



The Economic Development Administration's Assistance to Coal and Nuclear Closure Communities Initiatives for Economic Transitions

April 5, 2021

The Department of Commerce's Economic Development Administration (EDA) supports state and local planning and economic development projects, among other activities. In response to the decline of [coal industry activity and the closure of nuclear plants](#), Congress has approved additional funding for EDA grant programs that support economic transition strategies and help affected communities build economic development capacity. This Insight considers the role, criteria, and funding history of two EDA initiatives designed to facilitate economic transitions—the [Assistance to Coal Communities \(ACC\)](#) and the [Assistance to Nuclear Closure Communities \(NCC\)](#) initiatives.

Economic Adjustment Assistance for Coal and Nuclear Closure Communities

EDA administers the ACC and NCC funding primarily through its [Economic Adjustment Assistance \(EAA\) program](#) (42 U.S.C. §3149).

The [ACC initiative](#) provides flexible funding for projects that support [economic diversification, job creation, capital investment, workforce development](#), and [re-employment opportunities](#) for coal-impacted communities. Similarly, [NCC funding](#) is designed to address job losses and the decline in local revenues associated with [nuclear plant closures](#).

Legislative Origins

In FY2014, Congress encouraged EDA to assist communities impacted by the “economic dislocation in the coal and timber industries” (see [explanatory statement, P.L. 113-76](#)). In [FY2015](#) and [FY2016](#),

Congressional Research Service

<https://crsreports.congress.gov>

IN11648

Congress directed EDA to allocate funding to “Assistance to Coal Communities.” During these years, the ACC initiative was administered as a component of the multi-agency [POWER Initiative](#)—a coordinated federal effort to assist coal-impacted communities.

In FY2015, a Senate appropriations report noted the negative, regional economic impact of nuclear plant closures and encouraged EDA to “identify and develop best practices” to assist affected communities ([S.Rept. 113-181](#)). Then, in FY2020, Congress directed EDA to allocate inaugural funding to the NCC initiative (see [explanatory statement, P.L. 116-93](#)).

ACC and NCC Criteria

EDA currently administers the ACC and NCC initiatives through the EAA program as competitive grants. According to [grant funding procedures](#), projects must align with the regional [comprehensive economic development strategy](#) or equivalent strategy.

The ACC initiative targets communities and regions that have been negatively impacted by changes in the coal economy. Applicants are generally eligible for ACC funding if the primary coal economy contraction “event” (e.g., coal mine or plant closure, closure of coal economy supply chain businesses) occurred within the previous 1 to 15 years. According to the [EDA’s grant funding procedures](#), “coal economy” refers to coal mining, coal-fired power plants, along with related transportation, logistics, and supply chain manufacturing.

Comparably, the NCC initiative targets areas that have been impacted or will be impacted by nuclear power plant closure. According to the EDA, NCC projects should demonstrate the manner and extent of an impact from nuclear plant closure, and notes that the proximity to a nuclear plant closure by itself is “insufficient to demonstrate eligibility.”

Funding History

Table 1 shows annual appropriations for the EAA from FY2015 to FY2021. The table also provides the amounts Congress has directed EDA to allocate to the ACC initiative for the same period, and for the NCC initiative since FY2020.

Table 1. EAA, ACC, and NCC Annual Appropriations, FY2015 - FY2021

Dollars in Millions

Fiscal Year	EAA	ACC	NCC
2015	\$35	\$10*	—
2016	\$35	\$15*	—
2017	\$35	\$30	—
2018	\$37	\$30	—
2019	\$37	\$30	—
2020	\$37	\$30	\$15
2021	\$37.5	\$33.5	\$16.5

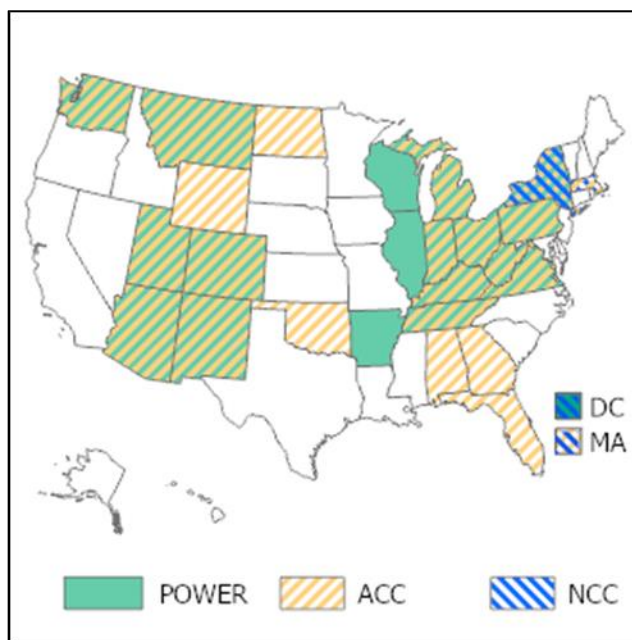
Sources: Data compiled by CRS from explanatory statements accompanying [P.L. 113-235](#), [P.L. 114-113](#), [P.L. 115-31](#), [P.L. 115-141](#), [P.L. 116-6](#), [P.L. 116-93](#), and [P.L. 116-260](#).

Notes: Amounts do not include supplemental appropriations. In FY2015 and FY2016, EDA made ACC funds available through the POWER Initiative for coal-impacted communities and those funds are noted in the chart with *. For more information, see CRS Report R46015, *The POWER Initiative: Energy Transition as Economic Development*, by Michael H. Cecire.

ACC and NCC Awards

Error! Reference source not found. shows the EDA’s ACC, NCC, and POWER initiative projects, by state, from FY2015 to FY2020. In FY2015 and FY2016, EDA assisted 52 projects with ACC funding, including awards for national technical assistance. The funding was [administered in partnership with the POWER Initiative](#). From FY2017 to FY2020 EDA provided approximately \$127 million of ACC funding to 122 projects in 22 states. Since NCC was launched in FY2020, the EDA has provided approximately \$3.4 million of NCC funding to three projects, including one award for national technical assistance.

Figure 1. EDA’s ACC, NCC, and POWER Initiative Projects, by State
FY2015–FY2020



Source: Map created by CRS from EDA grant award data, February 2021.

Notes: The location of POWER grants indicate awards made by EDA in FY2015 and FY2016. Map includes EDA POWER grants and excludes grants awarded by other federal agencies through the POWER Initiative. Awards include technical assistance projects, which could include national organizations located outside of a coal-impacted area.

Considerations

EDA partnered with [two national organizations](#) to disseminate promising strategies among coal-impacted communities. EDA also directs a portion of NCC funds to [national technical assistance](#), which creates a community of practice for applicants and grantees. Technical assistance may further assist economically distressed small, rural, and underserved communities with pre-development activities, as noted in the [explanatory statement](#) accompanying the agency’s FY2021 appropriations.

Federal assistance may support communities with economic transitions as they face declining levels of economic activity, population, or private investment. The ACC and NCC initiatives help communities respond to changes in energy- and resource-based industries, and the EAA program is available for communities seeking assistance in response to other industry shifts, events, and factors. Congress may consider additional criteria or initiatives if it seeks to provide economic and energy transition assistance for other industry types or regions.

For information about the EDA, see CRS Report [R41241](#). For information about energy transition as economic development, see CRS Report [R46015](#).

Jim Uzel, GIS Analyst, developed the map included in this Insight.

Author Information

Julie M. Lawhorn
Analyst in Economic Development Policy

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.