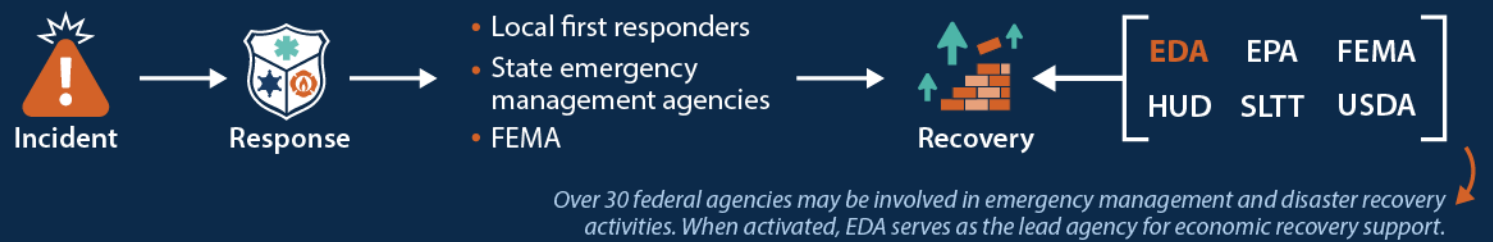


Economic Development Administration (EDA) Disaster Recovery Funding

In response to certain major disasters and emergencies, Congress occasionally provides disaster-specific supplemental funding for long-term economic recovery under the EDA's Economic Adjustment Assistance (EAA) program (42 U.S.C. §§3149(c)(2), 3233).

What is EDA's role in the federal disaster recovery framework?



FAQs

How are EDA disaster recovery grants funded?

Supplemental appropriations legislation provides funding for the EAA program for specified disasters and emergencies and time periods.

How is funding used?

- Flexibly
- Eligible activities may include planning, public works, revolving loans, and workforce or entrepreneurship development projects, or to develop or update a Comprehensive Economic Development Strategy (CEDS)

How is funding allocated by the EDA?

- Competitively
- Varies by events, impacts, and economic distress
- Distributed through Regional Offices

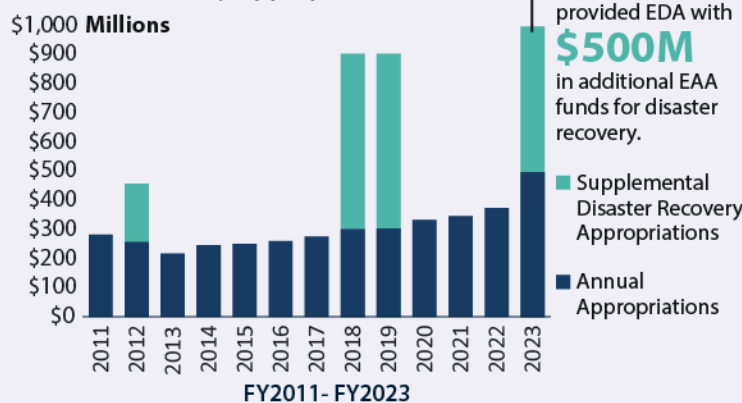
What areas are eligible?

- Eligible areas are determined legislatively; and
- Eligible areas are determined by Stafford Act declarations and the Federal Emergency Management Agency (FEMA) designation of areas eligible for public assistance or individual assistance due to the declared disasters.

What types of entities are eligible recipients?

- Nonprofit organizations
- State and local governments
- Institutions of higher education
- Indian tribes or a consortium of Indian tribes
- District organization of an EDA-designated Economic Development District

EDA Annual and Supplemental Disaster Recovery Appropriations



Since 2011, in response to certain major disasters and emergencies, Congress has provided EDA \$1.9 billion in supplemental funding for long-term disaster recovery for selected incidents. Figure does not display non-disaster supplemental funding.

What are other application considerations?

EDA's Notices of Funding Opportunities (NOFO) provide additional guidance, including the following instructions.

- **CEDS:** Except for strategy grants, projects must also be consistent with the region's certified CEDS or equivalent EDA-accepted regional economic development strategy (see <https://www.eda.gov/ceds>).
- **Cost share:** EDA NOFOs provide guidance on the percentage of total project expenses that may be covered by EDA funding. EDA may provide assistance at lower cost-sharing rates under certain circumstances (42 U.S.C. §3233). Indian Tribes and areas that meet certain thresholds of economic distress may qualify for reduced cost-sharing responsibilities.
- **Equity:** EDA expects projects to advance equity to underserved populations to the extent practical.
- **Resilience:** Projects are expected to incorporate resiliency principles, to the greatest extent possible.

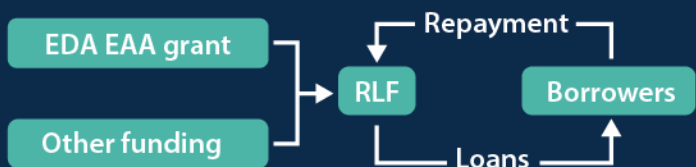
When is the application deadline?

No deadline. Applications are generally accepted on an ongoing basis.

What EDA resources are available for businesses?

Businesses and individuals do not qualify for EDA disaster recovery grants. However, in many regions intermediary organizations receive Economic Adjustment Assistance (EAA) grants to administer Revolving Loan Fund (RLF) programs. RLFs may provide alternative financing options to businesses following disasters as well as for non-disaster purposes.

See <https://www.eda.gov/rlf> for a directory of EDA-supported RLFs, by state.



Source: CRS, using information from annual appropriations bills, eda.gov, EDA NOFOs, and 42 U.S.C. §§3121 et seq.

Abbreviations: Environmental Protection Agency (EPA); Department of Housing and Urban Development (HUD); State, Local, Territorial, and Tribal governments (SLTT); United States Department of Agriculture (USDA).

Information as of January 26, 2024, prepared by Julie Lawhorn, Analyst in Economic Development Policy; and Brion Long, Visual Information Specialist. For information about EDA, see R46991. For information about other EDA disaster recovery roles, see IF12576.



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