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Economic Development Reauthorization Act (EDRA) of 2024

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Economic Development Reauthorization Act (EDRA) of 2024

The U.S. Economic Development Administration (EDA) and active federal regional commissions and authorities (FRCAs) administer numerous federal economic development programs that support workforce training, disaster economic recovery, and infrastructure and entrepreneurial development activities at the state and local levels. The Economic Development Reauthorization Act (EDRA) of 2024—enacted as a part of the Thomas R. Carper Water Resources Development Act of 2024 (P.L. 118-272 Division B, Title II) on January 4, 2025—reauthorized EDA and seven existing FRCAs. EDRA also established two new regional commissions for the Mid-Atlantic and Southern New England regions. Congress last broadly amended and extended EDA authorities in 2004 through the Economic Development Administration Reauthorization Act (EDARA; P.L. 108-373).

EDA, as well as the Appalachian Regional Commission (ARC)—the first of the 10 FRCAs, was authorized in 1965 with economic development as one of their main policy objectives. Since 1965, Congress has occasionally passed legislation to reauthorize EDA, ARC, and other FRCAs, and to create new FRCAs. Such legislation has typically provided authorizations of appropriations; updated or added programs or requirements; and addressed changing socioeconomic and technological conditions.

Prior to the 2025 enactment of EDRA, some Members of Congress had recently expressed interest in modifying aspects of EDA and FRCAs to address specific economic development challenges and opportunities (i.e., by authorizing programs for energy communities, apprenticeships, or broadband). Other Members of Congress expressed interest in maintaining broad-based, “foundational” authorities—particularly for EDA—preferring not to authorize new programs or significantly alter EDA’s core roles and programs. Hearings during the 117th and 118th Congresses indicated that certain Members sought to pursue reauthorization in order to address “changes in industries, technology, and trade patterns” that have occurred since prior reauthorization legislation was enacted.

EDRA included significant revisions to the authorizing statutes for EDA and 9 of the 10 FRCAs. EDRA did not specifically address the programs or funding level for ARC as it was previously reauthorized by the Infrastructure Investment and Jobs Act in FY2021 (P.L. 117-58). In addition to reauthorizing appropriations through FY2029, EDRA created new program authorities and amended existing administrative powers, authorities, and requirements for EDA and FRCAs.

- For EDA, EDRA established five investment priorities and explicitly authorized assistance for certain new project activities. The legislation directed EDA to prioritize or otherwise consider small, rural, under-resourced and/or tribal communities in several ways, and emphasized ongoing, expanded roles for EDA in disaster economic recovery and interagency coordination.
- For the FRCAs, EDRA made several FRCAs administratively consistent in terms of programs, authorities, and levels and periods of authorized appropriations. EDRA authorized several FRCAs to administer state capacity building and demonstration health project programs. EDRA also reauthorized an inactive FRCA, the Northern Great Plains Regional Authority, and increased the regions of four FRCAs.

In light of recent changes provided in EDRA, Congress may be interested in tracking the implementation of new programs, roles, and coordination activities and their impact on communities. Congress may also continue to have an interest in overseeing the coordination of EDA and FRCA activities as well as new reporting and other agency requirements provided in EDRA.

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Introduction

The U.S. Economic Development Administration (EDA) and federal regional commissions and authorities (FRCAs) are federal entities focused on facilitating economic growth and development at the state and local levels. While other federal agencies administer programs that may contribute to economic development, Congress established the EDA and FRCAs explicitly to address economic development objectives.¹ The EDA, a bureau of the U.S. Department of Commerce, is the only federal agency with economic development explicitly in its mission;² FRCAs are congressionally chartered state-federal partnerships focused on economic development and similar objectives in congressionally defined regions. EDA and FRCAs administer multiple grant programs with an asset-based, community-driven approach to economic development.³ The programs provide assistance to a range of economic development initiatives, including those promoting infrastructure, entrepreneurship, disaster economic recovery, national competitiveness, community wealth creation, and workforce development.⁴

In recent years, Congress has considered legislation to amend the authorities and programs of the EDA and FRCAs. Congress held multiple hearings during the 117th and 118th Congresses to discuss EDA and FRCA reauthorization. The EDA was last reauthorized in 2004 and during the intervening years, the operational authority of several FRCAs expired. Although certain statutory authorities did not expire, the authorizations of appropriations to fund some EDA and FRCA economic development assistance programs had expired prior to the 119th Congress.

In December 2024, Congress passed legislation to reauthorize the EDA and most FRCAs as part of the Thomas R. Carper Water Resources Development Act of 2024, which President Biden signed into law in January 2025 (P.L. 118-272). The Economic Development Reauthorization Act (EDRA) of 2024 was included as Division B, Title II of P.L. 118-272.

This report provides a brief overview of EDA and the FRCAs, and then analyzes EDRA's two subtitles—Subtitle A, which addressed the EDA; and Subtitle B, which addressed FRCAs (with the exception of the Appalachian Regional Commission [ARC]). The final part of this report outlines various policy considerations, including options for program oversight and areas for additional research and evaluation. **Appendix A** summarizes all provisions included in Subtitle A,

¹ For a summary of other agencies that provide federal economic development assistance, see CRS In Focus IF11794, *Federal Resources for State and Local Economic Development*, by Julie M. Lawhorn.

² The mission of the U.S. Economic Development Administration (EDA) is “to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy.” EDA, “About EDA,” <https://www.eda.gov/about>.

³ The term “asset-based” refers to a development approach that focuses on advancing a region’s strengths and resources. See EDA, “Comprehensive Economic Development Strategy (CEDS),” <https://www.eda.gov/resources/comprehensive-economic-development-strategy>.

⁴ For a summary of recent Economic Development Administration (EDA) and federal regional commissions and authorities (FRCAs) activities, see CRS Report R46991, *Economic Development Administration: An Overview of Programs and Appropriations (FY2011-FY2024)*, by Julie M. Lawhorn; and CRS In Focus IF11140, *Federal Regional Commissions and Authorities: Overview of Structure and Activities*, by Julie M. Lawhorn.

EDA and federal regional commissions and authorities (FRCAs) generally administer place-based programs, which seek to “develop policies and programs that address conditions in a specific location, often in places that are economically distressed. This approach differs from people-based policies, which may provide benefits to certain groups of individuals regardless of where they live or work.” See CRS In Focus IF12409, *What Is Place-Based Economic Development?*, by Adam G. Levin; and Santiago Pinto, “Are Place-Based Policies a Boon for Everyone?” *Federal Reserve Bank of Richmond Economic Brief*, No. 24-07, February 2024, https://www.richmondfed.org/publications/research/economic_brief/2024/eb_24-07.

and **Appendix B** summarizes all provisions included in Subtitle B. **Appendix C** lists the reports and rulemaking required by EDRA.

Authorizations of Appropriations and Operating Authorizations

There are two parts to authorizations for federal entities: authorization of appropriations, which generally provide a guideline for the anticipated resource needs for an entity or activity; and operational or organizational authorization, which may establish an entity and/or provide it certain authority in law to operate. Either part of an authorization may lapse. Although an expired authorization can present a procedural obstacle for the consideration of appropriations, including such funding in an appropriations act provides a de facto extension of the authorization. Some operating authorizations may include “sunset provisions,” which terminate an entity’s legal authority to operate after a certain date, which could positively shut down their ability to function if not extended. For additional information, see CRS Report R46497, *Authorizations and the Appropriations Process*, by James V. Saturno.

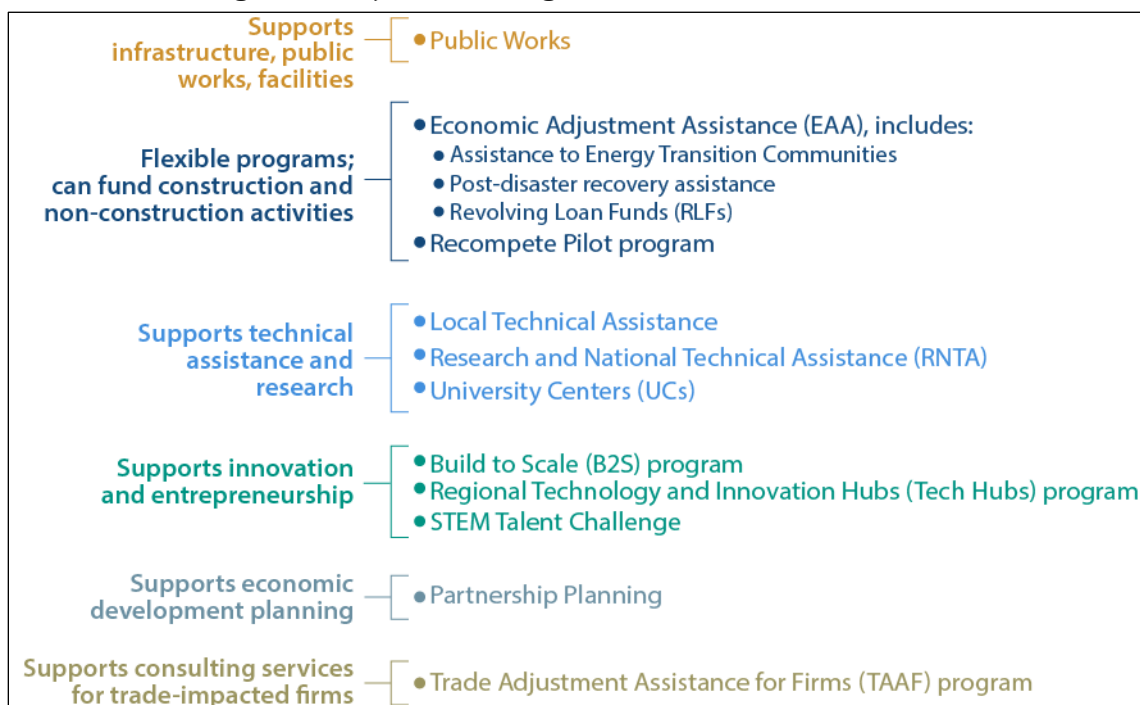
EDA Overview

The EDA, a bureau of the U.S. Department of Commerce, was established pursuant to the enactment of the Public Works and Economic Development Act (PWEDA) of 1965 (42 U.S.C. §§3121 et seq.). Prior to EDRA in 2025, Congress last amended and extended EDA authorities in 2004 through the Economic Development Administration Reauthorization Act (EDARA; P.L. 108-373). This 2004 act (P.L. 108-373) extended the authorization of appropriations for EDA through FY2008. After FY2008, EDA continued to receive appropriations notwithstanding its expired authorization.

The EDA is the only federal agency with economic development as its explicit mission.⁵ EDA administers flexible and targeted programs focused on innovation, technical assistance, and support for long-term, regional economic development planning.⁶ Prior to EDRA (2025), EDA administered 11 core programs that funded a range of construction and non-construction activities in both urban and rural areas (see **Figure 1**). With the enactment of EDRA, some core programs remain unchanged. However, as discussed below, EDRA amended or expanded aspects of several existing programs and authorized new programs.

⁵ For information on EDA’s structure, mission, programs, and funding history, see CRS Report R46991, *Economic Development Administration: An Overview of Programs and Appropriations (FY2011-FY2024)*, by Julie M. Lawhorn.

⁶ EDA, “Program List,” <https://www.eda.gov/funding/programs>.

Figure 1. Major EDA Programs, Prior to EDRA in 2025

Source: CRS, using EDA “EDA Programs,” <https://www.eda.gov/funding/programs>.

Notes: The figure highlights the key features of major EDA programs prior to EDRA. The Assistance to Energy Transition Communities (AETC) included the Assistance to Coal Communities and Assistance to Nuclear Closure Communities initiatives; AETC initiatives are administered through the Economic Adjustment Assistance program.

FRCAs Overview

The FRCAs are quasi-governmental partnerships between the federal government and the constituent state or states of the given authority or commission. FRCAs are federally chartered, receive congressional appropriations for their administration and activities, and include an appointed federal representative in their respective leadership structures (the federal co-chair and his/her alternate, as applicable). FRCAs generally have been established to address instances of economic distress in geographically defined regions (see **Figure 2**, which highlights these regions and includes changes post-EDRA in 2025).

Prior to the enactment of EDRA, there were eight FRCAs:

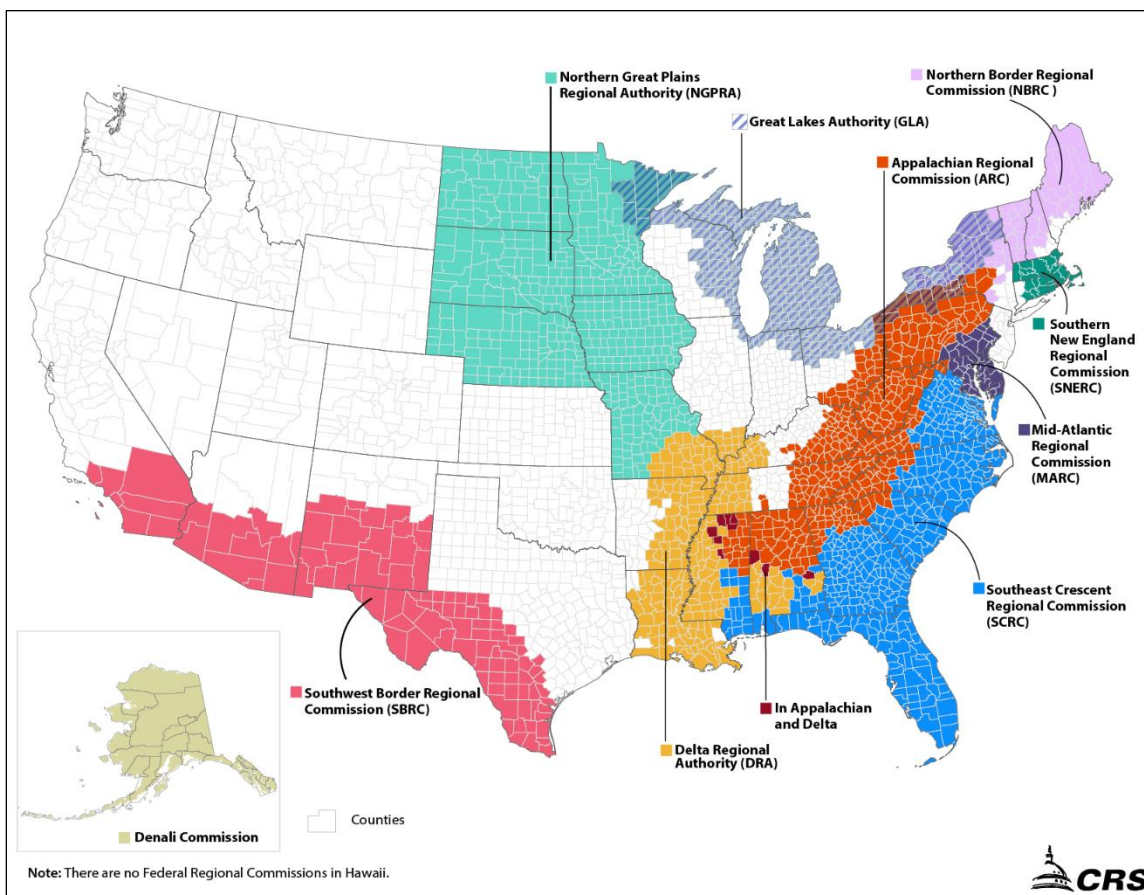
1. the Appalachian Regional Commission (ARC);
2. the Delta Regional Authority (DRA);
3. the Denali Commission;
4. the Great Lakes Authority (GLA, not yet active);
5. the Northern Border Regional Commission (NBRC);
6. the Northern Great Plains Regional Authority (NGPRA, inactive);
7. the Southeast Crescent Regional Commission (SCRC); and
8. the Southwest Border Regional Commission (SBRC).

EDRA authorized two new commissions:

1. the Mid-Atlantic Regional Commission (MARC, not yet active); and
2. the Southern New England Regional Commission (SNERC, not yet active).

Figure 2. National Map of the Federal Regional Commissions and Authorities

By county, including updates to regions resulting from EDRA in 2025



Source: Compiled by CRS using data from the various commissions and authorities and Esri Data and Maps.

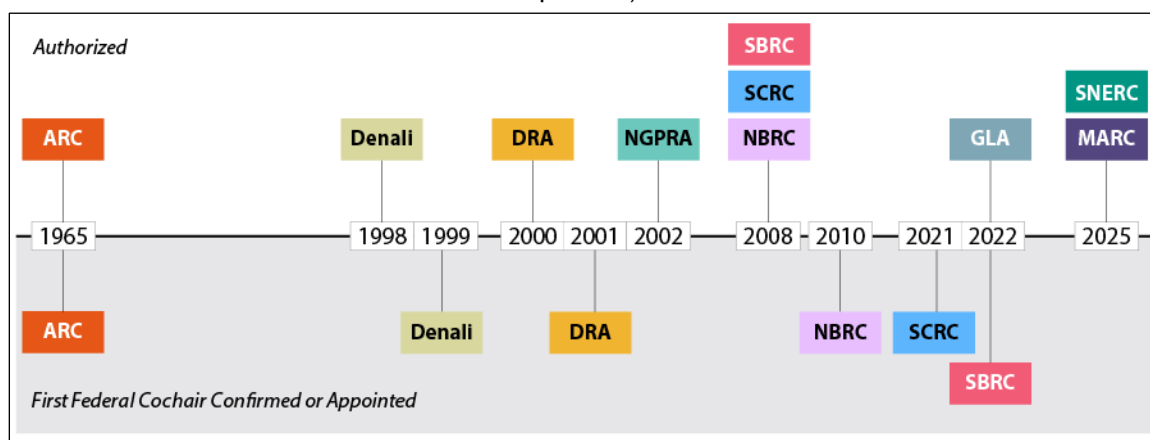
Six regional commissions were active and operating prior to the enactment of EDRA (i.e., ARC, DRA, Denali Commission, NBRC, SBRC, and SCRC). The GLA and NGPRA were inactive prior to the enactment of EDRA, and continue to be inactive as of the publication of this report, in part because they do not have confirmed federal co-chairs.⁷ The MARC and SNERC are the newest FRCAs and also lack confirmed federal co-chairs. In terms of recent appropriations, which are also needed for activating and operating FRCAs, the MARC and SNERC have yet to

⁷ With the exception of the Denali Commission, the federal co-chair is a presidentially nominated and Senate-confirmed position. The Northern Great Plains Regional Authority (NGPRA) has not had a federal co-chair nominated in recent years. As of February 2025, the Mid-Atlantic Regional Commission (MARC) and Southern New England Regional Commission (SNERC) also lack a federal co-chair. However, on May 2, 2024, President Biden nominated a federal co-chair for the Great Lakes Authority (GLA). In November 2024, the nomination was reported by the Senate Committee on Environment and Public Works (EPW), and in January 2025, the nomination was returned to the President under the provisions of Senate Rule XXXI, paragraph 6 of the Standing Rules of the Senate (see PN-1694, PN1694 - Nomination of Matthew Kaplan for Great Lakes Authority, 118th Congress (2023-2024), <https://www.congress.gov/nomination/118th-congress/1694>); and the White House, "President Biden Announces Key Nominees," May 2, 2024, <https://www.bidenwhitehouse.gov/briefing-room/statements-releases/2024/05/02/president-biden-announces-key-nominees-72/>.

receive appropriations. NGPRA last received appropriations in FY2005.⁸ The GLA received initial appropriations in FY2024.⁹ Additionally, the funding authorization for NGPRA lapsed at the end of FY2018 and was not restored until EDRA was enacted in 2025.

Many of the FRCAs were authorized at different times and under different statutes (see **Figure 3**). For information on the structure, mission, programs, and longer-term funding history of the FRCAs, see CRS Report R45997, *Federal Regional Commissions and Authorities: Structural Features and Function*.

Figure 3. Timeline of Milestones for Federal Regional Commissions and Authorities
Year authorized and year of confirmation or appointment of first federal co-chair (both needed to achieve operation)



Source: CRS.

“Subtitle V” Regional Commissions

The GLA, MARC, NBRC, SBRC, SCRC, and SNERC are all authorized by 40 U.S.C. Subtitle V, as amended, leading some experts to group them as “Subtitle V FRCAs.” These six FRCAs have the most in common with each other in terms of structure, administrative powers, and programs. The four Subtitle V FRCAs authorized *prior* to the enactment of the EDRA included the GLA, NBRC, SBRC, and SCRC. EDRA amended 40 U.S.C. §15301(a) to establish two new FRCAs—the MARC and SNERC.

The Economic Development Reauthorization Act (EDRA) of 2024

As aforementioned, EDRA reauthorized EDA and seven existing FRCAs that had expired authorizations of appropriations. EDRA also established two new FRCAs for the Mid-Atlantic and Southern New England regions. EDRA also amended aspects of existing statutes, resulting in multiple changes to the administrative powers, roles, and programs of the EDA and seven of the eight existing FRCAs. EDRA authorized a total funding of \$3.2 billion for reauthorized EDA

⁸ See CRS Report R45997, *Federal Regional Commissions and Authorities: Structural Features and Function*, by Julie M. Lawhorn.

⁹ CRS Report R45997, *Federal Regional Commissions and Authorities: Structural Features and Function*, by Julie M. Lawhorn. <http://www.crs.gov/Reports/R45997>

programs and expenses through FY2029. EDRA also authorized a total funding amount of \$1.8 billion for nine FRCAs through FY2029.

Summary of Hearings

EDA

In hearings during the 117th and 118th Congresses, Members of Congress discussed issues related to EDA's grant requirements, grant allocations, disaster recovery function, agency capacity, and the reauthorization of appropriations for programs established by PWEDA, among other matters.¹⁰ Congressional debate centered on modernizing the EDA programs and authorities to meet changing technology and industries versus keeping broad-based programs that may be adapted to a range of challenges and opportunities.

During these hearings, some Members of Congress indicated that they considered several approaches to reauthorizing the EDA and various reasons for the reauthorization. One of the common reasons for reauthorizing the EDA was to modernize the agency so that it could be prepared to address technological advancements and changing global and regional conditions. Some Members specifically noted the challenges and opportunities related to broadband, climate, sustainability, resiliency, and other policies that could be addressed by reauthorization legislation. Some Members also noted the need for a skilled workforce to meet the needs of current industries and industries of the future.

In terms of approach, some Members indicated a preference for a reauthorization that would maintain the EDA's "traditional" mission and not create new programs or provide statutory preferences to specific industries (e.g., "picking winners and losers").¹¹ Other Members called for reauthorization legislation in order to update the agency's authorization in light of recently increased funding for EDA programs: for instance, during a congressional hearing about EDA's reauthorization, one Member noted, "[g]iven the significant funding levels provided by Congress to EDA, it is concerning that the majority of the agency's programs are administered under expired authorizations."¹²

FRCAs

In hearings during the 118th Congress, some Members of Congress discussed the role of FRCAs in creating jobs and attracting private investment, as well as their partnerships and programs focused on workforce development, infrastructure, capital access, and broadband deployment, among other things.¹³ As an example, during a House oversight hearing, a witness testified that in

¹⁰ For a list of hearings in the 117th and 118th Congresses related to the reauthorization of EDA, see **Table C-2** in CRS Report R46991, *Economic Development Administration: An Overview of Programs and Appropriations (FY2011-FY2024)*, by Julie M. Lawhorn.

¹¹ Senate EPW Committee, *Reauthorization of the Economic Development Administration: State and Local Perspectives*, 118th Cong., 1st sess., June 21, 2023, S. Hrg. 118-142, p. 5, <https://www.congress.gov/118/chrg/CHRG-118shrg53731/CHRG-118shrg53731.pdf>.

¹² Senate EPW Committee, *Reauthorization of the Economic Development Administration: State and Local Perspectives*, S. Hrg. 118-142, p. 5.

¹³ Senate EPW Committee, *America's Regional Commissions: Sharing Best Practices in Regional and Economic Development*, 118th Cong., 2nd sess., September 18, 2024, <https://www.epw.senate.gov/public/index.cfm/2024/9/america-s-regional-commissions-sharing-best-practices-in-regional-and-economic-development>; and U.S. House of Representatives, Committee on Transportation and Infrastructure (T&I), Subcommittee on Economic Development, Public Buildings, and Emergency Management, *Regional Commissions: A Review of Federal Economic Development* (continued...)

recent years, the Denali Commission convened Alaska Native Regional Corporations and regional Native and statewide nonprofits to plan for a state broadband strategy for rural areas. As a result of this effort, several entities received technical assistance planning grants and later received federal awards for broadband implementation projects.¹⁴ Some Members of Congress attributed the FRCAs' intergovernmental coordination as contributing to the FRCAs' success in economic development and highlighted the FRCAs' unique state-federal partnership model, as well as their work with EDA, local development districts, and education institutions.¹⁵

Though not all congressional views in these hearings were positive. For example, a Member of Congress expressed a view that FRCAs' programs are duplicative and inefficient, and should be phased out.¹⁶ In a House subcommittee hearing, another Member noted a preference to limit federal involvement in state and local economic development by commenting that, "[t]hese programs simply allow the federal government to, once more, pick winners and losers."¹⁷

Legislation

In the 118th Congress, some Members of Congress introduced bills to reauthorize EDA by extending its authorization of appropriations and also making multiple changes to programs, authorities, offices, or roles.¹⁸ Of these bills, S. 3891 (also titled "the Economic Development Reauthorization Act of 2024") was the only one reported by the EPW Committee in the 118th Congress.¹⁹ Other bills would have added or changed programs administered by FRCAs or added counties to the regions of existing FRCAs.

Senate Amendments 3103 and 3290 (S.Amdt. 3103; S.Amdt. 3290) proposed including EDA and FRCA reauthorization legislation in S. 4638 (the National Defense Authorization Act [NDAA] of 2025). Neither amendment was adopted.

Program Effectiveness, 118th Cong., 1st sess., October 19, 2023, Serial No. 118–32, <https://www.congress.gov/118/chr/CHRG-118hrg56927/CHRG-118hrg56927.pdf>.

¹⁴ House Subcommittee on Economic Development, Public Buildings, and Emergency Management, *Regional Commissions: A Review of Federal Economic Development Program Effectiveness*, Serial No. 118–32, p. 34.

¹⁵ House Subcommittee on Economic Development, Public Buildings, and Emergency Management, *Regional Commissions: A Review of Federal Economic Development Program Effectiveness*, Serial No. 118–32, p. 34.

¹⁶ House Subcommittee on Economic Development, Public Buildings, and Emergency Management, *Regional Commissions: A Review of Federal Economic Development Program Effectiveness*, Serial No. 118–32, pp. 2-3, 9, 35.

¹⁷ House Subcommittee on Economic Development, Public Buildings, and Emergency Management, *Regional Commissions: A Review of Federal Economic Development Program Effectiveness*, Serial No. 118–32, pp. 2-3, 9, 35.

¹⁸ In the 118th Congress, Members of Congress continued to introduce legislation involving changes to EDA's authorizing statute, the Public Works and Economic Development Act (PWEDA) of 1965 (42 U.S.C. §§3121 et seq.). Of these bills, several were designed to amend one or more aspects of PWEDA (e.g., to change select program requirements, to create new programs), yet not all bills addressed the authorization of appropriations. See, for example, H.R. 7968, which would have created a new Critical Supply Chain Site Development grant program; H.R. 10361, which would have established the Capacity Building for Business Districts Pilot Program; and S. 4006, which would have established a new grant program and establish an Office of Tribal Economic Development.

¹⁹ S. 3891 was reported to the Senate in March 2024. In June of 2024, the Congressional Budget Office (CBO) scored S. 3891 (see <https://www.cbo.gov/publication/60434>). In September of 2024, the Senate EPW Committee reported S. 3891. A Senate EPW report provided a section-by-section description of provisions in S. 3891—some of which are similar, but not identical to the provisions in EDRA (P.L. 118-272). See U.S. Senate EPW Committee, *Economic Development Administration Reauthorization Act of 2024*, 118th Congress, 2nd sess., S.Rept. 118-233, September 25, 2024, <https://www.congress.gov/congressional-report/118th-congress/senate-report/233/1?outputFormat=pdf>.

The Water Resources Development Act (WRDA) 2024 bills—S. 4367 and H.R. 8812 respectively—originally did not include provisions pertaining to EDA or the FRCAs.²⁰ However, a compromise version of S. 4367 included related provisions in the Economic Development Reauthorization Act (EDRA) of 2024. The House passed that version of S. 4376 on December 9, 2024, under suspension of the rules, and the Senate passed it on December 18, 2024. President Biden signed the bill into law on January 4, 2025 as the Thomas R. Carper Water Resources Development Act of 2024 (P.L. 118-272).²¹

Summary of Selected Changes to EDA

EDRA revised existing authorities, codified new and existing programs and agency roles, expanded criteria for existing programs, and changed program and administrative requirements. In general, EDRA Subtitle A:

- statutorily established EDA investment priorities;
- amended cost-sharing and other program requirements;
- prioritized small, rural, under-resourced, and tribal communities for certain EDA programs and activities;
- expanded EDA's economic distress criteria;
- expanded and codified EDA's role in disaster economic recovery and tribal economic development;
- authorized new programs and amended program authorities to modernize or refine the scope of existing programs;
- codified EDA's coordination and partnership activities;
- expanded and updated reporting requirements; and
- authorized a total funding level of \$3.2 billion through FY2029.

See below for highlights of selected changes to EDA's programs, roles, and authorities. See **Appendix A** "EDRA Subtitle A – All EDA Provisions" for a more extensive summary.

Investment Priorities

EDRA established EDA investment priorities in statute. In doing so, a Member of Congress remarked that, "Congress is giving EDA clear direction about our priorities."²² **Table 1** lists the newly established investment priorities, as well as the prior rounds of EDA priorities since FY2011. Prior to EDRA, the sitting Administration established EDA's investment priorities, which guided EDA's grant programs and other activities. EDRA required the EDA to use the new investment priorities when awarding grants. EDA must notify House and Senate oversight

²⁰ Accordingly, the version of S. 4367, when scored by CBO in July of 2024, did not include the EDRA at that time (see <https://www.cbo.gov/publication/60538>). For additional information on the Water Resources Development Act (WRDA) 2024 bills, see CRS In Focus IF11322, *Water Resources Development Acts: Primer and Action in the 118th Congress*, by Nicole T. Carter and Anna E. Normand.

²¹ The explanatory statement accompanying the legislation clarified that, "S. 4367, the Thomas R. Carper Water Resources Development Act of 2024 as passed by the Senate and amended by the House of Representatives is the legislative vehicle for the Water Resources Development Act of 2024." See *Congressional Record*, vol. 170, no. 182 (December 9, 2024), p. H5622, <https://www.congress.gov/118/crec/2024/12/09/170/182/CREC-2024-12-09.pdf>.

²² *Congressional Record*, vol. 170, no. 182 (December 9, 2024), p. H6525, <https://www.congress.gov/118/crec/2024/12/09/170/182/CREC-2024-12-09.pdf#page=81>.

committees if it uses different investment priorities.²³ In hearings during the 118th Congress, some Members suggested that having consistency in these and other matters over time may provide a degree of stability to interested applicants.²⁴ They also remarked that having consistent, established EDA priorities may be particularly helpful to small and rural communities in planning projects to develop, recruit, and retain businesses.²⁵

Table I. Comparison of EDA Investment Priorities

FY2011-FY2016	FY2017-April 2021	April 2021-December 2024	January 2025-present
(Administration priorities)	(Administration priorities)	(Administration priorities)	(Statutory priorities)
<ul style="list-style-type: none"> • Collaborative regional innovation • Public private partnerships • National strategic priorities • Global competitiveness • Environmentally sustainable development • Economically distressed and underserved communities 	<ul style="list-style-type: none"> • Recovery and resilience • Critical infrastructure • Workforce development and manufacturing • Exports and foreign direct investment (FDI) • Opportunity zones 	<ul style="list-style-type: none"> • Equity • Recovery and resilience • Workforce development • Manufacturing • Technology-based economic development • Environmentally sustainable development • Exports and FDI 	<ul style="list-style-type: none"> • Critical infrastructure • Workforce • Innovation and entrepreneurship • Economic recovery resilience • Manufacturing

Source: EDA, “Investment Priorities,” <https://www.eda.gov/funding/investment-priorities>; *FY2014 Congressional Budget Justification*, https://www.oSectiondoc.gov/bmi/budget/FY14CJ/EDA_FY_2014_CJ_Final_508_Compliant.pdf; and P.L. 118-272.

Changes to Cost-Sharing Requirements

EDRA changed several aspects of EDA’s cost-sharing requirements. The increase in the maximum federal cost share rate from 50% to 60% of total costs for most projects will impact most EDA programs.²⁶ As before EDRA, the maximum EDA investment rate may increase by an additional 30% based on regional needs that reflect conditions of economic distress.²⁷

²³ P.L. 118-272, Section 2218.

²⁴ Senate EPW Committee, *Reauthorization of the Economic Development Administration: State and Local Perspectives*, S. Hrg. 118-142, p. 66.

²⁵ Senate EPW Committee, *Reauthorization of the Economic Development Administration: State and Local Perspectives*, S. Hrg. 118-142, p. 66-68.

²⁶ P.L. 118-272, Section 2215. The change impacts programs authorized by Public Works and Economic Development Act (PWEDA) of 1965 (42 U.S.C. §3121 et seq.) that are subject to cost sharing requirements. EDA administers innovation and entrepreneurship programs that are authorized by the Stevenson-Wydler Technology Innovation Act of 1980 as amended (15 U.S.C. §§3722 and 3723 et seq.) rather than PWEDA. These programs (e.g., the Tech Hubs program) are not impacted by the changes to cost-sharing requirements in EDRA.

²⁷ 42 U.S.C. §3144(a). Certain grant programs do not require cost sharing, and for some applicants and circumstances, EDA may waive cost sharing requirements.

Prior to EDRA, with some exceptions, EDA generally required grantees to provide nonfederal matching funds to cover a certain share of total project costs.²⁸ Requirements varied and exceptions to cost-sharing requirements were allowed based on the program, a determination of special need, type of applicant, and other factors. For instance, EDA's authorizing statute allowed grants made under the Research and National Technical Assistance Program (RNTA, 42 U.S.C. §3147) to be provided with 100% federal funding, as well as grants for disaster economic recovery, grants to tribal entities, and other select circumstances.²⁹ EDA could also increase the federal share when certain grantees exhausted their effective taxing and borrowing capacity or for other circumstances.³⁰

EDRA provided the EDA with new authority to waive entirely cost share requirements for small communities, as well as to waive the cost share for projects when the applicant can demonstrate that they reasonably cannot produce matching funds with their own resources.³¹ The legislation also allowed EDA grants for planning and grants for administrative expenses (42 U.S.C. §3143) to be provided with 100% federal funding. EDRA also allowed FRCA funding to be used for the nonfederal match in EDA projects.³²

In recent years, some analysts and policymakers have called attention to the challenges that certain applicants face in providing matching funds.³³ Some have suggested lowering cost share requirements based on the applicant community's level of economic distress, size, or other characteristics or circumstances.³⁴ In the 118th Congress, some Members introduced legislation that would have waived cost sharing requirements for certain projects or types of applicants. Several bills including these waivers were not enacted,³⁵ while legislative text from other bills was incorporated into EDRA.³⁶

Support for Small, Rural, Under-Resourced, and/or Tribal Communities

EDRA directed EDA to prioritize or otherwise consider small, rural, under-resourced and/or tribal communities in several ways. For example, EDRA:

²⁸ See 42 U.S.C. §3144.

²⁹ 42 U.S.C. §3144.

³⁰ 42 U.S.C. §3144.

³¹ P.L. 118-272, Section 2215. Small communities are political subdivision of a state with populations under 10,000. In order to receive an increased federal share for their EDA projects, small communities must also meet one or more of EDA's economic distress criteria, which are found at 42 U.S.C. §3161(a).

³² P.L. 118-272, Section 2215.

³³ See, for example, Emily Corcoran and Jen Giovannitti, "The Flow of Capital Into Rural Areas," Federal Reserve Bank of Richmond, *Regional Matters*, February 12, 2025, https://www.richmondfed.org/podcasts/speaking_of_the_economy/2025/speaking_2025_02_12_rural_investment.

³⁴ For additional perspectives, see Anthony F. Pipa and Natalie Geismar, "Will Biden Deliver for Rural America? The Promise of the American Rescue Plan," June 21, 2021, <https://www.brookings.edu/blog/up-front/2021/06/22/will-biden-deliver-for-rural-america-the-promise-of-the-american-rescue-plan/>. Lower cost share requirements were discussed in an EDA oversight hearing during the 117th Congress. See Senate EPW Committee, *Examining Programs at the Economic Development Administration*, 117th Cong., 1st sess., November 3, 2021, <https://www.epw.senate.gov/public/index.cfm/hearings?ID=256D08CE-44DC-47B4-9663-F9AC5AA8950E>.

³⁵ See S. 4077 in the 117th Congress, which would have required the federal cost share to be 100% for EDA disaster recovery grants; and H.R. 5517 in the 118th Congress, which would have required the federal cost share to be 100% for EDA grants to an Indian tribe, a tribal organization, or a Native Hawaiian organization.

³⁶ See, for example, select provisions in S. 4006 (i.e., Section 3 (1), (2), (3), and (4)) in the 118th Congress, which were incorporated into EDRA.

- directed EDA to consider the benefit to rural and/or tribal communities in evaluating projects for the Public Works program and for the new supply chain site development program;³⁷
- established the new Office of Tribal Economic Development (OTED)³⁸ and required EDA to establish a website for economic development programs in tribal communities, among other activities;³⁹
- directed EDA to expand or maintain dedicated staff for economic development roles and/or outreach activities with tribal, rural, and energy transition communities by (1) directing EDA to provide new Technical Assistance Liaisons to assist eligible recipients that are in under-resourced communities,⁴⁰ (2) directing EDA to dedicate staff for outreach to tribal communities,⁴¹ and (3) directing EDA to promote access to its programs through Economic Development Representatives (EDRs), particularly with coal communities;⁴²
- allowed EDA to waive cost share requirements for certain small communities (e.g., economically distressed areas with a population under 10,000);⁴³ and
- required EDA to report specifically on rural and small communities.⁴⁴

EDA may have discretion in determining which communities may be considered under-resourced, as EDRA did not provide a formal definition for the term.⁴⁵ In one use of the term in EDRA, under-resourced communities are to be identified by the Technical Assistance Liaison.⁴⁶ Similarly, EDRA did not provide a definition for rural areas.⁴⁷

Prior to EDRA's enactment, some Members of Congress remarked on EDA's continued role in supporting projects in small, rural communities. In December 2024, a Member noted that the EDA reauthorization would help ensure "that the EDA works better for small, rural communities."⁴⁸

³⁷ P.L. 118-272, Section 2213 and Section 2224.

³⁸ P.L. 118-272, Section 2227.

³⁹ P.L. 118-272, Section 2227.

⁴⁰ P.L. 118-272, Section 2229.

⁴¹ P.L. 118-272, Section 2227(e).

⁴² P.L. 118-272, Section 2231. In EDRA, coal communities are associated with areas impacted by the "coal economy," which is defined as "the complete supply chain of coal-reliant industries, including (i) coal mining; (ii) coal-fired power plants; (iii) transportation or logistics; and (iv) manufacturing" (see P.L. 118-272, Division B, Title II). For additional information about the term "coal community," see "Identifying Coal Communities" in CRS Report R47831, *Federal Economic Assistance for Coal Communities*, by Julie M. Lawhorn et al.

⁴³ P.L. 118-272, Section 2215.

⁴⁴ P.L. 118-272, Section 2230.

⁴⁵ Other, related terms, such as persistent poverty counties, have been previously defined in statute and agency guidance.

⁴⁶ P.L. 118-272, Section 2229.

⁴⁷ As noted in CRS Report R47510, *Rural Definitions Used for Eligibility Requirements in USDA Rural Development Programs*, coordinated by Lisa S. Benson, "Congress has set in statute seven rural definitions to be used to determine eligible rural areas for different [USDA Rural Development] RD programs."

⁴⁸ *Congressional Record*, vol. 170, no. 182 (December 9, 2024), pp. H6522, H6526, <https://www.congress.gov/118/crec/2024/12/09/170/182/CREC-2024-12-09.pdf>.

In recent years, analysts and federal agencies also observed that rural areas face particular barriers to investment that may hinder economic development.⁴⁹ Rural areas have higher poverty rates, higher numbers of older populations, and lower labor force participation rates compared to urban areas.⁵⁰ In a 2023 congressional hearing, a federal official remarked that, “economic development in rural areas often looks very different than it does in cities.”⁵¹ Applicants from rural areas, for instance, often rely on multiple funding sources to complete a single project, and rural areas may have longer timelines for implementing revitalization and redevelopment plans. Analysts from the Federal Reserve Bank of Richmond summarized development challenges facing rural communities:

On the supply side, rural areas may face limited financial resources, a lack of coordination of public investment programs, or a limited number of funders within their community. On the demand side, there may be fewer projects that are ready for investment due to capacity limitations in rural areas. There could be smaller investable projects that still require the same amount of work as larger projects, a perceived higher-risk environment, and other challenges to making projects that we would call “investment ready.”⁵²

In light of these considerations, some note that small, federal investments may have a significant role in revitalization efforts in rural communities.⁵³ This role for federal investments may also extend to tribes and indigenous communities who may also face disproportionately higher rates of unemployment and poverty and socioeconomic distress.⁵⁴ Such conditions may also hinder economic development in these areas.

Project Predevelopment

EDRA elevated the role of project predevelopment activities in facilitating economic development projects under multiple EDA program authorities. EDRA defined the term in statute and authorized the Planning and RNTA programs to provide assistance for predevelopment-related expenses.⁵⁵ Prior to EDRA’s enactment, EDA emphasized the role of predevelopment capacity by noting that it is an “essential catalyst” and “is often lacking, in small, rural, and distressed communities where a shortage of human or financial capital can limit the ability to

⁴⁹ See, for example, Emily Wavering Corcoran and Jen Giovannitti, “Barriers to Rural Investment,” Federal Reserve Bank of Richmond, *Regional Matters*, December 5, 2024, https://www.richmondfed.org/region_communities/regional_data_analysis/regional_matters/2024/rm_12_05_24_barriers_rural_investment.

⁵⁰ The U.S. Department of Agriculture’s (USDA’s) analysis of U.S. Census data indicated that in 2023, “[a]bout 6 million individuals or 13.6 percent of the rural population lived below the official poverty level in 2023 compared with 10.7 percent for the urban population.” See Tracey Farrigan, et al., *Rural America at a Glance*, 2024 Edition, Report No. EIB-282, USDA, Economic Research Service, p. 2, 11-13, 16, <https://doi.org/10.32747/2024.8722498.ers>.

⁵¹ House Subcommittee on Economic Development, Public Buildings, and Emergency Management, *Regional Commissions: A Review of Federal Economic Development Program Effectiveness*, Serial No. 118–32, pp. 27-28.

⁵² Emily Corcoran and Jen Giovannitti, “The Flow of Capital Into Rural Areas,” Federal Reserve Bank of Richmond, February 12, 2025, https://www.richmondfed.org/podcasts/speaking_of_the_economy/2025/speaking_2025_02_12_rural_investment.

⁵³ House Subcommittee on Economic Development, Public Buildings, and Emergency Management, *Regional Commissions: A Review of Federal Economic Development Program Effectiveness*, Serial No. 118–32, pp. 27-28.

⁵⁴ See, for example, “Native American Labor Market Dashboard,” Federal Reserve Bank of Minneapolis, <https://www.minneapolisfed.org/indiancountry/resources/native-american-labor-market-dashboard>; and Northwestern University, “What Drives Native American Poverty?” Institute for Policy Research, February 24, 2020, <https://www.ipr.northwestern.edu/news/2020/redbird-what-drives-native-american-poverty.html>.

⁵⁵ P.L. 118-272, Sections 2211, 2214, and 2217. For the Planning program, for example, EDRA allowed EDA to provide assistance for projects that include administrative expenses such as project predevelopment costs, planning activities, and hiring personnel for project planning or predevelopment efforts, including disaster economic recovery plans. See P.L. 118-272, Section 2214.

undertake high-value projects.”⁵⁶ In recent years, Congress considered several bills that would have authorized assistance for predevelopment, and in report language, directed EDA to allocate technical assistance to under-resourced communities for predevelopment activities.⁵⁷

Expanded Economic Distress Criteria

Since authorizing the agency in 1965, Congress has directed EDA to address economic distress and economic adjustment concerns in various ways.⁵⁸ For instance, projects must demonstrate economic distress or special need to be eligible for the EDA’s Public Works and Economic Adjustment Assistance (EAA) programs.⁵⁹ Prior to EDRA’s enactment, PWEDA specified low per capita income, high unemployment rate, and special need as the three main categories for economic distress criteria. EDRA added low median household income, high prime-age employment gap (PAEG), low labor force participation rate, and expected or actual impacts due to energy industry changes as options for the criteria.⁶⁰ EDRA specified that the criteria shall also be used for certain aspects of the new Workforce Training program and that EDA may also consider the criteria in the new Critical Supply Chain Site Development grant program.⁶¹

Median Income and Per Capita Income Data

Median income provides a value that represents the middle point of incomes where approximately half of incomes are above and half are below the median value. Some analysts consider the median income to be an estimate of an area’s “typical income,” particularly when compared to per capita income, which provides a snapshot of the average income in an area. Per capita income may be skewed by a concentration of outlying incomes in an area. Low per capita and median income may be determined by data from the U.S. Census Bureau’s most recent American Community Survey (ACS).

⁵⁶ EDA, “EDA Partners with Milken Institute and Rural Community Assistance Partnership to Aid Underserved Communities in Accessing Predevelopment Services,” November 15, 2021, <https://www.eda.gov/news/blog/2021/11/15/eda-partners-milken-institute-and-rural-community-assistance-partnership-aid>.

⁵⁷ See, for example, H.R. 7590 in the 117th Congress, and S. 2572 in the 118th Congress. The explanatory statement accompanying the EDA’s FY2021 appropriations bill encouraged EDA to “support non-profit organizations to assist economically distressed small, rural, and underserved communities with pre-development activities associated with accessing EDA programs and services.” See Representative Nita Lowey, “Explanatory Statement Submitted by Mrs. Lowey, Chairwoman of the House Committee on Appropriations Regarding H.R. 133, Consolidated Appropriations Act, 2021 (Division B—Commerce, Justice, Science, and Related Agencies),” *Congressional Record*, vol. 166, No. 218-Book III (December 21, 2020), pp. H7922-7923, <https://www.congress.gov/congressional-record/2020/12/21/house-section/article/H7879-2>.

⁵⁸ In recent years, Congress has also used 10-20-30 provisions to allocate funding to persistently poor areas through appropriations laws. Certain EDA programs are subject to the 10-20-30 provision. For a definition of persistent poverty and additional information about the 10-20-30 provision, see CRS Report R44748, *The 10-20-30 Rule and Persistent Poverty Counties*, by Joseph Dalaker.

⁵⁹ See 42 U.S.C. §3161(a) and CRS In Focus IF12074, *Areas of Economic Distress for EDA Activities and Programs*, by Julie M. Lawhorn.

⁶⁰ P.L. 118-272, Section 2225. The prime-age employment gap is calculated as the difference in percentage points between (1) the national five-year average prime-age (25-54) employment-to-population ratio (EPOP, or percentage of the whole population that is employed) and (2) the five-year average prime-age EPOP of the eligible area. According to EDA, these changes will allow “for the consideration of additional key statistical factors to support grantmaking.” EDA, <https://www.eda.gov/news/press-release/2024/12/19/us-economic-development-administration-reauthorized-congress-first>.

⁶¹ P.L. 118-272, Sections 2221 and 2224. As noted in **Appendix A**, EDRA also directed EDA to consider the location, proximity, and relationship of University Centers to areas experiencing economic distress (see P.L. 118-272, Section 2217).

Some observers note that expanding the types of measures of economic distress and applying more nuanced definitions of distress classifications could lower barriers for more communities to qualifying for federal programs, particularly for rural communities.⁶² Some analysts also point out that certain measures (e.g., trade exposure, labor force participation, number of jobs likely to be automated) may provide a forward-looking perspective on emerging risks or vulnerabilities, while some measures (e.g., unemployment) provide a point-in-time and/or lagging perspective on certain aspects of regional economic distress.⁶³ Additionally, outside groups have called attention to the overlapping geographies of rural and economically distressed areas.⁶⁴

Disaster Economic Recovery and Extreme Weather Considerations

EDA has administered a national program focused on Disaster Recovery and Economic Integration since FY2021, though an agency office had not yet been formally established in statute.⁶⁵ Since 2011, in response to major disasters and emergencies, Congress has provided EDA with \$3.4 billion in supplemental funding for long-term recovery from certain disasters.⁶⁶

EDRA established EDA's Office of Disaster Recovery and Resilience (ODRR) and authorized it to direct and implement the EDA's post-disaster economic recovery responsibilities.⁶⁷ EDRA also directed the EDA to continue its existing roles under the National Disaster Recovery Framework.⁶⁸ EDRA provided EDA with special hiring authorities through FY2029 for ODRR temporary personnel and allowed EDA to convert the temporary personnel to permanent positions in EDA provided certain conditions are met.⁶⁹ EDA previously received a similar temporary hiring authority under the supplemental Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) in FY2020.⁷⁰

⁶² Anthony F. Pipa, Heather M. Stephens, and Natalie Geismar, "Defining Distress," The Brookings Institution, May 2022, https://www.brookings.edu/wp-content/uploads/2022/06/2022_Brookings_Defining-Distress.pdf.

⁶³ Anthony F. Pipa, Heather M. Stephens, and Natalie Geismar, "Defining Distress," p. 20.

⁶⁴ Anthony F. Pipa, Heather M. Stephens, and Natalie Geismar, "Defining Distress."

⁶⁵ Although EDA has administered grants to assist with disaster economic recovery for decades, the EDA's Office of Disaster Recovery first appears in budget documents in FY2021. The organization chart in EDA's FY2020 Congressional Budget Justification did not feature an office focused on disaster recovery. EDA's FY2021 Congressional Budget Justification, however, includes "Economic Development Integration and Disaster Recovery" under "National Programs" in its organization chart (see https://www.commerce.gov/sites/default/files/2024-02/fy2020_eda_congressional_budget_justification.pdf and https://www.commerce.gov/sites/default/files/2020-02/fy2021_eda_congressional_budget_justification.pdf).

Prior to EDRA's enactment, some observers and policymakers called for the explicit authorization of such an office. For example, in a FY2021 oversight hearing, a witness suggested that Congress could formally establish in statute an Office of Disaster Recovery within the EDA. See House Subcommittee on Economic Development, Public Buildings and Emergency Management, *Investing in America: Reauthorization of the Economic Development Administration*, witness testimony, 117th Cong., 1st sess., April 28, 2021, p. 7, <https://www.congress.gov/117/meeting/house/112512/documents/CHRG-117hhrg45230.pdf>. Members of Congress proposed legislation to establish an Office of Disaster Recovery and Resilience in the 117th Congress (H.R. 8526) and in the 118th Congress (S. 2779, S. 3891, and S. 4006).

⁶⁶ P.L. 112-55, P.L. 115-123, P.L. 116-20, P.L. 117-328, and P.L. 118-158.

⁶⁷ P.L. 118-272, Section 2228.

⁶⁸ P.L. 118-272, Section 2228. For additional information, see CRS Report R46696, *National Preparedness: A Summary and Select Issues*, by Shawn Reese and Lauren R. Stienstra and FEMA, "National Disaster Recovery Framework," <https://www.fema.gov/emergency-managers/national-preparedness/frameworks/recovery>.

⁶⁹ P.L. 118-272, Section 2228.

⁷⁰ For more information on EDA's Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) funding, see CRS Insight IN11303, *The Economic Development Administration and the CARES Act (P.L. 116-136)*, by Julie M. Lawhorn.

EDRA expanded the scope of the EDA's Public Works, Economic Adjustment Assistance (EAA), and Partnership Planning programs to address and mitigate the economic impacts of extreme weather.⁷¹ The legislation required the incorporation of extreme weather risks into the development of comprehensive economic development strategies as well.⁷² Such changes may reflect greater awareness of the increasing frequency and intensity of weather-related disasters and understanding of their impacts on regional economies.⁷³

New Definitions

The scope of activities considered to be supportive of economic development objectives has generally broadened in recent decades. Some of these activities have been associated with the practice of economic development, yet not explicitly included within the EDA's remit. In EDRA, the definitions section and other sections define key terms that explicitly link EDA to an expanded set of economic development activities such as *project predevelopment*, *capacity building* and projects related to the *blue economy* and *outdoor recreation*, among others.⁷⁴ EDRA also defined the terms *coal economy*, *contraction event*, and *nuclear host community*, which were not previously defined in PWEDA. However, several of these terms had been previously defined in agency guidance.⁷⁵

New and Expanded Program Authorities

While Congress continues to support flexible EDA grant programs, EDRA created new program authorities and expanded the specific statutory scope of several existing, broad-based programs. Some of the changes to PWEDA in EDRA specifically authorized activities similar to those EDA had supported under prior law. For instance,

- **Workforce training.** EDRA established a new program for workforce training, which included a state grant pilot program component.⁷⁶ Workforce development had been an EDA investment priority since FY2017 across two recent Administrations, and EDA made grants for a range of workforce development activities (e.g., equipment, construction, training). In recent years, EDA administered the Good Jobs Challenge program under its existing authority for

⁷¹ P.L. 118-272, Section 2213 and Section 2214. Section 2219 also allowed economic adjustment assistance (EAA) funding to be provided to address economic injury by economic dislocation in the steel industry or by "limited water for industrial consumption in areas impacted by decreased water supplies due to drought or extreme heat."

⁷² P.L. 118-272, Section 2226.

⁷³ According to EDA's analysis of data from the National Oceanic and Atmospheric Administration (NOAA), in recent years "billion-dollar disasters occur almost every three weeks in the U.S." See Adam B. Smith, "2022 U.S. Billion-Dollar Weather and Climate Disasters in Historical Context," NOAA, January 10, 2023, <https://www.climate.gov/news-features/blogs/beyond-data/2022-us-billion-dollar-weather-and-climate-disasters-historical>.

⁷⁴ See P.L. 118-272, Section 2212 and Section 2223. EDRA defined the blue economy as sustainable use of marine, lake, or other aquatic resources in support of economic development objectives (see P.L. 118-272, Section 2212). EDRA defined capacity building as including all activities associated with early stage community-based project formation and conceptualization, prior to project predevelopment activity, including grants to local community organizations for planning participation, community outreach and engagement activities, research, and mentorship support to move projects from formation and conceptualization to project predevelopment (see P.L. 118-272, Section 2223).

⁷⁵ See P.L. 118-272, Section 2219, which provided definitions for the terms coal economy and nuclear host communities. For additional information about the related term, *coal community*, see "Identifying Coal Communities" in CRS Report R47831, *Federal Economic Assistance for Coal Communities*, by Julie M. Lawhorn et al.

⁷⁶ EDA's authority for the state grant pilot program will expire on September 30 2029. P.L. 118-272, Section 2221.

the EAA program (42 U.S.C. §3149) to assist regional workforce efforts through sectoral partnerships and other activities.⁷⁷

- **Manufacturing.** EDRA authorized a new program for site development grants to support manufacturing industries.⁷⁸ Prior to the enactment of EDRA, EDA supported similar activities through the Public Works, EAA, Local Technical Assistance, and other programs.⁷⁹ Manufacturing is one of EDA's investment priorities and has been since FY2017 (see **Table 1**).
- **Broadband.** EDRA established a new, distinct broadband program and expanded the types of eligible grant recipients to include public-private partnerships (PPPs) for broadband projects.⁸⁰ In recent years, EDA supported these activities through existing programs, such as the Public Works and EAA programs.⁸¹ PPPs represent a new, additional type of eligible recipient for broadband projects.⁸² EDRA also amended PWEDA to specify that the Public Works program may be used to support high speed broadband access and clarified that high speed telecommunications includes broadband for the purposes of comprehensive economic development plans (CEDS).⁸³
- **Renewable Energy.** EDRA replaced the EDA's Brightfields Demonstration program (42 U.S.C. §3154d) with a program authorized to make grants for renewable energy technology on brownfield sites.⁸⁴

Among other program changes, EDRA amended the existing authorities for the Public Works, Planning, EAA, and Research and National Technical Assistance (RNTA) programs in several ways.

- **Public Works program.** EDRA directed EDA, when reviewing Public Works projects, to consider efforts that may lead to economic diversification; address and mitigate the economic impacts of extreme weather events; benefit highly rural communities; increase broadband access; support outdoor recreation or blue economy activities; or promote travel and tourism, among other changes.⁸⁵ EDRA also expanded the grant program criteria to include the consideration of

⁷⁷ See EDA, "Good Jobs Challenge," <https://www.eda.gov/funding/programs/good-jobs-challenge>. Additionally, EDA has administered the STEM Talent Challenge program, which supports projects that may address training gaps in order to facilitate the growth of high-growth, high-wage entrepreneurial ventures, innovation-driven businesses, and industries that leverage emerging technologies. The STEM Talent Challenge is authorized under Section 28 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. § 3723). See EDA, "STEM Talent Challenge," <https://www.eda.gov/funding/programs/stem-challenge>.

⁷⁸ P.L. 118-272, Section 2224. During the 118th Congress, Members of House and Senate introduced similar bills, both entitled the ONSHORE Act, to provide assistance for site development for manufacturers (see S. 1915 and H.R. 7968).

⁷⁹ See, for example, EDA projects to support the development of industrial parks in EDA, "EDA Annual Report FY2023," https://www.eda.gov/sites/default/files/2024-06/EDA_Annual_Report_FY2023.pdf.

⁸⁰ See P.L. 118-272, Section 2223, which incorporated legislative text previously introduced, but not enacted, to authorize EDA assistance for broadband access projects. See H.R. 1752 in the 118th Congress and H.R. 3193 in the 117th Congress—both were entitled *Eliminating Barriers to Rural Internet Development Grant Eligibility (E-BRIDGE) Act*.

⁸¹ In 2022, for instance, EDA approved \$65 million in broadband projects. See CBO, "H.R. 1752, E-BRIDGE Act Cost Estimate," August 28, 2023, <https://www.cbo.gov/publication/59532>.

⁸² See 42 U.S.C. §3122(6) for a list of entities eligible for EDA assistance for programs authorized by PWEDA.

⁸³ P.L. 118-272, Section 2213 and Section 2214.

⁸⁴ P.L. 118-272, Section 2220.

⁸⁵ P.L. 118-272, Section 2213.

benefits to the long-term *underemployed* (in addition to unemployed and members of low-income families) and the *retention* of industrial or commercial facilities (in addition to the establishment or expansion of such facilities).⁸⁶

- **Planning program.** EDRA allowed for planning grants to pay for administrative expenses such as project predevelopment costs, planning activities, and hiring personnel for project planning or predevelopment efforts, including disaster economic recovery plans, and specified that activities such as high speed telecommunications are to be included in state economic development plans.⁸⁷
- **EAA program.** EDRA amended PWEDA to specifically allow coal and nuclear host communities (with adverse economic impacts) to be eligible for the EAA program.⁸⁸ Prior to EDRA's enactment, Congress had already used appropriations report language to direct EDA to support such activities.⁸⁹ EDRA specifically authorized funding for projects in coal or nuclear host communities through FY2029 for the Assistance to Coal Communities and Assistance to Nuclear Host Communities initiatives, separate from funding authorization for the base EAA program (see **Table 2**).⁹⁰ EDRA also authorized EDA to provide EAA funding to communities with economies injured by the loss of travel and tourism, natural resource-based, blue economy, or agricultural jobs; the contraction of the steel industry; and limited water for industrial consumption in areas impacted by decreased water supplies due to drought or extreme heat. The legislation did not specifically authorize funding for projects in those areas.⁹¹
- **University Centers.** EDRA codified aspects of the existing University Center program and outlined specific duties associated with University Centers. EDRA also included considerations for selecting University Centers near distressed areas and for selecting University Centers that may support distressed communities in planning and implementing economic development projects. EDRA also specified that University Centers are to provide services to each state, but did not state that they must be located in each state.⁹² Prior to EDRA's enactment, EDA administered the University Center activities as a component of the Research and National Technical Assistance (RNTA) program; University Centers continue to be a component of the RNTA program.⁹³

⁸⁶ P.L. 118-272, Section 2213. Prior to EDRA, the criteria for the Public Works program allowed for grants that would improve the communities for the "successful establishment or expansion of industrial or commercial plants or facilities," among other activities and rationale. EDRA added "retention" to the criteria related to industrial or commercial plants or facilities.

⁸⁷ P.L. 118-272, Section 2214.

⁸⁸ See P.L. 118-272, Section 2219, which also provided definitions for the terms, coal economy and nuclear host communities.

⁸⁹ CRS Insight IN11648, *The Economic Development Administration's Assistance to Coal and Nuclear Closure Communities Initiatives for Economic Transitions*, by Julie M. Lawhorn.

⁹⁰ See P.L. 118-272, Section 2236(e) and (f) for the funding authorization for the Assistance to Coal Communities and Assistance to Nuclear Host Communities initiatives.

⁹¹ P.L. 118-272, Section 2219.

⁹² P.L. 118-272, Section 2217.

⁹³ 42 U.S.C. §3147(c).

Coordination

EDRA directed the EDA to expand its coordination efforts to reduce duplication and develop best practices.⁹⁴ It required EDA to coordinate with the FRCAs through meetings held at least once every two years, and to include the FRCAs' federal co-chairs and the state chairpersons (or their designees) at these events.⁹⁵ Previously, FRCAs were not mentioned in PWEDA in the context of meeting and coordination activities. The legislation also required the Government Accountability Office (GAO) to describe the coordination efforts in a new report on economic development programs.⁹⁶ Additionally, EDRA required EDA to coordinate with the Secretary of Labor and the Secretary of Education on new workforce development models.⁹⁷

EDRA also directed EDA to coordinate with other federal agencies specifically on tribal economic development strategies and established a new Office of Tribal Economic Development (OTED) to coordinate and expand the agency's existing activities with tribal entities.⁹⁸ Previously, GAO and Congress had periodically identified opportunities for further coordination between agencies administering economic development programs for tribal areas.⁹⁹

New and Updated Reporting Requirements and Topics

The legislation updated the existing statute directing the EDA to provide an annual report to Congress by July 1 of each year by inserting a provision requiring that the EDA include

- A list of grants located in or benefiting rural areas as well as other information about the agency's grant-making process in rural areas,
- Information about individual construction projects and their outcomes and milestones, and
- An analysis of construction project timeline estimates and actual project durations, as well as information about delays and project amendments.¹⁰⁰

EDRA required EDA to notify congressional committees at least three days prior to making grants over \$100,000. Previously, EDA was not required to provide such congressional notification. Similarly, with the enactment of IJA in 2021, ARC is also required to provide such notification, but for grants over \$50,000.¹⁰¹ Unless otherwise noted, the EDA is required to

⁹⁴ P.L. 118-272, Section 2212.

⁹⁵ P.L. 118-272, Section 2212.

⁹⁶ P.L. 118-272, Section 2233.

⁹⁷ P.L. 118-272, Section 2221.

⁹⁸ P.L. 118-272, Section 2227. Prior to the enactment of EDRA, Congress directed the EDA to allocate \$5 million of FY2024 annual appropriations to the Assistance to Indigenous Communities initiative. See Senator Patty Murray, "Explanatory Statement Submitted by Ms. Murray, Chair of the Senate Committee on Appropriations, Regarding H.R. 4366, Consolidated Appropriations Act, 2024," Senate, *Congressional Record*, vol. 170, no. 39 (March 5, 2024), p. S1399, <https://www.congress.gov/118/crec/2024/03/05/170/39/CREC-2024-03-05.pdf#page=348>. In recent years, EDA also held several consultations and trainings with tribal communities. See <https://www.eda.gov/resources/resources-for-tribes-and-tribal-governments>. For additional information on EDA's recent initiatives with tribes, see "Assistance to Tribal Communities" in CRS Report R46991, *Economic Development Administration: An Overview of Programs and Appropriations (FY2011-FY2024)*, by Julie M. Lawhorn.

⁹⁹ Government Accountability Office (GAO), "Tribal Economic Development: Action is Needed to Better Understand the Extent of Federal Support," GAO-22-105215, August 30, 2022, <https://www.gao.gov/products/gao-22-105215>.

¹⁰⁰ P.L. 118-272, Section 2230.

¹⁰¹ 42 U.S.C. §14323.

submit reports and plans to the Senate Committee on Environment and Public Works and the House Committee on Transportation and Infrastructure.

EDRA required several new reports to be completed by EDA and GAO on various topics. For instance, EDRA required EDA to report on measures to streamline EDA’s environmental review process and to complete a strategic plan for tribal economic development.¹⁰² EDRA also required GAO to report on EDA regulations and policies as well as economic development programs administered by EDA and FRCAs.¹⁰³ See **Table C-1** for a summary of the reports, in order of deadline.

EDA Funding Authorizations, FY2025-FY2029

EDRA does not appropriate funds to the EDA; it only authorizes such appropriations in future legislation. EDRA authorized specific appropriation amounts for 10 EDA programs and the Technical Assistance Liaisons—see **Table 2**.¹⁰⁴ Prior to the enactment of EDRA, PWEDA provided an authorization of appropriations in specific amounts for each of fiscal years 2004 through 2008 for economic development assistance programs broadly, with few exceptions.¹⁰⁵ Prior to the enactment of EDRA, PWEDA authorized a specific level of appropriations for salaries and expenses for FY2004.¹⁰⁶ EDRA did not specify amounts for EDA salaries and expenses. The law continues to authorize “such sums as necessary” for each fiscal year thereafter.¹⁰⁷

Table 2. Amounts Authorized to be Appropriated in EDRA for EDA, FY2025-FY2029

EDA Program or Expense	FY2025	FY2026	FY2027	FY2028	FY2029
Public Works	\$170 million	\$195 million	\$220 million	\$245 million	\$270 million
Planning	\$90 million	\$100 million	\$110 million	\$120 million	\$130 million
Training, Research, and Technical Assistance	\$25 million	\$30 million	\$35 million	\$40 million	\$45 million
Economic Adjustment Assistance	\$65 million	\$75 million	\$85 million	\$95 million	\$105 million
Assistance to Coal Communities	\$75 million	\$75 million	\$75 million	\$75 million	\$75 million
Assistance to Nuclear Host Communities (for economic development projects)	\$35 million	\$35 million	\$35 million	\$35 million	\$35 million

¹⁰² P.L. 118-272, Section 2232(a) and Section 2227. Assistance to Nuclear Host Communities is a single program listed twice in **Table 2**. P.L. 118-272 authorized EDA to fund economic development in nuclear host communities as well as community advisory boards in nuclear host communities.

¹⁰³ P.L. 118-272, Section 2234 and Section 2233.

¹⁰⁴ P.L. 118-272, Section 2236.

¹⁰⁵ P.L. 108-373. Exceptions included the Brightfields demonstration program, which was authorized at \$5 million for each fiscal years 2004 through 2008 and the Planning program, which was authorized at no less than \$27 million (P.L. 108-373).

¹⁰⁶ P.L. 108-373.

¹⁰⁷ P.L. 108-373.

EDA Program or Expense	FY2025	FY2026	FY2027	FY2028	FY2029
Assistance to Nuclear Host Communities (for community advisory boards)	\$5 million	\$5 million	\$5 million	—	—
Renewable Energy	\$5 million	\$5 million	\$5 million	\$5 million	\$5 million
Workforce Training	\$50 million	\$50 million	\$50 million	\$50 million	\$50 million
Supply Chain Site Development	\$20 million	\$20 million	\$20 million	\$20 million	\$20 million
Technical Assistance Liaisons	\$5 million	\$5 million	\$5 million	\$5 million	\$5 million
Subtotal	\$545 million	\$595 million	\$645 million	\$690 million	\$740 million
Total (all programs and expenses) FY2025 - FY2029					\$3,215 million

Source: P.L. 118-227, Division B, Title II, Section 2236.

Notes: Of the amounts provided for workforce training, \$10 million shall be used for the State Grant Pilot Program for each of FY2025-FY2029.

Summary of Selected Changes to FRCAs

As aforementioned, EDRA revised existing authorities of seven FRCAs and created statutory authority for two new FRCAs. The nine FRCAs addressed in EDRA include

- Delta Regional Authority (DRA),
- Denali Commission,
- Great Lakes Authority (GLA),
- Mid-Atlantic Regional Commission (MARC, newly established by EDRA),
- Northern Border Regional Commission (NBRC),
- Northern Great Plains Regional Authority (NGPRA),
- Southern New England Regional Commission (SNERC, newly established by EDRA),
- Southwest Border Regional Commission (SBRC), and
- Southeast Crescent Regional Commission (SCRC).

In general, EDRA Subtitle B

- amended non-programmatic authorities and requirements (e.g., temporary leadership positions, cost sharing, fees);
- authorized new programs and amended existing programmatic authorities (e.g., state capacity building program); and
- authorized a total of \$1.8 billion for nine FRCAs through FY2029.

EDRA also explicitly repealed the sunset provisions for the DRA and the NGPRA.¹⁰⁸ The DRA has received annual appropriations since FY2001, and its sunset provision had been extended in

¹⁰⁸ P.L. 118-272, Section 2253 and Section 2254.

recent appropriations laws.¹⁰⁹ The NGPRA last received appropriations in FY2005 and its authorization expired at the end of FY2018.¹¹⁰

The ARC was not reauthorized in EDRA. It was last reauthorized in the IJA (P.L. 117-58) and will expire on October 1, 2026 under current law, as its authorization includes a sunset provision (a statement in law that indicates a specified expiration date for their legal authority to function).¹¹¹

See below for highlights of selected changes to FRCAs, and see **Appendix B** for a more extensive summary of changes.

New FRCAs Established and Existing FRCA Regions Expanded

EDRA amended 40 U.S.C. §15301(a) to establish two new FRCAs, the MARC and the SNERC.¹¹² The MARC includes all counties in Delaware and the counties in Maryland and Pennsylvania not already served by ARC (see **Figure 4**). The SNERC includes all counties in Rhode Island and Massachusetts as well as six counties in Connecticut (i.e., Hartford, Middlesex, New Haven, New London, Tolland, and Windham Counties)—see **Figure 5**. The creation of the two new FRCAs expanded the geography of FRCA coverage into four additional states (i.e., parts of Connecticut and the entire states of Delaware, Massachusetts, and Rhode Island)—see **Figure 2**.

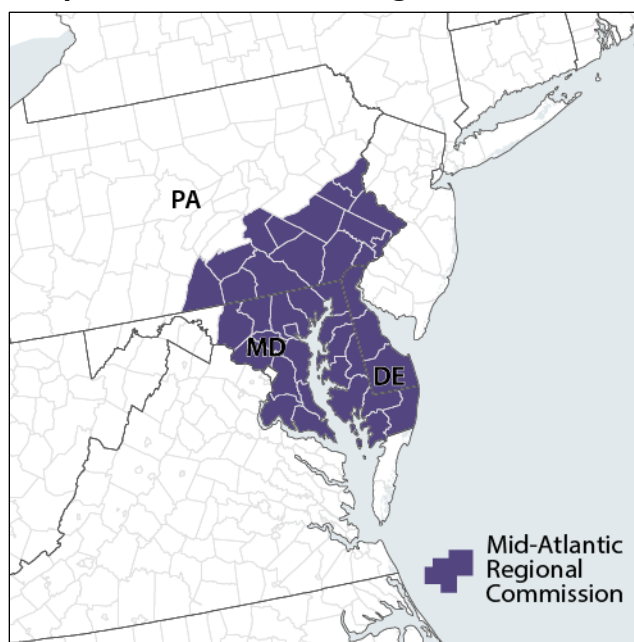
¹⁰⁹ CRS Report R45997, *Federal Regional Commissions and Authorities: Structural Features and Function*, by Julie M. Lawhorn. For instance, the authorization for the Delta Regional Authority (DRA) was to expire on October 1, 2023. (See Section 382N of the Consolidated Farm and Rural Development Act, which is codified at 7 U.S.C. §2009aa–13.) However, the sunset date was suspended through March 1, 2024, by the Continuing Appropriations Act, 2024—which meant that the DRA continued to have authority to function through that date. The Continuing Appropriations Act, 2024 (Div. A of P.L. 118-15, as amended by P.L. 118-35) extended the appropriations provided by the Energy and Water Development and Related Agencies Appropriations Act, 2023 (Div. D of P.L. 117-328), which had suspended the DRA’s sunset date. Prior to the enactment of P.L. 117-328, another law, P.L. 115-334, had extended the period of authorization for the DRA through October 1, 2023. Prior to the enactment of P.L. 115-334, P.L. 113-79 had extended the period of authorization for the DRA through October 1, 2018.

¹¹⁰ CRS Report R45997, *Federal Regional Commissions and Authorities: Structural Features and Function*, by Julie M. Lawhorn.

¹¹¹ See 40 U.S.C. §14704. Prior to the enactment of P.L. 117-58, P.L. 116-159 extended the period of authorization for the ARC from October 1, 2020 to October 1, 2021. Prior to the enactment of P.L. 116-159, P.L. 114-94 extended the period of authorization for the ARC from October 1, 2012 to October 1, 2020.

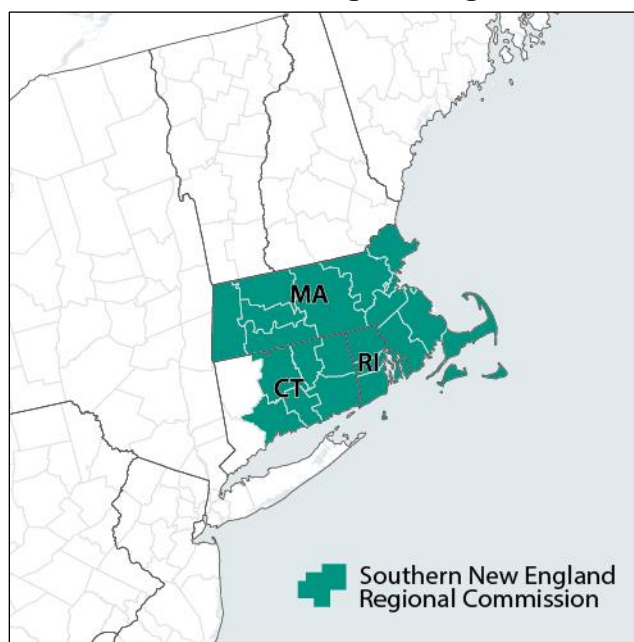
¹¹² P.L. 118-272, Section 2249 and Section 2250. Prior to the enactment of EDRA, some Members of Congress introduced bills in the 116th – 118th Congress to establish the SNERC. See, for example, H.R. 5124, which was introduced in the 116th Congress.

Figure 4. Map of the Mid-Atlantic Regional Commission Region



Source: Compiled by CRS using the jurisdictional data defined in P.L. 118-272 and Esri Data and Maps.

Figure 5. Map of the Southern New England Regional Commission Region



Source: Compiled by CRS using the jurisdictional data defined in P.L. 118-272 and Esri Data and Maps.

As of publication date, the MARC and SNERC are not yet active. The nomination, confirmation, and appointment of federal co-chairs is essential for the startup and operations of the MARC and

the SNERC. Without those and a few other activities, the regional commissions cannot form and begin operations.¹¹³

EDRA also expanded the regions of four of the existing Subtitle V FRCAs.

- **DRA** - The legislation added Sabine, Vernon, and Terrebonne Parishes in Louisiana to the DRA region (see **Figure 6**).¹¹⁴ As a result of these changes, the DRA region includes a total of 255 counties in eight states.
- **GLA** - The legislation expanded the definition of the region by specifying that it shall include entire counties rather than parts of counties (see **Figure 7**).¹¹⁵ Under the prior version of the law, the GLA region covered only parts of certain counties because it was defined as consisting of “areas in the watershed of the Great Lakes and the Great Lakes System.”¹¹⁶ As a result of these changes, the GLA region includes a total of 213 counties in eight states.
- **NBRC** - The legislation added four counties: Lincoln County in Maine, Merrimack County in New Hampshire, and Schoharie and Wyoming Counties in New York.¹¹⁷ As a result of these changes, the NBRC region includes a total of 67 counties in four states (see **Figure 8**).
- **SBRC** - The legislation added 10 counties: Bernalillo, Cibola, Curry, De Baca, Guadalupe, Lea, Roosevelt, Torrance, and Valencia Counties in New Mexico and Guadalupe County in Texas.¹¹⁸ As a result of these changes, the SBRC region includes a total of 103 counties in four states (see **Figure 9**).

¹¹³ For additional information, see CRS In Focus IF11396, *Federal Regional Commissions and Authorities: Operations*, by Julie M. Lawhorn.

¹¹⁴ P.L. 118-272, Section 2253.

¹¹⁵ P.L. 118-272, Section 2247. Prior to EDRA’s enactment, as defined by its authorizing statute (P.L. 117-328), the GLA the region consisted of “areas in the watershed of the Great Lakes and the Great Lakes System (as such terms are defined in section 118(a)(3) of the Federal Water Pollution Control Act (33 U.S.C. 1268(a)(3)), in each of the following States: Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin.”

¹¹⁶ P.L. 117-328.

¹¹⁷ P.L. 118-272, Section 2245.

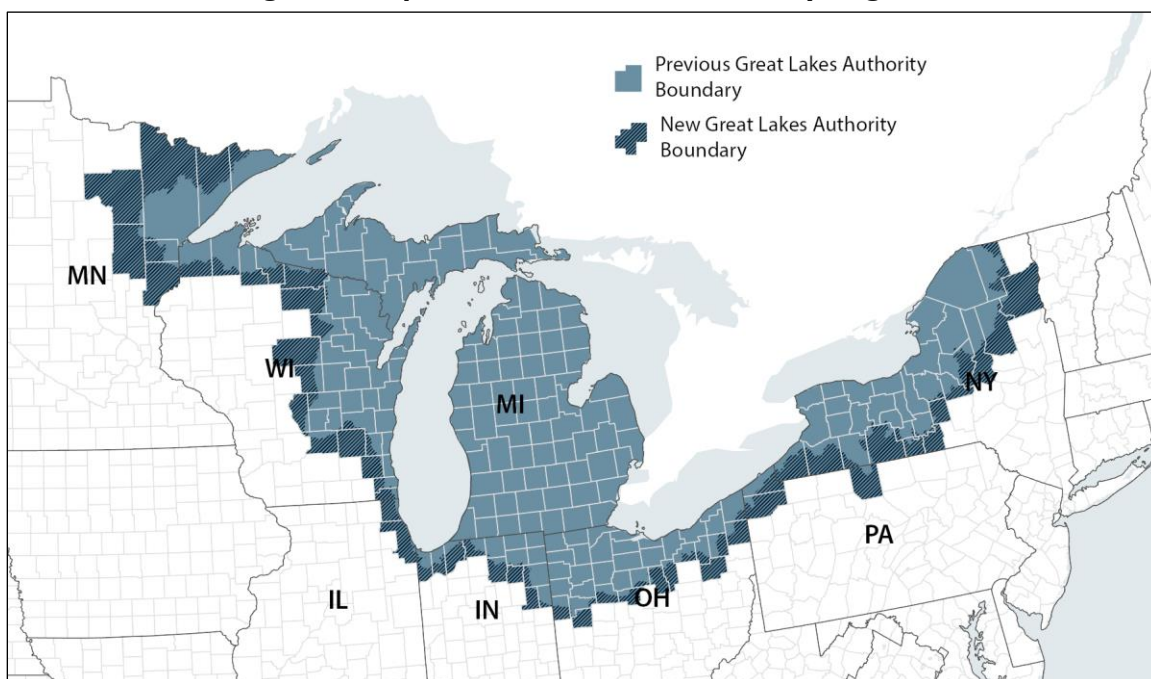
¹¹⁸ P.L. 118-272, Section 2246.

Figure 6. Map of the Delta Regional Authority Region



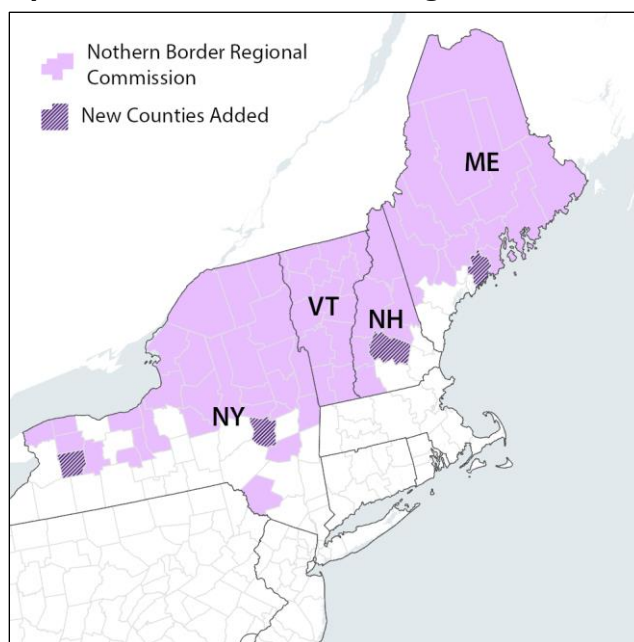
Source: Compiled by CRS using data from DRA, P.L. 118-272, and Esri Data and Maps.

Figure 7. Map of the Great Lakes Authority Region



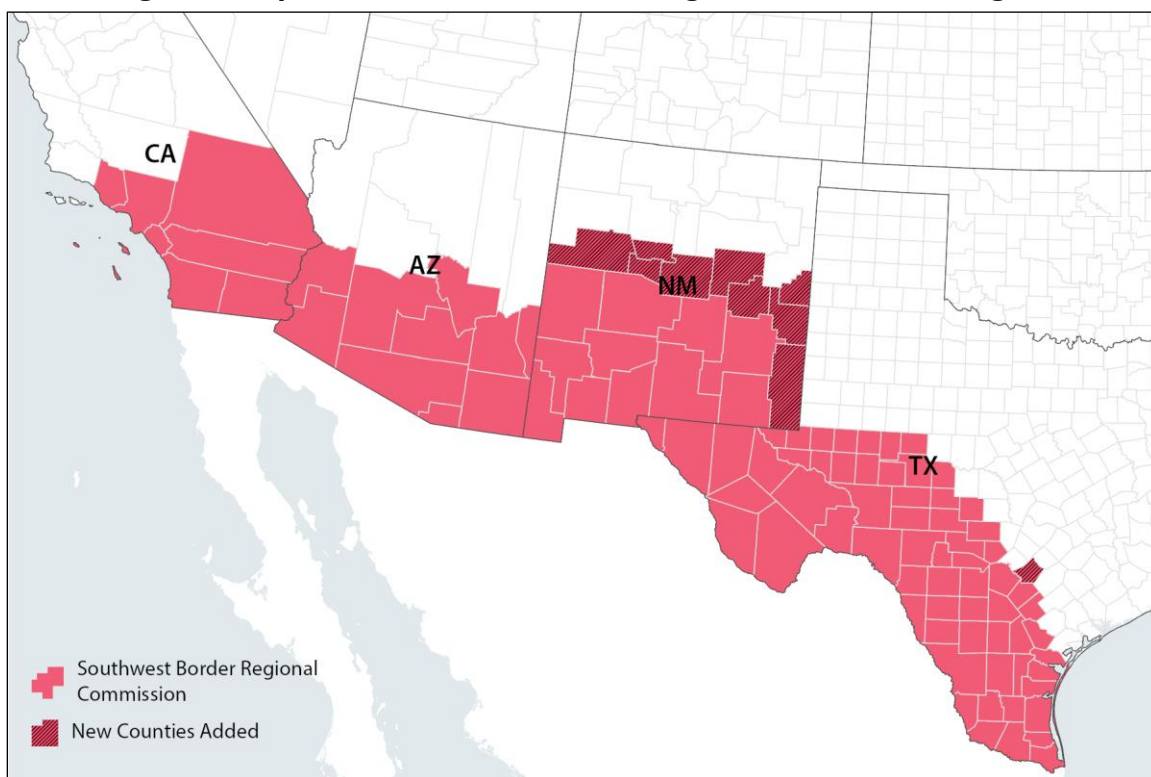
Source: Compiled by CRS using the jurisdictional data defined in P.L. 117-328, P.L. 118-272, and Esri Data and Maps.

Figure 8. Map of the Northern Border Regional Commission Region



Source: Compiled by CRS using data from NBRC, P.L. 118-272, and Esri Data and Maps.

Figure 9. Map of the Southwest Border Regional Commission Region



Source: Compiled by CRS using data from SBRC, P.L. 118-272, and Esri Data and Maps.

Changes to Non-programmatic Authorities and Requirements

This section describes several alterations to the administration of the six Subtitle V FRCAs, the DRA, and/or the Denali Commission made by EDRA.

Temporary Leadership Positions

FRCAs are limited in their ability to make policy, program, and project decisions and implement other activities without a federal co-chair, alternate or interim federal co-chair, or temporary acting federal co-chair.¹¹⁹ EDRA allowed the federal co-chair of the six Subtitle V FRCAs to designate an employee of the commission to take on a temporary acting role for the office of the federal co-chair if there are vacancies in both the federal co-chair and the alternate federal co-chair roles.¹²⁰ Previously, the federal co-chair and the alternate federal co-chair roles for these FRCAs could only be assumed by a *federal* employee designated by the federal co-chair. By removing the requirement for the employee to be federal, it appears that the FRCAs' executive directors, or other nonfederal FRCA employees, could potentially perform the federal co-chair role on a temporary, acting basis.¹²¹

For the DRA, EDRA specifically authorized the *executive director* (rather than any federal or nonfederal employee) to assume the duties of the federal co-chair and the alternate federal co-chair for purposes of continuation of normal operations in the event that both positions are vacant.¹²²

With the exception of the Denali Commission, there are no term limits for a FRCA's federal co-chair.¹²³ The federal co-chair may remain in their role until the next federal co-chair is nominated and confirmed. Conversely, a President could ask a federal co-chair to resign at any time. For the three most recent ARC and NBRC federal co-chair positions, there was one month or less between the end of one federal co-chair's term and the start of the next.¹²⁴ However, from time to time, the federal co-chair position may be vacated before another co-chair is nominated and confirmed. In recent years, the DRA federal co-chair position was vacant for 14 months and the alternate federal co-chair position was simultaneously vacant for 12 months.¹²⁵

¹¹⁹ For additional information of FRCAs' governance structures, see CRS Report R45997, *Federal Regional Commissions and Authorities: Structural Features and Function*, by Julie M. Lawhorn.

¹²⁰ P.L. 118-272, Section 2242.

¹²¹ The role is subject to the time limitations under section 3346 of title 5. As noted in CRS In Focus IF11396, *Federal Regional Commissions and Authorities: Operations*, by Julie M. Lawhorn, with the exception of the Denali Commission,

[t]he commission structure is comprised of a federal co-chair and the state governors of member states or their designated representative (of which one serves as state co-chair). The commission is supplemented by professional staff to carry out organizational activities. While largely considered independent federal agencies, most commission members and staff are not federal employees. The main exception is the federal co-chair, that co-chair's alternate, and that co-chair's direct staff.

¹²² See P.L. 118-272, Section 2253.

¹²³ See 42 U.S.C. §3121 note, which states that "the Federal Cochairperson shall serve for a term of four years and may be reappointed."

¹²⁴ Based on information provided by ARC and NBRC.

¹²⁵ The DRA did not have a federal co-chair between January 2021 and March 2022. See DRA, "Delta Regional Authority Equity Action Plan," January 20, 2022, p. 3, https://assets.performance.gov/cx/equity-action-plans/2022/EO%2013985_DRA_Equity%20Action%20Plan_2022.pdf. In January 2022, President Biden nominated federal co-chair, Corey Wiggins, and he was confirmed by the Senate in March 2022 (see <https://www.congress.gov/nomination/117th-congress/1676>). During that time, in October 2021, ten months after Christopher Caldwell left DRA, President Biden appointed Leslie Dandridge Durham as the alternate federal co-chair.

As noted above, EDRA expanded FRCA options for filling a temporary leadership position with FRCA staff. However, a vacancy could still occur if the federal co-chair does not take action to designate an employee for the temporary role. Similarly, the authorizing statute for FRCAs—with the exception of the Denali Commission—requires the President to nominate an alternate federal co-chair, yet this position is not consistently filled. EDRA did not address vacancies or succession provisions for the Denali Commission or NGPRA.

Changes to Cost Sharing Requirements

Economic development grant recipients often use multiple funding sources to finance a single project. Certain federal grant programs require a share of the project funding to come from nonfederal sources. The nonfederal share (or “match”) may come from local, state, or private sources, and may include in-kind contributions. Generally, federal programs prohibit or limit the amount of other federal assistance that may be used as match.¹²⁶ Sometimes, federal grant recipients may be able to use certain other federal funding as that match.

EDRA allowed funding provided by the Denali Commission and the Subtitle V FRCAs to be considered nonfederal match in other federal programs (unless otherwise prohibited).¹²⁷ However, as noted above, Subtitle A, which deals with the EDA, authorized EDA to consider all FRCA-sourced funding as nonfederal funding when used as matching funds for EDA projects.¹²⁸

Fees

EDRA provided the DRA and the Subtitle V FRCAs with new or expanded authorities to collect, retain, and use fees. Fees may be relevant to non-grant programs administered by select FRCAs, such as the J-1 visa program.¹²⁹ EDRA provided the fee authority explicitly for the DRA’s J-1 Visa Program, the Delta Doctors program (administered by the DRA), but did not specify a program, use, or context for the fee authority provided to the Subtitle V FRCAs.¹³⁰ EDRA did not address fees for the Denali Commission or NGPRA.

¹²⁶ See 2 C.F.R. 200.306(b), which notes that there are exceptions to the limits on using federal funds for match when the “Federal authorizing statute a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs.” A notable exception is the Community Development Block Grant (CDBG) program, which may be used to fund infrastructure, public works, and other community and economic development projects. CDBG funds may be used to meet cost share requirements for other federal grants—see 42 U.S.C. §5305(a)(9) and 24 CFR 570.201[g]. Other exceptions are highlighted in the U.S. Department of Transportation, Federal Transit Administration, *Coordinating Council on Access and Mobility (CCAM) Federal Fund Braiding Guide*, June 2020, <https://www.transit.dot.gov/sites/fta.dot.gov/files/2021-04/ccam-federal-fund-braiding-guide-june-2020.pdf>.

¹²⁷ See P.L. 118-272, Section 2244 for the provision pertaining to the Subtitle V FRCAs; and see P.L. 118-272, Section 2251(b) for the provision pertaining to the Denali Commission.

¹²⁸ P.L. 118-272, Section 2215.

¹²⁹ J-1 visa waivers are for physicians who are willing to provide medical services in certain areas. FRCAs may operate as interested government agencies (IGAs) for the J-1 program. The DRA’s Delta Doctors program, for example, is designed to address the health disparities and high levels of health professional shortages by granting J-1 visa waivers for physicians who are willing to provide medical services in distressed DRA communities. See DRA, Delta Doctors, <https://dra.gov/programs/human-infrastructure/health/delta-doctors/>. DRA indicated that this change would allow the authority to spend the fees on the “operation and staffing of the Delta Doctors program.” DRA, “FY2025 Congressional Budget Justification,” p. 11, https://dra.gov/wp-content/uploads/2024/03/DRA-FY-2025-Budget-Justification-FINAL_Updated03072025.pdf.

¹³⁰ P.L. 118-272, Section 2242(c) and Section 2253.

Other Changes Specific to the Subtitle V FRCAs

EDRA changed several aspects of the decision-making, governance, and other requirements of the six Subtitle V FRCAs:

- State alternate members may select a designee that may vote in their absence, provided that the executive director is notified a week before the applicable vote;¹³¹
- State alternate members or their designees may vote on FRCA decisions—prior to EDRA, decisions by Subtitle V FRCAs required the affirmative vote of the federal cochair and a majority of the state members;¹³²
- State members, state alternate members, or their designees' votes may count toward a quorum—prior to EDRA, state alternative members and their designees did not count toward a quorum;¹³³
- Subtitle V FRCAs may transfer funds to and accept transfers of funds from other Federal agencies (unless otherwise prohibited);¹³⁴ and
- Subtitle V FRCAs are no longer required to have government relations offices in the District of Columbia.¹³⁵

For a summary of other changes to Subtitle V FRCAs in EDRA, see **Appendix B**.

Other Non-programmatic Changes Specific to the Denali Commission and DRA

Denali Commission

EDRA made other non-programmatic changes specific to the Denali Commission. EDRA

- provided the Commission with leasing authority (including the lease of office space for any term);
- repealed the Commission's special function related to rural utilities; and
- codified the U.S. Department of Agriculture's authority to make interagency transfers to the Commission to address solid waste disposal site issues.¹³⁶

For a description of all provisions specific to Denali Commission in EDRA, see **Appendix B**.

Delta Regional Authority

¹³¹ P.L. 118-272, Section 2242(a).

¹³² P.L. 118-272, Section 2242(b)(1).

¹³³ P.L. 118-272, Section 2242(b)(2). Previously, the statute dealing with quorums stated that “a State alternate member shall not be counted toward the establishment of a quorum.” Section 2242 specified that the FRCAs’ quorum decisions shall include the federal co-chair or alternate federal co-chair (unchanged) and “a majority of *State members or alternate State members, including designees* (exclusive of members representing States delinquent under section 15304(c)(3)(C))” [emphasis added].

¹³⁴ P.L. 118-272, Section 2243.

¹³⁵ P.L. 118-272, Section 2242(c)(4).

¹³⁶ P.L. 118-272, Section 2251. EDRA removed the subsection (a) from Section 307 of the Denali Commission Act of 1998 (42 U.S.C. 4321 note; P.L. 105-277), which read

Rural Utilities.—In carrying out its functions under this title, the Commission shall as appropriate, provide assistance, seek to avoid duplicating services and assistance, and complement the water and sewer wastewater programs under section 306D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926d) and section 303 of the Safe Drinking Water Act Amendments of 1996 (33 U.S.C. 1263a).

EDRA made other non-programmatic changes specific to the DRA. EDRA

- made Indian tribes eligible recipients of DRA economic and community development grants, and
- added three parishes to the DRA's jurisdiction (see **Figure 6**).¹³⁷

For a description of all provisions specific to the DRA in EDRA, see **Appendix B**.

Programmatic Changes

This section describes several alterations to the programs of the six Subtitle V FRCAs and the Denali Commission by EDRA.

State Capacity Building Grant Program

In recent years, federal entities and outside groups have called attention to capacity challenges and other barriers to accessing and managing grants faced by small, rural, or underserved communities, including coal communities.¹³⁸ Prior to EDRA, FRCAs had administered other types of capacity building initiatives under existing program authorities. For example, the DRA administered capacity-building programs, such as the Local Development Districts (LDD) Pilot Program and the Strategic Planning Grant Program, under existing program authorities.¹³⁹

Of the Subtitle V FRCAs, only the NBRC was already authorized to administer a state capacity building grant program prior to EDRA's enactment.¹⁴⁰ EDRA extended the NBRC's authority to administer the program, and provided explicit authorization for the other Subtitle V FRCAs to administer state capacity building grant programs as well.¹⁴¹ EDRA included several additional

¹³⁷ P.L. 118-272, Section 2253.

¹³⁸ See, for example, Sarah Kackar and Susan Fitter Harris, "Building Local Capacity in Rural People, Places and Systems," *Investing in Rural Prosperity*, Federal Reserve Bank of St. Louis and the Board of Governors of the Federal Reserve System, 2021, <https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/files/pdfs/community-development/investing-rural/chapters/chapter32.pdf>.

For additional information about the term "coal community," see "Identifying Coal Communities" in CRS Report R47831, *Federal Economic Assistance for Coal Communities*, by Julie M. Lawhorn et al. In EDRA, coal communities are associated with areas impacted by the "coal economy," which is defined as "the complete supply chain of coal-reliant industries, including (i) coal mining; (ii) coal-fired power plants; (iii) transportation or logistics; and (iv) manufacturing" (see P.L. 118-272).

¹³⁹ See 7 U.S.C. §2009aa et seq., and DRA, "Capacity Building," <https://dra.gov/programs/capacity-building/>. Notices of Funding Availability indicate that the IJJA was a recent source of funding for the Local Development Districts (LDD) Pilot Program and the Strategic Planning Grant Program.

¹⁴⁰ P.L. 115-334 authorized the NBRC's state capacity building grant program.

¹⁴¹ See P.L. 118-272, Section 2248. Development challenges related to limited capacity were discussed in a 2023 Senate EPW hearing about FRCAs and the NBRC's federal co-chair commented on the role of the NBRC's state capacity grant program in the following way:

A limiting factor on the ability of many small communities to participate in federal grant programs is a lack of access to capacity, namely people and organizations who play a critical role in the planning, development, and execution of economic development initiatives. The Commission operates a State Capacity Grant program as authorized in statute, that builds human capacity at the statewide level as well as at local organizations and technical assistance providers. The resources offer communities assistance and guidance in developing their project ideas and with understanding the requirements of applying for awards and successfully administering them once received.

See House Committee on T&I, Subcommittee on Economic Development, Public Buildings, and Emergency Management, *Regional Commissions: A Review of Federal Economic Development Program Effectiveness*, 118th Cong., 1st sess., October 19, 2023, Serial No. 118-32, <https://www.congress.gov/118/chr/CHRG-118hrg56927/CHRG-118hrg56927.pdf>.

objectives for these program that were not included in the authorizing statute for NBRC's existing program. The additional objectives were to 1) partner with universities in distressed counties and 2) promote workforce development to support resilient infrastructure projects.¹⁴²

Demonstration Health Project Programs

Health and health care access are relevant to regional development for several reasons. Health care may be a major employer and may generate economic activity in certain regional economies. Access to health care is generally considered beneficial to individual and community health outcomes, which may be associated with economic growth. Economic development practitioners often address health and health care in the intersection of economic growth, human capital, and health objectives in local and regional plans and implementation activities (e.g., workforce training, infrastructure, business development). In recent hearings, a FRCA official called attention to substance use disorder challenges in particular by noting that, “[i]t’s not just a public health and public safety issue; it’s an economic development issue. It drains the region’s resources, both human and financial.”¹⁴³

EDRA authorized the Subtitle V FRCAs to administer a demonstration health project program that is similar to the ARC’s demonstration program and designed to serve distressed areas.¹⁴⁴ Prior to EDRA’s enactment, the Denali Commission was authorized to administer demonstration health project programs as well.¹⁴⁵ The program will support the planning, construction, equipment, and operation of demonstration health, nutrition, and child care projects, including hospitals, regional health diagnostic and treatment centers, and other facilities and services. Additional types of entities—such as hospitals and institutions of higher education—are eligible for such grants, in addition to the applicants previously eligible for Subtitle V grants.¹⁴⁶

Denali Housing Fund

In recent years, federal entities and outside groups have called attention to the housing shortage in rural Alaska and the elevated costs associated with building in the region.¹⁴⁷ EDRA established a new program, the Denali Housing Fund, which may be used for loans or grants for planning, construction, or rehabilitation housing activities for low- and moderate-income (LMI) households in rural Alaska villages.¹⁴⁸ EDRA outlined two purposes for the Fund: (1) to encourage and facilitate the construction or rehabilitation of housing to meet the needs of LMI households; and (2) to provide housing for public employees.

Prior to EDRA’s enactment, according to Jocelyn Fenton, then-Interim Federal Co-chair of Denali Commission, the Commission provided assistance under existing program authority to address affordable housing challenges, including projects

¹⁴² P.L. 118-272, Section 2248.

¹⁴³ House Subcommittee on Economic Development, Public Buildings, and Emergency Management, *Regional Commissions: A Review of Federal Economic Development Program Effectiveness*, Serial No. 118–32, p. 16.

¹⁴⁴ P.L. 118-272, Section 2248.

¹⁴⁵ For the authorization of the ARC’s demonstration health project, see 40 U.S.C. §14502. For the authorization of the Denali Commission’s demonstration health project, see Section 307 of the Denali Commission Act of 1998 (42 U.S.C. §3121 note).

¹⁴⁶ P.L. 118-272, Section 2248.

¹⁴⁷ See Denali Commission, *Strategic Plan FY2023-FY2027*, p. 19, <https://www.denali.gov/strategic-plans/>.

¹⁴⁸ P.L. 118-272, Section 2252.

to encourage housing innovation and de-risk private development includ[ing] affordable housing assessments and strategy development, climate-specific housing best practices, site-controlled platting, surveying, given landownership, and complications on tribal lands, and continually evaluating the housing life cycle, assessing timber utilization, better sawmills to develop rural home kits, locally produced trusses, and everything in between.¹⁴⁹

FRCA Funding Authorizations, FY2025-FY2029

EDRA did not appropriate any federal funds. EDRA authorized \$1.8 billion for nine FRCAs through FY2029—see **Table 3**, including

- \$40 million each year for FY2025 through FY2029 for the eight multi-state FRCAs authorized in EDRA,¹⁵⁰ and
- \$35 million each year for FY2025 through FY2029 for the Denali Commission, plus \$5 million for the Denali Housing Fund for each of fiscal years 2025 through 2029.¹⁵¹

Table 3. Amounts Authorized to be Appropriated in EDRA for FRCAs, FY2025-FY2029

FRCA	FY2025	FY2026	FY2027	FY2028	FY2029
Denali Commission	\$35 million	\$35 million	\$35 million	\$35 million	\$35 million
Denali Housing Fund	\$5 million	\$5 million	\$5 million	\$5 million	\$5 million
DRA	\$40 million	\$40 million	\$40 million	\$40 million	\$40 million
GLA	\$40 million	\$40 million	\$40 million	\$40 million	\$40 million
MARC	\$40 million	\$40 million	\$40 million	\$40 million	\$40 million
NBRC	\$40 million	\$40 million	\$40 million	\$40 million	\$40 million
NGPRA	\$40 million	\$40 million	\$40 million	\$40 million	\$40 million
SBRC	\$40 million	\$40 million	\$40 million	\$40 million	\$40 million
SCRC	\$40 million	\$40 million	\$40 million	\$40 million	\$40 million
SNERC	\$40 million	\$40 million	\$40 million	\$40 million	\$40 million
Subtotal	\$360 million	\$360 million	\$360 million	\$360 million	\$360 million
Total FY2025 - FY2029					\$1.800 million

Source: P.L. 118-227, Division B, Title II, Section 2242 and Section 2252.

Prior to EDRA, the FRCAs' historical levels of appropriations—authorized and enacted—varied by each commission or authority (see **Table 4**). The authorized funding level for the ARC—

¹⁴⁹ See testimony by Jocelyn Fenton, Interim Federal Co-chair, Denali Commission, during the Senate EPW Committee, *America's Regional Commissions: Sharing Best Practices in Regional and Economic Development*, 118th Cong., 2nd sess., September 18, 2024, <https://www.epw.senate.gov/public/index.cfm/2024/9/america-s-regional-commissions-sharing-best-practices-in-regional-and-economic-development>.

¹⁵⁰ P.L. 118-272, Section 2253 and Section 2241.

¹⁵¹ P.L. 118-272, Section 2251 and Section 2252.

which was not addressed by EDRA—is approximately five times the authorized funding level of each of the other FRCAs.¹⁵²

Table 4. FRCA Authorizations Prior to EDRA and by EDRA

FRCA	Most Recent Pre-EDRA Law Authorizing or Reauthorizing Appropriations	Expiration of Authorization of Appropriations (Prior to EDRA)	Funding Level Authorized per Year (Prior to EDRA)	Funding Level Authorized per Year by EDRA
Denali Commission	P.L. 114-322	FY2021	\$15 million	\$40 million
DRA	P.L. 115-334	FY2023	\$30 million	\$40 million
GLA	P.L. 117-328	FY2023	\$33 million	\$40 million
NBRC	P.L. 115-334	FY2023	\$33 million	\$40 million
NGPRA	P.L. 113-79	FY2018	\$30 million	\$40 million
SBRC	P.L. 115-334	FY2023	\$33 million	\$40 million
SCRC	P.L. 115-334	FY2023	\$33 million	\$40 million

Source: CRS Report R45997, *Federal Regional Commissions and Authorities: Structural Features and Function*, by Julie M. Lawhorn, and P.L. 118-272, Division B, Title II, Section 2242 and Section 2252.

Notes: Table lists authorizing legislation for all FRCAs authorized prior to P.L. 118-272 (EDRA), but excluding ARC. EDRA did not address the authorization of appropriations or key authorities of ARC. In addition to \$35 million authorized to be appropriated to the Denali Commission, P.L. 118-272, Section 2252 also provided \$5 million for the Denali Housing Fund for each of FY2025 through FY2029.

Congressional Considerations

Flexible Programs Maintained While Targeted Assistance Expanded

EDRA did not change the long-standing EDA and FRCA “bottom up” approach to community-driven economic development.¹⁵³ This approach is generally recognized for its flexibility because assistance can be tailored to a variety of different communities, conditions, and circumstances.¹⁵⁴ Some analysts have speculated that the flexible design of FRCAs is particularly important because it may contribute to their effectiveness in rural communities.¹⁵⁵ EDRA also did not

¹⁵² The Infrastructure Investment and Jobs Act (IIJA, P.L. 117-58, Division A) authorized \$200 million a year for FY2022 through FY2026 for the ARC. In FY2023 and FY2024, this level of appropriations was provided in annual appropriations laws for ARC programs and expenses *in addition* to advance appropriations provided by the IIJA (Division J), which is primarily for infrastructure-related activities. For additional information, see CRS Report R45997, *Federal Regional Commissions and Authorities: Structural Features and Function*, by Julie M. Lawhorn.

¹⁵³ See *Congressional Record*, vol. 170, no. 188 (December 18, 2024), p. S7162, <https://www.congress.gov/118/crec/2024/12/18/170/188/CREC-2024-12-18.pdf>. Additionally, the approach is considered to be “community-driven” (or “locally-driven”) because federally-assisted economic development projects are typically informed by state, local, and regional input, plans, and priorities for some time before they are implemented.

¹⁵⁴ House Subcommittee on Economic Development, Public Buildings, and Emergency Management, *Regional Commissions: A Review of Federal Economic Development Program Effectiveness*, Serial No. 118–32, pp. 14–15, 28, and EDA, “EDA Program List,” <https://www.eda.gov/funding/programs>.

¹⁵⁵ See Anthony Pipa, et al., “Unlocking investment in distressed rural places,” The Brookings Institution, January 13, 2025, <https://www.brookings.edu/articles/unlocking-investment-in-distressed-rural-places/>.

change the use of state, local, and regional partnerships in EDA and FRCA grant-making and other activities; in some instance, EDRA directed EDA to expand its coordination with FRCAs and other federal agencies.¹⁵⁶

However, while maintaining flexibility in grant programs, EDRA also directed EDA and FRCAs to allocate resources to specific types of communities and specific types of activities. Some of these project activities and priorities were not previously outlined in statute, such as

- LMI housing development (for the Denali Commission);
- health demonstration projects (for Subtitle V FRCAs); and
- project predevelopment, broadband, supply chain site development, workforce training with sectoral partnerships, activities to mitigate the economic impacts of extreme weather, and renewable energy on brownfields (for EDA).

EDRA also statutorily established the investment priorities for EDA, thereby providing a distinct emphasis on five core economic development activities. EDRA emphasized certain other activities by directing EDA to provide staff resources to address federal disaster recovery and tribal economic development.¹⁵⁷

In targeting assistance, EDRA also codified EDA assistance to coal and nuclear host communities initiatives under the existing EAA program and set aside an authorized funding level for economic development activities in these areas.¹⁵⁸ The amount of funding authorized for the baseline EAA program is \$65 million for FY2025 and increases to \$105 million in FY2029. For comparison, the amount of funding authorized for the Assistance to Coal Communities (ACC) initiative—a subset of the EAA program—is similar to the amount authorized for the EAA program—\$75 million for each of fiscal years 2025 through 2029 (see **Table 2**). If other regions with a single industry concentration—like coal communities—experience adverse economic impacts due to changes in their respective industries, Congress may consider how and whether to authorize appropriations for other industry-specific regional development assistance programs.

Congress may evaluate whether and how updates to certain program authorities may affect the types of activities that are identified by state and local stakeholders for grant assistance.¹⁵⁹ For instance, the activities and priorities identified in EDRA may (or may not) lead to communities shifting the scope and focus of their economic development strategies and implementation projects. Congress may also analyze whether other types of communities, geographies, or economic development circumstances receive lower levels of assistance as a result of the revisions.

Policies for Economically Distressed Areas

EDRA expanded access to economic development assistance for economically distressed areas in several ways. As noted above, EDRA allowed economically distressed areas to qualify for EDA programs through new categories for economic distress criteria, and authorized predevelopment

¹⁵⁶ See P.L. 118-272, Sections 2212, 2221, and 2227.

¹⁵⁷ For instance, EDRA established the new OTED, ODRR, and Technical Assistance Liaisons at EDA and directed EDA to use these offices and resources to assist in specific types of communities and circumstances. See P.L. 118-272, Sections 2227, 2228, and 2229.

¹⁵⁸ P.L. 118-272, Section 2219.

¹⁵⁹ As noted, federally-assisted economic development projects are typically informed by state, local, and regional input, plans, and priorities for some time before they are implemented.

as an eligible EDA project expense.¹⁶⁰ EDRA also allowed EDA to lower cost share requirements for small communities if they meet economic distress criteria, among other changes. The changes to cost-share requirements may expand options for communities with limited resources that use multiple funding sources—including multiple federal sources—to complete a single project. Congress may seek to evaluate if, in response to these changes, applicants from economically distressed areas change the number or volume of applications or the type or scale of proposed projects.

Congress may also consider other policies to change cost-share requirements for certain types of applicants or circumstances. For instance, FRCA reauthorization legislation introduced prior to EDRA (i.e., S. 3891 and S.Amdt. 3290 to S. 4638) included provisions that would have authorized the SBRC to also reduce the nonfederal cost share for *colonias* or Indian tribes; this provision was not included in EDRA.¹⁶¹ As another example, in recent years, some Members of Congress introduced legislation that would have required EDA to provide disaster economic recovery grants at 100% federal share.¹⁶²

Additionally, in an oversight hearing prior to EDRA's enactment, DRA requested expanded grantmaking authority to align their statutory language with that of other FRCAs. One of the requests pertained to expanded authority for grantmaking in severely economically distressed areas. However, these amendments were not enacted through EDRA.¹⁶³ Congress may consider the DRA's request and the degree to which the DRA may have existing authority to carry out specific activities under current law.

After EDRA passed the House and the Senate in December 2024, several Members noted that the legislation was notable for modernizing the EDA for “today’s challenges.” Some Members also

¹⁶⁰ For certain EDA programs, EDRA expanded the types of factors used in determining economic distress to include areas that have high underemployment, low median household income, or a high prime-age workforce participation gap. As before EDRA, these EDA grant programs will continue to be available to areas with high levels of unemployment, low per capita income, or special need. See 42 U.S.C. §3144.

EDA noted that by defining predevelopment in statute, EDRA enabled the agency “to provide assistance to distressed communities to prepare for much larger infrastructure investments in the future.” EDA, “U.S. Economic Development Administration Reauthorized by Congress for First Time in 20 Years,” December 19, 2024, <https://www.eda.gov/news/press-release/2024/12/19/us-economic-development-administration-reauthorized-congress-first>.

¹⁶¹ Although definitions for *colonias* vary, a 2024 Government Accountability Office (GAO) report referred to *colonias* in the following way

Present-day colonias are communities of all types and sizes, both incorporated and unincorporated. They include high-poverty subdivisions, retirement communities, and tribal reservations. These communities are found throughout the border region, with the majority concentrated in Texas (see fig. 1). Communities are designated as colonias via a process that varies by state and generally involves an act of local government, such as a resolution by a County Board of Commissioners.

See GAO, “Rural Development - Actions Needed to Improve Assistance to Southwest Border Communities Known as Colonias,” GAO-24-106732, September 2024, <https://www.gao.gov/products/gao-24-106732>.

¹⁶² See, for example, H.R. 5517 in the 118th Congress. Under current law, EDA is authorized to provide funding to disaster economic recovery activities at a federal share of up to 100%. See 42 U.S.C. §3233(b).

¹⁶³ The DRA request was to add the following language as subparagraphs to subsections (a)(5), (a)(6), and (a)(7) of section 15501 of title 40:

(5) to provide assistance to severely economically distressed and underdeveloped areas of its region that lack financial resources for improving basic health care and other public services; (6) to promote resource conservation, tourism, recreation, and preservation of open space in a manner consistent with economic development goals; (7) to promote the development of renewable and alternative energy sources; Causing renumeration of current subparagraph (5) to (8).

See House Subcommittee on Economic Development, Public Buildings, and Emergency Management, *Regional Commissions: A Review of Federal Economic Development Program Effectiveness*, Serial No. 118–32, p. 23.

noted that the legislation reasserted and enhanced Congress' oversight of the EDA while maintaining its focus on distressed communities and its ability to support "locally driven economic development decisions."¹⁶⁴ Congress may analyze whether and how the changes to EDA impact communities' approaches to addressing economic distress in new or different ways (e.g., increased predevelopment activities).

Impacts of EDRA Revisions on Grant Allocation and Distribution

Congress may consider reviewing how EDRA's changes either broaden or narrow the range of communities benefitting from federal assistance. Congress may seek to study how specific types of communities (e.g., small, rural, under-resourced, and/or tribal communities) and types of regional economies (e.g., travel and tourism, blue, and/or steel industry economies) may be impacted by the revisions. Congress may also seek to study whether additional areas become eligible for grants based on EDRA's revisions to program criteria, and if so, where the newly eligible communities are located. Congress may consult with EDA in coming years to evaluate whether or if the establishment of investment priorities in statute has changed the agency's allocation of funding, staff, or other resources, and if there may be opportunities or challenges in integrating the statutorily established priorities. Congress may also seek to track the allocation of EDA funding for programs or other assistance that required geographic diversity in allocating resources (i.e., the University Center program, broadband projects, Assistance to Nuclear Host Communities grants, and the alignment of Economic Development Representatives with coal communities).¹⁶⁵

Congressional Appropriations, Oversight, and Reporting Milestones

Congress annually considers whether and at what level to continue to provide appropriations for EDA and FRCAs for carrying out community-driven state and local economic development activities. EDRA authorized a total of over \$5 billion for EDA and FRCA programs and expenses over the FY2025 through FY2029 period. In terms of agency capacity and staffing, Congress is to determine in the coming years the level of annual and supplemental appropriations to be provided in response to this authorization, and whether the additional roles and requirements in EDRA may prompt changes to the level of funding needed for EDA and FRCAs.

Congress may engage in oversight activities aligned with reporting requirements set by EDRA on EDA and GAO. Several reporting and rulemaking requirements have deadlines in the next one to four years (see "New and Updated Reporting Requirements and Topics").

Congress may seek to evaluate the impact, if any, of increased coordination and outreach prioritized by certain provisions (e.g., regarding the work of the EDA with FRCAs and the EDA's OTED's outreach with tribal communities).¹⁶⁶

Succession and temporary leadership planning for FRCAs may involve ongoing congressional input and oversight as well. Under current law, the President appoints the alternate federal co-

¹⁶⁴ *Congressional Record*, 118th Congress, 2nd sess., vol. 170, no. 188 (December 18, 2024), p. S7162, <https://www.congress.gov/118/crec/2024/12/18/170/188/CREC-2024-12-18-pt1-PgS7162.pdf>.

¹⁶⁵ EDRA allowed EDA to account the needs of coal communities in assigning certain staff positions (see P.L. 118-272, Section 2231), and to consider geographic diversity in allocating financial assistance and staff resources for the following programs and activities: the University Center program, broadband projects, and the Assistance to Nuclear Host Communities program (see Sections 2217, 2223, and 2219).

¹⁶⁶ P.L. 118-272, Section 2212 and Section 2227.

chair for most FRCAs without needing Senate confirmation. However, if the President does not appoint an alternate, that role remains vacant. Members of Congress may be interested in reviewing why vacancies in co-chairs occur and how vacancies impact FRCA operations. In the future, the Senate may continue to participate in confirming federal co-chairs for the new and existing FRCAs through hearings or other activities.

Concluding Remarks

Since their initial authorizations, FRCAs and EDA have provided place-based federal economic development assistance to distressed areas through broad-based core programs and partnerships across multiple levels of government. Subsequent reauthorizations, as well as the authorization of new FRCAs, have allowed for different forms of assistance, expanded geographic coverage of programs, and new types of eligible recipients and activities. Reauthorizations of FRCAs and EDA have generally provided a vehicle for policymakers to maintain or expand the scope of assistance, target assistance, or prioritize additional policy objectives or activities, such as workforce training, manufacturing, innovation, or regional economic resiliency.

Prior to EDRA, congressional deliberations regarding the reauthorization of EDA and FRCAs considered whether and how to maintain their core functions and whether and how to modernize the programs and authorities for new and different economic conditions, technology, trade, and shifts in industry concentrations. The enactment of EDRA signaled ongoing congressional support of federal assistance for core state and local economic development activities—particularly for areas experiencing economic adjustment challenges.

EDRA's changes to FRCAs and EDA reflect an ongoing focus on place-based, locally-driven, coordinated, and regionally-oriented assistance that may be adapted to meet a wide range of different communities, circumstances, and events. EDRA's changes also reflect an interest in updating program criteria and authorities to meet specific types of applicants, projects, and scenarios in response to the increased frequency of extreme weather events, new types of investment opportunities, and considerations for small and rural communities. Combined—the reauthorization of long-standing foundational programs and the authorization of new authorities and programs—represent both a continuation and a modernization of EDA and an expanded scope of responsibilities for EDA and FRCAs. Congress may continue to examine options for maintaining, limiting, or expanding the scope of EDA and FRCAs activities and whether there may be opportunities to further integrate regional economic development objectives with other objectives related to national economic security, global competitiveness, manufacturing, health access, housing, community development, and other goals.

Appendix A. EDRA Subtitle A – All EDA Provisions

The following sections provide summaries of all enacted provisions in Subtitle A of EDRA, which addresses EDA authorities and programs.

Section 2211, Definitions

The legislation added the following new terms to the definitions section of the agency’s authorizing statute: *blue economy*, *capacity building*, *outdoor recreation*, *project predevelopment*, and *travel and tourism*.

Section 2211 also

- updated the definition of “regional commission” to include all 10 FRCAs,
- provided the EDA with discretion to determine the extent to which neighboring counties or communities may be considered part of EDA-designated economic development districts (EDDs), and
- expanded the types of eligible recipients to include economic development organizations and public-private partnerships.

Section 2212, Increased Coordination

Section 2212 directed the EDA to increase coordination activities in order to reduce duplication and develop best practices. The legislation specifically required the EDA to coordinate with the FRCAs through meetings that are to be held at least once every two years, and to include the FRCAs’ federal co-chairs as well as the FRCAs’ state co-chairs (or their designees). The first meeting is to be held by January 4, 2026. Previously, PWEDA encouraged, but did not require, the EDA to have meetings with federal agencies, state and local governments, and other economic development stakeholders, yet EDA was not required to meet with FRCAs.

This section also required EDA to make a report publicly available about the EDA and FRCA efforts to enhance coordination, reduce duplication of efforts, and a timeline for those actions. Reports are to be created within one year of the meetings, and are required to also include a summary of any best practices and strategies developed.

Section 2213, Grants for Public Works and Economic Development

Section 2213 made changes to the Public Works program (42 U.S.C. §3141). The legislation

- broadened the scope of eligible projects to include waste management and recycling systems;
- added resilience as a rationale for facility improvement grants;
- expanded the grant program criteria to include the *retention* of industrial or commercial facilities (in addition to the establishment or expansion of such facilities), and the consideration of benefits to the long-term *underemployed* (in addition to unemployed and members of low-income families); and
- added considerations to be used when reviewing projects to include projects that may: lead to economic diversification; address and mitigate extreme weather events, including resiliency efforts; benefit highly rural communities; increase broadband access; promote significant job creation or retention relative to the

population of the impacted region; support outdoor recreation or blue economy activities; or promote travel and tourism.

Section 2214, Grants for Planning and Grants for Administrative Expenses

For the EDA's existing Planning program (42 U.S.C. §3143), the legislation

- allowed for program grants to pay for administrative expenses such as project predevelopment costs, planning activities, and hiring personnel for project planning or predevelopment efforts, including disaster economic recovery plans; and
- clarified that high speed telecommunications includes broadband in state economic development planning and that such state-level plans shall consider the provision of public works to accomplish various outcomes, including efforts to address and mitigate economic impacts of extreme weather.

Section 2215, Cost Sharing

Section 2215 changed existing cost sharing requirements (42 U.S.C. §3144) associated with core EDA programs in several ways. Section 2215

- amended PWEDA to increase the maximum federal share for most projects from 50 to 60%;
- allowed project funds provided by FRCAs to be considered nonfederal funding;
- expanded the type of programs that do not require matching funds to include the Partnership Planning program; and
- allowed small communities with populations under 10,000 residents to receive grants without a cost share requirement (provided that the project area meets one or more of the EDA's economic distress criteria).

Section 2216, Regulations on Relative Needs and Allocations

Section 2216 amended PWEDA (42 U.S.C. §3146) to require the EDA—when making rules, regulations, and procedures—to clarify that the agency must consider several additional factors, including

- the per capita income levels, the labor force participation rate, and the extent of underemployment when considering the relative need of eligible areas, and
- the potential for projects to *retain* jobs, in addition to creating jobs or other outcomes (when reviewing EDA grant proposals).

Section 2217, Research and National Technical Assistance; University Centers

Section 2217 made changes to the EDA's existing Research and National Technical Assistance (RNTA) program (42 U.S.C. §3147). The provision primarily codified aspects of the existing University Center (42 U.S.C. §3147(a)(2)(D)), a component of the RNTA program, by

- directing EDA to make grants to institutions of higher education,

- directing EDA to consider geographic diversity so that University Centers provide services in each state,
- outlining specific roles and duties for the University Centers, and
- directing EDA to consider the location, proximity, and relationship of University Centers with areas experiencing economic distress.

Section 2217 also allowed for project predevelopment to be an authorized expense covered by the RNTA programs.¹⁶⁷

Section 2218, Investment Priorities

EDRA established EDA investment priorities in statute. Section 2218 established the following investment priorities: (1) critical infrastructure, (2) workforce, (3) innovation and entrepreneurship, (4) economic recovery resilience, and (5) manufacturing; and required the EDA to use the new investment priorities when awarding grants authorized by PWEDA. If EDA plans to use an investment priority not established by Section 2218, then it must submit a notification to explain the rationale for using that investment priority. For a comparison of investment priorities since 2011, see **Table 1**.

Section 2219, Grants for Economic Adjustment

Section 2219 made changes to several aspects of the EDA's existing EAA program (42 U.S.C. §3149). Section 2219 specified additional reasons for providing EAA assistance to communities, such as the loss of jobs in travel and tourism, natural resource-based, agricultural, and blue economy industries (in addition to the loss of manufacturing jobs, which was previously listed as a reason for providing assistance).¹⁶⁸ Section 2219 also allowed EAA assistance to be provided to address economic injury by economic dislocation in the steel industry or by "limited water for industrial consumption in areas impacted by decreased water supplies due to drought or extreme heat."

Section 2219 codified two existing initiatives associated with the EAA program—the Assistance to Coal Communities (ACC) and Assistance to Nuclear Host Communities (ANHC) grant initiatives.¹⁶⁹ In report language in recent years, Congress has directed EDA to administer these initiatives through the EAA program.¹⁷⁰ As a result of EDRA, the ACC and ANHC will continue to be administered as a component of the EAA program.¹⁷¹ For ACC grants, Section 2219 also specified that an applicant may indicate that they have been adversely impacted by a decline in coal activity by demonstrating a decline in employment, tax revenues, or other factors. For ANHC grants, Section 2219 authorized the use of EAA funding for community advisory boards

¹⁶⁷ P.L. 118-272, Section 2211 provided a definition for *project predevelopment*, which was not previously defined in EDA's authorizing statute.

¹⁶⁸ P.L. 118-272, Section 2211 provided definitions for the terms *blue economy* and *travel and tourism*, which were not previously defined in EDA's authorizing statute.

¹⁶⁹ Assistance to Nuclear Host Communities was previously called Assistance to Nuclear Closure Communities (NCC). For additional information, see CRS Insight IN11648, *The Economic Development Administration's Assistance to Coal and Nuclear Closure Communities Initiatives for Economic Transitions*, by Julie M. Lawhorn.

¹⁷⁰ For an example of report language in recent years, see Senator Patrick Leahy, "Explanatory Statement Submitted by Mr. Leahy, Chair of the Senate Committee on Appropriations, Regarding H.R. 2617, Consolidated Appropriations Act, 2023," *Congressional Record*, vol. 168, no. 198 (December 20, 2022), S7898-S7899, <https://www.congress.gov/congressional-record/volume-168/issue-198/senate-section/article/S7819-2>.

¹⁷¹ 42 U.S.C. §3149(d) and (e).

in nuclear host communities, in addition to funding for economic development activities. Section 2219 also required the EDA to consider geographic diversity in making ANHC grants.

Section 2219 defined the following terms relevant to the ACC and ANHC initiatives and associated community conditions and events: *coal economy*, *contraction event*, *commission* (in the context of assistance to nuclear host communities, commission refers to the Nuclear Regulatory Commission, rather than FRCAs), *community advisory board*, *decommission*, *licensee*, and *nuclear host community*.

As noted below, Section 2236 provided an authorization of appropriations for ACC and ANHC project funding for each of FY2025 through FY2029 and for community advisory boards for each of FY2025 through FY2027. Although no budget authority is provided in EDRA, these amounts were authorized in addition to, and separate from, the authorization of appropriations for the broader EAA program.

Section 2220, Renewable Energy Program

Prior to the enactment of EDRA, EDA was authorized to administer the Brightfields Demonstration program (42 U.S.C. §3154d). Section 2220 replaced the Brightfields program with a program authorized to make grants for renewable energy technology on brownfield sites.

Section 2221, Workforce Training Grants

Section 2221 amended PWEDA to establish a new workforce training program that may be used to provide assistance for facilities construction, equipment, sectoral partnerships, and a pilot program for state grants (42 U.S.C. §3154e). EDRA required EDA to coordinate with the Secretary of Labor and the Secretary of Education on new workforce development models.

For the state grant pilot program, an applicant state must prepare a plan that outlines strategies for identifying industry sectors that face staffing challenges; strategies for recruiting and tracking participants; and a governance structure involving a consortium, among other details about the implementation plan. Eligible uses for the state grant pilot program include, but are not limited to: tuition and stipends for individuals that receive funds under the state's program, planning, and technical assistance. State grant pilot program grantees are generally required to provide 30% matching funds. Unless it is extended by legislation, the authority for the state grant pilot program ends on September 30, 2029.

Section 2222, Congressional Notification Requirements

Section 2222 required EDA to notify the Senate Committee on Environment and Public Works and the House Committee on Transportation and Infrastructure at least three days prior to making grants over \$100,000. Section 2222 also required EDA to provide public notice of grants over \$100,000 within 60 days of when congressional notice is provided. The notification is to include information about the project, applicant, location, costs, impact, and other information.

Section 2223, Specific Flexibilities Related to Deployment of High-Speed Broadband

Section 2223 created a new high-speed broadband deployment initiative and specifically authorized the EDA to make grants for broadband projects (42 U.S.C. §3154g). When making grants for broadband projects, Section 2223 directed the EDA to consider geographic diversity of

grants provided, underserved markets, and the level of existing service and other proposed federal investments in the areas proposed for EDA's broadband grants. Section 2223 also defined the terms *broadband project* and *high-speed broadband*.

This section expanded the types of eligible recipients to include public-private partnerships (PPPs) or consortia for broadband projects.¹⁷²

Section 2224, Critical Supply Chain Site Development Grant Program

Section 2224 authorized the EDA to make grants for site development or expansion projects that are associated with critical supply chain activities (42 U.S.C. §3154h). The grants are for the purpose of making a site ready for manufacturing projects. Eligible uses of grant funds include utility and infrastructure activities (e.g., road, water, broadband), site readiness activities (e.g., land assembly, environmental reviews, zoning, engineering), and workforce development and sustainability programs, among others. EDA is not allowed to require an applicant for this grant program to demonstrate that a private company or investment has selected the site for development or expansion, but applicants must show that there is private sector interest.

Section 2225, Updated Distress Criteria and Grant Rates

Section 2225 changed the economic distress criteria, which impacts how project areas may be considered eligible for funding under certain Public Works and Economic Adjustment Assistance (PWEAA) programs. Prior to the enactment of EDRA, project areas had to meet one or more criteria involving low per capita income, high unemployment rate, or a special need circumstance related to severe short-term or long-term changes in economic conditions.¹⁷³ These are generally referred to as the economic distress criteria, which are used to prioritize areas for PWEAA assistance.¹⁷⁴ Section 2225 expanded the special need criteria to specify that underemployment, low *median* household income, low workforce participation rates, and expected economic distress from energy industry transitions are also significant economic adjustment problems that warrant consideration as economic distress and thus PWEAA eligibility.

This section also required public and congressional notification to increase transparency regarding the EDA's justification for including neighboring counties and communities in an economic development district (EDD).¹⁷⁵ EDDs are multi-jurisdictional entities that assist with regionally driven economic development planning processes.¹⁷⁶ EDDs must contain at least one geographic area that fulfills the economic distress criteria, among other requirements.¹⁷⁷

¹⁷² P.L. 118-272, Section 2223 incorporated legislative text previously introduced, but not enacted, pertaining to EDA assistance for broadband activities. See H.R. 1752 in the 118th Congress and H.R. 3193 in the 117th Congress—both were entitled *Eliminating Barriers to Rural Internet Development Grant Eligibility (E-BRIDGE) Act*.

¹⁷³ 42 U.S.C. §3161.

¹⁷⁴ For additional information, see CRS In Focus IF12074, *Areas of Economic Distress for EDA Activities and Programs*, by Julie M. Lawhorn.

¹⁷⁵ EDA, "Economic Development Districts," <https://www.eda.gov/about/economic-development-glossary/edd>.

¹⁷⁶ EDA, "Economic Development Districts."

¹⁷⁷ 42 U.S.C. §3171.

Section 2226, Comprehensive Economic Development Strategies

Section 2226 expanded the scope of planning considerations to include extreme weather in the development of comprehensive economic development strategies (CEDS). CEDS are locally developed, long-term regional economic development plans. To complete the CEDS, regional stakeholders engage local leaders, private sector firms, individuals, organizations, institutions of learning, and other participants. With some exceptions, an area must have a CEDS or equivalent strategy in order to be eligible for PWEAA project funding and EDA evaluates Research and National Technical Assistance (RNTA) projects based on the extent to which they are consistent with a CEDS, as applicable.¹⁷⁸ Also, an organization must have a CEDS in order to receive EDA's EDD designation.¹⁷⁹

Section 2226 provided an exception to the CEDS requirement for grants awarded under the EAA program for disaster economic recovery (42 U.S.C. §3149(c)(2)) and the RNTA program (42 U.S.C. §3147) for areas to which more than one CEDS may apply.

Section 2227, Office of Tribal Economic Development (OTED)

Section 2227 established a new OTED to assist tribal communities in accessing economic development assistance, maintain an active role in coordination with other federal agencies, and participate in rulemaking and consultations that may impact tribal communities. This section required EDA to publish a comprehensive online directory of economic development programs for tribal communities and maintain sufficient staff to carry out OTED outreach activities. This section required EDA to complete a strategic plan for tribal economic development, to be informed by a tribal consultation process, by January 4, 2026 (and every three years thereafter).

Section 2228, Office of Disaster Recovery and Resilience (ODRR)

Section 2228 established the ODRR and authorized it to direct and implement the EDA's post-disaster and long-term economic recovery responsibilities, including its existing roles under the National Disaster Recovery Framework.¹⁸⁰ Section 2228 also authorized the creation of a Disaster Team that may be deployed if and when the Federal Emergency Management Agency (FEMA) activates the EDA. The Disaster Team is to be responsible for post-disaster economic recovery efforts and may include EDA and non-EDA employees.

Section 2228 provided special hiring authority to the EDA for ODRR temporary personnel and allowed the EDA to convert temporary employees to permanent positions under certain circumstances.¹⁸¹ The EDA's special hiring authorities related to disaster personnel provided under Section 2228 are set to expire on September 20, 2029.

¹⁷⁸ 42 U.S.C. §3162 and 13 C.F.R. §306.2.

¹⁷⁹ 13 C.F.R. §304.1.

¹⁸⁰ For additional information, see CRS Report R46696, *National Preparedness: A Summary and Select Issues*, by Shawn Reese and Lauren R. Stienstra and FEMA, "National Disaster Recovery Framework," <https://www.fema.gov/emergency-managers/national-preparedness/frameworks/recovery>.

¹⁸¹ For a discussion of EDA's recent application of its emergency hiring authority and state and local capacity challenges in the disaster recovery context, see Senate EPW Committee, *Oversight of the Economic Development Administration*, S.Hrg. 116-239, 116th Cong., 2nd sess., January 22, 2020, <https://www.congress.gov/116/chrg/CHRG-116shrg40975/CHRG-116shrg40975.pdf>. See also Department of Commerce, Office of Inspector General, *EDA Was Effective in Implementing the Requirements for Awarding Funds Under the CARES Act*, Final Report No. OIG-21-017-I, <https://www.oig.doc.gov/OIGPublications/OIG-21-017-I.pdf>.

The legislation required EDA to submit reports on the ODRR and disaster team activities, the number and details of disasters in which permanent and temporary personnel were deployed, and other related details related to the disasters and resources by July 1, 2026, and annually thereafter. For any fiscal year during which EDA uses the authority to convert temporary employees to carry out disaster recovery activities, the EDA is required to submit a report on the hiring and status of employees.

Section 2229, Establishment of Technical Assistance Liaisons

Section 2229 established the Technical Assistance Liaison role and allowed the EDA's regional offices to designate a regional EDA staff person to fill this role. The Technical Assistance Liaisons will provide assistance to under-resourced communities.

Section 2230, Annual Report to Congress

This section amended PWEDA (42 U.S.C. §3213(b)) to update the annual reporting requirements. Section 2230 required EDA to provide an annual report to Congress by July 1 of each year by inserting a provision requiring that the EDA include

- A list of grants located in or benefiting rural areas as well as other information about the agency's grant-making process in rural areas,
- A list of individual construction project completion and closeout information, and
- An analysis of construction project timeline estimates and actual project durations, as well as information about delays and project amendments.

Section 2231, Economic Development Representatives

Section 2231 allowed the EDA to use its Economic Development Representatives (EDRs) to support under-resourced communities and to support coal communities in particular. The provision encouraged the EDA to consider the needs of these communities when assigning EDRs. The EDR is an existing staff role at EDA's six regional offices.¹⁸²

Section 2232, Modernization of Environmental Reviews

Section 2232 directed the EDA to review and report on ways to streamline its environmental review of projects, including through updating agency procedures under the National Environmental Policy Act (NEPA), expanding programmatic and interagency approaches, and by establishing additional categorical exclusions.¹⁸³ The legislation highlighted congressional interest in strategies that may result in "efficient, timely, and predictable environmental reviews." According to some federal stakeholders, "[t]he use of categorical exclusions can reduce paperwork and save time and resources."¹⁸⁴ Section 2232 directed the EDA to complete the report by July 3, 2025, and issue a final rule by January 2027 on such streamlining measures.

¹⁸² For a directory of Economic Development Representatives, see EDA, "Find Local Contacts," <https://www.eda.gov/about/contact>.

¹⁸³ For additional background on categorical exclusions, see CRS In Focus IF12560, *National Environmental Policy Act: An Overview*, by Kristen Hite.

¹⁸⁴ See Council on Environmental Quality (CEQ), "Categorical Exclusions," <https://ceq.doe.gov/nepa-practice/categorical-exclusions.html>. CEQ is an entity within the Executive Office of the President that oversees the (continued...)

Section 2233, GAO Report on Economic Development Programs

Section 2233 required the GAO to develop a report to evaluate economic development programs administered by EDA and FRCAs and describe their coordination activities. This section directed the GAO to also provide legislative recommendations for improving programs. The report is to be completed by September 30, 2026. Section 2233 also defined the terms *comptroller general* and *regional commission*.

Section 2234, GAO Report on Economic Development Administration Regulations and Policies

This section required the GAO to develop a report to evaluate EDA economic development regulations and policies that have hindered the ability of communities to apply for and administer EDA grants. Section 2234 directed the GAO to also provide recommendations for improving the administration and timely disbursement of EDA grants; communication with grantees; and the grant application process. The deadline for the report is January 4, 2027. This section also defined the terms *comptroller general* and *small community*.

Section 2235, GAO Report on Rural Communities

This section required the GAO to develop a report to evaluate the impacts of EDA funding on distressed communities, particularly on the impact of EDA funding on local jobs and unemployment and the availability of affordable housing.

Section 2236, General Authorization of Appropriations

EDRA authorized specific amounts for 10 EDA programs and the Technical Assistance Liaisons—see **Table 2**.

implementation of environmental policies (i.e., National Environmental Policy Act (NEPA, 42 U.S.C. §§ 4321 *et seq.*) policies).

Appendix B. EDRA Subtitle B – All Federal Regional Commission and Authority (FRCA) Provisions

The following sections provide summaries of all enacted provisions in Subtitle B of EDRA, which addresses FRCA authorities and programs.

Section 2241, Regional Commission Authorizations

EDRA established authorized funding levels at \$40 million for each of FY2025 through FY2029 for the Subtitle V FRCAs (see **Table 3**). EDRA provided the authorization for appropriations; it did not provide appropriations of budget authority to the FRCAs.

Section 2242, Regional Commission Modifications

Section 2242 made changes to the membership, voting and decisionmaking procedures, administrative powers, and other authorities and requirements (e.g., fees, headquarters, meetings, reports) of the Subtitle V FRCAs.

Section 2242 authorized an alternate state member to select a designee that may vote in their absence, provided that the executive director is notified a week before the applicable vote.

In terms of membership and voting and decisionmaking procedures, Section 2242 authorized alternate state members or their designees to vote on FRCA decisions, where previously FRCA decisions required the vote of the state members (in addition to the vote by the federal cochair).¹⁸⁵ Section 2242 also allowed state members, alternate state members, or their designees' votes to count toward a quorum—prior to EDRA, alternative state members or their designees did not count toward a quorum.¹⁸⁶

Section 2242 allowed the federal co-chair to designate an employee of the commission to take on a temporary acting role as federal co-chair if there are vacancies in both the federal co-chair and the alternate federal co-chair roles. Section 2242 substituted “an employee” for “a Federal employee.”¹⁸⁷

Section 2242 made the following additional changes to the administrative powers and requirements of the Subtitle V FRCAs:

¹⁸⁵ With the enactment of EDRA, 40 U.S.C. §15302 (Decisions) now states

Except as provided in section 15304(c)(3), decisions by the Commission shall require the affirmative vote of the Federal Cochairperson and a majority of the State members *or alternate State members, including designees* (exclusive of members representing States delinquent under section 15304(c)(3)(C)) [emphasis added].

¹⁸⁶ P.L. 118-272, Section 2242(b)(2). Previously, the statute dealing with quorums stated that “a State alternate member shall not be counted toward the establishment of a quorum.” Section 2242 specified that the FRCAs’ quorum decisions shall include the federal co-chair or alternate federal co-chair (unchanged) and “a majority of *State members or alternate State members, including designees* (exclusive of members representing States delinquent under section 15304(c)(3)(C))” [emphasis added].

¹⁸⁷ 40 U.S.C. §15301(f).

- Clarified that any request to the head of any federal agency, state agency, or local government to detail to one of the Subtitle V FRCAs shall not require reimbursement to the agency or local government;
- Allowed the Subtitle V FRCAs to collect, retain, and expand fees for services;
- Repealed the requirement to maintain a government relations office in the District of Columbia;
- Changed the annual meeting requirements to allow for state alternate designees to count toward the majority of the state members and allow for in-person or virtual attendance; and
- Changed the requirement from every 90 to every 180 days after the end of the fiscal year for the submission of the annual report to the President and to Congress.

Section 2243, Transfer of Funds Among Federal Agencies

Section 2243 allowed the Subtitle V FRCAs to transfer funds to and accept funds from other federal agencies where funds are appropriated for similar purposes.¹⁸⁸

Section 2244, Financial Assistance

Section 2244 allowed funding from the Subtitle V FRCAs to be considered as nonfederal match for projects under certain federal grant programs and circumstances.

Section 2245, Northern Border Regional Commission

Section 2245 added four counties to the region of the Northern Border Regional Commission: Lincoln County in Maine, Merrimack County in New Hampshire, and Schoharie and Wyoming Counties in New York (see **Figure 8**).

Section 2246, Southwest Border Regional Commission

Section 2246 added 10 counties to the region of the Southwest Border Regional Commission: Bernalillo, Cibola, Curry, De Baca, Guadalupe, Lea, Roosevelt, Torrance, and Valencia Counties in New Mexico and Guadalupe County in Texas (see **Figure 9**).

Section 2247, Great Lakes Area

Section 2247 expanded the definition of the Great Lakes Authority's region by specifying that it shall include entire counties rather than parts of counties (see **Figure 7**).

Section 2248, Additional Regional Commission Programs

Section 2248 authorized the state capacity grant building and demonstration health project programs for all Subtitle V FRCAs.

¹⁸⁸ With the enactment of EDRA, this provision is at 40 U.S.C. §15308.

Section 2249, Establishment of Mid-Atlantic Regional Commission

Section 2249 amended 40 U.S.C. §15301(a) to establish the Mid-Atlantic Regional Commission (MARC) (see **Figure 4**). Section 2249 waived 40 U.S.C. §15702(c) as it pertains to the MARC counties in Maryland and Pennsylvania.

Section 2250, Establishment of Southern New England Regional Commission

Section 2250 amended 40 U.S.C. §15301(a) to establish the Southern New England Regional Commission (SNERC) (see **Figure 5**). Section 2250 also waived 40 U.S.C. §15702(c) as it pertains to the SNERC.

Section 2251, Denali Commission Reauthorization

Section 2251 reauthorized the Denali Commission and established the authorized funding level of \$35 million for each of fiscal years FY2025 through FY2029. EDRA provided the authorization for appropriations; it did not provide appropriations of budget authority to the Denali Commission.

Section 2251 also allowed the Denali Commission to enter into leases (including leases for office space for any term) and allowed Denali Commission funding to be considered nonfederal when used for cost share in other federal programs, as long as it is not prohibited by the other federal program. This section repealed the commission's special function related to rural utilities; and codified the U.S. Department of Agriculture's authority to make interagency transfers to the Denali Commission to address solid waste disposal site issues—in addition to direct lump sum payments, which were previously authorized.¹⁸⁹

Section 2252, Denali Housing Fund

Section 2252 established a new program, the Denali Housing Fund, which may be used for loans or grants for planning, construction, or rehabilitation housing activities for low- and moderate-income (LMI) households in rural Alaska villages. This section outlined two purposes for the Fund: (1) to encourage and facilitate the construction or rehabilitation of housing to meet the needs of LMI households; and (2) to provide housing for public employees. This section also provided definition for the following terms: eligible entity, federal co-chair, fund, low-income, moderate-income, and Secretary.

Section 2252 authorized an annual funding level of \$5 million for the fund for each of FY2025 through FY2029.

¹⁸⁹ EDRA removed subsection (a) from Section 307 (Special Functions) of the Denali Commission Act of 1998 (42 U.S.C. §3121 note; P.L. 105-277), which was

Rural Utilities.—In carrying out its functions under this title, the Commission shall as appropriate, provide assistance, seek to avoid duplicating services and assistance, and complement the water and sewer wastewater programs under section 306D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926d) and section 303 of the Safe Drinking Water Act Amendments of 1996 (33 U.S.C. 1263a).

Section 2253, Delta Regional Authority Reauthorization

Section 2253 established the authorized funding level at \$40 million for each of FY2025 through FY2029 for DRA. Under previous law, the authorization of appropriations for the DRA was \$30 million for each of fiscal years 2019 through 2023 (see **Table 4**). Section 2253 provided the authorization for appropriations; it did not provide appropriations of budget authority to the DRA.

Section 2253 made additional changes to the DRA's authorities and functions. Section 2253

- Repealed the DRA's termination of authority provision;¹⁹⁰
- Authorized the DRA to collect fees for the Delta Doctors program and keep and spend those fees;¹⁹¹
- Authorized the executive director to assume the duties of the federal co-chair and the alternate federal co-chair for purposes of continuation of normal operations in the event that both positions are vacant;
- Authorized Indian tribes as eligible recipients of economic and community development grants; and
- Added Sabine, Vernon, and Terrebonne Parishes in Louisiana to the DRA region.

Section 2254, Northern Great Plains Regional Authority Reauthorization

The NGPRA was one of the seven existing FRCAs included in EDRA, yet it has been inactive in recent years. The NGPRA appears to have been briefly active shortly after it was created, when it received a total of \$3 million in annual appropriations from Congress in FY2004 and FY2005.¹⁹² Section 2254 increased the authorization of appropriations for NGPRA from \$30 million (for each of FY2008 through FY2018) to \$40 million (for each of FY2025 through FY2029). Section 2254 provided the authorization for appropriations; it did not provide appropriations of budget authority to the NGPRA. EDRA also explicitly repealed the NGPRA's termination of authority provision.¹⁹³

¹⁹⁰ Prior to the enactment of EDRA, the termination of authority provision was Section 382N of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009aa-13).

¹⁹¹ The DRA's Delta Doctors program is designed to address the health disparities and high levels of health professional shortages by granting J-1 visa waivers for physicians who are willing to provide medical services in distressed DRA communities. See DRA, "Delta Doctors," <https://dra.gov/programs/human-infrastructure/health/delta-doctors/>.

¹⁹² P.L. 108-199 and P.L. 108-447.

¹⁹³ Prior to the enactment of EDRA, the termination of authority provision was Section 383O of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009bb-13).

Appendix C. Reporting and Rule-making Requirements in EDRA

EDRA required several new reports and plans to be completed by EDA, FRCAs, and GAO on various topics. **Table C-1** summarizes the reports required by EDRA, in order of deadline.

Table C-1. Reporting and Rule-making Requirements and Topics in EDRA

Deadline	Section No. in EDRA (P.L. 118-272)	Lead Agency or Agencies	Requirement
July 1, 2025 and annually thereafter	Section 2230	Economic Development Agency (EDA)	The legislation updated the existing statute directing the EDA to provide an annual report to Congress by July 1 of each year by inserting a provision requiring that the EDA also include the following information (1) A list of grants located in or benefiting rural areas as well as other information about the agency's grant-making process in rural areas; and (2) a list of individual construction projects, including information about sources of matching funds, award amounts, jobs created or retained, and the dates for project award, completion, and closeout milestones.
July 3, 2025	Section 2232(a)	EDA	The legislation required a report on measures to streamline EDA's environmental review process.
January 4, 2026 and every three years thereafter	Section 2227	EDA	The legislation required EDA to complete a strategic plan for tribal economic development, to be informed by a tribal consultation process.
January 4, 2026	Section 2230	EDA	The legislation required EDA to submit a report analyzing construction project timeline estimates and actual project durations, as well as information about delays and project amendments.
March 30, 2026 and annually thereafter	Section 2242	Subtitle V Federal regional commissions and authorities (FRCAs)	The legislation required the Subtitle V FRCAs to complete an annual report to Congress no later than 180 days after the end of each fiscal year.
July 1, 2026 and annually thereafter	Section 2228	EDA	The legislation required EDA to submit reports on the ODRR and disaster team activities, the number and details of disasters in which permanent and temporary personnel were deployed, and other details related to the disasters and resources. A separate report is required for any fiscal year during which the EDA exercises its temporary hiring authority. This additional report is to provide information about the number of employees hired, positions, grades, and other information.
September 30, 2026	Section 2233	Government Accountability Office (GAO)	The legislation required a GAO report on economic development programs administered by EDA and FRCAs.

Deadline	Section No. in EDRA (P.L. 118-272)	Lead Agency or Agencies	Requirement
January 4, 2027 and within a year of subsequent meetings (to be held every two years thereafter)	Section 2212	EDA	The legislation required EDA to make a report publicly available about EDA and FRCA efforts to enhance coordination, reduce duplication of efforts, and a timeline for those efforts, as well as a summary of any best practices and strategies developed. The report shall be prepared no later than a year after the initial meeting, which is to be held no later than a year after EDRA's enactment (January 4, 2025).
January 4, 2027	Section 2232(c)	EDA	The legislation required EDA to issue a rule on EDA's environmental review process.
January 4, 2027	Section 2234	GAO	The legislation required the completion of a GAO report on EDA regulations and policies.
January 4, 2027	Section 2235	GAO	The legislation required the completion of a GAO report on the impacts of EDA funding to distressed rural communities.
As required	Section 2218	EDA	If EDA plans to use an investment priority not established by Section 2218, then it must submit a notification to explain the rationale for using that investment priority.
As required	Section 2222	EDA	The legislation required EDA to provide congressional notification at least three days prior to making grants over \$100,000. The legislation also required EDA to provide public notice of grants over \$100,000 within 60 days of when congressional notice is provided. The notification is to include information about the project, applicant, location, costs, impact, and other information.
As required	Section 2225	EDA	The legislation required public and congressional notification to increase transparency regarding the EDA's justification for including neighboring counties and communities in an economic development district.
As required	Section 2228	EDA	For any fiscal year during which EDA uses the authority to convert temporary employees to carry out disaster recovery activities, the EDA is required to submit a report about the number of employees hired, positions, grades, and other information.
Annually	Section 2248	Subtitle V FRCAs	Member states are required to report to their FRCA on the use of state capacity building grant programs and to make the report publicly available.

Source: P.L. 118-272.

Notes: Subtitle V FRCAs include the GLA, MARC, NBRC, SBRC, SCRC, and SNERC. All are all authorized by 40 U.S.C. Subtitle V, as amended.

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