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Federal Regional Commissions and Authorities: Authorization

During the 118th Congress, the Economic Development Reauthorization Act (EDRA, P.L. 118-272) reauthorized seven federal regional commissions and authorities (FRCAs) and established two new FRCAs—the Mid-Atlantic Regional Commission (MARC) and the Southern New England Regional Commission (SNERC). During the 117th Congress, the Consolidated Appropriations Act, 2023 (P.L. 117-328) also authorized a new FRCA, the Great Lakes Authority (GLA). The GLA received its first appropriation in FY2024. However, the GLA, MARC, and SNERC are not currently operational. Although appropriations are necessary for their full activation, they are also insufficient without additional steps. This In Focus describes potential additional steps that may be necessary for an FRCA to achieve full formation, and potential policy options for Congress should it consider creating new FRCAs.

Background on the Federal Regional Commissions and Authorities (FRCAs)

Ten FRCAs have been authorized by Congress to address instances of major economic distress in geographically defined socio-economic regions. Congress authorized the first FRCA, the Appalachian Regional Commission (ARC), in 1965. Additional commissions and authorities were founded in 1998 (the Denali Commission), 2000 (the Delta Regional Authority, or DRA), and 2002 (the Northern Great Plains Regional Authority, or NGPRA). Three commissions—the Northern Border Regional Commission (NBRC), Southeast Crescent Regional Commission (SCRC), and the Southwest Border Regional Commission (SBRC)—were authorized in 2008. The Consolidated Appropriations Act, 2023 (P.L. 117-328) amended 40 U.S.C. §15301(a) to establish the GLA in December 2022, and the Economic Development Reauthorization Act (P.L. 118-272) further amended 40 U.S.C. §15301(a) to establish the MARC and the SNERC in January 2025. Six of the ten entities—the ARC, DRA, Denali Commission, NBRC, SBRC, and SCRC—receive annual appropriations *and* have federal co-chairs in place. The MARC, NGPRA, GLA, and SNERC are currently inactive as they do not have federal co-chairs in place. Additionally, the MARC and the SNERC have not received appropriations and the NGRPA last received appropriations in FY2005.

The authorizing legislation for the ARC, DRA, GLA, MARC, NBRC, NGPRA, SBRC, SCRC, and SNERC requires a presidentially-appointed and Senate-confirmed federal co-chair. The Senate confirmed the SCRC's and SBRC's first federal co-chairs in December 2021 and December 2022, respectively, allowing the commissions to convene and begin other activities. As of February 2025, there are no confirmed co-chairs for the GLA, NGPRA, MARC, and SNERC.

The FRCAs established after the ARC—with the exception of the Denali Commission—are all broadly modeled after the ARC's structure. The structure includes a federal co-chair, appointed by the President with Senate confirmation, and the member state governors, of which one is elected by the governors as state co-chair. The authorizing legislation for the Denali Commission requires that the U.S. Secretary of Commerce appoint a federal co-chair.

FRCA Funding, FY2022-FY2024

The Consolidated Appropriations Act, 2024 (P.L. 118-42) provided annual appropriations for ARC, Denali Commission, DRA, GLA, SCRC, SBRC, and NBRC.

Table 1 summarizes funding amounts for the seven federal regional commissions that have received appropriations in FY2024, along with the year authorized.

Table 1. Recent FRCA Funding (millions of dollars)

	Year Authorized	Appropriations		
		FY2022	FY2023	FY2024
GLA	FY2023	—	—	\$5.0
SBRC	FY2008	\$3.75	\$5.0	\$5.0
SCRC	FY2008	\$10.00	\$20.0	\$20.0
NBRC	FY2008	\$185.00	\$40.0	\$41.0
DRA	FY2000	\$180.10	\$31.0	\$31.1
Denali	FY1998	\$90.10	\$17.0	\$17.0
ARC	FY1965	\$395.00	\$400.0	\$400.0

Source: Appropriations figures tabulated from, P.L. 117-58, P.L. 117-103, P.L. 117-328, and P.L. 118-42.

Notes: FY2022 amounts include appropriations provided in the Infrastructure Investment and Jobs Act (IIJA, P.L. 117-58). The IIJA provided \$200 million in advance appropriations for the ARC in each fiscal year from FY2022 through FY2026.

Steps for FRCA Formation

Appropriations are a first step toward the full formation and operation of FRCAs. Several additional steps must be completed before a commission or authority can be fully convened and active.

These steps include, broadly:

1. The presidential appointment and Senate confirmation of a federal co-chair, and potentially an alternate federal co-chair;
2. The convening of the FRCA, including the federal co-chair and the member state governors;
3. Organizational development of the FRCA, which includes the development of bylaws, hiring of a

professional staff, and the identification of program priorities; and

4. The establishment of an economic development grant-making program, pending additional appropriations.

Appointment of a Federal Co-Chair

The presidential appointment and Senate confirmation of a federal co-chair is an essential step for most FRCAs, as the federal co-chair is a statutorily enumerated leader of the FRCA, alongside state members (the governors, of which one is elected state co-chair). According to 40 U.S.C. §15301, the authorizing statute for the GLA, MARC, NBRC, SBRC, SNERC and SCRC, the federal co-chair serves as the “liaison between the federal government and the commission.” The statute also states that the federal co-chair’s assent is required, along with a majority of state members, in rendering any decision. In effect, the statute does not provide for the FRCA’s formation in the absence of a duly appointed and confirmed federal co-chair.

For most FRCAs, the federal co-chair’s rank and compensation is also established as level III of the Executive Schedule. According to the Office of Personnel Management (OPM), the FY2025 rate of basic pay for level III of the Executive Schedule is \$207,500. The statute also provides for the presidential appointment (without Senate confirmation) of an alternate federal co-chair, who may serve in the federal co-chair’s stead as needed, or as a deputy otherwise—at the rank of level V of the FY2025 Executive Schedule, or \$183,100. The federal co-chair’s rank and compensation for the Denali Commission is established as level IV of the Executive Schedule, or \$195,200 for FY2025.

Convening the Commission

Upon appointment and confirmation of a federal co-chair, an FRCA may begin formal operations once the FRCA membership is convened. Except for the Denali Commission, each active FRCA consists of the federal co-chair and the governors of the member states. For these commissions, the authorizing statute also provides for the selection of state alternates to serve in the governors’ stead. The convening of the commission would launch the commission and, with the assent of the federal co-chair and a majority of state members, allow the commission to render decisions regarding structure and administration.

One such decision would be the selection of a state co-chair who, alongside the federal co-chair, would form the commission leadership. According to statute (except in the case of the Denali Commission), the state co-chair shall be a governor of a participating state in the region and shall be elected by the state members for a term of not less than one year. The statute also limits the state co-chair to no more than two consecutive terms for the GLA, MARC, NBRC, SBRC, SNERC, and SCRC.

Organizational Development and Grant Making

The FRCA, once convened, may draft and pass bylaws for the organization, which govern the roles and responsibilities of FRCA members and staff, and set processes for the day-to-day administration of the organization. These bylaws

may be revised or amended by the commission as needed, as they reinforce statutory guidance and regulate the activities of the organization that are not detailed in statute. For example, the bylaws may describe the role of an executive director and the categories of professional staff, including the terms of their appointment and hiring, their compensation schedules, and their roles and functions. The programmatic elements of the FRCA’s work would be informed by the regional economic development priorities identified by FRCA members. The FRCA may draft a strategic plan or priorities document, or delegate responsibility for the development of such documentation to FRCA staff, seconded staff from the respective state governments, or a third party, subject to approval by the FRCA.

Prior rounds of appropriations to the SBRC and SCRC provided funding for hiring staff and the operational costs of convening the commissions. This funding is now also used for initial economic development grant-making activities.

Except for the Denali Commission, the active FRCAs are obligated to evenly share administrative expenses between the federal government and state members. As such, allocating additional federal funds for administrative costs would require an equal match from the member states. The states are not responsible for providing funding for grantmaking, however, relying on federal appropriations for those activities.

Policy Considerations

Enacting, appropriating, and operationalizing an FRCA can be a long-term and sometimes complex process, as an FRCA may not form even with authorizing legislation and appropriations. Should Congress wish to streamline the formation process, it may consider potential options:

- Develop model legislation to provide a temporary or alternate federal co-chair until a permanent one is appointed and confirmed;
- Allow for a class of FRCAs to be authorized, and federal co-chairs appointed, by the Secretary of Commerce, similarly to those created under (now defunct) Title V of the Public Works and Economic Development Act of 1965 (P.L. 89-136); or
- Develop a coordinating entity within the Department of Commerce to administer the establishment, development, and cooperation of existing and future FRCAs.

Additional Reading

For additional related information see CRS Report R45997, *Federal Regional Commissions and Authorities: Structural Features and Function*; CRS In Focus IF11396, *Starting a Federal Regional Commission or Authority*; and CRS In Focus IF12165, *Federal Regional Commissions and Authorities: Administrative Expenses*.

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