; Pub. L. No. 118–272.

²⁵ CRS R45997 *supra* note 4.

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.*

²⁹ *Id.*

³⁰ *Id.*

³¹ *Id.*

³² SOUTHEAST CRESCENT REGIONAL COMMISSION, *Homepage* (last accessed Jan. 8, 2026), available at <https://grants.scrs.gov/>.

³³ CRS R45997 *supra* note 4.

Texas.³⁴ Its strategic plan targets underserved communities and advances regional competitiveness, workforce and economic mobility, resiliency, local capacity, infrastructure, and efficiency.³⁵ The SBRC also sets aside at least five percent of its funding for indigenous communities.³⁶

The SBRC first received appropriations in FY 2021 and has been appropriated \$5 million annually since FY 2023.³⁷

AUTHORIZED COMMISSIONS WITHOUT APPROPRIATIONS

Currently, of the ten authorized regional commissions, four are inactive. This includes the Great Lakes Authority (GLA), the Mid-Atlantic Regional Commission (MARC), the Northern Great Plains Regional Authority (NGPRA), and the Southern New England Regional Commission (SNERC).³⁸

The GLA was first established by the Consolidated Appropriations Act of 2023.³⁹ Its membership includes counties surrounding the Great Lakes in Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin. Unlike most other commissions, GLA overlaps with counties served by NBRC and NGPRA.⁴⁰

The MARC was first authorized by WRDA 2024. Its membership includes all counties in Delaware, as well as counties in Maryland and Pennsylvania.⁴¹

The NGPRA was first authorized by the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill).⁴² Its membership includes Iowa, Minnesota, North Dakota, Nebraska, South Dakota, and the portions of Missouri not covered by DRA.⁴³ Congress did not reauthorize the NGPRA at the end of FY 2018, resulting in a lapse of funding until the WRDA 2024 reauthorization; however, the Commission still lacks a confirmed Federal co-chair.⁴⁴ Unlike the other commissions, Northern Great Plains, Inc. (a statutorily established non-profit) previously served as the de facto bearer of the NGPRA's mission but is now defunct.⁴⁵

The SNERC was first authorized by WRDA 2024. Its membership includes all of Massachusetts and Rhode Island, as well as six counties in Connecticut.⁴⁶

III. PRIOR COMMITTEE ACTIONS

ECONOMIC DEVELOPMENT REFORMS IN THE WATER RESOURCES DEVELOPMENT ACT OF 2024

Last Congress, Title II of WRDA 2024 included the Economic Development Reauthorization Act of 2024, which reauthorized the Economic Development Administration for the first time in 20 years.⁴⁷

Included under this reauthorization are provisions that support EDA's mission and enhance accountability. Specifically:

- It strengthens coordination across programs, provides grants for planning, administrative expenses, supply chain site development, and supports research and technical assistance.⁴⁸
- It also establishes Congressional notification and reporting requirements, allows greater flexibility in deploying high-speed broadband, and modernizes environmental review processes.⁴⁹
- It establishes technical assistance liaisons, funds exchanges with other agencies, along with new offices at the EDA, such as the Office of Tribal Economic Development and the Office of Disaster Recovery and Resilience.⁵⁰

³⁴ *Id.*

³⁵ *Id.*

³⁶ SOUTHWEST BORDER REGIONAL COMMISSION, *Homepage* (last accessed Jan. 8, 2026), available at <https://sbrc.gov/>.

³⁷ CRS R45997 *supra* note 4.

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² *Id.*

⁴³ *Id.*

⁴⁴ *Id.*

⁴⁵ *Id.*

⁴⁶ *Id.*

⁴⁷ Press Release, U.S. ECON. DEV. ADMIN., *U.S. Economic Development Administration Reauthorized by Congress for First Time in 20 Years* (Dec. 19, 2024), available at <https://www.eda.gov/news/press-release/2024/12/19/us-economic-development-administration-reauthorized-congress-first>.

⁴⁸ Pub. L. No. 118–272, Div. B, Title II.

⁴⁹ Pub. L. No. 118–272, Div. B, Title II.

⁵⁰ Pub. L. No. 118–272, Div. B, Title II.

WRDA 2024 also reauthorized the regional commissions, except the ARC which had been previously reauthorized, and created two new commissions.

IV. WITNESSES

- Mr. Ben Page, Deputy Assistant Secretary for Economic Development and Chief Operating Officer, United States Economic Development Administration
- The Honorable Gayle Conelly Manchin, Federal Co-Chair, Appalachian Regional Commission
- The Honorable Corey Wiggins, Federal Co-Chair, Delta Regional Authority
- The Honorable Chris Saunders, Federal Co-Chair, Northern Border Regional Commission
- The Honorable Jennifer Clyburn Reed, Federal Co-Chair, Southeast Crescent Regional Commission
- The Honorable Juan Sanchez, Federal Co-Chair, Southwest Border Regional Commission
- Ms. Jocelyn Fenton, Director of Programs, Denali Commission

**SMARTER SPENDING, STRONGER RESULTS:
REDUCING DUPLICATION AND ENSURING
EFFECTIVENESS THROUGH ECONOMIC DE-
VELOPMENT REFORMS**

THURSDAY, JANUARY 22, 2026

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC
BUILDINGS, AND EMERGENCY MANAGEMENT,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC.

The subcommittee met, pursuant to call, at 10:02 a.m., in Room 2167, Rayburn House Office Building, Hon. Scott Perry (Chairman of the subcommittee) presiding.

Mr. PERRY. The Subcommittee on Economic Development, Public Buildings, and Emergency Management will come to order. The Chair asks that I be authorized to declare a recess at any time during today's hearing.

Without objection, so ordered.

The Chair asks unanimous consent that Members not on the subcommittee be permitted to sit with the subcommittee at today's hearing and ask questions.

Without objection, so ordered.

As a reminder, if Members wish to insert a document into the record, please also email it to DocumentsTI@mail.house.gov.

The Chair now recognizes himself for purposes of an opening statement for 5 minutes.

OPENING STATEMENT OF HON. SCOTT PERRY OF PENNSYLVANIA, CHAIRMAN, SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND EMERGENCY MANAGEMENT

Mr. PERRY. Thanks to our witnesses, each of you, for coming here and being here today as we examine the role and effectiveness of the Economic Development Administration, the EDA, and the economic development regional commissions in distressed regions of the country.

Today, we will hear from the EDA as well as six regional commissions: the Appalachian Regional Commission, the Delta Regional Authority, the Northern Border Regional Commission, the Southeast Crescent Regional Commission, the Southwest Border Regional Commission, and the Denali Commission. EDA is the only Federal agency established for the purpose of supporting economic development in distressed communities nationwide.

Meanwhile, the regional commissions were set up independently to work in partnership with their member State governments to achieve similar goals, but in regional settings. Other Federal departments are also involved in economic development, including the Department of Agriculture, the Department of Housing and Urban Development, and the Small Business Administration.

If this seems like a lot of cooks in the kitchen, I certainly think it is. And the list doesn't stop there. There are newly established commissions for southern New England, the mid-Atlantic region, and the Great Lake States.

In fact, in our 2023 hearing focused on regional commissions, I predicted that the list of regional commissions would continue to proliferate, and it has. It is not the role of the Federal Government to pick which communities win and lose. America's private enterprise has historically driven economic development and done a pretty good job at it. It is the responsibility of State and local governments to facilitate a business-friendly environment for its constituents. States already have the power to lower barriers for entry by diminishing overly burdensome regulations and the costs of doing business. But here we are, even more Federal programs than we had just 2 years ago.

And, to be crystal clear, I am not blaming you, the witnesses here today, for this. But it does mean that at the very least, we need to make sure that your activities and funding are not duplicative. It is also critical to ensure accountability and that clear performance metrics are in place.

The fundamental mission of the economic development programs is to create jobs in distressed communities. So, ensuring that funding is not used to backfill State budgets but instead is targeted and actually producing jobs is fundamental.

That is why in the reforms passed last Congress, there are clear mandates for EDA to report performance data, including job creation numbers. There are mandates for all the witnesses here today to coordinate and communicate with one another and with other Federal agencies involved in economic development.

The Thomas R. Carper Water Resources Development Act of 2024, or WRDA, reauthorized many of the regional commissions, as well as the EDA, for the first time in 20 years. Given this new requirement, the American people want to know each of your game plans. More specifically, I want to know each regional commission's goals, how you are collecting and reporting performance data, and how you are coordinating with the EDA, one another, as well as other Federal programs at USDA, HUD, and the SBA.

[Mr. Perry's prepared statement follows:]

Prepared Statement of Hon. Scott Perry, a Representative in Congress from the Commonwealth of Pennsylvania, and Chairman, Subcommittee on Economic Development, Public Buildings, and Emergency Management

I'd like to thank our witnesses for being here today as we examine the role and effectiveness of the Economic Development Administration (EDA) and the economic development regional commissions in distressed regions of the country.

Today, we will hear from the EDA, as well as six regional commissions: the Appalachian Regional Commission (ARC), the Delta Regional Authority (DRA), the

Northern Border Regional Commission (NBRC), the Southeast Crescent Regional Commission (SCRC), the Southwest Border Regional Commission (SBRC), and the Denali Commission. EDA is the only federal agency established for the purpose of supporting economic development in distressed communities nationwide.

Meanwhile, the regional commissions were set up independently to work in partnership with their member state governments to achieve similar goals, but in regional settings. Other federal departments are also involved in economic development, including the Department of Agriculture (USDA), the Department of Housing and Urban Development (HUD), and the Small Business Administration (SBA).

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In fact, in our 2023 hearing focused on regional commissions, I predicted that the list of regional commissions would continue to proliferate, and it has. It is not the role of the federal government to pick which communities win and lose. America's private enterprise has historically driven economic development. It is the responsibility of state and local governments to facilitate a business-friendly environment for its constituents. States already have the power to lower barriers for entry by diminishing overly burdensome regulations and the costs of doing business. But here we are with even more federal programs than we had just two years ago.

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The Thomas R. Carper Water Resources Development (WRDA) Act of 2024 reauthorized many of the regional commissions, as well as the EDA, for the first time in 20 years. The American people want to know each of your game plans.

More specifically, I want to know each regional commission's goals, how you are collecting and reporting performance data, and how you are coordinating with EDA, one another, as well as other federal programs at USDA, HUD, and SBA.

Mr. PERRY. With that, I look forward to hearing from each of you, our witnesses. And the Chair now recognizes the ranking member for 5 minutes for an opening statement. Mr. Figures.

OPENING STATEMENT OF HON. SHOMARI FIGURES OF ALABAMA, MEMBER, SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND EMERGENCY MANAGEMENT

Mr. FIGURES. Thank you, Chairman Perry. Thank you to all the witnesses for being here today, and thank you to all of your teams that have supported your presence here today, as well.

Thank you, Chairman, for holding this hearing, this important hearing to examine the work and effectiveness of Federal economic development programs at the State and local level. These programs allow communities to make critical investments in workforce training, infrastructure, entrepreneurial development, and other initiatives essential to advancing sustainable economic growth across this country.

I want to also thank our witnesses for joining us today and sharing your perspective on the important work of the Economic Development Administration and the Federal regional commissions and authorities that each of you represent. We appreciate your time and look forward to learning from your experience administering and engaging with these programs.

Today's hearing will give us the opportunity to assess how the EDA and the regional commissions are operating following their reauthorization under the bipartisan Economic Development Reauthorization Act, which was included as part of the Water Resources Development Act of 2024.

I am interested in understanding what these programs are doing well, where implementation challenges still remain, and what improvements could help them work even better for the communities they are intended to serve.

EDA plays a critical role in bringing job growth and economic opportunities to distressed communities in every region of this country. The agency and commissions support workforce development, infrastructure investment, and regional planning efforts that help local economies grow and adapt to new challenges and opportunities. They also promote innovation and competitiveness in our local and regional economies, helping communities succeed in the global marketplace.

Despite this important work, EDA had not been reauthorized in over two decades prior to last year. That reauthorization gave Congress the opportunity to modernize the agency and strengthen its ability to foster economic growth in today's rapidly changing business environments.

As we will hear from our witnesses today, the work of EDA and the regional commissions impact communities of all sizes, both urban and rural. In my home State of Alabama, we have seen this directly. In fiscal year 2024, the Appalachian Regional Commission worked in partnership with the Alabama Department of Economic and Community Affairs to support more than 50 projects in the State, totaling nearly \$22 million—investing in entrepreneurship and business development, workforce ecosystems, and community infrastructure.

Additionally, just last month, the Southeast Crescent Regional Commission announced five State Economic and Infrastructure Development grants in Alabama, totaling more than \$2 million.

These investments will support water and sewer infrastructure, workforce training, and local transportation planning across several counties, projects that will help these communities build long-term economic stability and growth.

As we examine how these programs are being executed and implemented on the ground, it is essential that EDA and the regional commissions have the necessary tools and resources they need to meet the challenges of the regions and the residents that they serve. We must ensure that these Federal investments deliver lasting and meaningful economic development for local communities across this country.

I thank our witnesses again for appearing before us today, and I look forward to your testimony. Thank you.

[Mr. Figures' prepared statement follows:]

Prepared Statement of Hon. Shomari Figures, a Representative in Congress from the State of Alabama, and Member, Subcommittee on Economic Development, Public Buildings, and Emergency Management

Thank you, Chairman Perry, for holding this important hearing to examine the work and effectiveness of federal economic development programs at the state and local level. These programs allow communities to make critical investments in workforce training, infrastructure, entrepreneurial development and other initiatives essential to advancing sustainable economic growth.

I also want to thank our witnesses for joining us today and for sharing your perspectives on the important work of the Economic Development Administration (EDA) and the federal regional commissions and authorities you represent. We appreciate your time and look forward to learning from your experience administering and engaging with these programs on the ground.

Today's hearing gives us opportunity to assess how the EDA and the regional commissions are operating following their reauthorization under the bipartisan Economic Development Reauthorization Act, which was included as part of the Thomas R. Carper Water Resources Development Act of 2024.

I am interested in understanding what these programs are doing well, where implementation challenges remain and what improvements could help them work even better for the communities they are intended to serve.

EDA plays a critical role in bringing job growth and economic opportunities to distressed communities in every region of the country. The agency and commissions support workforce development, infrastructure investment, and regional planning efforts that help local economies grow and adapt to new challenges and opportunities. They also promote innovation and competitiveness in local and regional economies, helping communities succeed in the global marketplace.

Despite this important work, EDA had not been reauthorized in more than two decades prior to last year. That reauthorization gave Congress the opportunity to modernize the agency and strengthen its ability to foster economic growth in today's rapidly changing business environment.

As we will hear from our witnesses today, the work of EDA and the regional commissions impact communities of all sizes, both urban and rural. In my home state of Alabama, we have seen this directly.

In fiscal year 2024, the Appalachian Regional Commission worked in partnership with the Alabama Department of Economic and Community Affairs to support 51 projects in the state totaling nearly \$22 million—investing in entrepreneurship and business development, workforce ecosystems, and community infrastructure.

Additionally, just last month, the Southeast Crescent Regional Commission announced five State Economic and Infrastructure Development grants in Alabama, totaling more than \$2 million.

These investments will support water and sewer infrastructure, workforce training and local transportation planning across several counties—projects that will help these communities build long-term economic stability and growth.

As we examine how these programs are being executed and implemented on the ground, it is essential that EDA and the regional commissions have the necessary tools and resources to meet the needs of the regions and residents they serve. We must ensure that these federal investments deliver lasting and meaningful economic development for local communities across the country.

I thank our witnesses for appearing before us today, and I look forward to their testimony.

Mr. PERRY. The Chair thanks the ranking member.

The Chair now recognizes the ranking member of the full committee, Mr. Larsen, Representative Larsen, for 5 minutes.

OPENING STATEMENT OF HON. RICK LARSEN OF WASHINGTON, RANKING MEMBER, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. LARSEN OF WASHINGTON. Thank you, Mr. Chair. I want to thank the commissions and the EDA for being here, as well.

We are going to be voting on the floor at 10:30. I am going to just ask unanimous consent that my full comments enter the record and then just point out a few things about the regional commissions, which are a Federal-State partnership that Congress cre-

ated to implement community and economic development strategies in some of our most disadvantaged regions.

The work that you have done, working closely with EDA, is to build durable regional economies throughout the country. EDA and the regional commissions provide critical investments in wastewater treatment facilities, workforce training, industrial park road improvements, broadband expansion, and a variety of other areas, and they are an important economic tool for local regions.

We reauthorized the EDA as part of the Tom Carper bill—the WRDA bill—a little over 13, 14 months ago. And, in fact, in this budget that we are voting on today—we have taken so many votes over the last week on appropriations bills; I can’t keep track of all of them—we do in fact fund the commissions moving forward, as well.

I think what I want to see is to ensure that the work the commissions are doing does in fact line up with EDA priorities, and the EDA priorities line up with the commissions. So, as I know, it is a partnership. It is a constant push and pull to ensure that you are achieving the goals you need regionally but also achieving the goals with your partner, the EDA.

And so, with that, I will end it there, and again just ask unanimous consent for my full statement to be in the record.

[Mr. Larsen of Washington’s prepared statement follows:]

Prepared Statement of Hon. Rick Larsen, a Representative in Congress from the State of Washington, and Ranking Member, Committee on Transportation and Infrastructure

Thank you, Chairman Perry, for holding this hearing on our Nation’s economic development programs and the integral role that they play in strengthening our communities, our workforce and our infrastructure.

We are going to hear testimony from witnesses representing different economic development entities:

- the Department of Commerce’s Economic Development Administration (EDA);
- the Appalachian Regional Commission (ARC);
- the Delta Regional Authority (DRA);
- the Denali Commission (Denali);
- the Northern Border Regional Commission (NBRC); and,
- the Southeast Crescent Regional Commission.

To our witnesses, I thank you all for joining us today. I have long been a champion of leveraging federal support for economic development via these economic development entities.

Regional commissions are federal-state partnerships that Congress created to implement community and economic development strategies in some of our most disadvantaged regions. By integrating federal, state, regional and local economic development priorities, the regional commissions help communities respond to local economic crises, trends and needs.

Regional commissions work closely with the Economic Development Administration (EDA) to build durable regional economies throughout the country.

EDA and the regional commissions provide critical investments in wastewater treatment facilities, workforce training programs, industrial park road improvements, commercial truck driver training, and broadband expansion—all vital to local economies.

Regional commissions are an important economic tool to help communities respond to economic challenges. These commissions supplement the work done by EDA to address economic challenges across states and industries.

Although there is currently no regional commission for Washington state, the FY26 Financial Services and General Government Appropriations bill included \$1,000,000 to establish a Northwest Regional Commission located in Washington, Oregon, Idaho and Montana.

I support the establishment of the Northwest Regional Commission and hope this bill will soon be signed into law so communities in my district and across the Northwest can access the resources and tools provided by these Commissions to help our regional economy thrive.

The Thomas R. Carper Water Resources Development Act of 2024 included the Economic Development Reauthorization Act (EDRA), which reauthorized EDA and seven existing regional commissions.

Prior to EDRA, EDA administered 11 core programs that funded a range of construction and non-construction activities in both urban and rural areas. With the enactment of EDRA, some core programs remain unchanged, some existing programs have been amended, and some new programs have been authorized.

It appears that some previously authorized EDA programs are no longer accepting new grant applications. In fact, open funding opportunities seem extremely limited.

I look forward to hearing from our EDA witness about the Trump Administration's implementation of EDRA and how EDA is complying with Congressional mandates.

EDA is the lead agency for the federal government's Economic Recovery Support Function (ERSF).

EDA manages this role on behalf of the Department of Commerce (DOC) under the National Disaster Recovery Framework (NDRF) and in coordination with the Federal Emergency Management Agency (FEMA) and other interagency partners.

The ERSF integrates the expertise of the federal government to help state, local, tribal and territorial (SLTT) governments, as well as private sector partners sustain and rebuild businesses, bolster employment and develop economic opportunities that result in economically resilient communities after large-scale and catastrophic incidents.

Since the early 1990's, EDA has received \$4.71 billion in supplemental appropriations to support local and regional efforts to recover from natural disasters.

The importance of EDA's post disaster work has become painfully clear to me and to the people I represent in the wake of the December floods that devastated western Washington. Local businesses are struggling to rebuild and recover from significant economic losses, and the need for federal support has never been more urgent.

Once a major disaster declaration is approved for Washington, I look forward to working closely with EDA to help the Puget Sound economy regain its footing and ensure our communities have the support they need to recover and thrive.

I look forward to learning more from both EDA and the regional commissions about any improvements that should be made to the federal government's disaster recovery efforts.

I would also like to hear what regional commissions are doing well.

Thanks again to witnesses for being here, and to the Chairman for holding this hearing.

Mr. PERRY. The Chair thanks Representative Larsen.

I would now like to welcome our witnesses and thank you again for traveling here today. Briefly, I would like to take a moment, especially for anybody new, to explain our lighting system. There are three lights in front of you. Green means go. Yellow means you are running out of time. And red means please conclude your remarks. And, if I am hitting the gavel, well, you don't want me hitting the gavel, right?

The Chair asks unanimous consent that the witnesses' full statements be included in the record.

Without objection, so ordered.

And I would just encourage you also just be familiar with the microphone; put it in front of your mouth so that we can hear you.

The Chair also asks unanimous consent that the record of today's hearing remain open until such time as our witnesses have provided answers to any questions that may be submitted to them in writing.

Without objection, so ordered.

The Chair also asks unanimous consent that the record remain open for 15 days for any additional comments and information sub-

mitted by the Members or the witnesses to be included in the record of today's hearing.

Without objection, so ordered.

As your written testimonies have been made part of the record, the subcommittee asks that you limit your oral remarks to 5 minutes.

And, just as a reminder, we are scheduled to vote at 10:30. We are scheduled to vote at 10:30. It doesn't mean we are going to vote at 10:30. So we are going to try and get through as much as we can, but you can probably rely on a bathroom break sometime in the next hour or something like that, just for your personal planning purposes.

All right. As your written testimonies—we already said that.

With that, Mr. Page, you are recognized for 5 minutes for your testimony, sir.

TESTIMONY OF BEN PAGE, DEPUTY ASSISTANT SECRETARY FOR ECONOMIC DEVELOPMENT AND CHIEF OPERATING OFFICER, U.S. ECONOMIC DEVELOPMENT ADMINISTRATION; HON. GAYLE CONELLY MANCHIN, FEDERAL COCHAIR, APPALACHIAN REGIONAL COMMISSION; HON. COREY WIGGINS, PH.D., FEDERAL COCHAIR, DELTA REGIONAL AUTHORITY; HON. CHRIS SAUNDERS, FEDERAL COCHAIR, NORTHERN BORDER REGIONAL COMMISSION; HON. JENNIFER CLYBURN REED, Ed.D., FEDERAL COCHAIR, SOUTHEAST CRESCENT REGIONAL COMMISSION; HON. JUAN SANCHEZ, FEDERAL COCHAIR, SOUTHWEST BORDER REGIONAL COMMISSION; AND JOCELYN FENTON, DIRECTOR OF PROGRAMS, DENALI COMMISSION

TESTIMONY OF BEN PAGE, DEPUTY ASSISTANT SECRETARY FOR ECONOMIC DEVELOPMENT AND CHIEF OPERATING OFFICER, U.S. ECONOMIC DEVELOPMENT ADMINISTRATION

Mr. PAGE. Thank you.

Chairman Perry, Representative Figures, distinguished members of the subcommittee, thank you for the opportunity to testify before you on the Economic Development Administration's implementation of the Thomas R. Carper Water Resources Development Act of 2024, which reauthorized EDA through fiscal year 2029.

The Administration is moving to execute on the requirements of the statute and is making swift progress. A few of the authorities have longer lead times, but I am proud to assure you that EDA is working diligently to put them in place. With that, I want to run through some of the highlights of EDA's implementation so far.

First, at the structural level, EDA has already submitted, and Congress has approved, a reorganization to stand up the two new offices required by the law: the Office of Disaster Recovery and Resilience and the Office of Tribal Economic Development. The disaster office helped design EDA's fiscal year 2025 disaster supplemental funding notice, which was released on June 4th, 2025, and is currently accepting applications to help areas recover from disasters that occurred in 2023 and 2024, including Hurricanes Helene and Milton. Further, the Tribal office held a Tribal consultation on September 25th, 2025, as part of the process to develop a Tribal economic development strategy as required by reauthorization.

Second, many of the statutory authorities were self-executing and became available immediately to EDA. This includes the new authorities related to implementing broadband projects, new eligible entities, expanded eligible activities, and new flexibilities around capacity building and pre-award activities.

The law also institutionalized many programs where EDA has previously only received appropriations. This includes two programs in particular: assistance to coal communities and assistance to nuclear closure communities. As the President has made clear, we must ensure the conditions for energy dominance and must course correct after years of decline in critical energy sectors like coal and nuclear. To that effect, among the Nation's best opportunities for energy independence and economic growth are our coal and nuclear communities. Both of these communities have special relationships with EDA because of the attention called to them in the law. EDA intends to leverage these relationships to help advance the President's energy dominance agenda and revive these hard-working communities after years of decline.

Third, EDA quickly adopted Congress' new definitions for investment priorities and set up a process to notify Congress about upcoming award decisions. We immediately incorporated the five new investment priorities into EDA's funding decisions and updated them on the website and into our funding announcements.

Fourth, EDA is actively working on a new program utilizing the workforce authorities Congress enacted. As was mentioned in a recent EDA blog post, and consistent with the America's Artificial Intelligence Action Plan, we seek to help American communities transition towards this new vision by setting aside \$25 million in grant funding in support of the AI Action Plan.

Fifth, EDA is actively working to deepen the integration and coordination it already has with the regional commissions. In fact, in February, EDA and the commissions are convening in West Virginia to foster coordination and dive deeper into three important areas: closing the urban-rural divide on economic development opportunities, supporting development of a skilled workforce that aligns with private-sector needs, and ensuring these communities can participate in the economic opportunities afforded by emerging technologies.

Finally, EDA is actively working to update its economic distress criteria and corresponding grant rates. EDA is currently researching and conducting due diligence and intends to consult with subject-matter experts and stakeholders before undertaking notice and comment public rulemaking, which will likely take at least another year.

As you are aware, the President's budget request for fiscal year 2026 proposes to eliminate funding for EDA as part of the administration's plans to move the Nation towards fiscal responsibility. While EDA and the Department of Commerce stand ready to execute this directive, we are committed to ensuring that any funds that are executed, including for the activities I have described, are deployed in a manner that protects American taxpayers and supports communities.

In closing, Chairman Perry, Ranking Member Figures, and members of the subcommittee, thank you again for the opportunity to

discuss implementation of EDA's reauthorization. I am happy to answer any questions you have.

[Mr. Page's prepared statement follows:]

Prepared Statement of Ben Page, Deputy Assistant Secretary for Economic Development and Chief Operating Officer, U.S. Economic Development Administration

Chairman Perry, Ranking Member Stanton, and distinguished members of the Subcommittee, thank you for the opportunity to testify before you on the Economic Development Administration's (EDA) implementation of the Thomas R. Carper Water Resources Development Act of 2024, which reauthorized EDA through FY 2029.

The Administration is moving to execute the requirements of the statute and is making swift progress. A few of the authorities have longer lead times and will take longer to implement, but I am proud to assure you EDA is working diligently to put them in place. EDA has made thoughtful decisions in implementing these requirements in the most effective ways possible. With that I want to run through some highlights of EDA's implementation so far.

First, at the structural level, EDA has already submitted, and Congress has approved, a reorganization to stand up the two new offices required by the law: the Office of Disaster Recovery and Resilience and the Office of Tribal Economic Development. EDA is currently updating its internal organizational structure to fully reflect each office's respective duties and implementing the missions of these offices as set out in the statute. The Disaster Office helped design EDA's FY 2025 Disaster Supplemental Notice of Funding Opportunity (NOFO), which was released on June 4, 2025, and is currently accepting applications to help areas recover from disasters that occurred in calendar years 2023 and 2024, including Hurricanes Helene and Milton. The accompanying hiring authority Congress enacted in the section establishing the Disaster Office has also been used for EDA's mission delivery strategy. EDA was able to quickly onboard additional term staff to help it process awards for those areas eligible for funding from the FY 2025 Disaster Supplemental. Further, the Tribal Office held a tribal consultation on September 25, 2025, as part of the process to develop a Tribal Economic Development Strategy, as required in the reauthorization.

Second, many of the statutory authorities were self-executing and became available immediately to EDA as new available tools. This includes the new authorities related to implementing broadband projects, new eligible entities, expanded eligible activities under EDA's Public Works and Economic Adjustment Assistance authorities, and new flexibilities around capacity building and pre-award activities. The law also institutionalized many programs where EDA has previously received appropriations and now has direction from Congress on execution. This includes two programs in particular: Assistance to Coal Communities and Assistance to Nuclear Closure Communities. As the President has made clear, we must ensure the conditions for energy dominance and must course correct after years of decline in critical energy sectors like coal and nuclear. To that effect, among the nation's best opportunities for energy independence and economic growth are our coal and nuclear communities—both of which have special relationships with EDA because of the attention called to them in the law. EDA intends to utilize these relationships to help advance the President's energy dominance agenda and revive these hard-working communities after years of national destruction.

Third, EDA quickly adopted Congress's new definitions for Investment Priorities and set up a process to notify Congress about upcoming award decisions. We immediately incorporated the five new Investment Priorities into EDA's funding decisions and updated them on EDA's website. EDA has also implemented a process to give Congress three days' advance notice of any grant EDA is about to award.

Fourth, EDA is actively working on a new program utilizing the workforce authorities Congress enacted. As was mentioned in an EDA blog post and consistent with America's Artificial Intelligence Action Plan and Executive Order 14179, we seek to help transition American communities towards this new vision by setting aside \$25 million in grant funding in support of the AI action plan. That plan recognizes the need for industry-driven training programs that address workforce needs tied to AI infrastructure investments.

Fifth, EDA is actively working to deepen the integration and coordination it already has with the Regional Commissions. In fact, in early February, EDA and the

Commissions are convening in West Virginia to foster improved coordination, and to dive deeper into three specific areas that are important to helping distressed communities in areas covered by the commissions succeed in our changing economy: 1) closing the urban-rural divide on economic development opportunities; 2) supporting development of a skilled workforce that aligns with private sector needs; and 3) ensuring these communities can participate in the economic opportunities afforded by emerging technologies. We look forward to working even more closely with our partners, some of whom are represented here today, to amplify the impacts of our respective investments and collaborate when possible to help improve lives in the nation's distressed areas.

Finally, EDA is actively working to update its economic distress eligibility criteria and corresponding grant rates. EDA is currently researching and conducting due diligence and intends to consult with subject matter experts and stakeholders before undertaking notice and comment public rulemaking. However, to ensure these changes are implemented correctly, this effort will likely take at least another year, including the solicitation of public comment.

President Trump's budget request for FY 2026 proposes to eliminate funding for EDA and cancellation of its unobligated balances as part of the Administration's plans to move the nation toward fiscal responsibility. While EDA and the Department of Commerce stand ready to execute this directive, we are committed to ensuring that any funds that are executed—including the activities I've described—are deployed in a manner that protects American taxpayers and supports communities.

In closing, Chairman Perry, Ranking Member Stanton, and members of the Subcommittee, thank you again for the opportunity to discuss the implementation of EDA reauthorization. We appreciate the collaborative relationships with you and your staff as we serve the nation's economic development interests and create opportunities for distressed communities across the country. We look forward to continuing to implement this legislation and strengthening EDA's mission.

I am happy to answer any questions you might have.

Mr. PERRY. The Chair thanks the gentleman.

The Chair now recognizes Ms. Manchin for 5 minutes for your testimony, ma'am.

TESTIMONY OF HON. GAYLE CONELLY MANCHIN, FEDERAL COCHAIR, APPALACHIAN REGIONAL COMMISSION

Ms. MANCHIN. Thank you. Good morning.

Good morning.

Mr. PERRY. Pull that mic—there you go.

Ms. MANCHIN. Okay. Thank you for the opportunity for all of us to be here today. I am Gayle Manchin, Federal Cochair of the Appalachian Regional Commission, whose mission it is to strengthen economic growth throughout the Appalachian region's 13-State, 423-county region.

We are grateful for the bipartisan support of the committee and for the leadership of the Trump administration as we tackle Appalachia's unique economic challenges. Our work delivers measurable returns on investment and helps narrow the economic gap between Appalachia and the rest of the Nation. For every \$1 of ARC funding, we attract \$4 in private investment. And, second, the regional poverty rate has fallen by more than half since 1960, when nearly one of three Appalachians lived in poverty.

ARC's Federal-State-local partnership is one of a kind, and it is proving itself to be highly effective. We prioritize funding across five evidence-based goals: building businesses, developing a skilled workforce, strengthening infrastructure, expanding the tourism industry, and enhancing community resources.

To gauge success, we track and evaluate the outcomes related to these strategic areas; for example, including jobs created, businesses launched, individuals trained, and infrastructure improve-

ments. I am pleased to announce that we are on track to meet or exceed all of our outcome targets in our current plan as we get ready to introduce our new plan this year.

In addition, ARC evaluates the economic status of our counties each year. Today, the number of distressed Appalachian counties is at its lowest level in 20 years. By law, we are committed to fund more than 50 percent of our money to the distressed communities. However, we generally exceed that. This year, 73 percent of our money was directed to our most distressed counties in 2025.

Two of our initiatives that tackle Appalachia's unique challenges is, first, the POWER Initiative, which is dedicated to boosting large-scale industry and job growth in our coal communities. Additionally, it advances President Trump's Executive order on reinvigorating the coal industry. To date, \$473 million in POWER funding has leveraged \$1.8 billion in private investment.

ARC's Area Development Program also remains a cornerstone of our work to tackle infrastructure challenges exacerbated by our rugged topography, supporting construction of roads, water systems, and broadband, and our INSPIRE Initiative addresses the workforce gap created by the substance use disorder.

During President Trump's first administration, he recognized the urgency of this crisis, and ARC created INSPIRE. To date, INSPIRE has provided opportunities for over 18,000 Appalachians across our 13 States.

ARC also collaborates with our Federal partners—USDA, EDA, DOT, Office of National Drug Control Policy, to name a few. Our programs complement, not duplicate, other Federal efforts because we collaborate. And these Federal programs address the most distressed areas of Appalachia. Our funds help leverage gap funding, matching money, and resources to extend beyond EDA to help sustain those communities after the lifecycle of the grant.

I would like to say in closing that, by strengthening the Appalachian region, 26.6 million Appalachians, we bolster not only the economy of Appalachia, we bolster the economy of this country. Thank you.

[Ms. Manchin's prepared statement follows:]

**Prepared Statement of Hon. Gayle Conelly Manchin, Federal Cochair,
Appalachian Regional Commission**

Mr. Chairman and members of the Committee: I'm Gayle Manchin, Federal Co-Chair of the Appalachian Regional Commission (ARC), and I'm pleased to come before you this morning to discuss ARC's impact to the regional economy—and the good return on investment it delivers.

ARC is grateful for the bipartisan support from the Transportation and Infrastructure Committee over the years. We are also grateful for the leadership of the Trump Administration, which supports ARC's work to address the unique economic challenges and opportunities facing Appalachia—including the loss of coal mining jobs and the substance use disorder crisis in Appalachia, topics I will dive into further in my testimony.

To start, I'd like to share a few data points that underscore ARC's good return on investment throughout the 13-state, 423-county Appalachian region:

- First, every \$1 of ARC funding attracts \$4 in leveraged private investment¹ (in FY 2025 alone). To be clear, this leveraged private investment is different from the matching funds that grantees and their partners provide to secure a grant. Leveraged private investment refers to the additional money that flows because a grant was made. Whether this is from building an ARC-funded water line for an industrial park that attracts new business—or from ARC projects that provide capital to help small businesses succeed and grow throughout the region—we have seen time and time again the multiplier effect of ARC’s federal investments.
- And second, we have seen significant reduction in regional poverty rates over six decades. For example, in 1960, five years before Congress established ARC, nearly 1 in 3 Appalachians lived in poverty. Today, the regional poverty rate has been cut by more than half. In addition, high-poverty counties have been cut by nearly 60 percent.²

ARC’S PARTNERSHIP APPROACH

ARC’s first-of-its-kind federal, state, and local partnership structure provides an effective approach for addressing Appalachia’s unique economic development needs, as evidenced by our track record of success. Combined with targeting funds to areas of greatest need and a “bottom up” approach to addressing economic challenges and opportunities, ARC prioritizes funding to advance its five strategic goals: building Appalachia’s 1.) businesses, 2.) workforce, 3.) infrastructure, 4.) regional tourism industry, and 5.) community resources and skills.

REGIONAL CHALLENGES

As a region, Appalachia confronts a combination of unique challenges that have resulted in economic isolation—its mountainous terrain, dispersed population, need for infrastructure, and a lack of financial and human resources. These challenges, combined with the disproportionate impact of substance use disorder throughout the region and the loss of jobs in declining sectors, underscores the importance of continued investment in tailored solutions that support Appalachia’s long-term economic self-sufficiency.

TARGETING INVESTMENTS TO AREAS OF GREATEST NEED

One way ARC gauges its progress is through evaluating economic data and categorizing the economic status of each county in the Appalachian Region as distressed, at-risk, transitional, competitive, or attainment. Each economic designation has a different match rate, which determines the amount of funding that ARC can provide. By law, ARC must direct at least half of its grant funds to projects that benefit economically distressed counties and areas in Appalachia. However, the Commission routinely exceeds that requirement—in FY 2025, 73% of its grant funds were invested in distressed counties or areas.

Data over two decades also demonstrates notable improvements in the region’s economic status designations. Specifically, in FY 2026, the number of distressed Appalachian counties declined to the lowest level recorded in the 20 years of ARC’s index system.³

MEASURING PROGRESS

In addition to evaluating the economic status of Appalachia’s 423 counties, ARC also gauges its progress through tracking and examining grant outcomes in relation to performance targets from our Strategic Plan. Aligning with each goal, our outcome targets measure jobs created or retained; businesses created or strengthened; students and workers trained; businesses and households served by infrastructure; and communities improved through resource-building.

¹FY 2025 Performance and Accountability Report <https://www.arc.gov/wp-content/uploads/2025/12/FY-2025-Performance-and-Accountability-Report.pdf>, pg. 18

²High-Poverty Counties in Appalachia, 1960 and 2019–2023—Appalachian Regional Commission: <https://www.arc.gov/map/high-poverty-counties-in-appalachia-1960-and-2019-2023/>

³County Economic Status in Appalachia, FY 2026—Appalachian Regional Commission: <https://www.arc.gov/map/county-economic-status-in-appalachia-fy-2026/>

While we are preparing to launch an updated strategic plan this year, I am pleased to report that we are either on track to meet or exceed all of the outcome targets⁴ outlined in our current strategic plan.

ARC PROGRAMS AND INITIATIVES

I want to highlight two special initiatives that are advancing President Trump's agenda to strengthen America's economy.

First is ARC's *Partnerships for Opportunity and Workforce and Economic Revitalization Initiative (POWER)*, which advances President Trump's Executive Order on Reinvigorating America's Beautiful Clean Coal Industry to enhance national and economic security. Between 2011–2023, 70% of coal mining jobs lost in the U.S. were in Appalachia.⁵ ARC's POWER Initiative is designed to grow industry and attract private investments in Appalachia's coal communities. As a competitive funding opportunity, POWER prioritizes projects that emphasize large-scale, multi-jurisdictional activities, engage a broad range of partners, and are financially sustainable and transformational. Eligible funding uses include enhanced job training and re-employment activities, job creation activities in existing or emerging industries, and new investment development activities for coal communities.

Over the last decade⁶, ARC's \$473 million investment in 554 POWER projects has leveraged more than \$1.8 billion in private investment throughout 365 coal communities. In addition, these grants are projected to create or retain over 52,000 jobs and prepare nearly 170,000 workers and students for new opportunities in high-demand industries, including advanced manufacturing, automotive, coal mining, aerospace, broadband, and tourism.

The second initiative I want to highlight is *Investments Supporting Partnerships in Recovery Ecosystems (INSPIRE)*, which focuses on creating or expanding local networks that lead to workforce entry or re-entry for Appalachians recovering from substance use disorder (SUD). SUD disproportionately impacts Appalachia⁷ and continues to pose a major threat to regional economic prosperity. It's not only a public health and safety issue; it's an economic development issue. SUD drains the region's resources, both human and financial, and limits economic output.

During President Trump's first administration, he and the Transportation and Infrastructure Committee recognized the urgent need to tackle the SUD crisis in Appalachia. To meet this charge, ARC identified an opportunity to address an unmet need related to the economic impact from the SUD crisis—helping those in recovery enter or reenter the workforce. As a result, INSPIRE was created.

To date,⁸ ARC has invested nearly \$66 million in 200 INSPIRE projects that support recovery-to-work programs across 380 counties—which is 90 percent of the region. Together, these investments are projected to improve nearly 4,000 businesses and provide opportunities for over 18,000 students and workers.

While INSPIRE and POWER are two examples of specialized initiatives to address Appalachia's unique economic needs, ARC's base Area Development Program continues to serve as the mainstay of our work.

The base Area Development Program provides a way for ARC to adapt quickly to Appalachia's emerging economic opportunities. The program also helps address timely, region-wide issues affecting the economy. For instance, Area Development funding is providing long-term support for Appalachian businesses in North Carolina and Virginia as they recover from the economic devastation caused by 2024's Hurricane Helene. Similarly, it is also rebuilding infrastructure in communities impacted by flooding in Kentucky and West Virginia, as it can take years for states and localities to rebuild in light of this level of devastation.

Beyond natural disasters, Appalachia's rugged, mountainous geography inherently presents significant barriers to building regional infrastructure—including roads, water and wastewater systems, and broadband. Strong infrastructure is a prerequisite to creating a strong economy. The share of housing units lacking complete plumbing facilities is nearly twice as high in Appalachia as in the United States

⁴ FY 2025 Performance and Accountability Report: <https://www.arc.gov/wp-content/uploads/2025/12/FY-2025-Performance-and-Accountability-Report.pdf>, pg. 19

⁵ <https://www.arc.gov/report/coal-production-and-employment-in-the-appalachian-region-2024/>

⁶ Partnerships for Opportunity and Workforce and Economic Revitalization Initiative—Appalachian Regional Commission

⁷ In 2023, the overdose mortality rate was 50% higher in Appalachia than in the rest of the country: <https://www.arc.gov/wp-content/uploads/2025/07/Appalachian-Diseases-of-Despair-Update-2025.pdf>

⁸ Investments Supporting Partnerships in Recovery Ecosystems Initiative—Appalachian Regional Commission

overall.⁹ In addition, Appalachian households are less likely than U.S. households overall to have broadband.¹⁰ This is why ARC continues to prioritize investments in regional infrastructure to expand economic opportunity throughout Appalachia.

In addition to strengthening the region's infrastructure, ARC investments are driving economic growth strategies that capitalize on Appalachia's unique assets and prioritize assistance for small businesses and entrepreneurs. Data shows that these investments are proving to be effective.

Specifically, a FY 2023 evaluation of ARC's business development grants closed between 2017 and 2021 found that those investments facilitated the creation or retention of nearly 30,000 jobs and the establishment of nearly 2,000 new Appalachian businesses.¹¹ Additionally, these business development grants attracted an astounding \$923 million in private investment to the region, resulting in increased economic opportunity for its 26.6 million residents.

FEDERAL COLLABORATION AND IMPACT

Collaboration with local and state partners cannot act alone to uplift the entire regional economy. Our federal partnerships serve as key assets to our mission. I know we are all aware that Congress created ARC over 60 years ago to partner at all levels—local, state and federal—to guide economic development in this challenged region, and we are meeting that charge. On the federal level, ARC has strong relationships with U.S. Department of Agriculture, the Economic Development Administration, the U.S. Department of Transportation, and the White House's Office of National Drug Control Policy (ONDCP).

ARC is not duplicative, but rather complementary, of other federal programs. Through our tailored approach to address specific economic challenges that impact Appalachia, ARC can extend the reach of other federal programs into some of the most economically distressed parts of the nation. This includes gap funding to help Appalachian communities plan and implement projects that create economic opportunities. In addition, ARC funds can also match other federal funding sources. More importantly, we focus on ensuring communities have the resources to ensure long-term economic self-sufficiency—beyond the life of a grant.

These aspects help attract private sector investment to areas that otherwise would not likely be considered competitive investment opportunities.

Taken together, ARC's program and initiatives are helping to narrow the economic gap between Appalachia and the rest of the nation. Ultimately, when we strengthen the economies of the Appalachian counties throughout our 13-state region, we strengthen the economy of each state. When we have strong state economies, this contributes to a strong national economy. I look forward to working with the Subcommittee in our efforts to expand opportunities for the 26.6 million Americans who call Appalachia home.

Mr. PERRY. The Chair thanks the gentlelady.

The Chair now recognizes Dr. Wiggins for 5 minutes for your testimony, sir.

TESTIMONY OF HON. COREY WIGGINS, PH.D., FEDERAL COCHAIR, DELTA REGIONAL AUTHORITY

Mr. WIGGINS. Mr. Chairman, Ranking Member, and members of the committee, my name is Dr. Corey Wiggins, and I serve as the Federal Cochair of the Delta Regional Authority. Thank you for the opportunity to appear before you today to discuss how we can achieve smarter Federal spending, reduce duplication, and ensure that economic development investments deliver meaningful and lasting results for the communities we serve.

The Delta Regional Authority serves 255 counties and parishes in 8 States, including Alabama, Arkansas, Illinois, Kentucky, Lou-

⁹ <https://www.arc.gov/report/a-twenty-year-review-revisiting-the-drinking-water-and-waste-water-infrastructure-funding-needs-and-gaps-in-the-appalachian-region/>, pg. 35

¹⁰ <https://www.arc.gov/wp-content/uploads/2025/05/>

PRB ARC Chartbook ACS 2019 2023 FINAL 2025-06.pdf#page=85

¹¹ Evaluation of ARC's Business Development Grants Closed Between 2017–2021—Appalachian Regional Commission: <https://www.arc.gov/report/evaluation-of-arc-business-development-grants-closed-between-2017-2021/>

isiana, Mississippi, Missouri, and Tennessee. At its core, DRA operates as a Federal-State partnership designed to align regional economic development priorities. Every 5 years, by statute, we develop a regional development plan with public input and approval by the Governors of our eight States. Our current plan ensures that our investments are not isolated transactions, but part of a coordinated regional strategy focused on infrastructure resilience, workforce development, business competitiveness, and regional capacity.

From fiscal years 2024 and 2025, our major investment programs produced measurable results. For example, the States' Economic Development Assistance Program, one of our most diverse investment tools, is expected to improve public infrastructure that would impact more than 150,000 families, train approximately 3,000 workers, and result in creation or retention of almost 7,000 jobs.

Through our Community Infrastructure Fund, DRA investments will improve critical local infrastructure for more than 100,000 families, support the training of over 1,000 individuals, and help create or retain more than 14,000 jobs. And through our workforce development program, we invested in institutions that will train more than 5,000 individuals and support nearly 8,000 jobs across the region.

While these data points illustrate the scope of DRA's impact, in communities, these investments go much further. For example, in northeast Louisiana, a \$300,000 DRA investment leveraged nearly \$1 million in additional public funding to modernize the electrical system at a regional trauma and stroke center, serving more than 340,000 residents. That single project strengthened healthcare delivery, protected more than 700 jobs, and reinforced regional medical capacity.

In Alabama's Black Belt, our investment in water, sewer, and roadway improvements in Union Springs addressed longstanding public health infrastructure failures, improving daily living conditions for residents while positioning the community to attract private and public capital for future growth.

More recently, Congress provided \$2 million to DRA through supplemental EDA funding for disaster recovery and infrastructure restoration. Those funds are now supporting recovery efforts across 5 communities in 4 States, helping more than 1,700 households to rebuild and stabilize after federally declared disasters.

To ensure effectiveness, DRA also invests in local capacity, not just projects. In 2024, DRA's Local Development District Technical Assistance Program supported the 44 local development districts in our region and resulted in the communities securing more than \$50 million in combined Federal and State investments. Nearly 90 percent of those funds go toward critical public infrastructure and workforce systems.

We also operate leadership and technical assistance programs that strengthen communities' capacity to develop high-quality projects. This early investment improves results, minimizes administrative waste, and ensures Federal resources are alive with projects that are viable, sustainable, and locally supported.

Regional commissions coordinate across Federal, State, and local systems to ensure that national policy and regional priorities are responsive to the distinct conditions and challenges of the commu-

nities we serve. We operate where Federal policy meets State leadership and local implementation. From that position, we help reduce duplication by ensuring that investments in infrastructure, workforce, health, and business development reinforce one another rather than compete or overlap.

In closing, DRA's value is measured not only in dollars invested, but in systems that help rural and distressed communities attract capital, manage growth, respond to disasters, and participate more fully in the national economy. We stand ready to work with this committee to ensure that Federal economic development policy remains efficient, effective, accountable, and responsive to the communities that need it most.

Thank you for the opportunity to testify. I look forward to your questions.

[Mr. Wiggins' prepared statement follows:]

Prepared Statement of Hon. Corey Wiggins, Ph.D., Federal Cochair, Delta Regional Authority

On behalf of the Delta Regional Authority (DRA), I am pleased to submit the Authority's written testimony.

The DRA was established in 2000 to address economic distress in and around the Mississippi River Delta and the Alabama Black Belt. Member states include Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee. Home to more than 10 million residents, the DRA region is among the most economically distressed parts of the United States. Among the DRA region's 255 counties and parishes, most are characterized as distressed and persistently in poverty.^{1,2} Despite these economic conditions, millions of Americans across the country rely on the DRA region for agriculture, manufacturing, textiles, and supply chain logistics, as well as natural resources.

Throughout its history, the DRA has responded to the region's challenges through programs and strategic investments. The DRA invests in a broad range of initiatives that support its four overarching goals: investing in public infrastructure, developing local workforces, promoting business growth and entrepreneurship, and supporting sustainable communities.

Research from the Brookings Institution, including its report, *Unlocking Investment in Distressed Rural Places*, finds that federally chartered regional commissions allocate a higher share of their infrastructure funding to distressed rural communities than many federal programs.³ Brookings further notes that regional commissions are often more effective at directing resources to places that face persistent barriers to accessing federal investment, reflecting their grant-based structure, explicit distress-targeting missions, and deep regional knowledge.

The information presented below highlights the Authority's investments, activities, and outcomes since its last appearance before this Committee in September 2023, reflecting the most recent period of program implementation across the Delta region.

Key highlights include:

¹ As of FY 2025, 228 (89 percent) of DRA's counties and parishes are economically distressed. In compliance with the statute, the DRA calculates distress criteria on an annual basis. To be deemed distressed, counties and parishes must meet the following criteria: 1. An unemployment rate of one percentage point higher than the national average for the most recent 24-month period. 2. Have a per capita income of 80 percent or less of the most recent national per capita income level.

² As of FY 2023, 136 (54 percent) of DRA's counties and parishes are in persistent poverty. The DRA follows the definition of persistent poverty the definition of persistent poverty provided by the U.S. Department of Agriculture's Economic Research Service that designates persistent poverty counties as those in which poverty rates of 20 percent or higher have persisted for 30 years or more.

³ Anthony F. Pipa, Heather M. Stephens, David Nason, and Zoe Swarzenski, "*Unlocking Investment in Distressed Rural Places*," Brookings Institution, January 13, 2025, <https://www.brookings.edu/articles/unlocking-investment-in-distressed-rural-places/>

- The States' Economic Development Assistance Program (SEDAP), one of DRA's main investment tools, provides direct investments for basic public infrastructure, transportation infrastructure, business development, and workforce development. From FY 2024 to FY 2025, project investments in SEDAP resulted in approximately 157,000 families positively impacted by infrastructure projects, about 3,000 individuals trained in workforce development programs, and over 6,700 jobs either created or retained in the region.
- The Community Infrastructure Fund (CIF) supports projects that address flood control, basic public infrastructure, and transportation infrastructure improvements. From FY 2024 to FY 2025, CIF investments have resulted in nearly 120,000 families positively impacted by infrastructure projects, about 1,100 individuals trained in workforce programming, and approximately 14,200 jobs created or retained in the region.
- The Delta Workforce Grant Program (DWP) is an initiative designed to build long-term community capacity and increase economic competitiveness by providing grants to support workforce training and education programs throughout the lower Mississippi River Delta and Alabama Black Belt regions. From 2024 to FY 2025, project investments in the DWP resulted in over 5,200 individuals trained in workforce development programs and nearly 7,900 jobs either created or retained in the region.
- In collaboration with the U.S. Department of Health and Human Services, the Delta Region Community Health Systems Development Program provides technical assistance to critical access hospitals, small rural hospitals, rural health clinics, and other healthcare organizations. Since 2017, the program has supported 68 organizations in 66 DRA communities across all eight Delta states. Participants in the program's 2022 cohort increased their net patient revenue and total operating revenue by an average of 9.8 percent, with 89 percent also reporting improvements in both financial position and quality of care.

By leveraging its annual appropriations alongside the Infrastructure Investment and Jobs Act funding, DRA expects 2024 and 2025 investments to impact over 177,000 families through improved access to infrastructure, create or retain nearly 19,000 jobs, and train approximately 9,400 individuals.

For example, one of these projects includes a DRA SEDAP investment of more than \$300,000, leveraged by \$945,000 in additional public investment, to support the Electrical Distribution System Upgrade at Ochsner LSU Health Monroe Medical Center in Northeast Louisiana. This infrastructure project will modernize aging electrical systems at a Level III Trauma Center and Primary Stroke Center that serves more than 348,000 residents across a largely rural and economically distressed region. The upgraded system is expected to improve reliability and safety for a facility that delivers more than 134,850 inpatient and outpatient services annually, manages over 37,000 emergency department visits, and supports more than 1,000 births each year. By reducing the risk of power outages and ensuring uninterrupted operation of life-saving medical equipment, the project will strengthen access to essential healthcare services, help retain more than 700 healthcare jobs, and reinforce the medical center's role as a critical regional healthcare hub for communities across Northeast Louisiana.

Additionally, DRA awarded a CIF investment of more than \$662,000 to support comprehensive water, sewer, and roadway improvements in the City of Union Springs, Alabama, a persistent poverty community in Bullock County. This public infrastructure project will upgrade aging waterlines and sanitary sewer systems and resurface roadways on Abercrombie Street, Baskin Street, and Fourth Street, improvements that directly serve more than 140 households and businesses and benefit approximately 3,350 residents citywide. By replacing deteriorated infrastructure that has contributed to service disruptions, water loss, and public health risks, the project is expected to improve access to safe drinking water, enhance sanitation, reduce environmental hazards, and increase transportation safety. In addition to improving quality of life for residents, the project will support local economic stability by improving conditions for existing businesses, enhancing the city's attractiveness for future investment.

Under P.L. 118-158, Congress provided \$1.51 billion in supplemental funding to the U.S. Economic Development Administration (EDA), including \$10 million transferred to the DRA for economic adjustment assistance related to flood mitigation, disaster relief, long-term recovery, and infrastructure restoration in areas with presidential major disaster declarations during calendar years 2023 and 2024. DRA will invest over \$9.8 million across five communities in Alabama, Mississippi, Missouri,

and Tennessee, supporting recovery efforts that impacted more than 1,700 households.

As DRA continues to assess FY 2025 project and impact data, some highlighted regional investments include:

- DRA awarded more than \$7 million in investments to 25 projects across Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee through the DWP. One of those investments included approximately \$300,000 to the Center for Rural Innovation in Arkansas for a workforce initiative that will provide information technology training and industry-recognized certifications to address critical workforce challenges in Phillips County.
- DRA awarded approximately \$6 million in investments to three projects across Arkansas, Louisiana, and Missouri through its partnership with the EDA. One of these investments, with funds provided through EDA's Economic Adjustment Assistance program, included \$1.9 million to the City of Poplar Bluff, Missouri, to make improvements to the transportation infrastructure within the Poplar Bluff Industrial Park, ensuring safer and reliable roadways for employees and freight trucks accessing the five manufacturing companies within the park, while also attracting new businesses to the park.
- DRA awarded nearly \$2.5 million to 44 local development districts (LDDs) through the LDD Community Support Pilot Program to strengthen local capacity and technical assistance for communities across the region. Designed to enhance the Delta's ability to compete and leverage resources, the program supports LDDs in advancing projects in economically distressed communities. On average, participating LDDs submit 28 grant applications per fiscal year, securing approximately \$54 million annually in combined DRA, federal, and state investments, nearly 90 percent of which support critical infrastructure (e.g., utilities, transportation) and human infrastructure (e.g., workforce training, health care).
- DRA awarded over \$3.3 million to 29 communities in Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee through the Strategic Planning Program, including \$150,000 to the City of Grenada, Mississippi, to develop a comprehensive GIS mapping and condition assessment of its entire water distribution system to modernize infrastructure management, reduce service disruptions and attract economic growth.
- DRA awarded more than \$44 million in investments to 33 projects in Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, and Tennessee through its CIF program. One of these investments included \$600,000 to the City of Pangburn, Arkansas, to improve its water infrastructure system to ensure residents are provided with a safe and affordable water supply.

Every five years, the DRA, by statute, is responsible for creating a regional plan with public input and is approved by our board of governors. In February 2023, the Authority approved and released *Navigating the Currents of Opportunity: DRA Regional Development Plan IV*. Our strategic goals for the next five years include:

- DRA will expand and invest in the resiliency of the region's public infrastructure to improve residents' quality of life and increase economic opportunity.
- DRA will improve networks of agencies, organizations, businesses, and educational institutions providing workforce development opportunities. It will promote access to services, funding, and programs that enable career stability.
- DRA will strengthen the competitiveness of the region's employers, attract new employers to the region, and support the long-term growth of micro and small businesses.
- DRA will invest in and support local placemaking and regional capacity building that improves opportunities for capital and federal investment in the DRA region to support economic development.

As part of DRA's commitment to build upon these priorities to expand its impact in the region, it includes outreach to DRA stakeholders, including local governments, nonprofit organizations, LDDs, community colleges, and four-year institutions of higher learning. Some of these outreach and technical assistance efforts have included:

- LDD Trainings: DRA conducted 14 in-person training sessions augmented by virtual training sessions focused on providing technical assistance and capacity-building support for LDDs. Virtual sessions were recorded and provided to LDDs for additional access.

- Delta Leadership Institute Executive Academy: In September 2025, DRA celebrated the graduation of 35 regional leaders from the Delta Leadership Institute (DLI) Executive Academy. This intensive nine-month leadership development program unites leaders from the public, private, and nonprofit sectors across the Mississippi River Delta and Alabama Black Belt regions. The 2025 DLI Executive Academy class was selected through a highly competitive application process overseen by DRA's federal co-chairman and the governors of the Authority's eight member states. The program equips the region's leaders with the skills and knowledge needed to inspire change within their communities and accelerate prosperity throughout the region.
- DRA-supported *Capacity-Building Hub*: DRA continues to support regional capacity building through a suite of targeted technical assistance initiatives delivered in partnership with leading regional organizations, including the University of Memphis, Hope Enterprise Corporations, the Southern Rural Development Center, and the North Central Regional Center for Rural Development. Through these partnerships, communities across the lower Mississippi River and Alabama Black Belt regions receive grant-writing assistance, project development support, and project management training to strengthen local capacity and improve project readiness. As part of this broader technical assistance portfolio, DRA-supportive initiatives have helped communities advance locally driven planning efforts, including the adoption of strategic development plans in several Alabama Black Belt communities, positioning them to pursue future economic and community development investments.
- Workforce Opportunity for Rural Communities (WORC) Initiative: DRA provides technical assistance and capacity-building support to both prospective applicants and grant recipients through the WORC Initiative, which is a partnership between the U.S. Department of Labor's Employment and Training Administration and three regional commissions—the Appalachian Regional Commission, DRA, and the Northern Border Regional Commission. In 2024, DRA delivered a technical assistance webinar and a series of instructional videos to support applicants in the DRA region, and it continues to provide direct technical assistance to grant recipients throughout the grant period. Since 2019, the WORC Initiative has awarded 67 grants to recipients in the DRA region across the first six funding rounds.

Thank you again for the opportunity to testify. We appreciate the opportunity to discuss the DRA's work in the region and look forward to your questions.

Mr. PERRY. Thank you, Dr. Wiggins.

Mr. Saunders, you are now recognized for your 5 minutes of testimony, sir.

**TESTIMONY OF HON. CHRIS SAUNDERS, FEDERAL COCHAIR,
NORTHERN BORDER REGIONAL COMMISSION**

Mr. SAUNDERS. Thank you, Mr. Chairman, Mr. Ranking Member, members of the subcommittee. My name is Chris Saunders. I am proud to serve as the Federal Cochair of the Northern Border Regional Commission.

As you have heard from my colleagues, the regional commissions exist as Federal-State partnerships, and ours in particular serves the economic and community development needs in the northern counties across Maine, New Hampshire, New York, and Vermont.

As with our peer commissions, we operate competitive grant programs aimed at supporting locally driven economic development initiatives. By design, the regional commissions utilize a very highly collaborative model for directing Federal public investment; in our case, particularly to rural America. By requiring the participation of Governors and member States in the operation of our commission, this structure demands that States see themselves as true partners with the Federal Government. And, as a result, rather than scattered investments serving the needs of one particular

State, common themes of regional economic need emerge and receive support.

I think it is this structure along with the flexibility that Congress has granted commissions which allows NBRC to deliver assistance in a manner that not only reflects the needs, but the capacity constraints of the communities in our region. I am happy to highlight one such example, which is the forest products industry. That has really emerged as one of the defining areas of investment for our commission.

For generations, wood products and paper industries were an important driver of the economy across northern New England and New York. Over the past four decades, these industries have really faltered. Pulp and paper mills, often the predominant employer in small towns, they have closed, resulting in job losses both at the mills as well as for foresters, loggers, and the communities at large. And what we have heard from local leaders and industry stakeholders that is made clear about this situation is that these economic challenges did not arise overnight. And, at the same time, there are no quick fixes to dealing with these job losses.

Instead, what local leaders and communities have advanced is a vision of innovation and economic diversification. Congress has tasked NBRC to target resources to support this vision, which the commission has done through specific grant offerings that support innovation and infrastructure development in the forest industry.

And we are starting to see the results of this approach. They are becoming clear. Targeted investments are transforming paper mills into factories that make new materials from wood products, such as housing insulation, we have wood products made from wood fibers, new building materials, a host of other products which, in a State like Maine—the Maine Forest Products Council has shown that between 2019 and 2024, while paper manufacturing sales have declined by over 40 percent, wood product manufacturing, including the products I referenced, have increased by 45 percent.

Our commission has played a role as one of the funders in this market evolution that represents what is possible through sustained Federal investment in a specific sector.

Taking a step back and looking at the commission's work as a whole, we have over 437 active awards that include projects such as transportation infrastructure, drinking water and wastewater infrastructure, workforce development, business lending, among many others. In my prepared testimony, I shared examples of some of the specific types of awards we have made in recent years.

Our appearance in 2023 was referenced at the subcommittee, and I am happy to provide an update to some of the statistics NBRC shared at that time. In the past 2 years, of the nearly 200 awards from NBRC's Catalyst Program, 50 percent have been made to infrastructure. Those projects were leveraged at nearly a 1-to-2 ratio, bringing in an additional \$273 million in non-Federal investment into our region. Seventy-five percent of NBRC awards were made to communities of under 5,000 people, and 66 percent were made to applicants of distressed communities.

I hope what you have heard is that regional commissions can offer the ability to focus in a targeted way on a sector that is important to the region that they serve. They also have a governance

model that really requires collaboration and, in our estimation, produces a very highly effective way of delivering resources to rural America.

Thank you for the opportunity to testify, and I look forward to your questions.

[Mr. Saunders' prepared statement follows:]

**Prepared Statement of Hon. Chris Saunders, Federal Cochair, Northern
Border Regional Commission**

Mr. Chairman, Mr. Ranking Member, Members of the Subcommittee, thank you for the invitation to appear before the Subcommittee today to discuss the work of the Northern Border Regional Commission (NBRC). Among federal funders, the regional commissions have a unique approach to economic development, and I appreciate the opportunity to participate in this hearing. As part of today's testimony, NBRC is happy to provide a brief overview of its operations and areas of focus, and how it has prioritized investment of federal funds.

NBRC OPERATIONS

Created by Congress in the 2008 Farm Bill, the Northern Border Regional Commission is a federal-state partnership serving the economic and community development needs in the northern counties across Maine, New Hampshire, New York and Vermont. As with its peer Commissions, NBRC operates competitive grant programs aimed at supporting locally driven economic development initiatives. All NBRC awards involve the recommendations of the Governors of member states and are approved by votes from the Federal Co-Chair and Governors.

By design, the regional commissions utilize this highly collaborative model for directing federal public investment to rural America. In requiring the participation of Governors and member states in the governance of a Commission, this structure demands that states see themselves as regional partners with the federal government. As a result, common themes of economic need emerge and receive investment—rather than a specific need of an individual state.

This structure, along with flexibility Congress has granted Commissions, allows for consideration of how best to deliver assistance in a manner that reflects the needs, and recognizes the capacity constraints of the communities within the region. One example is the forest products industry, which has emerged as a defining area of focus in the NBRC territory.

PROMOTING INCREASED TIMBER PRODUCTION

For generations, the wood products and paper industries were significant drivers of the economy in Northern New England and New York. Over the past four decades these legacy industries have faltered. Pulp and paper mills—often the predominant employer in small, rural communities have closed. These closures have resulted in job losses both at the mills as well as for loggers and foresters. There has been a follow-on negative impact for small businesses located in these communities who have lost customers and revenue. What local leaders and industry stakeholders have made clear is that these economic challenges did not sprout up overnight, and there are no quick fixes to replacing these job losses.

In response, what local industry leaders and communities have advanced is a vision of innovation and economic diversification. Congress has directed NBRC to target resources to support this vision, which the Commission has done through specific grant offerings that support innovation and infrastructure within the forest products industry.

The results of this approach are becoming clear. Targeted investments are transforming paper mills into factories that make new materials, such as housing insulation products, packing materials and other products from wood fibers. In Maine, the Maine Forest Products Council has shown that between 2019 and 2024, while paper manufacturing sales declined by over 40%, wood product manufacturing sales, including these new products, increased by 45%¹.

¹ <https://maineforest.org/wp-content/uploads/2025/10/2024-Economic-Report-FINAL-for-printing-AK.pdf>

Mass timber, an engineered wood product comprised of layers of wood that are typically glued or nailed together, represents another significant market opportunity for the region. The northeast lags behind other areas of the country that have established markets for buildings constructed with mass timber panels and columns. Transportation infrastructure has been identified as a potential market opportunity for mass timber. NBRC has awarded funds to spur the adoption of this building material in bridges, airport terminals and other transportation projects.

PRIORITIZATION OF INFRASTRUCTURE, DISTRESSED AND RURAL COMMUNITIES

In October 2023, the Subcommittee invited the Regional Commissions to participate in a hearing about their role in economic development. At that time, NBRC shared details of its investments, including its approach to target resources to the most distressed areas in the region, evaluating infrastructure projects and other investment principles. I am pleased to provide an update to the information NBRC shared at that hearing.

- *Investing in infrastructure*—NBRC awards funds to infrastructure projects with the goal of facilitating additional private and public investments. Congress has determined this should be a priority funding area for NBRC, stipulating in NBRC's statute that a minimum of 40 percent of grant awards should be made to infrastructure projects. NBRC meets and exceeds this threshold with its investments across the region on an annual basis. Over the past two years of the 194 awards from NBRC's Catalyst Program, 50 percent were made to projects classified as infrastructure.
- *Leveraging other sources of funding*—While NBRC requires a local match for its funding, the Commission has a track record of supporting projects that incorporate non-federal funding sources. In 2024 and 2025 NBRC funds were matched at a nearly 1:2 ratio, leveraging an additional \$273 million in non-federal investment across our four-state region.²
- *Centering the needs of rural communities*—The regional commission model is designed around the origination of projects at the local level, and developing the capacity of rural communities. In the NBRC region, the Commission maintains a network of built-in technical assistance providers referred to as Local Development Districts. These partners support rural leaders and collaborate with municipalities and non-profits for grants administration and management of federal funds. In 2024 and 2025 75% of NBRC awards were made to communities with under 5,000 people and 66% of NBRC awards were made to NBRC applicants in distressed communities.³

AWARD EXAMPLES

NBRC is currently managing 437 active awards. Across its grants portfolio, the Commission has funded projects including transportation infrastructure, drinking water and wastewater infrastructure, workforce development, and business lending, among many other categories. The following are a few examples of the types of awards NBRC might make in a typical year.

The St. Lawrence County Industrial Development Agency in New York was awarded funding to establish a purification pilot facility for Empire State Mines' new graphite processing operation. This public-private partnership will support the first fully integrated U.S. natural flake graphite production since 1956, a critical access to mineral supply chains. It will create jobs, attract investment, and position the region as a leader in domestic graphite production.

The town of Jonesport, Maine was awarded funding to construct a commercial working waterfront facility at Henry Point, including a boat launch, parking, and floating docks. The project will support 250 fishers and 20–50 marine businesses, enhancing economic resilience and access to deep water. This initiative supports infrastructure, fisheries, and rural economic development.

Paul Smith's College, located in the Adirondacks of New York, was awarded funding to launch the Troops to Timber program, which will train veterans and transitioning service members for careers in forestry and logging. The program offers stackable credentials and hands-on training in collaboration with Fort Drum and regional employers. It addresses workforce shortages in the forest economy and supports veteran employment in rural communities.

² [https://www.nbrc.gov/userfiles/files/Annual%20Reports/NBRC-2024-Annual-Report-Web-version%20\(1\).pdf](https://www.nbrc.gov/userfiles/files/Annual%20Reports/NBRC-2024-Annual-Report-Web-version%20(1).pdf)

³ Ibid.

These three examples represent the types of awards NBRC makes in a typical grant round. I hope this brief overview offers insight into the role regional commissions play in the economic development ecosystem.

We appreciate the opportunity to answer questions regarding the Commissions' work in the region. Thank you again for the opportunity to testify and I look forward to your questions.

Mr. PERRY. Thank you, Mr. Saunders.

We now turn to Dr. Reed for your testimony. You are recognized for 5 minutes, ma'am.

TESTIMONY OF HON. JENNIFER CLYBURN REED, Ed.D., FEDERAL COCHAIR, SOUTHEAST CRESCENT REGIONAL COMMISSION

Ms. REED. Good morning, Chairman Perry, Ranking Members, and members of the subcommittee. Thank you for the opportunity to testify on behalf of the Southeast Crescent Regional Commission.

When I last appeared before this subcommittee in 2023, SCRC was just getting started. At that time, our focus was on establishing the governance, accountability, and data systems necessary to deploy Federal resources responsibly. Today, SCRC marks 4 years of operations. Statutorily, SCRC serves 428 counties across 7 States and covers more than 210,000 square miles where 51 million Americans call home. Nearly 40 percent of these counties are classified as economically distressed, where economic growth is constrained by workforce shortages, infrastructure gaps, and limited access to essential services on which employers rely.

SCRC has prioritized strategic discipline over speed, recognizing that effective economic development requires alignment, not duplication. Fiscal investments have followed a structured process. SCRC's planning and outreach efforts included sustained coordination with Governors' offices, State economic development agencies, and local development districts.

Regionwide, data collection efforts allowed SCRC to target unmet needs and prioritize projects that deliver measurable economic returns. Furthering this approach, SCRC conducted a 428-county regional health assessment. Three consistent findings emerged from this data: Strong labor markets are foundational to economic stability. Two, Federal dollars deliver the highest return when they strengthen organizations executing the work on the ground. And, three, regional coordination improves efficiency and returns on investment.

One of the most urgent constraints validated through this assessment was the shortage of medical professionals exacerbated by rural hospital closures. In response, SCRC developed the Crescent Care Collaborative and partnered with the Department of State to place qualified physicians in designated shortage areas. This targeted workforce strategy is funded through application processing fees, allowing it to operate without Federal cost and administrative overhead. To date, 397 physicians have been placed in high-need counties, helping stabilize essential services and reversed stagnation where economic growth was at risk.

In addition, SCRC has completed two grant cycles of the State Economic and Infrastructure Development grant program, invest-

ing nearly \$53 million on 139 projects. For example, in Bluffton County, Georgia, \$1.2 million will fund a workforce training center that will train more than 200 individuals in agriculture and small business development, with a focus on transitioning veterans into agricultural careers. In Henry County, Alabama, \$2 million will develop a workforce technology center, providing hands-on training and dual enrollment that creates seamless career pathways for students and adults. In Lauderdale County, Mississippi, \$475,000 will expand training in diesel, automotive, and aviation maintenance, supporting 159 new jobs, leveraging nearly \$33 million from local investments. In Clarke County, Mississippi, \$600,000 for a cofferdam to restore Archusa Lake, reviving tourism and retaining jobs.

As outlined in the 5-year strategic plan, investments are evaluated on access to infrastructure and services, job creation, and retention. The two grant cycles' funds leveraged significant State, local, and private investment, producing a return of \$2 per every Federal dollar. These positive returns on investment are tied to quantifiable outcomes in jobs, infrastructure, and economic capacity.

SCRC is designed for accountability and efficiency. The commission maintains a lean Federal footprint while Governors of member States play an active role in setting priorities and overseeing investment. This governance model ensures local relevance, minimizes administrative duplication, and aligns Federal spending with State economic strategies.

I appreciate the opportunity to report on SCRC's growth and strength in this region, critical to America's long-term economic growth. Thank you for your time. I look forward to your questions.

[Ms. Reed's prepared statement follows:]

**Prepared Statement of Hon. Jennifer Clyburn Reed, Ed.D., Federal
Cochair, Southeast Crescent Regional Commission**

Good morning Chairman Perry, Ranking Member Stanton, and Members of the Subcommittee. Thank you for the opportunity to testify on behalf of the Southeast Crescent Regional Commission (SCRC).

When I last appeared before this Subcommittee in 2023, the Southeast Crescent Regional Commission was just getting started. At that time, our focus was on establishing the governance, accountability, and data systems necessary to deploy federal resources responsibly.

Today, SCRC marks four years of operations. I am here to report activities and outcomes across the Southeast Crescent region.

Statutorily, SCRC serves 428 counties across seven states and covers more than 210,000 square miles where 51 million Americans call home. Nearly 40 percent of these counties are classified as economically distressed. In many of these communities, economic growth is constrained by workforce shortages, infrastructure gaps, and limited access to essential services that employers rely on to operate and expand. Many of these challenges are regional in nature.

From the outset, SCRC prioritized *strategic discipline over speed*, recognizing that effective economic development requires alignment, not duplication. Fiscal investments followed a structured process.

SCRC's planning and outreach efforts included sustained coordination with Governors' offices, state economic development agencies, and Local Development Districts.

Regionwide data collection efforts such as the *Love Where You Live* survey; and a county-by-county review of economic conditions alongside current state and federal programs allowed SCRC to target unmet needs and prioritize projects capable of delivering measurable economic returns.

To further strengthen this evidence-based approach, SCRC conducted a comprehensive 428-county regional health assessment. This analysis confirmed the interconnected relationship between workforce participation, access to essential services, and regional economic stability. Three consistent findings emerged:

1. *Strong labor markets are foundational to economic stability.* Employers are less likely to invest or expand in communities where workforce participation is constrained by deficiencies in transportation, housing, healthcare, or basic infrastructure.
2. *Targeted investments deliver the highest return when they strengthen organizations already executing work on the ground.* In distressed and rural areas, these institutions—community colleges, hospitals, workforce entities, and local governments—form the backbone of local economies.
3. *Regional coordination improves efficiency and return on investment.* Addressing challenges at the scale they exist—not through fragmented, jurisdiction-by-jurisdiction solutions—delivers greater impact for communities.

One of the most urgent constraints validated through this assessment was the shortage of medical professionals across rural counties in the region. Persistent provider shortages—exacerbated by rural hospital closures—directly undermine workforce participation, increase employer risk, and weaken regional competitiveness.

In response, SCRC developed the *Crescent Care Collaborative*, partnering with the U.S. Department of State to place qualified physicians in designated shortage areas where the domestic labor supply is insufficient or unavailable.

This initiative exemplifies *smart federal design*: it is a targeted workforce placement strategy funded through application processing fees, allowing it to operate without federal cost and administrative overhead.

To date, 397 physicians have been placed in high-need counties, with approximately 50 applications currently under review. These placements have stabilized essential services, reduced business operating risk, and helped reverse stagnation in communities where economic growth was at risk.

In addition to workforce-driven interventions, SCRC has completed two cycles of the *State Economic and Infrastructure Development (SEID) Grant Program*. SEID grants deliberately target job creation, address infrastructure gaps, and increase access to capital.

Of the 139 SEID projects funded to date, I would like to highlight four:

- *Georgia*: A \$1.2 million investment in Bluffton funded a workforce training center that will train more than 200 individuals in agriculture and small business development, with a focus on transitioning veterans into agricultural careers.
- *Alabama*: A \$2 million investment in Henry County to develop a Workforce Technology Center, providing hands-on training and dual enrollment partnerships that create seamless career pathways for students and adults.
- *Mississippi*: A \$475,000 investment to expand training in diesel, automotive, and aviation maintenance—directly addressing skilled labor shortages and supporting 159 new jobs while leveraging nearly \$33 million in regional investment.
- *South Carolina*: A \$500,000 investment in trail construction supporting immediate construction jobs and creating a long-term tourism asset to drive sustained employment and visitor spending in Georgetown and Williamsburg Counties.

Structurally, SCRC is designed for accountability and efficiency. The Commission maintains a lean federal footprint, while Governors of member states play a direct and active role in setting priorities and overseeing investments. This governance model ensures local relevance, minimizes administrative duplication, and aligns federal spending with state economic strategies.

From the beginning, SCRC paired this structure with clear performance measures. As outlined in our five-year strategic plan, investments are evaluated based on expanded access to infrastructure and services, job creation and retention, strengthened local capacity, and long-term economic sustainability.

Across the 2024 and 2025 grant cycles, SCRC invested nearly \$53 million in 139 projects across six states. These funds leveraged significant state, local, and private investment—producing an estimated return of \$2.49 for every federal dollar invested in 2024 and \$1.52 per federal dollar in 2025. These positive returns on investment are tied to quantifiable outcomes in jobs, infrastructure, and economic capacity.

I appreciate the opportunity to report before the Subcommittee on SCRC's work to strengthen a region critical to America's long-term economic growth.

Thank you for your time. I look forward to answering your questions.

Mr. PERRY. All right. I was considering—we would like to get all of you done, but I don't know if I can. As you can see the board over there—I know Washington works on a different timetable, but that is why nobody is ever on time around here, so I would like not to feed into that too much. But I will just say thank you, Dr. Reed. And we are going to let Mr. Sanchez testify and see what we have left. And then we will figure out, Ms. Fenton, if you can go before we have to recess for a little while.

So, go ahead, Mr. Sanchez. You are recognized for 5 minutes.

**TESTIMONY OF HON. JUAN SANCHEZ, FEDERAL COCHAIR,
SOUTHWEST BORDER REGIONAL COMMISSION**

Mr. SANCHEZ. Thank you, Chairman. I will be as quick as I can.

Good morning, Chairman Perry, Ranking Members, and members of the committee. Thank you for the invitation to testify today on behalf of the Southwest Border Regional Commission. I am Juan Sanchez. I am the commission's Federal Cochair, and I am honored to share our progress and challenges as we work to foster economic development across the Southwest region.

The SBRC is a partnership between the Federal Government and the States of Arizona, California, New Mexico, and Texas. Congress created the commission in the 2008 farm bill and most recently reauthorized it under the 2024 WRDA bill.

The SBRC's mission is to improve economic infrastructure, foster economic development, and help create jobs by addressing barriers to growth and providing Federal grants to distressed communities. The commission's region comprises 103 counties and approximately 36 million people across our 4 States. The commission evaluates each one of our counties on a yearly basis, utilizing their economic data, including poverty rates, per capita market income, and unemployment rates, and compares them against counties nationwide. Of our 103 counties, 43 were classified as economically distressed, 44 as transitional, and 13 as attainment.

Commissionwide, the average poverty rate was 18 percent, significantly higher than the national average of 12.4 percent, and representing 5 million people who live in poverty. The average 3-year unemployment rate for the region was 5.2, also exceeding national averages, and our per capita market income was 20 percent lower than the national average in 2023.

These challenges are most acute in distressed counties. Although they represent 11 percent of the population, they account for approximately 21 percent of the individuals living in poverty. These counties experience a poverty rate of 24 percent, twice the national average.

Additionally, within our region, we have unique and isolated distressed communities. Colonias, which is a Spanish word for "neighborhoods," are distressed communities located within 150 miles of the U.S.-Mexico border. These communities are inhabited by individuals and families with very low income. They often lack a governance structure and a meaningful tax base. Many residents live

without adequate housing and essential services such as potable water, plumbing, sewage, utilities, broadband, and paved roads.

Approximately 800,000 people in colonias lack adequate drinking water and sanitation. One-third of those have no access to water or a wastewater facility. Even those with access face water quality and quantity issues, posing serious health threats.

The commission also includes 51 federally recognized Tribes. Collectively, these Tribes experience a poverty rate of 44 percent, which is almost four times the national average, and an unemployment rate of almost three times the national average. Likewise, these Tribal communities face critical infrastructure challenges with limited access to drinking water, sanitation, roads, and broadband.

Another critical challenge faced by the commission's region is access to healthcare. All 103 counties in our area contain a federally designated health professional shortage area. These shortages are most pronounced in our distressed counties where 71 percent are classified as whole county shortages, meaning the provider shortage affects the entire population. The commission views disparities as a fundamental barrier to workforce participation, economic stability, and long-term community resilience.

We surveyed our region, meeting with universities, nonprofits, local officials, to identify the most common barriers to economic growth. What we have heard constantly was the capacity gap; communities lack technical, managerial, financial capacity. Distressed communities often report that their minimal staff is overburdened by administrative duties. Capacity constraint prevents them from accessing funds which they would otherwise qualify for.

The high cost of infrastructure and matching requirements is another barrier. These are among the poorest communities in the Nation, which lacks a tax base to generate matching funds. The high cost of infrastructure projects often require these communities to piece together multiple funding sources, adding to the administrative burden. These communities feel that the grant process is an uneven and unfair playing field, as they are disadvantaged when competing against larger municipalities that have grant writers, technical support, and grant administrators.

In response to those barriers, the commission directed our grant funding towards distressed areas. In 2025, we awarded our first grant cycle, awarding \$11.3 million in Federal funding, over 22 projects across the region. Seventy-eight percent of these awards were directed to economically distressed communities. We invested in water and wastewater systems that expanded access to clean water, rural roads, and transportation alternatives that improved safety and connected communities. We invested in equipment to train high-need professionals such as engineers, chemists. We invested in new medical clinics to expand access to healthcare shortage areas.

Overall, our \$11.3 million investment will leverage an additional \$10.2 million in local funding, nearly a dollar-for-dollar match. The commission estimates that investment supports 700 to 800 permanent jobs, 500 to 600 retained positions, and creates 200 to 250 temporary jobs, will assist more than 1,400 small businesses; indi-

viduals will receive training, technical assistance, and infrastructure support.

I want to thank our Governors, Members of Congress, and the commission staff for their dedication and time. I look forward to working with Congress and pleased to answer any questions.

[Mr. Sanchez's prepared statement follows:]

**Prepared Statement of Hon. Juan Sanchez, Federal Cochair, Southwest
Border Regional Commission**

Good morning, Chairman Perry, Ranking Member Stanton, and distinguished Members of the Committee. Thank you for the opportunity to testify today on behalf of the Southwest Border Regional Commission (SBRC). My name is Juan Sanchez, and I serve as the Commission's Federal Co-Chair. I appreciate the opportunity to discuss the progress the Commission has made and the challenges that remain in supporting economic development across the Southwest Border region.

The Southwest Border Regional Commission is a federal-state economic development partnership between the federal government and the states of Arizona, California, New Mexico, and Texas. The Commission provides federal grant funding to economically distressed and persistent poverty communities for infrastructure improvements and economic development projects. Congress created the Commission in the Food, Conservation, and Energy Act of 2008, (the Farm Bill), and most recently reauthorized it through the Thomas R. Carper Water Resources Development Act of 2024.

The Commission is governed by a Federal Co-Chair and the Governors of the four member states, one of whom serves as the State Co-Chair. State Governors appoint state staff to jointly administrate and oversee the Commission's performance and deliverables. Administrative costs are shared with our state partners, minimizing federal overhead while advancing locally driven projects that align with both state and federal administration priorities.

The Southwest Border Commission's region encompasses 103 counties and approximately 36.3 million people across Arizona, California, New Mexico, and Texas. This region is rich in cultural diversity, natural resources, economic activity, international trade, and potential, yet it also includes some of the most economically distressed and persistently low-income communities in the nation. The Commission's mission is to create and retain jobs, maximize private and public funds, increase regional and tax revenue while empowering underserved communities, reducing economic disparities, and improving quality of life throughout this four-state region.

SBRC REGION

Of the 103 counties in the SBRC's service area, 46 are classified as economically distressed, 44 as transitional, and 13 as attainment counties. Distressed counties account for approximately 11 percent of the region's population, transitional counties account for 77 percent, and attainment counties comprise the remaining 12 percent. Economic distress designations are determined through a statutory process that evaluates county-level unemployment rates, per capita income, and poverty rates. These designations guide the Commission's investment decisions to ensure that resources are targeted first at communities facing the most severe economic challenges.

CHALLENGES

The Southwest Border region continues to face persistent and significant economic challenges. The average poverty rate across the SBRC region is approximately 18 percent, well above the national average of 12.4 percent, representing an estimated five million individuals living in poverty. The three-year average unemployment rate within the SBRC region is 5.2 percent, compared to a national average of 4.2 percent. Per capita market income in the SBRC region was more than 20 percent lower than the national average in 2023.

Distressed counties illustrate the severity of these challenges. Although they represent only 11 percent of the region's population, they account for approximately 21 percent of individuals living in poverty. These counties experience an average poverty rate of 24 percent, nearly double the national average, and an average unemployment rate of approximately 6 percent. Even among working households, poverty

rates remain high, underscoring the depth and persistence of economic hardship in these communities.

UNIQUE AND ISOLATED DISTRESSED COMMUNITIES

Colonias

Colonias are geographic areas located within 150 miles of the U.S.-Mexico border that are predominantly inhabited by individuals and families of very low income. These communities often lack formal governance structures and a meaningful tax base. Many residents live without access to safe, sanitary, public schools, libraries, sound housing and lack basic services such as potable water, adequate wastewater systems, drainage, utilities, and paved roads. All communities defined as colonias fall within the SBRC's service area.

An estimated 800,000 people lack adequate drinking water and sanitation facilities, such as household plumbing or proper sewage disposal systems. Approximately one-third have no drinking water or wastewater facilities. The Rural Community Assistance Partnership (RCAP), a national non-profit studying access to water, estimates that these historically underinvested colonias need over \$10 billion in water and wastewater infrastructure investment across the four Border States (CA, AZ, NM, & TX).¹ Even when access exists, water quality and reliability are often compromised, posing significant public health risks. Providing safe and clean drinking water and adequate sanitation facilities to these severely underserved communities continues to pose challenges.

The Government Accountability Office, in report GAO-24-106732, found that infrastructure investments in colonias are frequently cost-prohibitive due to rural and dispersed development patterns and distance from existing systems. GAO documented instances in which officials determined that system connections were not economically feasible, leaving residents reliant on hauled water or inadequate sanitation. The GAO also found these challenges are compounded by limited local fiscal and administrative capacity to meet matching fund requirements or manage complex federal funding programs.²

Tribal Communities

The SBRC region includes 51 federally recognized tribes. Tribal communities in the region experience a poverty rate of approximately 44 percent and an unemployment rate of 12 percent, compared to national averages of 12.4 percent and 4.2 percent, respectively. Tribal communities face severe infrastructure challenges, including limited access to reliable drinking water, sanitation facilities, and broadband connectivity.

Nearly half of tribal households lack access to reliable water sources, clean drinking water, or basic sanitation.³ A 2022 study by Columbia University found that tribal communities in the Southwest are disproportionately exposed to elevated levels of arsenic and uranium in public drinking water systems, contributing to serious health disparities and long-term risks.⁴

The Commission is committed to strengthening tribal capacity, supporting self-governance, and ensuring tribal communities are full partners in regional economic development. To that end, the SBRC has established a policy reserving a minimum of five percent of total grant funds for projects benefiting tribal communities.

Healthcare Workforce Shortages

The SBRC service area faces a systemic healthcare workforce crisis characterized by both the pervasiveness and severity of provider shortages. All 103 counties in the SBRC region contain at least one federally designated Health Professional Shortage Area (HPSA), underscoring that unmet healthcare need is universal across the region.⁵

¹Rural Community Assistance Partnership (RCAP). (2016). Colonias phase II assessment report. Retrieved from https://rcap.org/wp-content/uploads/2016/03/RCAP_Colonias-Phase-II-Assessment-Report_FINAL_web.pdf.

²GAO, Rural Development: Actions Needed to Improve Assistance to Southwest Border Communities Known as Colonias, GAO-24-106732 (Washington, D.C.: Sept. 2024) <https://www.gao.gov/assets/gao-24-106732.pdf>.

³Tribal Clean Water. (2024). *Universal access to clean water for tribal communities*. Retrieved from <https://tribalcleanwater.org/>.

⁴Martinez-Morata, I., Bostick, B.C., Conroy-Ben, O. et al. Nationwide geospatial analysis of county racial and ethnic composition and public drinking water arsenic and uranium. *Nat Commun.* 13, 7461 (2022). <https://doi.org/10.1038/s41467-022-35185-6>.

⁵HPSA.gov, and tabulated by SBRC. <https://data.hrsa.gov/topics/health-workforce/shortage-areas/hpsa-find>.

HPSA designations in the SBRC region take multiple forms, including countywide geographic designations as well as population-group and facility-based designations. These distinctions reflect how shortages are distributed—not whether they exist. For example, the absence of a countywide HPSA designation does not imply that shortages are less acute; designation patterns are shaped by application processes, data availability, and administrative thresholds, not solely by the level of need.

Nearly two-thirds of SBRC counties (65 of 103, or 63.1%) are designated as countywide HPSAs, meaning provider shortages affect the entire population rather than being limited to specific neighborhoods, facilities, or subgroups. In the remaining counties, population-based and sub-county designations still signal serious access barriers, particularly for low-income and medically underserved residents.

When viewed through SBRC's economic distress classifications, a stark health equity pattern emerges. All 42 counties designated as economically distressed contain HPSAs, and their shortages are more likely to be widespread and severe. More than 7 in 10 distressed counties (30 of 42, or 71.4%) are designated as countywide HPSAs—meaning that in most distressed communities, provider shortages affect the entire population. By contrast, only 6.5% of transitional counties (3 of 46) and none of the attainment counties carry countywide designations. This indicates that shortages in more economically stable areas are more likely to be geographically or demographically concentrated, while shortages in distressed areas are more likely to be comprehensive and structural.

This pattern demonstrates that healthcare workforce shortages in the SBRC region are not randomly distributed. They track closely with economic vulnerability. Communities with the fewest resources are also the most likely to face shortages that are widespread, persistent, and difficult to address through incremental interventions alone. Even where HPSAs are formally designated for specific populations or facilities, these designations often reflect deeper systemic barriers tied to poverty, rurality, and historical underinvestment.

The Commission views these inequities as a fundamental barrier to regional economic stability, workforce participation, and long-term community resilience.

BARRIERS TO ECONOMIC DEVELOPMENT

The Commission conducted extensive outreach and engagement with stakeholders across the four-state region, including meetings and surveys involving local officials, tribal leaders, nonprofit organizations, industry representatives, state agencies, universities, chambers of commerce, and development districts. Through this outreach and engagement, stakeholders reported the following recurring barriers to economic development:

- *Capacity*: Distressed communities often lack the technical, managerial, and financial capacity needed to fully access federal and state resources and funding opportunities. Unincorporated areas, such as colonias, frequently lack governing structures, while communities with formal governance report limited staff who are overburdened by administrative duties. Stakeholders noted that with appropriate support, many communities could qualify for state or federal funding but are currently constrained by these capacity limitations.
- *High Cost & Cost-Prohibitive Matching Requirements*: The SBRC serves some of the nation's poorest communities, many of which lack a sufficient tax base to generate revenue or secure required matching funds. Because matching funds are often necessary to compete for federal and state grants, this requirement presents a significant barrier for the most underserved communities. High capital costs of infrastructure project often mean these communities have to cobble together multiple funding sources, adding to the historical challenge.
- *Data Availability and Limitations*: Respondents reported insufficient access to data and research related to challenges facing their communities, citing persistent gaps in the availability and accessibility of publicly available information.
- *Uneven Playing Field*: Distressed communities reported disadvantages in competing for grants and infrastructure funding due to structural biases and limited access to technical support, resources, predevelopment studies, and specialized staff need to apply and manage federal grants.

In response, the SBRC adopted guiding principles that prioritize investment in the most economically distressed communities, build local capacity, funding predevelopment studies and technical assistance, reduce barriers to economic development, and leverage partnerships to maximize the impact of federal funding.

GRANT PROGRAM SUMMARY AND AWARDS

In 2025, the SBRC completed its first year of grantmaking, awarding \$11.3 million in federal funding in response to project funding requests of more than 10 times the available amount. In its first year, the program invested in some of the poorest and most underleveraged regions of Arizona, California, New Mexico, and Texas, awarding grants to 22 projects across the four states.

Funds were concentrated where need is greatest. Seventy-eight percent of awards were directed to economically distressed counties, exceeding the statutory requirement that at least 50 percent of funds benefit distressed areas. The remaining 22 percent supported economically transitional counties.

The 11.3-million-dollar investment will leverage an additional 10.2 million in local and state matching funds. SBRC estimates that its federal investment will support roughly 750–800 permanent jobs, help retain approximately 500–600 positions, and create approximately 200–250 temporary jobs.

More than 1,400 small businesses and individuals will be assisted with training, technical support, or infrastructure improvements, with potential multiplying effects on job creation, retention, and economic stabilization in the places that need it most.

SBRC investments will strengthen essential infrastructure and expand economic opportunity through investments in water and wastewater systems, rural road rehabilitation, workforce training, new medical clinics, entrepreneurship support, and equipment to train high-demand professionals.

Projects will expand clean water access and redevelop blighted and underutilized properties in some of the nation's most impoverished communities, and repair long-neglected rural roads to improve safety, reduce costs for farmers, and reconnect local economies.

Our workforce development investments focus on training Americans for high-need, high-demand jobs, including engineers needed for critical mineral extraction, medical professionals in shortage areas, and workers in both traditional skilled trades and emerging industries such as superconductors, while supporting small businesses and long-term economic growth.

I appreciate the opportunity to report before the Subcommittee on SBRC's work to strengthen a region critical to America's long-term economic growth.

Thank you for your time. I look forward to answering your questions.

Mr. PERRY. The Chair thanks the gentleman.

You can see that clock says we've got 3 minutes. I don't like going when it says zero, right? You don't want to miss this stuff. So I apologize, Ms. Fenton. I promise you will be the star when we return. My best guess is probably 10 after to quarter after if we are lucky. You can watch. It is a three-vote series. This is the first one. You can watch on the board. But at this time, the subcommittee shall stand in recess subject to the call of the chair.

[Recess.]

[11:31 a.m.]

Mr. PERRY. The Subcommittee on Economic Development, Public Buildings, and Emergency Management will reconvene the previously recessed hearing.

Ms. Fenton, you are now recognized for 5 minutes of testimony.

**TESTIMONY OF JOCELYN FENTON, DIRECTOR OF PROGRAMS,
DENALI COMMISSION**

Ms. FENTON. Wonderful. Thank you. Thank you, everyone, for the opportunity for the regional commissions to be here with you today. My name is Jocelyn Fenton, and I serve as the director of programs for the Denali Commission.

The Denali Commission is the only Alaska-headquartered Federal agency and a 25-year Federal-State partnership focused on the most remote, high-cost communities in the Nation. Alaska's communities are linchpins for Arctic posture, disaster response, and re-

source development. So every Federal dollar invested there has both local and national security implications.

Reauthorized in 2024, the commission is tightly aligned with President Trump's Executive orders on unleashing Alaska's resource potential, strengthening American energy, and improving maritime and transportation infrastructure, among others.

The commission stretches limited resources by braiding multiple Federal tools into a single streamlined entity for rural infrastructure. The commission blends congressional appropriations, interest from the Trans-Alaska Pipeline Liability Fund, and interagency transfers to build comprehensive projects instead of scattering one-off grants. Section 311 transfer authority and the section 305(c) gift authority allow multiple Federal partners to pool even small amounts of funding into a single project management pipeline, reducing fragmentation, duplicative designs, and competing timelines.

Annual work plans go through a public comment process and are approved by commissioners and the Secretary of Commerce, ensuring alignment with congressional intent, administration priorities, and community-driven needs. With these tools, the commission currently manages more than 300 active projects, totaling roughly \$386 million while operating with a 1.4-percent administrative overhead, an efficiency level that rivals or exceeds many larger programs.

The Denali Commission's core value proposition is partnership. Federal, Tribal, State, local, and private partners all leverage a shared platform instead of building parallel systems.

Through direct partnerships with the Alaska Native Tribal Health Consortium, Alaska Energy Authority, and Alaska Village Electric Cooperative, the commission has deployed \$100 million to modernize bulk fuel tank farms that power rural clinics, schools, and homes.

Collaboration with the Department of War's Innovation and Readiness Training Program has delivered dual-use projects like the Shepard Point Road Extension and Port Complex in Cordova, combining local emergency access with national readiness and strategic defense benefits.

Following Typhoon Halong, the commission convened with the National Guard, U.S. Coast Guard, FEMA, State of Alaska, and Tribal partners to align recovery investments and explore a design for a regional network of multiuse emergency response centers and public safety buildings in western Alaska.

These partnerships mean that agencies do not have to build separate project pipelines for the same communities, reducing duplication and accelerating delivery in places where construction seasons are short and logistics are complex.

In rural Alaska, a single dock, powerhouse, or clinic often has to do the work of many facilities. That is why the commission focuses on projects that serve multiple purposes, stretching each Federal dollar across several missions. This dual and multiuse approach strengthens local resilience while also advancing national security and economic priorities.

We are emphasizing three main areas. First, infrastructure hardening. We are upgrading energy systems, transportation links, and

emergency communications so that docks, barge landings, airstrips, and public buildings can operate as reliable staging areas when disasters strike.

Second, technology and innovation. We are partnering with national energy labs and others to test cold-weather technologies, develop value-added local lumber and biomass products, and explore energy-resilient data and communication facilities that can operate off grid or in islanded systems.

And third, resource and access corridors. We are investing in Arctic and inland roads, bridges, and marine facilities that can open access to critical minerals, timber, and fisheries, while also ensuring redundant routes for delivering fuel, food, and medical supplies during emergencies.

The commission's waterfront investments illustrate this multiuse strategy. Since 2022, approximately \$16.5 million has been directed to marine infrastructure, leveraging more than \$70 million from other sources to build barge landings, small ports, and related facilities over two dozen coastal communities. These assets function much like rural highways in intermodal facilities in other States. They are often the only freight and fuel lifeline for communities with no road access, with direct implications for emergency response and Federal disaster costs when they fail.

Broadband and communications are another dual-use priority. The commission has helped secure 187 Tribal spectrum licenses, and more than \$200 million in broadband-related funding, coordinating with NTIA, USDA's Reconnect Program, FEMA, Tribes, and private providers. These investments reduce dependence on single points of failure and create redundant land-based fiber routes that can keep communications functioning during severe weather and emergency events.

Recently expanded authorities allow the commission to support housing and critical community facilities that address overcrowding and homelessness in rural areas. Health clinics, community buildings, and public service facilities frequently double as emergency shelters and coordination centers, mirroring the multiuse demands of public facilities nationwide, but under far more extreme conditions.

The commission's interagency transfer model, low overhead, and dual-use focus offer a practical template for stretching limited Federal resources in high-cost, high-risk environments. Instead of multiple agencies each paying for their own procurements, design teams, and mobilizations, the commission provides a shared platform where costs and risks are spread and investments are sequenced logically across sectors: energy, transportation, communication, and community facilities.

Projects are prioritized through a clear, strategic evaluation process that ensures the most consequential dual-use facilities rise to the top, those that strengthen community well-being while advancing national security and resilience objectives.

By coupling infrastructure with targeted technical assistance—for example, working with the Alaska Small Business Development Center to build local business capacity—the commission turns place-based Federal investments into long-term, private-sector opportunity.

For more than 25 years, this model has shown when Congress empowers a locally grounded, partnership-driven entity with flexible tools and clear authorities, it is possible to reduce duplication, deliver durable infrastructure, and multiply the impact of every Federal dollar.

Thank you for your attention and for your continued support of the commission's proven efficiency models for rural infrastructure and national readiness.

[Ms. Fenton's prepared statement follows:]

Prepared Statement of Jocelyn Fenton, Director of Programs, Denali Commission

Chairman Perry, Ranking Member Stanton, and Honorable Members of the Committee:

Thank you for the opportunity to appear before you today to discuss the Denali Commission and "*Smarter Spending, Stronger Results: Reducing Duplication and Ensuring Effectiveness Through Economic Development Reforms*." As a federal-state partnership with 25 years of experience, the Commission has worked to address the critical infrastructure and development needs of rural Alaska, as well as the nation's growing Arctic and security imperatives.

STRATEGIC REAUTHORIZATION AND EXECUTIVE ALIGNMENT

The Denali Commission was recently reauthorized in section 213 of the Economic Development Reauthorization Act of 2024 (Division B, Title II, P.L. 118–272), signed into law on January 4, 2025. The Commission has aligned its operations with President Trump's Executive Orders to ensure consistency with Administration priorities, with its work strongly aligning with Executive Order 14153, "*Unleashing Alaska's Extraordinary Resource Potential*," which emphasizes energy and mineral development, national security, and efficient federal investment in Alaska's resources.

As the only Alaska-headquartered federal agency, the Denali Commission has unique access to—and trust from—remote communities. We have aligned our work with both civilian and defense objectives. In rural Alaska, this means hardening power, fuel, and broadband systems that serve as community lifelines and as part of the national communications backbone. The Commission has prioritized dual-use infrastructure—projects that meet civilian needs while supporting homeland and national security—stretching limited resources to address critical priorities.

Several projects have included partnerships with the Department of War's Innovation and Readiness Training (IRT) program to advance dual-use objectives. In partnership with the Native Village of Eyak, the Denali Commission funded critical equipment for the Shepard Point Road Extension and Port Complex Project in Cordova, strengthening local emergency response capacity while supporting national readiness and strategic defense operations. IRT partnerships have also supported shipping and logistics to Nome, as well as road construction, housing development, and workforce training in Mertarvik as part of the Newtok relocation effort.

Following Typhoon Halong and other recent natural disasters along Alaska's west coast, the Denali Commission convened the Alaska National Guard, U.S. Coast Guard, FEMA, Association of Village Council Presidents (AVCP), and State department Commissioners to coordinate recovery, align infrastructure projects, and advance a regional public safety concept for Bethel and surrounding hub communities. The Commission funded AVCP to design an emergency response center in Bethel and plan a network of five regional centers, each supporting multiple uses—emergency training, search and rescue, critical supply storage, and homeland security operations—strengthening both community resilience and strategic readiness.

In addition to *Unleashing Alaska's Extraordinary Resource Potential*, many Executive Orders mesh with our existing programs and focus areas like energy (*Unleashing American Energy*, *Unleashing America's Offshore Critical Minerals and Resources*), transportation (*Restoring America's Maritime Dominance*), workforce development (*Preparing Americans for High-Paying Skilled Trade Jobs of the Future*), and land and water resources partnerships with USDA Forest Service and Natural Resources Conservation Service (*Unleashing American Commercial Fishing in the Pacific*, *Immediate Expansion of American Timber Production*), among others.

ALASKA'S NATIONAL AND STRATEGIC SIGNIFICANCE

Alaska is one-fifth the size of the continental U.S., with over 33,000 miles of shoreline—longer than the rest of the U.S. combined—and plays a central position in U.S. Arctic policy. The state hosts over 100 F-35 aircraft, missile defense systems, and Arctic maritime operations, and sits astride emerging Arctic shipping lanes whose viability is increasing as sea ice recedes.

Russia holds more than half of the Arctic landmass and continues to assert dominance in the region, while China has declared itself a “near-Arctic” state and is pursuing infrastructure and resource access across the circumpolar North. In this context, sustained U.S. presence—anchored by reliable energy, transportation, communications, health, and waterfront infrastructure in rural Alaska—is essential to homeland security, economic opportunity, and emergency readiness.

The Denali Commission has served as a centralized mechanism for infrastructure investments in rural Alaska, coordinating with federal agencies, the State of Alaska, and local communities to deliver high-priority projects in some of the most remote parts of the United States. This includes assets that function simultaneously as economic lifelines and as platforms for disaster response and recovery, directly intersecting this Subcommittee's jurisdiction.

PROGRAMMATIC IMPACT AND EFFICIENCY

Since its inception in 1998, the Denali Commission has invested over \$1 billion in Alaska, and currently manages 322 active projects totaling approximately \$386 million while operating with about 1.4 percent administrative overhead. The Commission's model blends Congressional appropriations, interest from the Trans-Alaska Pipeline Liability Fund, and interagency transfers to braid funding together.

The Commission's statutory program areas include: energy reliability and security; bulk fuel safety and access; public infrastructure, communications, and housing; surface and waterfront transportation; water and sanitation; and job training and rural development. Many of these projects directly intersect with this Subcommittee's responsibilities—public buildings and clinics that serve as community shelters, waterfront and barge landing facilities that act as lifelines for supply chains, and critical access roads that support both daily commerce and emergency response.

Every year since its creation, the Commission developed an annual workplan that set project and program priorities based on statutory authorities, community needs, and federal policy direction. Workplans are reviewed and approved by the Commission's Federal Co-Chair and Commissioners, go through a public comment process, and then are approved by the Secretary of Commerce, ensuring alignment with Administration priorities and Congressional intent. To further sharpen its focus, over the last year the Commission has explored additional tools—such as a strategic-location decision matrix—to help ensure that the most consequential projects, including those with dual-use benefits, rose to the top of the annual workplan.

DUAL-USE INFRASTRUCTURE: STRATEGIC PIVOT

In recent years, the Commission's portfolio has emphasized dual-use infrastructure—projects that meet year-round civilian needs while advancing homeland and national security objectives. This approach has been especially critical for communities that rely on the same docks, airstrips, powerhouses, and public buildings for daily life, economic activity, and disaster response. Such infrastructure also enables private sector access to natural resources, local commerce, and energy development, amplifying the economic return on federal investments.

Key areas of emphasis have included:

- *Infrastructure Hardening*: Improving energy systems, transportation links, emergency communications, and search and rescue capabilities so that rural docks, barge landings, and public buildings can function as reliable staging areas for disaster response and recovery.
- *Technology and Innovation*: Working with national energy laboratories and partners to test cold-weather technologies, extend battery life, and explore energy-resilient data and communications facilities suitable for off-grid or islanded systems.
- *Resource and Access Corridors*: Supporting Arctic and inland infrastructure—roads, bridges, and marine facilities—that enable access to critical minerals, timber, and fisheries while also ensuring redundant routes for emergency fuel, food, and medical transport.

These dual-use investments have complemented the Subcommittee's work to strengthen FEMA programs and improve the durability and cost-effectiveness of public facilities and transportation links before and after disasters.

KEY INITIATIVES AND NATIONAL RELEVANCE

The Commission's current initiatives demonstrate how targeted investments in rural Alaska support national economic, security, and emergency management objectives.

- *Bulk Fuel and Energy Security*—The Commission's \$100 million investment in bulk fuel infrastructure is a cornerstone of its efforts to strengthen energy security, reduce costs, and support emergency preparedness in rural Alaska. Through a direct partnership with Alaska Native Tribal Health Consortium (ANTHC) and subcontracts with the Alaska Energy Authority and Alaska Village Electric Cooperative, this investment targets aging bulk fuel tank farms that are critical to electricity generation, heating, and transportation in remote communities. Many of these facilities are decades old and must be upgraded to remain code-compliant, prevent environmental spills, and ensure fuel can be delivered efficiently by barge during short seasonal windows rather than by significantly more expensive air transport.

Strategic federal investments in bulk fuel infrastructure have already reduced fuel costs by more than \$2.00 per gallon in some communities, directly benefiting households, schools, clinics, and local governments. The Commission's \$100 million commitment helps address a portion of the more than \$1 billion backlog of needed upgrades across approximately 400 rural tank farms, while reinforcing the durability of power systems, water and sewer utilities, and emergency services during extreme weather events and disasters.

The Executive Orders underscore the urgent need for robust public investment in critical energy infrastructure, including the role of advanced reactors in supporting national, energy, and economic security. This emphasis has direct relevance for Department of War and Department of Energy applications in Alaska, where the state is uniquely suited to serve as a proving ground for small modular and micro-nuclear technologies due to its energy isolation, remote communities, and extreme operating conditions.

- *Transportation and Waterfront Investments*—Through its Waterfront Program, the Commission has directed approximately \$16.5 million since 2022 to marine infrastructure that ensures vital access to fuel, food, and emergency services for remote Alaska communities. These investments have leveraged over \$70 million from other sources and improved reliability and connectivity across more than two dozen coastal communities, strengthening both daily commerce and Arctic readiness.

Barge landings, small ports, and related waterfront structures in Alaska play a role similar to rural highways and intermodal facilities in other states: they are the only freight and fuel lifeline for communities with no road access. When these facilities fail or are destroyed in storms, whole regions can be cut off from supply chains, with direct implications for emergency response and the federal cost of disaster relief. These investments not only strengthen emergency and public service access but also create conditions for private investment in resource transportation, local manufacturing, and commercial logistics, enabling communities to leverage federal infrastructure for broader economic growth.

- *Broadband and Communications*—The Commission has helped secure 187 Tribal spectrum licenses and more than \$200 million in broadband-related funding for rural Alaska. In coordination with NTIA, USDA Reconnect Program, FEMA, Tribal and private entities, the Commission has supported efforts to complete projects that prevent service losses and build redundancy—such as land-based fiber routes that reduce dependence on single points of failure.
- *Timber, Working Lands, and Food Security*—In partnership with the U.S. Department of Agriculture and regional entities, the Commission has participated in initiatives that support local wood-use innovation, fire fuel mitigation, and localized food production. These efforts are designed to reduce disaster risk, strengthen local building materials supply chains, and create new economic opportunities in areas where traditional wage employment is scarce.
- *Housing and Critical Community Facilities*—Recently expanded authorities have allowed the Commission to support housing and community facilities that address overcrowding and homelessness in rural Alaska. Health clinics, commu-

nity buildings, and public service facilities frequently double as emergency shelters and coordination centers in disasters, mirroring the multi-use demands on public buildings across the country.

- *National Security Support*—The Commission can support strategic systems, critical communications, and emergency readiness in the Arctic. We have contributed to over 175 village health clinics and two regional hospitals, further supporting public health infrastructure critical to homeland security.

STRENGTHENING ALASKA’S BUSINESS ECOSYSTEM

Commission-supported infrastructure has helped create the conditions under which private capital and entrepreneurship can succeed in rural Alaska. Reliable barge landings, roads, bridges, and waterfront facilities reduce logistics risk and costs for small manufacturers, processors, and service firms, while modern clinics, community buildings, and communications infrastructure make it possible for businesses to attract and retain workers in remote communities.

A recent technical assistance project with the Alaska Small Business Development Center (SBDC), supported by the Denali Commission, illustrates this connection between infrastructure and the business ecosystem. Through this project, SBDC established a Rural Business Working Group that brought together Tribal governments, Native corporations, and regional economic development organizations; developed a statewide marketing and outreach strategy; and deployed a comprehensive rural business training program built around completing business plans and preparing for lending.

During the project period, SBDC’s digital outreach grew significantly: social media impressions rose to over 700,000, engagement and link clicks increased several-fold, and the organization’s audience expanded to more than 13,000 followers, while its newsletter subscriber base climbed to approximately 24,000 with open rates more than double industry benchmarks. These efforts, combined with workshops, one-on-one advising, and integration with federal programs such as the State Small Business Credit Initiative, helped more rural entrepreneurs access capital, improve financial literacy, and take advantage of the opportunities created by improved infrastructure.

By coupling place-based infrastructure—such as barge landings that lower freight costs, bridge and road segments that connect resource hubs to markets, and broadband that enables online training and e-commerce—with targeted technical assistance, the Commission has contributed to an environment where private lenders, investors, and entrepreneurs can participate in Alaska’s economy on more comparable terms to the rest of the nation. This linkage between federal infrastructure investment, small-business capacity, and private capital formation is central to long-term economic resilience.

INTERAGENCY RESOURCE POOLING: A SCALABLE MODEL

The Denali Commission is, at its core, about partnerships. Using its Section 311 transfer authority and Section 305(c) gift authority, the Commission has developed a multi-agency transfer model that allows federal partners to pool funds—even in small amounts—for high-priority projects managed by the Commission. This approach has been applied in coordination with agencies such as the Environmental Protection Agency, the Department of the Interior, the Department of Energy, and many others to deliver bulk fuel, power, and community infrastructure projects in high-risk communities more quickly and efficiently than would be possible through separate, duplicative efforts.

These models align with the Subcommittee’s interest in ensuring that federal disaster and mitigation dollars are used efficiently, that programs avoid fragmentation, and that public buildings and essential facilities are delivered and maintained in a cost-effective manner.

In a state defined by vast distances, limited road access, and extreme operating conditions, this partnership-driven model is a practical way to deliver hardened, cost-effective infrastructure that meets critical community and national needs.

CONCLUSION

For more than 25 years, the Denali Commission has demonstrated a practical, place-based approach to delivering infrastructure and economic development in some of the most remote and hazard-prone communities in the United States. Alaska’s infrastructure needs amount to several billion dollars, far exceeding available resources, so we have deliberately focused on projects that provide multi-use bene-

fits—encouraging private investment and meeting critical community needs while supporting national and homeland security objectives. The Commission's work shows that when Congress directs resources through mechanisms that are close to communities, coordinated across agencies, and focused on dual-use outcomes, rural infrastructure can support economic opportunity, national security, and emergency readiness at the same time.

Thank you for your time and consideration. I welcome your questions.

Mr. PERRY. The Chair thanks the gentlelady.

Thank you all for your testimony. We will now turn to questions for our witnesses.

The Chair will recognize himself for 5 minutes for questions.

And I was told by one of my colleagues, Representative Cuellar from Texas, to be particularly rough on Mr. Sanchez. And, while I considered what he was telling me, I thought, well, this committee really—we might not agree on everything, but it is not about being rough. It is about getting answers. So, when you see Representative Cuellar, Mr. Sanchez, I hope that you will tell him that we treated you with the dignity and respect and decorum that the institution so warrants.

With that, as I started off at the 2023 hearing, through no fault of your own, Congress has created all your agencies that seem duplicative of one or another Federal program. The Water Resources Development Act of 2024 added even more regional commissions but did include clear requirements for transparency and coordination, which I think is a good thing.

I am going to turn to Mr. Page. Section 2212 of WRDA, the Water Resources Development Act of 2024, requires the Secretary of Commerce to convene a meeting with the regional commissions within 1 year of enactment and every 2 years thereafter. I understand EDA has set a date for the first meeting, and maybe that is the one you referenced in February in West Virginia. But can you provide the committee any details on the meeting, what you plan to discuss? If there is a good reason why there was a delay in scheduling the first meeting? And we will get into a conversation depending on what you say there, sir.

Mr. PAGE. Absolutely. And thank you for the question.

So yes. The convening in West Virginia in February is the convening to fulfill the requirement in the statute. I have been using the opportunity here today to pigeonhole some of the other panel members here to make sure that they will be in attendance.

Obviously, the real intent of the legislation there was to improve coordination, and that was obviously what we will be focusing on, and we will do it through a report that follows it. But I think, most importantly, we don't want this to just be platitudes about how we can better coordinate. We are going to focus on three specific topics: How do we ensure that we are closing the urban-rural divide? Many of the areas represented by the commissions here represent some of the areas that have specific and very acute distress. We want to make sure they don't fall further behind.

The second topic is going to be addressing workforce issues. So how do we make sure we have a skilled workforce that meets private-sector needs?

And, finally, obviously the economy is changing with the advent of new technologies. We want to have a fruitful discussion around

how we can best support making sure that these communities can participate in the economy as these emerging technologies develop.

A subcurrent throughout every one of those topics will be, how do we coordinate in addressing those acute problems?

Mr. PERRY. I appreciate that. And I know you are fairly new to the operation, and I understand you kind of have, as you mentioned in your opening remarks, somewhat a Damocles sword hanging over your head, but I appreciate that you are on the mission now and focused on it as you should be. You can't predict the future.

Do you actively communicate on any kind of regular basis with your colleagues here from the various commissions? And is there a tenor to that? Is there, like, an agenda that we might be privy to at some point?

Mr. PAGE. Yes, sir. Thanks for the question.

We do not actively communicate at a leadership level. However, our regional staff are communicating on a project-by-project basis all the time. We have several working partnerships, particularly with ARC, where we will jointly manage a project so that we can both reduce the burden on applicants, but also be more efficient at a Federal level. We also do some of that work with DRA. And, on the ground, some of our partners and our local staff are working with many of these other commissions.

Mr. PERRY. So I am running out of time here, but performance metrics—I have talked about this before. I think that the American people are due—they want to see how well you're doing, right? And that is appropriate. We are told that the core mission of your agencies is to support investment in distressed communities that leverage private investment and create long-term jobs. At some point, if these investments are working, we should see counties or areas moving out of the distressed column.

Can each of you at some point provide this committee, for the record, snapshot maps of your areas that show some progression of how well you have done over the course—and I know some of the commissions are fairly new, but at least a starting point so we have a benchmark and then we can look at some goal. Because I would think—and look. Maybe you can tell me, "Look, Representative, the map is not indicative of our success, and this is why," or "We don't really use that in that fashion." But I will tell you, for a quick snapshot, members of this committee look at that to determine if you are being successful or not. So, if we are wrong, we need to know. And, if there is a better way of doing it, we need to know. But, if there isn't, then we want to see how you are progressing.

And look. You can all just kind of raise your hand or tell me, "I can't do it" or "I can do it," because I am beyond my time here. So is that something each one of you can provide?

Ms. REED. Yes. We will get that to your office.

Mr. PAGE. Yes, sir.

Mr. PERRY. Ms. Fenton? Thank you, ma'am.

All right. I will now turn to the ranking member, Mr. Figures, 5 minutes of questioning.

Mr. FIGURES. Thank you, Mr. Chairman.

Mr. Page, I will start with you. I represent Mobile, Alabama, as part of my district, which is right along the gulf coast right in Hur-

ricane Alley, so the work of the Office of Disaster Recovery and Resilience is something that is particularly relevant to us. And obviously, the 2024 reauthorization of the Public Works and Economic Development Act established that office within EDA, and it is expected to report annually on EDA's activities and disaster response here to Congress. So can you briefly give me an update on the status of the Office of Disaster Recovery and Response, and how many people are employed there as well as what disasters they have responded to?

Mr. PAGE. Absolutely. And thanks for the question, Congressman.

The office has been officially established as part of our reorganization that was submitted to Congress earlier this year. We have the exoskeleton. We are working through the particulars internally about all of the authorities. Because we did a comprehensive reorg of the whole agency as a result of the two new offices, we actually—on net, we reduced the number of organizational offices within the organization by six, even when adding the two.

But the team and the expertise was brought to bear in the development of our 2025 disaster supplemental notice of funding opportunity. And it is a novel approach that I think is really designed to both leverage the expertise that EDA has built through some of its programs that we have developed tech hubs and recompetes so we can go large scale. It focuses on kind of our traditional programming of infrastructure. And it also can provide capacity assistance. And it allows us to seamlessly meet communities where they are at along that continuum. That is a direct development based on the expertise, the engagement of that Office of Disaster Recovery in supporting different disasters.

One in particular is we have been on the ground supporting the FEMA-designated mission in North Carolina. That has been a big focal point following Hurricane Helene.

Mr. FIGURES. All right. Thank you. We will follow up to see if we can get some more specifics with you regarding it, but I am pressed for time.

Mr. Wiggins, or Dr. Wiggins, rather, my hometown regional authority, my home State regional authority, but infrastructure remains a major barrier to growth in Delta communities. You mentioned in your opening statement some of the work that you guys had done in Union Springs, Alabama, which, for those who don't know, that part of the country suffers from some very unique barriers from an infrastructure standpoint.

A lot of those communities are too rural for traditional sewer systems, and the soil composition in that part of the country is actually not conducive to septic tanks, and so you end up with large swaths of people that have some significant sewage issues, which creates some of those health concerns that you guys have helped address.

Can you speak a little bit to the investments in water and sewer and broadband and transportation to support long-term economic development, particularly in those sorts of areas?

Mr. WIGGINS. Sure. Thank you. What I will say, what we are seeing across our region is there is a strong need for some of the basic building blocks of economic development: water, sewer. We see

some of our communities who are progressing well. They have those basic building blocks, but it has been a struggle in some of our rural communities.

I guess to give an example of how much need is out there, our annual appropriations last year was \$31.1 million, but for our Community Infrastructure Fund, which only does public infrastructure, our request from the region was about \$245 million from the region.

And so, speaking to the need, we are leveraging our funding at DRA by partnering with our Federal partners. There are even some times that we are able to partner with regional commissions like ARC where there is some overlap.

And so, I think the need exists. We are meeting the need as best as we can, not only from a funding standpoint, but also how we support communities with some of the technical assistance and support they need along the way in the project development process, too.

Mr. FIGURES. We certainly appreciate the work that you guys are doing down there.

Dr. Reed, EDRA allowed EDA to lower cost-sharing requirements for small and economically distressed communities, and has that lower cost-sharing requirement impacted the number or volume of applications or the types of projects that have been proposed to you guys?

Ms. REED. Yes, it has had a positive effect on the number of applications. In round 1, we received 363 applications and only granted 56 projects. In round 2, 357 applications and 83 projects. In many of those, that cost share has been a positive factor in not only the applications, but in the execution of the grants themselves.

Mr. FIGURES. Well, thank you.

I appreciate the work that you guys do. I look forward to working with you guys in ways to better support what you guys do and the service you guys provide to this country.

Thank you. I yield back.

Mr. PERRY. The Chair thanks the gentleman.

The Chair now recognizes Representative King-Hinds from the Northern Mariana Islands. That is a long way from home.

Ms. KING-HINDS. It sure is.

Good morning, everybody, and thank you for your testimony today, and I want to especially thank Mr. Page. We had a little bit of an opportunity to chat back in the waiting room back here.

So, in the Marianas, EDA investments have supported economic recovery, workforce development, and long-term resilience. These include the Garapan revitalization project, the Marpi tourist site improvement project, and the Oleai Sports and Cultural Complex, which are central to revitalizing our tourism industry.

EDA has also invested in economic diversification and workforce readiness through projects such as the new Department of Finance Economic Resiliency Center, new educational facilities at Northern Marianas College and the Northern Marianas Technical Institute, a public school system vocational training center, amongst others.

For a small, remote, and highly distressed Territory, these projects are foundational. They support small businesses, expand workforce training, strengthen government capacity, and help the

CNMI build a more resilient economy beyond tourism. And so my focus is ensuring that the flexibility Congress provides is translating into timely support for Territories like the CNMI and that the ongoing investments are protected.

So, right now, our economy is at the brink of collapse. Some would say that it has already collapsed, right, and so the government is operating under severe cash flow constraints and at this point in time must front costs for EDA-funded projects.

So, under EDA's original grant procedures, the CNMI was able to submit reimbursement requests based on costs incurred, allowing these projects to move forward through phase disbursement. From what I have been told, EDA has since changed this process to require proof of payment before reimbursement is issued, which has created significant challenges for an economically distressed government, particularly given what is happening with the economy and to the point where the government itself has had to take out a loan to be able to cover some of these costs, right.

And so, I just kind of want to understand the rationale for that change and whether there is consideration for what the CNMI is going through right now as it relates to some of these processes.

Mr. PAGE. Yes. Thank you for the question, Congresswoman, and, again, I appreciated talking in the back there a little bit about the challenges that you do face, and I know we are tracking it.

As I look here at just the investments that EDA has made in the area, it is about \$100 million that is expected to create or retain almost 5,000 jobs, which I did not realize until we were just talking is somewhere between 8 and 12 percent of your total population out there. So I understand the impact these can have.

To your specific question about the way that we can make payments, we do operate on a reimbursement model, and that is really so that we can make sure that we are operating and protecting the American taxpayers' interests. When we make an award, we, obviously, lay out terms, conditions. The disbursement of funds is one of our final checks to make sure that those terms are being met and adhered to, and it is a good way of fiscal control and also for us to make sure that the projects are progressing and that we are not leaving any costs out there that shouldn't be paid, but we are also not paying costs that weren't applicable.

There are some limited instances where we can do advancements, and we are happy to work with you and your staff and the grantees to explore this.

Ms. KING-HINDS. Thank you very much for that.

So it has been very fascinating to listen to the different commissions. In particular, I was fascinated by the presentation of the Denali commissioner, and so I just wanted to ask, right, because we don't have a commission that directly speaks to the Territories, and the challenges, obviously, are very unique in comparison to what Appalachia is experiencing or Alaska—actually, very similar to what Alaska is experiencing.

So I wanted to kind of hear, from your perspective, Mr. Page, how do these partnerships improve project delivery and outcomes in distressed regions when you do work with these commissions?

Mr. PAGE. Absolutely. So the partnerships with these commissions tend to bring localized knowledge about the challenges for

these very distinct geographic regions. We, obviously, have State representatives that cover the entire country and the Territories, including CNMI. I think the regional commissions can help in a doubling down and bringing an on-the-ground perspective that can help with that.

That being said, I do know that we have an outstanding economic development representative that does cover all of the Territories in the Pacific. He makes sure that he is spending time to be very attuned to the challenges so that he can speak to it and recognizes that they are unique versus many of the other parts of the country.

Ms. KING-HINDS. I am out of time. I yield back.

Mr. PERRY. The Chair thanks the gentlelady.

The Chair now recognizes the Representative from the District of Columbia, Ms. Norton.

Ms. NORTON. Thank you, Mr. Chairman.

I strongly oppose the Trump administration's efforts to gut the Federal workforce and the Federal contractor workforce and to move Federal agencies out of the District of Columbia.

Last year, DC lost at least 24,000 Federal Government jobs. Deputy Secretary Page, how is the Economic Development Administration working to support the creation of new jobs and industries in the District of Columbia?

Mr. PAGE. Thank you for the question, Congresswoman.

We are tracking what you cite here. At the end of the day, the projects that EDA receives are developed from the ground up, consistent with economic development strategies and projects that can meet the unique distressed characteristics of a community. So a workforce disruption, unemployment levels, things like that can be a qualifying event.

And our local Philadelphia regional office, I believe, is already working with entities in the District to explore projects. I know that there is one that is already in consideration.

But I would also say, longer term, the District of Columbia and the National Capital region is not actually covered by an economic development district where you would actually have a comprehensive economic development strategy that would lay out the long-term goals for diversification of the economy and strengths, weaknesses, opportunities, and threats.

I am happy to report that we have actually engaged with some local entities, most notably the Metropolitan Washington Council of Governments, to start discussions around how they could actually start to develop a CEDS and create an EDD so that they can lay out those strategies and identify the programming that can support the District.

Ms. NORTON. Thank you, Deputy Secretary Page.

And I yield back.

Mr. PERRY. The Chair thanks the gentlelady.

The Chair now recognizes the gentleman, Representative Barrett.

Mr. BARRETT. Thank you, Mr. Chairman. Thank you to the panelists that are here. I appreciate your testimony.

I served in the State legislature before coming here to our Nation's Capital, and we had some robust debates about economic development back home in Michigan.

I kind of start from the position that Government doesn't create jobs. Government can create Government jobs, but private industry creates the jobs that ultimately pay for Government jobs. So you might maybe consider me a bit of a skeptic around some economic development programs and some of the lofty prognosis of what they are set to bring in, what accomplishments we have had, kind of glossing over some of the failures of certain economic development programs that I think deserve rational debate. And then sometimes maybe the data that we get is a little bit optimistic.

But, with that being said, I do appreciate you being here today. I know that we have a lot of programs that were initiated during the COVID-19 pandemic. There was, obviously, a massive disruption to the economy, and Congress and really all levels of Government took action to really manage as best we were able, and in hindsight, maybe things could have been done differently, but I do acknowledge that there was a lot of uncertainty then.

At the time, though, Congress provided the EDA with significant supplemental funding to support economic recovery, including, I think, \$1½ billion from the CARES Act, \$3 billion from ARPA. The EDA played a sizable role administering these COVID-related economic recovery funds that were intended to stabilize communities quickly, predominantly under the previous administration.

Mr. Page, I am curious if you know if these funds were targeted well and if they produced measurable results? And, for COVID projects, did the EDA use the same performance metric framework that it currently uses for infrastructure and noninfrastructure data, or was some other metric used at that time?

Mr. PAGE. Yes, sir. Thanks for the question.

And, yes, you are correct. We did receive substantial supplemental funding, \$4.5 billion total through two supplementals in response to those. Many of those projects are still in development, and they are actually producing results now, particularly construction.

A lot of the awards went out at the end of 2021, and they are just kind of finishing their design phase. They are about to enter into construction, or they are in construction, but they are not quite complete.

But I am happy to report that with our portfolio of grants that we have right now, \$5.8 billion in total, we are seeing an 8-to-1 return on private investment for every dollar invested. That being said, we are actively monitoring these projects. We now have a risk assessment tool that we have put in place for every one of these awards to make sure that they are advancing, and if they are not—if for some reason the beneficiary has changed and, therefore, the actual expected value has changed, if there are complications, if there are cost overruns—we are willing to work with the applicant to terminate the grant.

Mr. BARRETT. Sure. And I appreciate that. To me, sometimes we force an idea that we are going to do something that the market may not necessarily otherwise demand, and I think when it comes to infrastructure, those are community funded and then sometimes

have State and Federal money combined for roads, bridges, pipelines, and other things that provide a benefit to everyone in that community and can hopefully then attract more economic development, less so than some other projects that may be like, oh, we are going to guarantee this many jobs, and then, 10 years go by, and new people are sitting in your seat and my seat.

Those jobs don't materialize, and it is impossible to hold accountable then at that point, and I want to make sure that we prevent that circumstance from happening.

I guess, to go through a design phase for 5 years, I mean, we are 5 years post-2021 right now. I flipped the calendar over like everybody else a few weeks ago, and it said 2026 on it.

How are we supposed to effectively deploy these resources when it takes 5 years to get through just the design phase of a project?

Mr. PAGE. Yes, sir. And I should have said the CARES Act was earlier. The ARC funds did not deploy until a little bit later because they were appropriated in 2021.

But, at the end of the day, I understand what you are saying about the private investment. At EDA, we look at the private investment not as an outcome, but actually as a market signal that the investment that we are going to make actually has real benefit. We have named beneficiaries for projects that are local entities. Oftentimes, we will get letters of support from them.

And then we do follow up at 3, 6, and 9 years to make sure that we are getting reporting from the grantee that those have actually materialized.

Mr. BARRETT. Okay. Thank you.

Thank you, Mr. Chairman. I yield back.

Mr. PERRY. The Chair thanks the gentleman.

The Chair now recognizes the ranking member from Arizona, Representative Stanton.

Mr. STANTON. Thank you very much, Mr. Chairman.

Thank you to all of the commissioners for being here today and the important work you do for the citizens of the United States.

I was a former mayor before I got to Congress. I know firsthand the Federal Government can be an important and powerful economic development partner, but economic development is not one-size-fits-all. Federal support for regional economic development is crucial because every community faces unique challenges. What works in Appalachia won't necessarily work in the desert Southwest that I represent.

That is why regional commissions, quasi-governmental partnerships between the Federal Government and States, are essential Federal tools. The partnership structure represents a unique Federal approach to economic development requiring substantial input from leaders who know their communities best.

Chair Sanchez, the Southwest Border Regional Commission is one of the newer regional commissions, and it is doing important work in my home State of Arizona. One grant allocated last year funds advanced manufacturing workforce development in collaboration with partners in the private sector and our State universities.

Other grants are going toward funding critical water infrastructure projects in rural Arizona and on Tribal lands, because in Arizona, water security and economic security go hand in hand.

Chair Sanchez, how does the SBRC maximize its investments in impoverished communities in the Southwest?

Mr. SANCHEZ. Thank you for the question, Ranking Member Stanton.

We prioritize funding to distressed communities. Eighty percent of our funds went to distressed communities, and we did that by targeting outreach specifically to these communities, working with our local development districts, with our mayors, county judges, but we also did that in a structural way where we provided additional points in the grant competition if your project was from a distressed area.

What was surprising is that we managed to get a \$1 per dollar matching from these communities. So, for every dollar the Federal Government invested, these folks provided additional funds. So I think that leveraged our projects immensely, and we are providing the infrastructure that is necessary for the private sector to thrive. We are providing the roads and the water and the sewage that is needed to develop businesses.

Mr. STANTON. Thank you so much.

In December of 2024, Congress reauthorized and modernized the Economic Development Administration for the first time in 20 years. I was proud to back that legislation. The bipartisan reauthorization was crafted to help EDA carry out its founding mission, bringing new investment and good jobs to every corner of this country.

To bring EDA into the 21st century, the reauthorization bill prioritized investments like manufacturing, supply chain capabilities, and industry-led workforce training partnerships. This investment is critical not just for strengthening struggling economies around this country, but also improving our Nation's ability to compete on a global scale. I am concerned that staff reductions under this administration are limiting this important bipartisan goal.

Deputy Assistant Secretary Page, what are EDA's staffing levels compared to a year ago, and what effects have those staffing reductions had on EDA's operational capacity?

Mr. PAGE. Thank you for the question.

EDA, as a whole, the staffing levels are down, but we do have adequate staff to meet the mission. We have been able to streamline the agency. We have been able to increase our efficiency through the reorg that we submitted to Congress and was approved by Congress and through some reforms internally. Things like we were able to consolidate from three grant systems into one. It reduces our administrative burden. We have standardized some of our operating procedures, which is saving over 4,000 hours of staff time.

So, while the overall staffing level is down, we were able to adapt, and we have made great progress to still be able to meet the mission. We actually also have a staffing plan that will allow us to backfill for certain critical vacancies.

Mr. STANTON. Thank you very much.

Mr. Chairman, I yield back.

Mr. PERRY. The Chair thanks the gentleman.

The Chair now recognizes the gentlelady from Nevada, Ms. Titus.

Ms. TITUS. Thank you, Mr. Chairman.

I represent Las Vegas. That is Nevada's First Congressional District. And so you can't talk about economic development without talking about tourism and hospitality.

In my district alone, the industry supports \$1.6 billion in State and local taxes as the top industry for employment. It is not just the strip that draws people. We have got all the sports teams now, and we have got the beautiful scenery around Las Vegas. There is kind of something for everybody.

However, tourism is in a slump, as you know, I am sure. It is down about 7 percent from what it was last year. So a lot of people's jobs are being threatened, over 300,000 hospitality workers, but I believe the expertise at the EDA could help us with your assistance programs kind of during these tough times.

I was the ranking member of this subcommittee last Congress, and I was proud to play a role in the reauthorization of the Economic Development Administration for the first time in 20 years, as was mentioned by the ranking member.

Now, there are provisions that we have got in the bill to consider travel and tourism when making grant decisions. So, Mr. Page, would you talk about how you all are implementing that provision in section 2219?

Mr. PAGE. Yes, and thanks for the question.

I appreciate the authorities that you did provide in the reauthorization act. I think it helped clarify that travel and tourism and outdoor recreation entities are eligible entities for our PWEAA, Public Works and Economic Adjustment Assistance, programming, and this is one of the self-effectuating pieces of the legislation. And so those entities became immediately eligible to apply for funding through our notice of funding and our regular programming that is out on the street right now.

Ms. TITUS. So the grant process is in the works? Are there people applying for the grant? Have you done anything to let folks know that it is available? Could you give me a little detail about how you are implementing it?

Mr. PAGE. Sure. I think ultimately the projects are locally driven. We have on-the-ground representation. In fact, we have a new economic development representative who is covering the State of Nevada. I know that she just was able to visit there and meet a lot of the stakeholders in the State last week.

And she will work with the local economic development districts, nonprofits, State and local entities. They will identify projects consistent with their own economic development strategies and then advance them. But one thing that she is being able to communicate now is the eligibility and how to best apply for EDA funds.

Ms. TITUS. Well, great. Would you ask her to come and get in touch with Claire in my office and let us know kind of what is going on and see if any of those groups locally might need our assistance to help push these grants forward?

Mr. PAGE. Absolutely. We would be happy to make that connection.

Ms. TITUS. Okay. Well, thank you. We look forward to that.

The second thing that you all look at that is so important in my district is water. We are in the desert. And, last session, we did my legislation, the Water Conservation Economic Adjustment Act, and

that is part of your reauthorization, too, and it clarifies that you can use economic assistance funding for industrial water conservation in areas where you have got decreased water supplies as a result of droughts so we attract businesses that aren't big water users.

I don't see anything about water conservation as an eligible use in the notice of funding opportunity that you all published in September. Are you planning on doing new guidance? Where does that stand? Could you talk about that for a minute?

Mr. PAGE. Yes. I am happy to talk about that.

The notice of funding opportunity really represents a high-level frame of the types of investments. It does not list out every single type of project, and that is really because the variety of projects that a local community may need is almost limitless.

So what we do is we do train our staff, and our economic development representatives are on-the-ground representatives of the agency. They are experts in our funding announcement. They are experts in our programming, and they work hand in glove with local entities to identify types of projects that could advance.

They are there to provide consultation on "is it eligible" and then how to best structure an application such that it can be reviewed and deliver the type of impact necessary consistent with an economic development strategy.

Ms. TITUS. So you don't really have any guidance that you have issued? Is it the same lady that is doing the tourism stuff on the ground out there that you mentioned, the staff on the ground?

Mr. PAGE. Yes.

Ms. TITUS. Maybe, when she meets with Claire, she could talk about what is going on with the water projects, too, because we don't see any evidence of it, as well as tourism.

Thank you, and I yield back.

Mr. PERRY. The Chair thanks the gentlelady.

The Chair is now going to stall a little bit to see if some other Members show up. Many of you came from long, long distances to be here, and, quite honestly, it is embarrassing that more Members aren't here, and we would like to hear from you, and you are here, and we appreciate that. We want to honor the sacrifice that you have made.

So I will start kind of down at this end of the row and go down that way. Look, one of the things that people want to know is kind of what you do and how you measure it. And, if you could, and you don't have to get too indepth, but just kind of, generally speaking, we will start with Ms. Fenton. If you can share like the top two or three performance metrics that you use to measure the effectiveness of the money that is coming in and the management of it and how your selection process—how do you do that?

Ms. FENTON. Well, first I would say our administrative overhead is an easy indicator of the funds that we are able to manage and deploy compared to our staffing. That is the boots on the ground. In Alaska, local expertise, other agencies look to us to provide that expertise in deploying funds in an efficient manner.

Our bulk fuel and energy program is one of our top programs, top funding coming into the State, top needs across the State, and so the performance metrics we get lower costs per gallon of diesel

in these series of microgrids across the State, lowering the cost of fuel, making efficiencies for delivery and consolidating fuels into bulk fuel to maximize gallons per dollar and lowering that kilowatthour cost among communities.

And then, also, every gallon saved through energy efficiency projects, I know “energy efficiency” is kind of a negative term these days, but it means a lot to rural Alaska and arctic conditions, making sure the envelope of the house is secure and we are using every kilowatthour of power and electricity to maximize its use.

So those are two, I think, top performance metrics that we have at the commission, but we can provide additional information to your office as well. We continually communicate with GAO on some of their inquiries on the commission’s report on various metrics and whatnot, as well.

Mr. PERRY. Thank you.

I am going to recognize Mr. Sanchez. I know you have been writing there, so I want to honor your—you are thinking about it, so I want to know what you have to say.

Mr. SANCHEZ. Thank you, Chairman Perry.

We, as I mentioned in my testimony, we track the unemployment rate, the poverty rate, and the per capita income in each of our counties. We focus our investments in the counties that have those metrics in the bottom of the 25 percent in the country.

Our projects are underway now. They are just getting started, but we are tracking on a monthly basis how they are using the Federal investment, how they are using the local investment that they provided, the jobs that they have created on a quarterly basis, jobs retained, how many households they have served, and the estimated population that would benefit from the grants.

So every quarter, we make grantees explain to us exactly how they spend the money and how they have met those metrics.

Mr. PERRY. And, look, I am not trying to be difficult, and I get that each one of your regions provides—there are different projects and different challenges that you have, and every project is not the same. So, you can’t have a boilerplate template that just says “this much in equals this much out equals this is what we get.” I get that, but it is important that we know and that the American people know that the value is coming out of this, and we are actually achieving what we are trying to achieve.

So I would encourage you to work with maybe Mr. Page and each other to come up with at least some kind of common standard that you all can agree with that generally captures some of that information—not only for our well-being but, quite honestly, yours. You don’t want to come here and try and explain this if you don’t have it wired in already, and then I am up here asking you questions, and you are trying to figure it out. That is not the time you want to figure it out, right.

Dr. Reed, do you have anything you would like to impart?

Ms. REED. Yes. Thank you so much.

We do track—and these are projections at this point. Our first round is in their second year of implementation, the grants, and the second round is in the planning phase of implementation. So these are projections that we are using.

What we do calculate, new jobs projected and households supported, businesses impacted, and, as I said in the testimony, we look at infrastructure and economic capacity when we are evaluating the successes of these grants.

But, to your point, we are also working with our communications firms and working on a map that will be interactive so that, when you hover over the actual grant, it will give you the information that you provided for that particular grant and that particular county.

Mr. PERRY. I think in laymen's terms, we would like to know how many jobs created, over what period of time, so the longevity of those jobs, and maybe the income level generally speaking or something so that we see that this is making progress; it is improving lives; it is having the impact that it so intended.

Mr. Saunders.

Mr. SAUNDERS. I think we collect a comparable level of KPIs as our peer commissions: businesses served, jobs created, households served, linear-feet of water infrastructure.

Mr. PERRY. That would be one you could measure, right?

Mr. SAUNDERS. I think we have this data, and I am happy to take your suggestion to collaborate with our commissions and the EDA to standardize some base level that is useful for the committee.

Mr. PERRY. It would help us, right, because we want to feel comfortable that this is all happening the right way, as it should be, and we have questions of our bosses, too, right. They demand that their money is spent wisely, and that is reasonable as well.

Dr. Wiggins.

Mr. WIGGINS. Yes, sir. As Federal Cochair Saunders mentioned, our metrics: jobs created, jobs retained, families affected by infrastructure projects, also looking at individuals trained from our workforce programs, and we have tracked this data for a number of years.

The thing I will add is that we have a really strong, robust monitoring program. So, not only do we look at these numbers coming in, our monitoring team is going out, checking in on these projects, quarterly reports being issued on these projects, and tracking the numbers as the project is progressing, as well.

Mr. PERRY. Okay, great.

I am going to just select you, Ms. Manchin, because you are probably one of the most experienced people here.

Do you have like an annual report that you could—I mean, is that something that you do on a regular basis or some other iteration that we can see that kind of outlines all that kind of thing?

Ms. MANCHIN. Absolutely. We do an annual report every year. I think, if you look at the framework, you are right. We have been here for an historical period of time, but economic development is the focus. So every grant that comes in is weighed on how it is going to affect as an economic stimulator.

Mr. PERRY. Right.

Ms. MANCHIN. So, again, as everyone says, it's new businesses, jobs created, infrastructure, communities improved. And every

grant is evaluated on the outcomes, how many jobs, how many people.

So, as we look at that and we look at this year winding down, we have found that our grants have met or exceeded their input, their outcomes for that grant.

Mr. PERRY. When do you do the reports, just out of curiosity? Do you all do it at the same time? Is it a certain point of the year, like it has got to be done by September 30 or November 5? Is there a particular period of time or a suspense date, as an old Army guy would call it?

Ms. MANCHIN. Well, interestingly for us, we have a 5-year strategic plan, and that is coming to an end. So, obviously, we are looking not only at 1 year but at this 5-year strategic plan and how we met that. One of our measures is that we have the number of distressed States, counties, is lower than it has been. It is the lowest in the last 20 years. So we, obviously, have made an impact—

Mr. PERRY [interrupting]. Well, that is the goal, right.

Ms. MANCHIN [continuing]. In our most distressed areas.

And the fact that, while we have to commit 50 percent, we do more. We actually committed 73 percent of our appropriations. So all of this we believe does lead to this kind of lifting the most distressed counties through infrastructure—

Mr. PERRY [interrupting]. And I agree, and we want to see that, and I think maybe if you guys could work together to harmonize when you do that, and then, if we could get that in advance of you coming up, then we can have a discussion about the things you want to highlight and your successes. But I am taking a lot of time.

Representative Ezell is recognized.

Mr. EZELL. Thank you and thank you all for being here today and being so patient. The only bad thing about going last is everything has been asked. So, if I repeat some of the questions, that is just part of the program. So thank you all for being here today, and thank you, Mr. Chairman.

The Water Resources Development Act of 2024 included important economic development reforms intended to improve coordination, reduce duplication, and ensure Federal dollars are producing real results. As Congress continues its work on WRDA in 2026, it is critical that we understand what is and what is not working under these new authorities.

In coastal communities, Mississippi's Fourth District, economic development is closely tied to ensuring reliance in our infrastructure, ports, waterways, and disaster recovery. Everybody in this country has been hit with some kind of disaster. And, ideally, WRDA authorized programs to complement, not complicate, these efforts.

Today, I hope to hear how WRDA 2024 reforms are being implemented, whether agencies are meeting our standards, and what changes Congress should consider making for WRDA 2026 to further streamline programs and strengthen outcomes for local communities.

Mr. Page, what WRDA 2024 economic development reforms have been implemented that are most relevant to coastal disaster-prone regions, and how are these reforms affecting communities along the Mississippi gulf coast?

Mr. PAGE. Congressman, thanks for the question.

I think the most important for the communities that you referenced was the establishment of our disaster recovery office and then the input that they provided to shape our fiscal year 2025 disaster supplemental funding opportunity. Congress appropriated \$1.5 billion to support economic recovery for communities that were hit by natural disasters in 2023 and 2024. And, in June of last year, we were able to release that notice of funding opportunity.

I think it takes a very novel approach and one that is a first of its kind for EDA based in large part on our experience with different disasters and leveraging the expertise of our disaster office. It basically allows us to meet a community where it's at, either providing readiness funding—we have a readiness path which can support predevelopment costs and capacity. We have an infrastructure path, implementation path that can do traditional types of infrastructure projects, workforce training projects as kind of single entities.

But then also it has a much broader path 3, which we call industry transformation, which allows us to cluster projects together where the whole can be greater than the sum of the parts in order to really change the economic trajectory of a community. And this is based on some of our programming there.

So that is on the street. We have already been able to make our first round of awards underneath that notice only 2 months after it was released. We have had active engagement with communities throughout the South and active tracking of all those engagements through a recently implemented CRM system so we can actually know everybody we have talked to and follow up.

Mr. EZELL. Thank you.

One more. For coastal communities that rely on ports, maritime industries, and disaster recovery, how has the WRDA 2024 improved coordination between EDA and regional commissions, and what can Congress do with WRDA 2026 to continue to improve it?

Mr. PAGE. Yes, sir. So I think there were some inherent pieces in the legislation that can help us better coordinate, including the ability for regional commission funds to serve as matching funds for EDA investments.

But we are actually scheduled to have a convening of all the regional commissions in February where we are going to really dive deep into this topic to figure out how do we best work together, a little bit under the hood. As I said earlier, we do work together at a staff level on a project-by-project level as we are trying to help assess how to best help communities, but I think what we hope to do through this is look at a few broad topics and figure out how we can better coordinate together.

Mr. EZELL. Thank you.

One more? I will just kind of throw this out there for all of you. In your experience implementing the WRDA 2024, are there specific lessons that could help guide Congress in ensuring that investments support long-term coastal resilience and port-related growth rather than duplicative or short-term projects?

Anybody? Go ahead.

Mr. PAGE. Yes, sir.

Mr. EZELL. Anybody.

Mr. PAGE. In addition to what I have already been able to articulate, and I will actually reference back to the conversation I had with Congresswoman Titus, the reauthorization bill did provide some clarity around eligibility of outdoor recreation projects and travel and tourism. I believe that could help with many of the coastal communities, and we are working to educate through our local representatives how those projects are eligible so that we can work with communities to bring them in and evaluate them for their effectiveness.

Mr. EZELL. Thank you. And thank you all for being here again today.

Mr. PERRY. The Chair thanks the gentleman.

And, in case you wondered, it is all of us that have the accent. If you didn't understand the guy from Mississippi, that's why.

The Chair now recognizes again the gentlelady from Nevada for 5 minutes.

Ms. TITUS. Thank you, Mr. Chairman. What accent? I don't know what accent you are talking about.

I was going to ask Mr. Page about something else that was in the reauthorization bill, and that was to update and modernize the use of university centers programs. I noticed that, in the December 2025 blog post, you have discontinued funding for the university centers programs.

And I wonder, are you in compliance with the law that we passed and that President Trump signed, or are you just ignoring it, or what is the reason you quit funding it? And I would ask other members from regional offices if they benefited from having university centers or have they worked with them, or they didn't notice that they are gone or what is going on?

Mr. PAGE. Yes, Congresswoman. Thanks for the question.

So the fiscal year 2025 appropriation for EDA appropriated \$400 million, but \$30 million of that was disaster-delegated funding and was not available for obligation. So we did have to identify \$30 million within our programming where we would not expend those funds.

In order to make that decision, we did a comprehensive review of all of our programs to assess them based on the stakeholder impact and the level of effort. Through that process, we did identify three programs that we were going to discontinue funding for in 2025. That was the university centers, the STEM talent partnership, and the trade adjustment assistance for firms.

As it pertains to the university centers, they have had a several decade carveout within our programming to provide assistance and to serve as a central coordinating function for technical assistance in communities. With a more limited portfolio, it was our perspective that we needed to broaden that, and we are no longer going to have the carveout for a university center, but those universities that still provide the greatest benefit can still apply for technical assistance funding if they are best positioned to help their communities.

But, by removing that specific set-aside, we have actually opened the aperture so that if there are other entities that are best positioned to provide that type of organizing principle and capacity building in a community, they can also apply.

Ms. TITUS. What about the STEM program that you just mentioned? I would think that would be very important right now, all the emphasis on STEM and its connection to future jobs.

Mr. PAGE. Yes, ma'am. One of the things that I often talk about with my team and how to think about our programming, and I think it particularly relates for this panel, is, what is our comparative advantage? We are \$400 million in a \$30 trillion economy, so we can't solve everything.

The STEM talent partnership was a \$2.5 million program. It was very costly to administer, and when you look at the other STEM programs that are out there that are supported by the Federal Government, we just did not have the comparative advantage or the reach. So, as I mentioned, as we evaluate our programs on those two axes of stakeholder impact and level of effort, STEM talent partnership, relative to our other programs, did score substantially lower.

Ms. TITUS. The juice wasn't worth the squeeze.

Mr. PAGE. Pardon?

Ms. TITUS. The juice wasn't worth the squeeze. Is that what you are telling us?

Mr. PAGE. At \$2.5 million, this is not an indictment on STEM education efforts. It is an indictment on EDA's effort and funding at that level.

Ms. TITUS. Do the regional offices have any input into these three programs that you decided not to fund?

Mr. PAGE. The regional commissions?

Ms. TITUS. Yes.

Mr. PAGE. They did not. This was an internal exercise because of the way that the Congress had appropriated the funds and with \$30 million being unavailable for obligation, we did have to make those tradeoffs.

Ms. TITUS. Did that have a negative impact on the work that you all do on the ground and in those regional areas?

Anybody?

It didn't have any impact?

Ms. REED. Not that we are aware.

Just so we know, the Federal-State partnership requires our communication with the Governors' offices and their priorities. So the Governors of each State, they have their priorities, and we work together in order to actualize those priorities. So, if that were to be a priority, then we would, of course, be involved, but to insert ourselves in that, we have not done that.

Ms. TITUS. So you just don't have any input at the Federal?

Ms. REED. Correct.

Ms. TITUS. You are just subject to what they hand out to you. Okay. I got it.

Well, wouldn't it work better if you did have some input of what you are seeing on the ground that you all need in your States that you would advise the Federal-level agencies that when they are making decisions of where to put money for what kind of grants, that they would hear from you all directly? It just doesn't work that way?

Mr. WIGGINS. Well, I think part of what we are doing as we are getting together and meeting next month is doing more around co-

ordination. As Federal Cochairwoman Reed mentioned, we do work a lot with our States. Most all of us do have regional development plans that have input from the local community and our State partners, our member States, so we try to align those resources.

As mentioned earlier, our team, our programmatic teams also do work with the program staff at EDA for the very purpose of just hearing and making sure we have more alignment, and we are not duplicating services. From the focus I think of at least from the DRA perspective as a commission, making sure we are meeting the regional needs of the 255 counties in our region that we are serving but getting local input as well.

Ms. TITUS. Well, thank you. I appreciate that.

Mr. PERRY. The Chair thanks the gentlelady.

The Chair now recognizes the Representative from Pennsylvania, Representative Bresnahan.

Mr. BRESNAHAN. Well, thank you, Chairman Perry and Ranking Member Stanton, for holding this hearing today and to all the witnesses for being here.

Just last week, I had the opportunity to tour Tobyhanna Army Depot to highlight a \$68 million investment in its radar systems, a project that supports both our national security and good-paying jobs in northeastern Pennsylvania. I was joined on that tour by representatives from the NEPA Alliance, the regional development organization that serves the five counties in my district.

During that visit, we discussed how they work with the EDA and the ARC to help bring Federal investment dollars back to our community. So this hearing times out very well.

My first question will be for Mr. Page and Honorable Manchin. Both of your testimonies emphasize strengthening coordination with regional commissions and local partners. Can you expand on how you gather local feedback and how that input is used to identify and prioritize and ultimately shape projects and funding opportunities to ensure they reflect real local community needs?

Mr. PAGE. Absolutely. I am happy to answer that question, Congressman.

For us, EDA really is about funding locally driven projects, and that starts with a community-developed economic development strategy. It sounds like you were there with one of our economic development districts. They are our partners on the ground, and in order to be eligible for our funding through our Public Works and Economic Adjustment Assistance program, they have to have a strategy, either an EDA-sponsored CEDS, comprehensive economic development strategy, or something equivalent that lays out the strengths, weaknesses, opportunities, and threats that they have within their community and how they plan to address it and leverage local assets and resources.

As part of those plans, they will often articulate partnerships that they have with other regional commissions or Federal entities so that we can make sure that we are doing complementary investments, not duplicative investments.

Ms. MANCHIN. And, not to repeat, because everything that he said, obviously, also matches the mission of the Appalachian Regional Commission in terms of economic development.

But what I would say is, due to the collaboration, the way that we don't duplicate is that we come in with offering some gap funding, matching money, which for many of these rural areas, that becomes some of the most difficult part of getting a grant is getting the match money. So we make sure that our resources, and, as he said, when grants come in, they are highly evaluated on meeting both the outcomes for economic development for ARC, but also what other moneys are they receiving so that, as he said, they are both evaluated.

But, at the end of the day, this allows resources to go into ways that provide resources from ARC that that grant money, once it ends, there is some sustainability, that that project can continue to grow and develop and create what they are trying to do: economic development, more jobs created.

And so the very fact of this collaboration and working together is what strengthens the end result of these grants and what happens in these communities. So it is not a duplication. It actually strengthens and elongates how those resources are used.

Mr. BRESNAHAN. Just as a quick followup, is there anything that you would suggest that could be done better, different, more efficiently, or is there anything that Congress can help ultimately get these projects funded quicker, faster, more efficiently? I will just redirect it to both Mr. Page and Honorable Manchin.

Mr. PAGE. Sure. I think we are really hoping—we have referenced this a couple of times. We are going to be getting together in February as a group to discuss and to meet the legislative requirement from the WRDA bill last year, to get together and talk about that exact thing. So I think we hope to have some of those recommendations that come out of that convening and the report that is due out of it.

Mr. BRESNAHAN. I appreciate that.

Mr. Chairman, I yield the balance of my time.

Mr. PERRY. The Chair thanks the gentleman. The gentleman yields back.

Are there any further questions from any members of the subcommittee who have not been recognized?

Seeing none, that concludes our hearing for today.

I want to thank all the witnesses. I appreciate you taking the time to be here. It is important, and we are very grateful that you took the time and made the travel and were prepared, and we look forward to seeing you again soon as we kind of go on this journey together.

So, with that, that concludes the subcommittee, and the subcommittee stands adjourned.

[Whereupon, at 12:40 p.m., the subcommittee was adjourned.]

APPENDIX

POST-HEARING QUESTIONS FOR THE RECORD TO BEN PAGE, DEPUTY ASSISTANT SECRETARY FOR ECONOMIC DEVELOPMENT AND CHIEF OPERATING OFFICER, U.S. ECONOMIC DEVELOPMENT ADMINISTRATION, FROM HON. RICK LARSEN

Question 1. The 2024 reauthorization of the Economic Development Administration (EDA) established within EDA an Office of Disaster Recovery and Resilience. What is the status of the Office of Disaster Recovery and Response, how many people work there and which disasters have they supported?

ANSWER. In August 2025, the Department notified Congress of a reorganization to stand up the Office of Disaster Recovery and Resilience (Disaster Office). EDA is currently updating its internal organizational structure to reflect the office's duties fully and remains hard at work implementing the office's missions. Staff that would subsequently become the Disaster Office helped design EDA's FY 2025 Disaster Supplemental Notice of Funding Opportunity (NOFO), which was released on June 4, 2025, and is currently accepting applications to help areas recover from disasters that occurred in calendar years 2023 and 2024, including Hurricanes Helene and Milton.

EDA was able to quickly onboard additional critical term staff to help it process awards for those areas eligible for funding from the FY 25 Disaster Supplemental. To date, 17 people have been onboarded. EDA will continue to assess workload and leverage the hiring authority provided in the reauthorization act as necessary to deliver assistance to impacted communities.

Question 2. What are EDA's staffing levels today compared to one year ago? What effects have staff reductions had on EDA's operational capacity? Are EDA staff currently allowed to travel?

ANSWER. While EDA staffing levels are lower than last year, EDA has sufficient staff to meet its mission due to operational and organizational reforms. Yes, in accordance with Department of Commerce guidance, EDA is approving mission-critical travel for staff.

Question 3. How is EDA planning to help communities, businesses, and workers adjust to changes stemming from artificial intelligence (AI)? How will EDA make AI-related initiatives available to workers and businesses in distressed rural communities?

ANSWER. In December 2025, EDA announced its intention to set aside \$25 million in grant funding for workforce initiatives in support of the Administration's AI Action Plan. This initiative aims to upskill workers in AI tools that are in demand by industry. EDA recognizes that AI proficiency is becoming a must-have skill across many industries, and workers without skills will be overlooked. This pilot program will provide valuable information to EDA and help direct future federal investments in support of America's workforce, which includes workers in distressed rural communities.

Question 4. The 2024 reauthorization of the Public Works and Economic Development Act established as the sense of Congress that EDA should continue to promote access to its programs through its use of economic development representatives. How many economic development representatives worked at EDA one year ago and how many work at EDA today?

ANSWER. Economic Development Representatives (EDRs) play a critical role in EDA programming as the interface with communities and districts. EDA currently has 29 EDRs on board. These positions are assigned geographic coverage areas based on a number of factors including level of distress, disaster impacted areas, economic conditions, and geography. By taking each of these factors into account,

EDA is able to balance workload across its staff while ensuring coverage for all states.

Question 5. The 2024 Public Works and Economic Development Act updated and modernized EDA's existing University Centers program. But according to your December 2025 blog post, EDA has discontinued funding for the University Centers program. Is EDA in compliance with the law which was passed by Congress and signed by President Trump?

ANSWER. EDA's reauthorization language authorizes the program pending Administration priorities and adequate appropriations and does not require EDA to execute the University Centers program in any given year. While University Centers no longer have a dedicated funding line, universities that previously received funds are eligible to apply for funding via other EDA programs, including Economic Adjustment Assistance and Technical Assistance, to support local economic growth.

Question 6. The 2024 Public Works and Economic Development Act directed EDA's regional directors to designate a regional staff member to act as a "Technical Assistance Liaison" for their office. Have the regional offices complied with this mandate?

ANSWER. EDA recognizes the value of technical assistance and is exploring the best model to meet this mandate as it implements the broader reorganization communicated to Congress last year.

Question 7. Has EDA's regional office structure changed in the last year? If so, how?

ANSWER. In the past year, the Regional Office structure has not changed. EDA still operates in six offices and considers applications for disaster, public works, economic adjustment assistance, technical assistance, and planning grants through investment review committees convened by each of those six offices.