Economic Development Administration: An Overview of Programs

August 19, 2026

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SUMMARY

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The Economic Development Administration (EDA), a bureau of the U.S. Department of Commerce (DOC), is the only federal agency with economic development as its sole mission. The agency was established pursuant to the enactment of the Public Works and Economic Development Act (PWEDA) of 1965 (42 U.S.C. §§3121 et seq.) to assist state and local stakeholders with developing the conditions and amenities to grow businesses, create jobs, and expand investment in economically distressed areas. EDA administers several programs in support of its mission, as discussed in this report.

Changing industry dynamics, global competition, technological developments, and other events, conditions, and priorities have shifted EDA's programs and priorities over time. During the agency's first 30 years, its programs focused on industrial growth and emphasized public works, roads, and infrastructure. Since then, Congress has supported an expanded portfolio of EDA programs to also advance existing and emerging industry clusters, develop human capital, strengthen supply chains, expand access to capital, build new types of infrastructure, and implement regional innovation and technology strategies. Additionally, EDA has also taken on new roles in developing state and local capacity, resiliency, disaster and economic recovery, and workforce training.

EDA generally administers multiple programs that fund a range of construction and non-construction activities in both urban and rural areas—primarily through competitive processes that solicit community-directed proposals aligned with the agency's investment priorities. EDA administers both flexible and targeted programs focused on innovation, technical assistance, and support for long-term, regional economic development planning. In 2025 and 2026 (to date), EDA has open funding notifications for a subset of its typical programs.

Congress may consider policies to change, expand, or focus the distribution of the agency's funding and related program requirements. Congress may also seek to adjust the overall role and authority of EDA and its programs in the context of changing economic conditions, specific industry trends, innovation, and disaster economic recovery and resiliency funding. Congress may consider the role of broad-based and/or targeted approaches to the allocation of economic development resources. For instance, Congress has approved appropriations to address coal-impacted and nuclear closure communities as well as demands for innovation-ready regions. Congress may consider reviewing the implementation, interagency coordination, and outcomes of new programs as well as the staffing resources required for such programs. For instance, in FY2023 Congress authorized two new regional programs, which have received over $1 billion in appropriations (i.e., the Recompete Pilot and the Tech Hubs programs), and Congress may conduct oversight on how those programs as well as a recent artificial intelligence workforce training program are implemented. Congress may also conduct oversight on the implementation of reauthorization legislation as well as plans for administering new programs.

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Introduction

The Economic Development Administration (EDA), a bureau of the U.S. Department of Commerce (DOC), provides financial and technical assistance to support locally driven, regionally oriented economic development strategies. The definitions of economic development and the local scope of practice have changed in response to shifts in regional and global economies, advances in technology, and other conditions and circumstances. EDA's programs, roles, and investment priorities have also shifted since the agency was created over 60 years ago. EDA's programs continue to include support for infrastructure, public works, and distressed areas, but now also include strategies focused on entrepreneurship, innovation, disaster recovery, and facilitating state and local economic development capacity.[1] In addition to administering and monitoring grant programs, EDA's roles have expanded to include research, technical assistance, and economic development integration across agencies, among others.

This report provides a summary of recent major EDA grant programs and selected considerations for Congress.

EDA Investment Priorities

EDA encourages grant applicants to align their proposals with its statutorily established investment priorities, which include

1. Critical infrastructure,
2. Workforce,
3. Innovation and entrepreneurship,
4. Economic recovery resilience, and
5. Manufacturing.[2]

EDA Grant Programs

EDA grant programs, which are generally flexible, locally based, and regionally oriented, are designed to increase the capacity for state and local economic development.[3] The programs broadly support local initiatives that "leverage economic assets in facilitating regional economic prosperity and resiliency as well as conditions for business success."[4] Activities funded by EDA grant programs include infrastructure, planning, workforce development, disaster economic recovery, and funding for business assistance programs such as revolving loan funds, business

[1] Testimony by Mr. Dennis Alvord, Acting Assistant Secretary of Commerce for EDA, U.S. House of Representatives, Committee on Transportation and Infrastructure, Subcommittee on Economic Development, Public Buildings and Emergency Management, *Investing in America: Reauthorization of the Economic Development Administration*, 117th Cong., 1st sess., April 28, 2021, https://www.congress.gov/117/meeting/house/112512/witnesses/HHRG-117-PW13-Wstate-AlvordD-20210428.pdf.

[2] See 42 U.S.C. §3148 and EDA, "Investment Priorities," https://www.eda.gov/funding/investment-priorities.

[3] Capacity is a central component of EDA's definition of economic development. EDA defines economic development as creating "the conditions for economic growth and improved quality of life by expanding the capacity of individuals, firms, and communities to maximize the use of their talents and skills to support innovation, lower transaction costs, and responsibly produce and trade valuable goods and services." EDA further defines economic development capacity building as "developing or improving community assets that businesses need to succeed." See EDA, "Key Definitions," https://eda.gov/performance/key-definitions.

[4] EDA, "Investment Priorities," https://www.eda.gov/funding/investment-priorities.

technical assistance, innovation, entrepreneurship, and business incubator programs,[5] among others. Grant programs may also support regional economic development goals by facilitating existing and emerging industry clusters, developing human capital, strengthening supply chains, expanding access to capital, and building innovation and technology strategies.[6]

Many EDA programs were established pursuant to the enactment of the Public Works and Economic Development Act (PWEDA) of 1965, as amended (42 U.S.C. §§3121 et seq.), to assist state and local stakeholders with developing the conditions and amenities to grow businesses, create jobs, and expand investment in economically distressed areas. The Stevenson-Wydler Technology Innovation Act of 1980, as amended (15 U.S.C. §§3701 et seq.), authorized additional EDA programs, which are primarily focused on regional innovation objectives (with the exception of the Recompete Pilot program).[7]

In January 2025, P.L. 118-272 reauthorized EDA.[8] P.L. 118-272 also authorized several new EDA grant programs and types of project activities, including renewable energy on brownfields sites (42 U.S.C. §3154d), workforce training (42 U.S.C. §3154e), high-speed broadband deployment (42 U.S.C. §3154g), and critical supply chain site development (42 U.S.C. §3154h). As of the date of publication, EDA has published guidance for some of the new programs.[9]

Table 1 provides a summary of recent major EDA grant programs. For detailed program information, see **Appendix A**.[10] For information on recently discontinued EDA grants programs, see **Appendix B**.

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[5] EDA defines incubators as

> A program, often sponsored by a university or nonprofit organization, that provides support and guidance to start-up companies during the embryonic phases of their development to support job creation and retention. Support can include technical assistance, facility access, financing, mentorship, and networking opportunities.

See EDA, "Economic Development Glossary," https://www.eda.gov/about/economic-development-glossary.

[6] DOC, EDA, *FY2024 Congressional Budget Justification*, p. 154, https://www.commerce.gov/sites/default/files/2023-03/EDA-FY2024-Congressional-Budget-Submission.pdf.

[7] The America COMPETES Reauthorization Act of 2010 (P.L. 111-358) established the EDA's Office of Innovation and Entrepreneurship (OIE), which administers programs authorized by Stevenson-Wydler Technology Innovation Act of 1980, as amended. For information about regional innovation, see CRS Report R47495, *Regional Innovation: Federal Programs and Issues for Consideration*, by Julie M. Lawhorn et al.

[8] For information about EDA's recent reauthorization, see CRS Report R48516, *Economic Development Reauthorization Act (EDRA) of 2024*, by Julie M. Lawhorn.

[9] See, for example, EDA, "AI Upskill Accelerator Pilot Program," https://www.eda.gov/ai-upskill. EDA's website ("Find Open Funding") lists open funding opportunities. See https://www.eda.gov/funding/funding-opportunities/.

[10] This report does not analyze EDA's grant awards by program. For an analysis of EDA funding awarded by program and other analysis, see Brett Theodos et al., "The Economic Development Administration's Programs and Projects Types—EDA Program Evaluation," The Urban Institute, October 2021, p. 6, https://www.urban.org/sites/default/files/publication/105006/economic-development-administration-programs-and-project-types_1_0.pdf; and "The Location of Economic Development Administration Grants—EDA Program Evaluation," The Urban Institute, July 20, 2023, https://www.urban.org/research/publication/location-economic-development-administration-grants. For an analysis of EDA disaster economic recovery funding, see Government Accountability Office (GAO), "Economic Development Administration: Actions Needed to Assess Disaster Recovery Outcomes," GAO-26-107742, July 02, 2026, https://www.gao.gov/products/gao-26-107742.

Table 1. Survey of Selected EDA Programs

Program Name (Assistance Listing ID)	Description	Project Examples
Public Works (11.300)	The Public Works program is designed to fund physical infrastructure projects such as water and sewer systems improvements, industrial parks, business incubator facilities, expansion of port and harbor facilities, skill-training facilities, and brownfields redevelopment.	• Construction of a workforce training center. • Water and wastewater improvements in connection with the development of an industrial park.
Economic Adjustment Assistance (EAA) (11.307)	The EAA program assists communities and regions affected by natural disasters, natural resource depletion, mass layoffs, and other severe economic shocks caused by structural impacts to regional economies. Revolving Loan Funds (RLFs) are capitalized by EAA grants. See CRS In Focus IF11449, *Economic Development Revolving Loan Funds (ED-RLFs)*.	• Capitalization of a Revolving Loan Fund for underserved regional businesses. • A study to evaluate how to develop, sustain, and promote businesses including retail, restaurants, services, and others in a downtown area. • Construction of a healthcare simulation lab and telemedicine space at a community college. • Funding for a regional disaster recovery coordinator.
AI Upskill Accelerator Pilot Program (11.307)	The AI Upskill Accelerator Pilot Program is a workforce grant initiative that uses a sectoral partnership approach to address AI workforce needs. The funding is available through an addendum to the FY2025 Public Works and Economic Adjustment Assistance (PWEAA) Notice of Funding Opportunity (NOFO) under the agency's recently-established authority for workforce training grants (42 U.S.C.§ 3154e). SeeCRS Insight IN12699, *Artificial Intelligence (AI) Skills Training in EDA Programs*.	• Funding for a sectoral partnership's plan to develop a regional workforce system focused on AI skills, as well as funding to design curricula and implement training programs.
EAA—Assistance to Coal Communities (ACC), Assistance to Nuclear Closure Communities (NCC) initiatives, **Assistance to Indigenous Communities, and Disaster Economic Recovery programs** (11.307)	The ACC and NCC initiatives support communities and regions that have been negatively impacted by changes in the coal economy or by nuclear plant closures, respectively. In addition to ongoing annual appropriations for the discretionary EAA grant program, Congress has authorized supplemental appropriations for EAA, ACC, and NCC initiatives as well as for post-disaster economic recovery and COVID-19 economic recovery efforts. EDA makes ACC, NCC, and Assistance to Indigenous Communities funding available through the NOFO for the Public Works and EAA programs, usually on an annual basis.	• A broadband mapping project to address current business access, an assessment of future needs, and regulatory matters for a coal-impacted community. • Development of a post-disaster roadmap to improve regional economic resiliency. • Storm water upgrades to minimize flooding hazards in a commercially zoned area in order to support job creation and economic resiliency goals.
Partnership Planning (11.302)	The Partnership Planning program supports a national network of EDA-designated Economic Development Districts (EDDs) as well as local organizations (Indian Tribes and	• Funds to support the development and implementation of the CEDS planning process.

Program Name (Assistance Listing ID)	Description	Project Examples
	other eligible recipients) with long-term strategic economic development planning efforts, and helps communities undertake focused, project-specific planning activities.	
Local Technical Assistance (11.303)	The Local Technical Assistance program provides grants for management and technical services, including feasibility studies or impact analyses.	• A feasibility study for a proposed, regional entrepreneurship center.
Research and National Technical Assistance (RNTA) (11.312 and 11.303)	The RNTA program funds research, evaluation, and national technical assistance projects that promote competitiveness and innovation in distressed rural and urban regions.	• A program evaluation of infrastructure and non-infrastructure EDA grants. • A grant to national organizations to provide technical assistance and disseminate promising strategies among coal-impacted and nuclear closure communities.
Build to Scale (Section 27) (11.024)	The Build to Scale (B2S) program funds efforts to facilitate innovation and entrepreneurship and increase access to risk capital. B2S is composed of the Venture Challenge and the Capital Challenge. The Venture Challenge supports entrepreneurship support programs and other models to accelerate high-growth entrepreneurship activities. The Capital Challenge provides operational support to help organizations and regions expand access to risk capital. EDA's OIE administers the B2S program, which is authorized under Section 27 of the Stevenson-Wydler Technology Act of 1980 (15 U.S.C. §3722).	• Implementing regional strategies that support entrepreneurship, technology development, commercialization, and increased access to capital for biomedical products, agricultural technologies, advanced manufacturing, and other technology- and innovation-based industries. • Operational support for a Prototype-to-Production Hardware Accelerator program to help entrepreneurs scale their business and manufacture their products.
Recompete Pilot (Section 29) (11.040)	The Recompete Pilot program was established by the CHIPS and Science Act (P.L. 117-167, enacted August 8, 2022). The program provides grants and cooperative agreements to persistently distressed areas. EDA administers two types of Recompete awards: (1) strategy development grants and (2) strategy implementation grants. The Recompete program is authorized under Section 29 of the Stevenson-Wydler Technology Act of 1980 (15 U.S.C. §3722b).	• Funding for multiple projects to provide resources and training to residents impacted by the decline of coal mining. • Funding for multiple projects to connect residents from distressed neighborhoods to good-paying jobs.
Regional Technology and Innovation Hubs (Tech Hubs) (Section 28) (11.039)	The Tech Hubs program was established by the CHIPS and Science Act (P.L. 117-167, enacted August 8, 2022). The focus of the program is to support technology development, job creation, and expanding U.S. innovation capacity. The program also seeks to develop hubs in areas that are not "leading technology centers." EDA administers two types of Tech Hubs awards:	• Funding for multiple projects to facilitate a region's capacity for biotechnology and biomanufacturing, including construction of a training and demonstration facility, assistance for early-stage innovators, and curricula and workforce training activities.

Program Name (Assistance Listing ID)	Description	Project Examples
	(1) strategy development grants and (2) strategy implementation grants. The Tech Hubs program is authorized under Section 28 of the Stevenson-Wydler Technology Act of 1980 (15 U.S.C. §3722a).	

Sources: EDA, "Programs," https://www.eda.gov/funding/programs; "Annual Reports," https://eda.gov/annual-reports; "Funding Opportunities," https://www.eda.gov/funding/funding-opportunities; "Press Releases" https://www.eda.gov/news; "Regional Technology and Innovation Hubs (Tech Hubs)," https://www.eda.gov/funding/programs/regional-technology-and-innovation-hubs, and "EDA Support for the Administration's AI Action Plan," https://www.eda.gov/news/blog/2025/12/22/eda-support-administrations-ai-action-plan.

Notes: The Assistance Listing ID refers to the five-digit alphanumeric characters associated with federal assistance programs (e.g., 11.036). A searchable database of Assistance Listing IDs for federal domestic assistance programs is available at https://sam.gov/content/assistance-listings. The Assistance Listing ID is also included in program award notices. Programs are authorized by PWEDA, except where otherwise noted. Project examples are for illustrative purposes only and do not represent all potential uses of funds. Table does not include all programs authorized by P.L. 118-272 in FY2025. Not all programs may be active or accepting applications. See EDA's website ("Find Open Funding") for open funding opportunities. See https://www.eda.gov/funding/funding-opportunities/all-opportunities.

As noted, EDA programs are generally flexible and may be used for a range of different activities. At the same time, Congress has expressed an interest in certain types of communities, economic impacts, technology-based economic development and cluster strategies, and disaster economic recovery. In response to these interests, certain EDA programs have targeted specific types of communities, strategies, and economic dislocations, including

- **economically distressed, small, rural, and underserved areas**—for additional information see CRS Insight IN12201, *Economic Development Administration Announces New Recompete Program*, and CRS In Focus IF12074, *Areas of Economic Distress for EDA Activities and Programs*;[11]
- **energy transition communities, including coal and nuclear closure communities**—for additional information, see CRS Insight IN11648, *The Economic Development Administration's Assistance to Coal and Nuclear Closure*

[11] For instance, P.L. 118-272 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. See P.L. 118-272, §§2213 and 2224. P.L. 118-272 also directed EDA to expand or maintain dedicated staff for economic development roles and/or outreach activities with rural and energy transition communities by directing EDA to provide new Technical Assistance Liaisons to assist eligible recipients that are in under-resourced communities and directing EDA to promote access to its programs through Economic Development Representatives (EDRs), particularly with coal communities. See P.L. 118-272, §2231. In FY2023, as in prior years, Congress directed EDA "to consider geographic equity in making all award decisions and to ensure that rural projects are adequately represented among those selected for funding." 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), S7898-7899, https://www.congress.gov/congressional-record/volume-168/issue-198/senate-section/article/S7819-2. Additionally, in FY2021, Congress directed EDA to support technical assistance for distressed small, rural, and underserved communities for "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.

Communities Initiatives for Economic Transitions CRS Report R47831, *Federal Economic Assistance for Coal Communities*;[12]

- **regional innovation strategies**—for additional information, see CRS Report R47495, *Regional Innovation: Federal Programs and Issues for Consideration*, and CRS Insight IN12413, *Facts and Figures: EDA Awards Phase 2 Grants Under Tech Hubs and Recompete Programs*;[13] and
- **disaster economic recovery activities**—for additional information, see CRS In Focus IF12576, *EDA's Disaster Economic Recovery and Resiliency Roles*, CRS Infographic IG10045, *Economic Development Administration (EDA) Disaster Recovery Funding*, and CRS Insight IN12633, *Economic Development Administration Disaster Economic Recovery Funding (P.L. 118-158)*.[14]

Recovery and Resiliency

EDA programs support state and local activities that facilitate long-term strategies to drive economic diversification, promote sector and cluster development, or otherwise build a region's capacity for economic recovery and resilience. According to the EDA, "in the context of economic development, economic resilience aims to better prepare regions to anticipate, withstand, and bounce back from any type of shock, disruption, or stress it may experience." Shocks may include national or global economic downturns; regional industry downturns; or external events, such as a natural or man-made disaster. For example, EDA projects may support resiliency goals by assisting with business continuity and preparedness efforts or by facilitating long-term recovery from natural disasters and other economic shocks.

Sources: EDA, "CEDS Guidelines—Economic Resilience," https://www.eda.gov/grant-resources/comprehensive-economic-development-strategy/content/economic-resilience; and "Investment Priorities," https://www.eda.gov/funding/investment-priorities.

How to Apply

Application guidance for EDA's competitive grant programs is outlined in the agency's Notices of Funding Opportunity (NOFOs), which are explanations of available grant funding and procedures.[15] Applicants may also contact economic development districts (EDDs, see textbox) or EDA state and regional representatives for assistance. EDA maintains an online directory, organized by state, of EDDs and other resources and agency contacts.[16]

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[12] Congress directed EDA to allocate appropriations for several years for the Assistance to Coal Communities (ACC) and Assistance to Nuclear Host Communities (ANHC) initiatives. P.L. 118-272 codified EDA assistance to coal and nuclear host communities' initiatives under the existing economic adjustment assistance (EAA) program.

[13] In FY2021, prior to the establishment of the Regional Technology and Innovation Hubs (Tech Hubs) program, EDA administered the Build Back Better Regional Challenge (BBBRC). BBBRC was a one-time grant program that funded new or existing regional innovation clusters. EDA allocated one-third of the total amount of American Rescue Plan (ARP) Act of 2021 (P.L. 117-2) appropriations to the BBBRC ($1 billion out of a total of $3 billion in ARP Act funding).

[14] See also, EDA, "Disaster Supplemental Funding," https://www.eda.gov/strategic-initiatives/disaster-recovery/supplemental.

[15] Information on EDA grant competitions is available at https://www.eda.gov/funding/funding-opportunities and http://www.grants.gov.

[16] EDA, "Economic Development Directory," https://www.eda.gov/economic-development-directory.

Economic Development Districts (EDDs)

EDDs are multi-jurisdictional entities designated by the EDA that engage with the agency and local partners across multiple EDA programs and activity areas. EDDs generally lead, coordinate, and convene partners for the Comprehensive Economic Development Strategy (CEDS) process; assist with project development; and provide outreach, technical assistance, and grant support to applicants and grantees. To be designated as an EDD, the entity must have a CEDS and cover "at least one geographical area within the designated service boundaries that meets EDA's regional distress criteria." According to the EDA, there are approximately 400 EDDs; some regions of the United States are not served by an EDA-designated EDD. Most EDD regions do not align with standard, federally defined regions, such as metropolitan statistical areas, and some EDDs cover regions that cross state borders. EDDs may receive financial assistance through Partnership Planning and other programs and may implement or manage projects. Through the Partnership Planning program, for instance, the median award to EDDs has been approximately $70,000.

Notes: Through an award from the EDA, the National Association of Development Organizations (NADO) Research Foundation created an interactive map of EDDs, which is available at https://www.nado.org/eddmap/. See https://www.eda.gov/grant-resources/economic-development-directory for EDA's directory of EDDs and other resources. For an analysis of EDDs in the context of regional development organizations, see CRS In Focus IF11511, *The Role of Regional Development Organizations (RDOs) in Economic Development*.

Sources: EDA, "Economic Development Districts," https://www.eda.gov/edd. See also 42 U.S.C. §3171. EDA, "Celebrating 400 Blueprints for a Modern Economy," March 2, 2023, https://www.eda.gov/news/blog/2023/03/02/blog-celebrating-400-blueprints-modern-economy. EDA, "CEDS Content," https://www.eda.gov/grant-resources/comprehensive-economic-development-strategy/content/summary. Also, EDA supports the CEDS Resource Library at StatsAmerica.org where applicants can determine whether their region is served by an EDD and locate the most recent CEDS. See http://www.statsamerica.org/ceds/Default.aspx. EDA, "FY 2021–FY 2023 EDA Planning and Local Technical Assistance Programs Notice of Funding Opportunity (NOFO)," p. 7, https://www.eda.gov/funding/funding-opportunities/fiscal-year-2021-2023-eda-planning-and-local-technical-assistance.

Select Grant Eligibility Requirements—All Programs

To receive EDA grant assistance, applicants must meet program criteria related to types of eligible applicants, cost sharing, and other requirements.[17] Requirements vary by program, authorizing statute, and agency regulations.[18]

Eligible Recipients

For an entity to be eligible for EDA assistance for programs authorized by PWEDA (42 U.S.C. §§3121 et seq.), the recipient must be

- an EDD;
- an Indian tribe or a consortium of Indian tribes and for-profit entities that is wholly owned by and established for the benefit of a tribe;[19]

[17] Recipients of EDA awards follow the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) as set forth in 2 C.F.R. Part 200, https://www.gpo.gov/fdsys/pkg/CFR-2016-title2-vol1/pdf/CFR-2016-title2-vol1-part200.pdf; DOC Terms and Conditions; and other requirements.

[18] Detailed program requirements are outlined in Notice of Funding Opportunities (NOFOs) (see https://www.eda.gov/funding/funding-opportunities) and in agency regulations (see 13 C.F.R. Part 300).

[19] The term Indian tribe means an entity on the list of recognized tribes published pursuant to the Federally Recognized Indian Tribe List Act of 1994, as amended (P.L. 103-454) (25 U.S.C. §§479a et seq.), and any Alaska Native Village or Regional Corporation (as defined in or established under the Alaska Native Claims Settlement Act (43 U.S.C. §§1601 et seq.). This term includes the governing body of an Indian tribe, Indian corporation (restricted to Indians), Indian authority, or other nonprofit Indian tribal organization or entity; provided that the Indian tribal organization, corporation, or entity is wholly owned by, and established for the benefit of, the Indian tribe or Alaska Native Village. 13 C.F.R. §300.3. A rule published in the Federal Register on September 24, 2021, extended EDA tribal eligibility to (continued...)

- a state;[20]
- a city or other political subdivision of a state, including a special purpose unit of a state or local government, engaged in economic or infrastructure development activities, or a consortium of political subdivisions;
- an institution of higher education or a consortium of institutions of higher education;
- a public or private nonprofit organization or association acting in cooperation with officials of a political subdivision of a state;[21]
- an economic development organization; or
- a public-private partnership for public infrastructure.[22]

Businesses are not eligible for most grants authorized by PWEDA, but may be eligible for Training, Research, and Technical Assistance grants and Tech Hubs grants.[23]

The types of applicants eligible for the B2S and the now-inactive STEM Talent Challenge programs, which are authorized by the Stevenson-Wydler Technology Innovation Act of 1980 as amended (15 U.S.C. §§3722 and 3723) rather than PWEDA, include

- a state;
- an Indian tribe;
- a city or other political subdivision of a state;
- an entity that is—
    - a nonprofit organization,
    - an institution of higher education,
    - a public-private partnership,
    - a science or research park,
    - a federal laboratory, or

include for-profit entities that are wholly owned by and established for the benefit of a tribe. See EDA, U.S. Department of Commerce, "Permitting Additional Eligible Tribal Entities," 86 Federal Register 52957-52959, September 24, 2021, https://www.federalregister.gov/documents/2021/09/24/2021-20633/permitting-additional-eligible-tribal-entities.

[20] A *state* means a state, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau. 42 U.S.C. §3122.

[21] The Economic Development Administration Reauthorization Act of 2004 (P.L. 108-373) authorized select nonprofits as eligible recipients.

[22] The Economic Development Reauthorization Act (EDRA) of 2024 (P.L. 118-272) authorized economic development organizations and public private partnerships as eligible recipients.

[23] 42 U.S.C. §3122(6)(B) and 13 C.F.R. §300.3. Training, Research, and Technical Assistance Investment grants are authorized under 42 U.S.C. §3147 and EDA, "FY2023 Regional Technology and Innovation Hub Program Phase 1 NOFO (Tech Hubs Phase 1 NOFO)," https://www.eda.gov/sites/default/files/2023-05/Tech_Hubs_NOFO.pdf.

Businesses may receive EDA-supported loans and technical assistance to support expansion and entrepreneurial activities. For instance, qualifying businesses may receive a loan from an intermediary operating an EDA-supported Revolving Loan Fund (RLF) and the loan must be repaid with interest. There are approximately 400 organizations administering EDA-funded RLFs. See EDA, "Revolving Loan Fund Program," https://www.eda.gov/rlf. For more information, see CRS In Focus IF11449, *Economic Development Revolving Loan Funds (ED-RLFs)*, by Julie M. Lawhorn; and CRS Insight IN11419, *COVID-19: Selected Federal Resources for Businesses Seeking to Assist with Research and Manufacturing Efforts*, by Maria Kreiser. Businesses may also receive direct *technical assistance* through projects funded by EDA grants, University Center, or Trade Adjustment Assistance Center partners.

- an economic development organization or similar; and
- a consortium of any of the immediately aforementioned entities.

Additionally, a venture development organization may be an eligible applicant for the B2S program. According to the EDA, select entities may be required to demonstrate that the application is supported by a state or a political subdivision of a state for the B2S program.[24]

For the Tech Hubs program, which is authorized by the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. §3722a), EDA awards grants to eligible consortia. In addition to other entities, an eligible consortium must include one or more representatives from

- institutions of higher education;
- state, territorial, local, or tribal governments or other political subdivisions of a state;
- industry groups or firms in relevant technology, innovation, or manufacturing sectors;
- economic development organizations or similar entities; and
- labor or workforce training organizations.

The Tech Hubs Notice of Funding Opportunity encourages the participation of at least two private firms in an eligible consortium, and notes that other entities may be part of the consortium. One of the consortium members will be the lead applicant.[25]

For the Recompete Pilot program, which is also authorized by the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. §3722b), eligible applicants include

- political subdivisions of a state;
- tribal governments;
- U.S. territories;
- the District of Columbia;
- nonprofit organizations working in cooperation with a political subdivision of a state;
- EDDs; and
- a coalition of any of the entities listed above.[26]

Cost Sharing Requirements

Cost sharing is required for most EDA grant programs although some exceptions may apply.[27] Generally, EDA investment funds 60% of total project costs. Requirements may vary based on the

[24] EDA, "2024 Build to Scale Program NOFO," https://grants.gov/search-results-detail/356368, and "2023 STEM Talent Challenge Program NOFO," https://www.eda.gov/sites/default/files/2023-04/FY%2023%20STEM%20Talent%20Challenge%20NOFO.pdf.

[25] EDA, "FY2023 Regional Technology and Innovation Hub Program Phase 1 NOFO (Tech Hubs Phase 1 NOFO)," https://www.eda.gov/sites/default/files/2023-05/Tech_Hubs_NOFO.pdf.

[26] EDA, "FY2023 Recompete Pilot Phase 1 NOFO," https://www.eda.gov/sites/default/files/2023-06/Recompete_Pilot_Program_NOFO_phase_1_vF.pdf.

[27] For example, for the Recompete Pilot program in FY2023, there was no match requirement for Phase 1 or Phase 2 awards; matching was considered a competitive factor in Phase 2. See EDA, "FY 2023 Distressed Area Recompete Pilot Program Phase 1," https://www.eda.gov/sites/default/files/2023-06/Recompete_Pilot_Program_NOFO_phase_1_vF.pdf.

program, a determination of special need, type of applicant, and other factors. The Secretary may increase the federal share for a grant to Indian tribes; when certain applicants have exhausted their effective taxing and borrowing capacity or for other circumstances; or for a grant to small communities, provided that they meet other eligibility criteria.[28] The Secretary may also increase the federal share up to 100% for RNTA and Planning grants.[29] Agency NOFOs and regulations describe the conditions in which "projects subject to a Special Need" may receive a higher investment rate. This may include, but is not limited to, post-disaster economic recovery projects and, as noted, projects by Indian tribes, among other circumstances and conditions.[30]

Select Grant Eligibility Requirements—Public Works and Economic Adjustment Assistance Programs

The following select grant program requirements apply to two of the EDA's economic development assistance programs, the Public Works and Economic Adjustment Assistance (PWEAA) programs.[31]

Economic Distress Criteria

In 2025, P.L. 118-272 updated EDA's economic distress eligibility criteria for certain programs. In January 2026, EDA indicated that implementing these changes will take another year and involve stakeholder input.[32]

EDRA added median income, prime age employment gap, labor force participation rate, and expected impacts due to energy industry changes as options for the criteria.[33] For a project to be eligible for assistance under the PWEAA programs, based on changes in EDRA,

> The project shall be located in an area that, on the date of submission of the application, meets one or more of the following criteria:
>
> - Per capita income that is, for the most recent period for which data are available, 80% or less of the national average per capita income;
> - An unemployment rate that is, for the most recent 24-month period for which data are available, at least one percentage point greater than the national average unemployment rate;
> - Median household income that is 80% or less of the national average;

[28] EDA may waive cost share requirements for certain small communities (e.g., economically distressed areas with a population under 10,000). See 42 U.S.C. §3144.

[29] 42 U.S.C. §3144 (c)(3).

[30] See also 13 C.F.R. §301.3, Subpart C—Economic Distress Levels and 13 C.F.R. §301.4, Subpart D—Investment Rates and Matching Share Requirements.

[31] See agency regulations (13 C.F.R. Chapter III) for detailed program requirements.

[32] Testimony of Mr. Ben Page, Deputy Assistant Secretary of Commerce for Economic Development, in U.S. Congress, House Committee on Transportation and Infrastructure (T&I), Subcommittee on Economic Development, Public Buildings, and Emergency Management, *Smarter Spending, Stronger Results: Reducing Duplication and Ensuring Effectiveness Through Economic Development Reforms*, 119th Cong., 2nd sess. January 22, 2026, p. 4, https://www.congress.gov/119/meeting/house/118896/witnesses/HHRG-119-PW13-Wstate-PageB-20260122.pdf; and EDA, "EDA Update on Operational Modernization," April 2, 2026, https://www.eda.gov/news/blog/2026/04/02/eda-update-operational-modernization. For additional information about EDA's economic distress criteria, see CRS In Focus IF12074, *Areas of Economic Distress for EDA Activities and Programs*, by Julie M. Lawhorn.

[33] Prior to the changes, PWEDA specified per capita income, unemployment rate, and special need as the three economic distress criteria for assistance under the PWEAA programs.

- A workforce participation rate that is 90% or less of the national average or a prime age employment gap of 5% or more;
- Expected economic dislocation and distress from energy industry transitions; or
- A special need arising from unemployment, underemployment, or economic adjustment problems.[34]

These criteria are also used for the EDD designation. An EDD must "contain at least one geographic area that fulfills the economic distress criteria" among other requirements.[35]

For additional information about area eligibility and measures of economic distress in PWEDA, see CRS In Focus IF12074, *Areas of Economic Distress for EDA Activities and Programs*.

Comprehensive Economic Development Strategies (CEDS)

The CEDS is a locally developed, long-term regional economic development plan. Projects must serve an area that has a CEDS or equivalent strategy to be eligible for PWEAA funding.[36] However, the CEDS requirement may be waived in some instances.[37] The EDA provides funding to EDDs to carry out and implement the CEDS under its Partnership Planning program.[38]

CEDS involves both a planning process and the development of a regional framework for selecting and prioritizing economic development strategies—generally developed with an asset-based approach. To complete the CEDS, regional stakeholders engage local leaders, private sector firms, individuals, organizations, institutions of learning, and other participants. An organization must have a CEDS to receive EDA's EDD designation.[39] The EDA requires a CEDS update every five years.[40] EDA regulations require that CEDS include elements outlined in **Table 2**. According to the EDA, CEDS should also include "resilience-building goals."[41]

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[34] 42 U.S.C. §§3121 et seq. EDA's regulations describe the economic distress criteria at 13 C.F.R. §301, Subpart C—Economic Distress Criteria.

[35] 42 U.S.C. §3171. The EDA also encouraged University Centers (42 U.S.C. §3147(a)(2)(D)) to provide services that benefit distressed areas in their region (13 C.F.R. §306.5(a)).

[36] EDA, "Comprehensive Economic Development Strategies," https://eda.gov/ceds. According to EDA, "EDA supports the CEDS Resource Library at http://www.statsamerica.org/ceds/Default.aspx where applicants can determine whether their region is served by an EDD and locate the most recent CEDS"—see http://www.statsamerica.org/ceds.

[37] 42 U.S.C. §3149(b)(2); 42 U.S.C. §3162; 13 C.F.R. §307.5.

[38] EDA, "Planning Program," https://www.eda.gov/sites/default/files/pdf/about/Planning-Program-1-Pager.pdf.

[39] 13 C.F.R. §304.1.

[40] 13 C.F.R. §303.6.

[41] EDA regulations specify that each regional CEDS must promote resiliency. Economic resilience in the context of the CEDS is related to "economic resilience aims to better prepare regions to anticipate, withstand, and bounce back from any type of shock, disruption, or stress it may experience." See 13 C.F.R. §303.7; EDA, "Comprehensive Economic Development Strategy (CEDS) Content Guidelines: Recommendations for Creating an Impactful CEDS," pp. 18, 20, https://www.eda.gov/sites/default/files/2025-01/2025-CEDS-Content-Guidelines-Full-Report.pdf; and "Comprehensive Economic Development Strategies," https://eda.gov/ceds. According to EDA, the CEDS economic resilience framework may include considerations such as (1) planning for and implementing resilience, (2) establishing information networks, (3) pre-disaster recovery planning, and/or (4) measuring resilience. See EDA, "Economic Resilience," https://www.eda.gov/resources/comprehensive-economic-development-strategy/content/economic-resilience.

Table 2. Core Elements of a Comprehensive Economic Development Strategy (CEDS)

CEDS Element	Description
Summary Background	A summary of the economic conditions of the region.
SWOT Analysis	An in-depth analysis of regional strengths, weaknesses, opportunities and threats.
Strategic Direction/Action Plan	The strategic direction and action plan should build on findings from the SWOT analysis and incorporate elements from other regional plans (e.g., land use and transportation, workforce development) where appropriate, as determined by the EDD or community/region engaged in development of the CEDS. The action plan should also identify the stakeholder(s) responsible for implementation, timetables, and opportunities for the integrated use of other local, state, and federal funds.
Evaluation Framework/Performance Measures	The strategic direction and action plan should build on findings from the SWOT analysis and incorporate/integrate elements from other regional plans (e.g., land use and transportation, workforce development, etc.) where appropriate, as determined by the EDD or community/region engaged in development of the CEDS. The action plan should also identify the stakeholder(s) responsible for implementation, timetables, and opportunities for the integrated use of other local, state, and federal funds.

Sources: 13 C.F.R. §303.7 and EDA, "Comprehensive Economic Development Strategies," https://eda.gov/ceds.

Notes: EDA provides "Content Guidelines" with additional resources for CEDS development and suggestions for CEDS content (see https://www.eda.gov/sites/default/files/2025-01/2025-CEDS-Content-Guidelines-Full-Report.pdf). Beyond the four required sections and recommended economic resilience component, the CEDS content and CEDS development process is managed by local and regional stakeholders.

Policy Considerations

The following policy considerations center on the type of economic development activities in EDA's investment portfolio.

Preparing for Future Industries and EDA's Role in Federal Innovation Policy[42]

In deliberations leading up to the reauthorization of EDA, some Members of Congress noted that one of the reasons for reauthorizing EDA was to address "changes in industries, technology, and trade patterns" that have occurred since prior reauthorization legislation was enacted.[43] Such changes provided both challenges and opportunities for regional economies to modernize their infrastructure, enhance workforce capabilities, and make technology-based economic development investments. EDA defines "technology-based economic development" as

[42] As previously noted, EDA's involvement in innovation and technology broadly includes the administration of competitive grant programs (e.g., the Build to Scale [B2S] and Tech Hubs programs described above and in **Appendix A**), workforce development and technical assistance initiatives (e.g., the AI Upskill Accelerator Pilot program), and coordination with other federal agencies on regional innovation strategies, among other activities. For a review of EDA and other federal programs for regional innovation, see CRS Report R47495, *Regional Innovation: Federal Programs and Issues for Consideration*, by Julie M. Lawhorn et al.

[43] See U.S. Senate Environment and Public Works Committee, *Economic Development Administration Reauthorization Act of 2024*, 118th Congress, 2nd Session, S.Rept. 118-233, September 25, 2024, https://www.congress.gov/congressional-report/118th-congress/senate-report/233/1?outputFormat=pdf. The report is for S. 3891, which included provisions that were similar, but not identical to the provisions in P.L. 118-272.

> economic development planning or implementation projects that foster regional knowledge ecosystems that support entrepreneurs and startups, including the commercialization of new technologies, that are creating technology-driven businesses and high-skilled, well-paying jobs of the future. [44]

One of EDA's investment priorities is "innovation and entrepreneurship," which is generally associated with technology-based economic development. Congress recently authorized new EDA programs to further prepare regions and workers for innovation- and technology-based economic development, and for "future industries."[45] Innovation- and technology-led economic development strategies are based on the premise that technological breakthroughs and innovation drive economic growth. Some researchers observe that by identifying and promoting innovation, federal support may facilitate economic growth and competition.[46]

Congress has supported various policies to promote innovation and to prepare regions for expanded technology-based economic development through workforce development programs as well as a subset of federal innovation policies often referred to as "regional innovation" or "innovation cluster" programs.[47] Congress may seek to continue support for EDA's existing innovation-oriented programs (e.g., B2S, Tech Hubs), similar programs, or new programs.[48]

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[44] EDA, "Economic Development Glossary," https://www.eda.gov/about/economic-development-glossary.

[45] See EDA, "Investment Priorities," https://www.eda.gov/funding/investment-priorities and testimony by Mr. Dennis Alvord, Acting Assistant Secretary of Commerce for EDA, U.S. House of Representatives, Committee on Transportation and Infrastructure, Subcommittee on Economic Development, Public Buildings and Emergency Management, *Investing in America: Reauthorization of the Economic Development Administration,* 117th Cong., 1st sess., April 28, 2021, https://www.congress.gov/117/meeting/house/112512/witnesses/HHRG-117-PW13-Wstate-AlvordD-20210428.pdf.

EDA's guidance for the STEM Talent Challenge highlighted "industries of the future" which could include, but are not limited to: artificial intelligence; machine learning; advanced manufacturing and robotics; space exploration and commerce; broadband expansion; bioscience; quantum information science; climate technologies; the built environment; and aqua- and agricultural technologies. EDA, "STEM Talent Challenge NOFO," FY2023, p. 6, https://www.eda.gov/sites/default/files/2023-04/FY%2023%20STEM%20Talent%20Challenge%20NOFO.pdf.

[46] See Congressional Budget Office, "Federal Policies and Innovation," November 17, 2014, p. 5, https://www.cbo.gov/publication/49487; and Yong-Shik Lee, "Law and Economic Development in the United States: Toward a New Paradigm," *Catholic University Law Review*, vol. 68, no. 2 (2019), pp. 1-62, May 31, 2018, SSRN: https://ssrn.com/abstract=3168964.

[47] EDA defines regional clusters as

> geographic concentrations of firms, workers and industries that do business with each other and have common needs for talent, technology, and infrastructure. Regional clusters are essentially networks of similar, synergistic, or complementary entities that are engaged in or with a particular industry sector; have active channels for business transactions and communication; share specialized infrastructure, labor markets, and services; and leverage the region's unique competitive strengths to stimulate innovation and create jobs. Regional clusters may cross municipal, county, and other jurisdictional boundaries.

EDA, "Key Definitions," https://eda.gov/performance/key-definitions/.

[48] Federal support for regional clusters and innovation cluster initiatives have included programs administered by EDA (e.g., Build to Scale) and agencies such as the Department of Energy, DOC, National Institute of Standards and Technology (NIST), the Small Business Administration (SBA), and others. These programs generally provide planning and other support to intermediary organizations to develop new or expand existing industry clusters. See Ryan Donahue, Joseph Parilla, and Brad McDearman, "Rethinking Cluster Initiatives," Brookings Institution Metropolitan Policy Program, July 2018, https://www.brookings.edu/wp-content/uploads/2018/07/201807_Brookings-Metro_Rethinking-Clusters-Initiatives_Full-report-final.pdf; Mark Muro and Bruce Katz, "The New 'Cluster Moment': How Regional Innovation Clusters Can Foster the Next Economy," Brookings Institution Metropolitan Policy Program, September 21, 2010, https://www.brookings.edu/research/the-new-cluster-moment-how-regional-innovation-clusters-can-foster-the-next-economy/; National Research Council, "The Federal Dimension," *Best Practices in State and Regional Innovation Initiatives: Competing in the 21st Century* (Washington, DC: The National Academies Press), 2013, https://doi.org/10.17226/18364; and Camilla Alexandra Hrdy, "Cluster Competition," *Lewis & Clark Law*
(continued...)

Alternatively, Congress may pursue a more limited federal role in the facilitation of innovation clusters, advance policies that favor stronger state and local roles in technology-led economic development, or advance policies that favor investment in public goods or other development strategies.[49]

Congress may also seek to review the overall distribution and coordination of existing innovation policies as well as the EDA's role in the landscape of federal innovation programs. The House Subcommittee on Research and Technology reviewed these matters in a hearing in June 2021. The hearing addressed the following questions, many of which pertain to the broader discussion on EDA and its role in future industries and regional economic development, including

- What are the critical elements and who are the necessary partners in developing a successful strategy for local and regional innovation economies?
- What is the role of the federal government, and in particular the EDA, in supporting the development of local and regional innovation economies?
- How can research universities strengthen their role in helping to anchor local and regional innovation economies?
- How can efforts to build regional innovation economies include shared prosperity as a priority?[50]

Recently Discontinued Programs and EDA's Role in Artificial Intelligence (AI) Pilot Workforce Programs

In July 2025, the Trump Administration's *Artificial Intelligence Action Plan* identified a role for several agencies, including EDA, to implement artificial intelligence (AI) pilot programs and other activities to advance national economic and military objectives.[51] The plan highlighted a range of strategies, including those that address workforce development and training, which could be implemented using existing DOL and DOC authorities, namely the Workforce Innovation and Opportunity Act (WIOA) and PWEDA, respectively. The latter authorizes several long-standing

Review, vol. 20, October 7, 2016, pp. 982-986, 1013, https://ssrn.com/abstract=2672660, which includes the definition of innovation clusters as "regional economies made up of firms, suppliers, and human talent whose core activity is innovation."

[49] Camilla Alexandra Hrdy, "Cluster Competition," *Lewis & Clark Law Review*, vol. 20, October 7, 2016, pp. 997-1009, https://ssrn.com/abstract=2672660; and Giles Duranton, "California Dreamin': The Feeble Case for Cluster Policies," *Review of Economic Analysis*, vol. 3, pp. 3-45, http://repository.upenn.edu/real-estate_papers/2.

[50] Policy questions from the Hearing Charter for U.S. House of Representatives, Committee on Science, Space, and Technology, "Building Regional Innovation Economies," June 9, 2021, https://www.congress.gov/117/meeting/house/112753/documents/HHRG-117-SY15-20210609-SD002.pdf.

The hearing memo reviewed the role of the Department of Commerce and the EDA in expanding regional innovation economies, options for further development, and partnership opportunities with federal science agencies, and raised several considerations regarding the EDA's role and select aspects of the Build to Scale (B2S) program in particular. The memo noted that EDA's expertise includes leading regional economic development and related expertise, while NIST and other agencies are generally considered lead agencies in terms of technical expertise on innovation and research and development. The hearing charter further noted that the matching requirements associated with the competitive B2S program may limit participation by economically distressed and rural communities due to limited resources in some communities.

[51] The White House, "Winning the Race: America's AI Action Plan," July 2025, pp. 1, 7, https://www.whitehouse.gov/wp-content/uploads/2025/07/Americas-AI-Action-Plan.pdf.

EDA programs, such as the Public Works and EAA programs, as well as newer programs, such as the workforce training program recently established by P.L. 118-272.[52]

In December 2025, EDA published a blog post on "EDA Support for the Administration's AI Action Plan," which summarized EDA's plan to shift resources to new priorities and emerging opportunities, such as AI, in support of the *Artificial Intelligence Action Plan*.[53] EDA also announced that it allocated $25 million for workforce grants and discontinued funding for three programs (i.e., the University Center [UC], Trade Adjustment Assistance for Firms [TAAF], and STEM Talent Challenge programs).[54] EDA noted that the three discontinued programs were outdated, costly, and "not designed to address recent developments in the economy or have had their authorizations lapse."[55] The new workforce grants will use a sectoral partnership approach and will address "opportunities created through AI adoption and workforce upskilling."[56] In May 2026, EDA launched the new AI Upskill Accelerator Program that is to provide grants for AI workforce training activities designed and implemented by sectoral partnerships.[57] EDA indicates that it will make five to eight non-construction awards in amounts ranging from $1 million to $8 million.[58]

Congress may wish to review whether, and to what extent, EDA's AI initiative differs from or aligns with the agency's statutorily established investment priorities. One of the EDA's five investment priorities is "workforce" and the agency has previously engaged in efforts to support sectoral partnerships through the Good Jobs Challenge (FY2021-FY2024). Another EDA investment priority is "innovation and entrepreneurship," which includes fostering "the commercialization of new technologies that are creating technology-driven businesses and high-skilled, well-paying jobs of the future."[59] EDA noted that the Trump Administration's AI plan "recognizes the need for industry-driven training programs that address workforce needs tied to AI infrastructure investments."[60] In recent decades, EDA has typically supported community-driven projects based on the unique opportunities and challenges presented by a particular regional economy, which vary from place to place and may include a range of different industries. For instance, EDA describes its work by noting that it "provides economic development financial

[52] As of September 2025, EDA recommends that Public Works and EAA projects involving workforce training "should include artificial intelligence (AI) skill development where relevant and feasible," and "prioritize AI literacy and other skills necessary to prepare Americans and regions for the impact artificial intelligence will have on local economies and labor markets." See EDA, "FY2025 EDA Public Works and Economic Adjustment Assistance NOFO," pp. 18-19, https://grants.gov/search-results-detail/346815.

[53] EDA, "EDA Support for the Administration's AI Action Plan," December 22, 2205, https://www.eda.gov/news/blog/2025/12/22/eda-support-administrations-ai-action-plan.

[54] CRS In Focus IF12430, *Trade Adjustment Assistance for Firms*, by Kyla H. Kitamura.

[55] EDA, "EDA Support for the Administration's AI Action Plan," December 22, 2205, https://www.eda.gov/news/blog/2025/12/22/eda-support-administrations-ai-action-plan.

[56] EDA, "Frequently Asked Questions," https://www.eda.gov/ai-upskill/frequently-asked-questions.

[57] EDA administers the new AI workforce grants under its authority for workforce training grants (42 U.S.C. §3154e) and issued an addendum to the Public Works and EAA NOFO for the initial round of AI Upskill Accelerator Program funding. For the AI Upskill Accelerator Program, EDA defined a sectoral partnership as a partnership of employers from the same industry who join with other strategic partners to focus on the workforce needs and place workers into high-paying skilled jobs that employers need filled. See EDA, "Fiscal Years (FY) 2023, 2024, and 2025 Public Works and Economic Adjustment Assistance Notice of Funding Opportunity (FY 23/24/25 PWEAA NOFO)," https://www.eda.gov/sites/default/files/2026-05/EDA_PWEAA_AI_Upskill_Accelerator_Pilot_Program_Notice_of_Funding_Opportunity.pdf.

[58] EDA, "AI Upskill Accelerator Program," https://www.eda.gov/ai-upskill.

[59] EDA, "Investment Priorities," https://www.eda.gov/funding/investment-priorities.

[60] Page, Testimony in *Smarter Spending, Stronger Results: Reducing Duplication and Ensuring Effectiveness Through Economic Development Reforms.*

assistance to communities so they can encourage innovation and entrepreneurship in a way that works best for them."[61]

While economists lack consensus on the various ways that AI may impact national and regional economies and job markets, many point out that the labor effects of AI introduction and expansion may have implications that vary depending on industry, skills and region (geography). For a summary of the AI Upskill Accelerator Pilot program, see CRS Insight IN12699, *Artificial Intelligence (AI) Skills Training in EDA Programs* a summary of perspectives on AI and labor considerations, CRS In Focus IF12762, *The Macroeconomic Effects of Artificial Intelligence*. For additional CRS reports on AI, see CRS Insight IN12458, *Artificial Intelligence: CRS Products*.

Concluding Remarks

Legislation enacted in recent Congresses indicates interest in expanding the EDA's role in place-based, regionally oriented, and community-led approaches to technology-based economic development. As EDA and other federal agencies implement new regional innovation programs, Congress may evaluate aspects of such programs for consideration in other place-based initiatives. Conversely, Congress may evaluate options to decrease federal involvement in state and local economic development.

Policies that propose to change the agency's roles or programs may reflect different interpretations of what constitutes economic development and differing views on whether federal policies should provide broad-based assistance, targeted assistance, or some combination thereof. For some, broad-based economic development programs with economic distress criteria allow assistance to be accessible for a range of communities' needs and opportunities (e.g., the Public Works and EAA programs). For others, targeted economic development programs allow assistance to reach a particular type of community or circumstance (e.g., programs for energy- and resource-based industries). For others still, policies may involve a mixture of approaches and overlap in definitions, agencies, roles, and strategies of practice.

In considering policy changes, Congress may also wish to maintain current program roles and authorities—many of which are broad and flexible (e.g., the EAA program)—and targeted appropriations, directed as needed to address new challenges and opportunities (e.g., in the manner of setting aside EAA funding for coal-impacted and nuclear closure communities in the Assistance to Coal Communities (ACC) and Assistance to Nuclear Host Communities (ANHC initiatives).

Congress may also review the implementation of programs and the allocation of assistance based on preferred economic development goals—to further economic growth, to advance national competitiveness, to foster job creation, to prepare regions for development, to develop human capital, to recover from and prepare for economic shocks, and/or other outcomes. While P.L. 118-272 addressed some economic development challenges related to technology, trade, extreme weather trends, and industry changes, these matters may continue to impact regional economies and may warrant further congressional deliberation and/or response.

As debates about federal economic development policy and how to assist economically distressed areas continue, Congress may continue to explore legislative and other strategies to assist state and local entities with specific challenges and opportunities and/or to help them also build resilient, diversified economies that may weather these and other, unforeseen events.

[61] EDA, "About EDA," https://www.eda.gov/about.

Appendix A. Detailed Summaries of EDA Grant Programs

This appendix provides summaries of EDA's recent grant programs and selected requirements.

In January 2025, the Economic Development Reauthorization Act (EDRA) of 2024 (P.L. 118-272) reauthorized the EDA. EDRA also authorized several new EDA grant programs and project activities, including renewable energy on brownfields sites (42 U.S.C. §3154d), workforce training (42 U.S.C. §3154e), high-speed broadband deployment (42 U.S.C. §3154g), and critical supply chain site development (42 U.S.C. §3154h). As of the date of publication, EDA has not published guidance for all of the new programs.

Artificial Intelligence Upskill Accelerator Pilot (AI Workforce) Program[62]

In May 2026, EDA launched the AI Upskill Accelerator Pilot Program, which is to provide grants for AI workforce training activities designed and implemented by sectoral partnerships.[63] Through these partnerships, public and private entities are to work collaboratively to train and place workers in AI positions needed by employers.[64] According to EDA, the approach is designed to "cut across traditional economic development, workforce, education, and social services system silos," and target in-demand sectors.[65]

The AI workforce funding is available for three project phases, which EDA refers to as "sequential and interdependent":

- Phase 1 - System Development,
- Phase 2 - Program Design, and
- Phase 3 - Program Implementation.

According to agency guidance, applicants may submit projects that cover all three phases, one optional phase in addition to the required Phase 3, or Phase 3 only.[66]

Statutory Authority: 42 U.S.C. §3154e [67]

Agency Regulations: 13 C.F.R. Part 307

[62] For additional information, see CRS Insight IN12699, *Artificial Intelligence (AI) Skills Training in EDA Programs*, by Julie M. Lawhorn.

[63] For the AI Upskill Accelerator Program, EDA defined a sectoral partnership as a partnership of employers from the same industry who join with other strategic partners to focus on the workforce needs and place workers into high-paying skilled jobs that employers need filled. See EDA, "FY 23/24/25 PWEAA NOFO," p. 44.

[64] EDA, "EDA Support for the Administration's AI Action Plan," December 22, 2025, https://www.eda.gov/news/blog/2025/12/22/eda-support-administrations-ai-action-plan; and "AI Upskill Accelerator Pilot Program," https://www.eda.gov/ai-upskill.

[65] EDA, "FY 23/24/25 PWEAA NOFO," p. 18.

[66] EDA, "FY 23/24/25 PWEAA NOFO," p. 44.

[67] While P.L. 118-272 authorized EDA to make grants to support the development and expansion of workforce training programs (42 U.S.C. §3154e), EDA is also authorized to make such grants under its EAA authority (42 U.S.C. §3149). EDA administered the first round of AI workforce funding by issuing an addendum to the FY2025 PWEAA NOFO. See EDA, "AI Upskill Accelerator Pilot Program."

Economic distress criteria: The project area must demonstrate the following four aspects of the NOFO's "special need" criterion to be eligible for funding:

- The focus industry and its associated employers are a significant part of the region or project service area's economy;
- AI is currently being used by the relevant industry and the employers associated with the project;
- AI currently in use by employers in the relevant industry is important to the future competitiveness of the industry and the economy of the region; and
- There is an existing need for workforce training in AI with the employer partners in this project that is necessary to preserve and/or enhance their competitiveness and benefit to the region.[68]

Requirement to align with CEDS or equivalent: AI workforce projects must indicate how their activities will be consistent with the region or regions' CEDS.[69]

Level of matching funds requirement: EDA established a 60% maximum investment rate for the AI workforce program. However, EDA may award grants totaling 100% of a project's cost for tribes, small communities (provided that they meet other eligibility criteria and indicia of distress), certain applicants that have exhausted their effective borrowing capacity, or a state or political subdivision of a state that has exhausted its effective taxing and borrowing capacity or can otherwise document that no local matching funds are reasonably obtainable.[70]

Build to Scale (B2S)

The B2S program (formerly called Regional Innovation Strategies) supports entrepreneurship, innovation, technology commercialization, access to capital, and related efforts to expand startups, company growth, and increased access to risk capital across regional economies. According to EDA, the B2S program goals are to: (1) enable high-growth technology entrepreneurship and foster inclusive access to proven entrepreneurship support models; and (2) increase access to capital in communities where risk capital is in short supply by providing operational support for early-stage investment funds, networks, and training programs that focus on both traditional and hybrid equity-based financing.[71] The B2S program primarily funds intermediary organizations and does not provide funding to start-ups. Since 2015, EDA has administered the B2S program, which was established in Section 603 of the America COMPETES Reauthorization Act of 2010 (P.L. 111-358).[72] EDA last issued a B2S NOFO in FY2024.

Statutory Authority: 15 U.S.C. §3722

Agency Regulations: 13 C.F.R. Part 312

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[68] EDA, "FY 23/24/25 PWEAA NOFO," pp. 46-47.

[69] EDA, "FY 23/24/25 PWEAA NOFO," pp. 50, 56.

[70] 42 U.S.C. §3144(c).

[71] EDA, "$50 Million 'Build to Scale' Funding Opportunity Aims to Boost Technology Entrepreneur Ecosystems Across the Nation," https://www.eda.gov/news/blog/2024/09/09/50-million-build-scale-funding-opportunity-aims-boost-technology-entrepreneur.

[72] 15 U.S.C. §3722. See also EDA, "Build to Scale," https://www.eda.gov/funding/programs/build-to-scale.

Economic distress criteria: No minimum economic distress level requirements.[73]

Level of matching funds requirement: In FY2024, the minimum matching share was 50%.[74]

Economic Adjustment Assistance (EAA) Program

EDA refers to the EAA program as its most flexible economic development tool.[75] The EAA program is designed to assist areas experiencing long-term economic distress or sudden and substantial economic dislocation. Under EAA, EDA administers its Revolving Loan Fund (RLF) program, which allows local loan administrators to provide gap financing to small businesses and entrepreneurs. EAA funds are competitively awarded to qualified applicants to assist them in developing and implementing a five-year CEDS or for implementation grants that support the activities and strategies identified in a CEDS. EAA activities may include physical infrastructure projects, including water and sewer facilities, industrial parks, and business incubators; strategic planning; market or industry research and analysis; technical assistance, including feasibility studies; public services; and training.[76]

The FY2025 Public Works and EAA NOFO indicated that EAA projects involving workforce training "should include artificial intelligence (AI) skill development where relevant and feasible."[77] As noted above, in FY2026, EDA launched the AI Upskill Accelerator Program (42 U.S.C. §3154e) by issuing an addendum to the PWEAA NOFO.[78]

EDA administers funding for ACC, ANHC, and some forms of supplemental appropriations through EAA.[79] The EDA supports disaster recovery efforts primarily through the EAA program to support disaster recovery strategies, disaster recovery coordinators, construction activities, capitalizing RLFs, entrepreneurship development, technical assistance, and other recovery projects.[80]

Statutory Authority: 42 U.S.C. §§3149, 3233

Agency Regulations: 13 C.F.R. Part 307

Economic distress criteria: The project area must meet one (or more) of the economic distress criteria, which includes projects that meet a "special need."

Requirement to align with CEDS or equivalent: Funded projects must be part of an EDA-certified CEDS or equivalent EDA-accepted regional economic development strategy, unless the

[73] The B2S Program is authorized under Section 27 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. §3722). The FY2020 B2S Notice of Funding Opportunity (NOFO) noted that, "this authorization does not require applicants to meet specific distress criteria to be considered eligible." See EDA, "2020 Build to Scale FAQ," https://www.eda.gov/archives/2021/files/oie/b2s/2020-B2S-FAQ-FINAL.pdf.

[74] EDA, "2024 Build to Scale Program NOFO," https://grants.gov/search-results-detail/356368.

[75] EDA, *FY2024 Congressional Budget Justification*, p. 56, https://www.commerce.gov/sites/default/files/2023-03/EDA-FY2024-Congressional-Budget-Submission.pdf.

[76] 13 C.F.R. Part 307.

[77] EDA, "FY 23/24/25 PWEAA NOFO," p. 18.

[78] EDA, "FY 23/24/25 PWEAA NOFO," p. 43.

[79] For more 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.

[80] EDA, "Leading Economic Recovery Efforts in Disaster-Impacted Communities," https://www.eda.gov/archives/2021/files/programs/disaster-recovery/EDA-Disaster-Brochure.pdf.

project is for a Strategy Grant (as defined in 13 C.F.R. §307.3)[81] or serves a Special Impact area (as defined in 13 C.F.R. Part 310).[82]

Level of matching funds requirement: Generally, 60% of project costs, but may vary. Projects may receive an additional amount, not to exceed 30%, based on the relative needs of the region in which the project will be located, as determined by EDA. In the case of certain applicants that have exhausted their effective borrowing capacity, a state or political subdivision of a state that has exhausted its effective taxing and borrowing capacity, or small communities (provided that they meet other eligibility criteria), EDA may award grants totaling 100% of a project's cost. Credit may be given toward the nonfederal share for in-kind contributions, including contributions of space, equipment, and services.

Local Technical Assistance Program

The Local Technical Assistance (Local TA) program provides grants for management and technical services, including feasibility studies, impact analyses, disaster resiliency plans, and project planning. Analysis from the impact and feasibility studies may help leaders in economic development decisionmaking. For instance, an eligible entity could apply for a Local TA grant to prepare for a business development project such as an incubator, shared-use processing facility, or an entrepreneurship center. Local TA could help a city or county prepare a feasibility study regarding the reuse of an abandoned manufacturing facility to advance local economic development. EDA notes that, in recent years, the median amount of Local Technical Assistance grants has been approximately $100,000, and EDA typically has awarded 30-50 Local Technical Assistance projects each year.[83]

Statutory Authority: 42 U.S.C. §3147

Agency Regulations: 13 C.F.R. Part 306, Subpart A

Economic distress criteria: EDA's regulations (13 C.F.R. §301.3) note that there are no minimum economic distress level requirements for Local TA projects.

Requirement to align with CEDS or equivalent: EDA regulations (13 C.F.R. §306.2) note that projects will be evaluated based on the extent that they are "consistent with an EDA-approved CEDS, as applicable, for the region in which the project is located."

Level of matching funds requirement: Generally, 60% of project costs, but may be provided up to 100% of project costs (see 42 U.S.C. §3144(c)(3)). See 13 C.F.R. §301.4.

Planning Partnership Program

Planning grants are used for direct and indirect administrative expenses of Economic Development Districts (EDDs) as well as local organizations (Indian tribes and other eligible recipients) charged with long-term strategic economic development planning efforts such as a CEDS in EDA-designated distressed areas. In 2025, EDRA (P.L. 118-272) allowed administrative expenses to include expenses related to

- carrying out certain planning activities;

[81] 13 C.F.R. §307.5(1).

[82] 13 C.F.R. §301.10(c).

[83] EDA, "Fiscal Year 2021–2023 EDA Planning and Local Technical Assistance Programs Notice of Funding Opportunity (NOFO)," https://www.eda.gov/funding/funding-opportunities/fiscal-year-2021-2023-eda-planning-and-local-technical-assistance.

- project predevelopment;
- updating economic development plans to align with other planning efforts;
- hiring professional staff to assist communities in project predevelopment, identifying and using other economic development programs and funding;
- preparing economic recovery plans in response to disasters; and
- carrying out economic development and predevelopment activities that align with professional economic development best practices.

Planning grants may also support short-term planning investments to states, sub-state planning regions and urban areas and may help communities undertake focused, project-specific planning activities. Eligible activities under this program include developing, maintaining, and implementing a CEDS, as well as related short-term planning activities.[84]

Statutory Authority: 42 U.S.C. §3143

Agency Regulations: 13 C.F.R. Part 303

Economic distress criteria: No minimum economic distress level requirements.[85]

Requirement to align with CEDS or equivalent: Generally, the long-term partnership planning investments support the development of CEDS.

Level of matching funds requirement: Generally, 60% of project costs, but may be provided up to 100% of project costs (see 42 U.S.C. §3144(c)(3)).

Public Works Program

The Public Works program is designed to promote long-term economic development and assist with the construction of physical infrastructure projects in distressed areas. Grants may support the acquisition or development of land and improvements for use for a public works, public service, or development facility; and the acquisition, design and engineering, construction, rehabilitation, alteration, expansion, or improvement of such a facility, including related machinery and equipment. Examples of Public Works activities may include water and sewer systems improvements, industrial parks, business incubator facilities, telecommunications infrastructure, skill-training facilities, brownfields redevelopment, and the expansion of port and harbor facilities. Similar assistance is also available under the agency's EAA program. The FY2025 Public Works and EAA NOFO indicated that Public Works projects involving workforce training "should include artificial intelligence (AI) skill development where relevant and feasible."[86]

Statutory Authority: 42 U.S.C. §3141

Agency Regulations: 13 C.F.R. Part 305

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[84] According to an example noted in EDA's FY2021-FY2023 NOFO for Planning and Local Technical Assistance, "EDA might provide Short Term Planning funding to a coalition of Tribal and regional organizations to plan a coordinated response to the sudden loss of a significant employer in the affected area. EDA also makes Short-Term Planning awards to support the preparation or update of a CEDS for regions not served by a District Organization." See EDA, "NOFO—EDA Planning and Local Technical Assistance Programs," p. 6, https://www.grants.gov/search-results-detail/332125.

[85] 13 C.F.R. §306 and 13 C.F.R. §301.3.

[86] EDA, "FY 23/24/25 PWEAA NOFO," p. 18.

Economic distress criteria: The project area must meet one (or more) of the economic distress criteria, which includes projects that meet a "special need."

Requirement to align with CEDS or equivalent: Funded projects must be part of an EDA-certified CEDS or equivalent EDA-accepted regional economic development strategy.

Level of matching funds requirement: Generally, 60% of project costs, but may vary. Projects may receive an additional amount, not to exceed 30%, based on the relative needs of the region in which the project will be located, as determined by EDA. In the case of certain applicants that have exhausted their effective borrowing capacity—such as a state or political subdivision of a state that has exhausted its effective taxing and borrowing capacity, or small communities (provided that they meet other eligibility criteria)—EDA may award grants totaling 100% of a project's cost. Credit may be given toward the nonfederal share for in-kind contributions, including contributions of space, equipment, and services.

Recompete Pilot Program (Distressed Area Recompete Pilot Program)

The Recompete Pilot program is a new program authorized by the CHIPS and Science Act (P.L. 117-167 §10621) that provides grants and cooperative agreements to persistently distressed areas. EDA administers two types of Recompete awards: (1) strategy development grants and (2) strategy implementation grants.

In the inaugural Recompete competition, EDA administered the two types of funding awards through two award phases for the program.

- For Phase 1, EDA instructed applicants to choose either a strategy development grant, approval of a Recompete Plan, or both. Strategy development grants were designed to help applicants strengthen regional coordination and support planning and pre-development activities, including hiring a coordinator or the formulation of a Recompete Plan. A strategy development grant conveys funding. A Recompete Plan is a comprehensive economic development plan that includes the proposed multiyear activities to be implemented, projected costs, partner roles, and other information. EDA also approved Recompete Plans in Phase 1, but approval of a Recompete Plan did not convey funding. According to EDA, applicants were required to have their Recompete Plan approved in order to be invited to apply for implementation funds under Phase 2.
- In Phase 2, EDA funded implementation awards to support a range of economic development activities based on regional priorities. The implementation funds may be used for activities that are consistent with an applicant's approved Recompete plan in order to support workforce development; business and entrepreneur development; infrastructure (or other site development programs); and planning and technical assistance activities. Implementation award recipients were not required to have previously received a strategy development award.

Eligible applicants include

- political subdivisions of a state;
- tribal governments;
- U.S. territories;
- the District of Columbia;

- nonprofit organizations working in cooperation with a political subdivision of a state;
- EDDs; and
- a coalition of any of the entities listed above.

P.L. 117-167 authorized $1 billion over five years (FY2022 through FY2026) to be appropriated for the Recompete Pilot program.[87] The minimum grant award amount is $20 million.[88] EDA last issued a Recompete NOFO in FY2024. In FY2024, the initial implementation awards ranged from $20 million to $40 million per award.[89]

Statutory Authority: 15 U.S.C. §3722b

Agency Regulations: The program is governed by the terms of the NOFO.[90]

Economic distress criteria: The program targets areas where prime-age (25-54 years) employment falls below the national rate. The prime age employment gap (PAEG) is the difference (expressed as a percentage) between (1) the national five-year average prime-age employment rate and (2) the five-year average prime-age employment rate of the eligible area.

Among other requirements, projects must be located in one of two eligible geographic areas and meet certain PAEG requirements. The two eligible geographic areas are

- **Local Labor Markets (LLMs)—**a Metropolitan Statistical Area (MSA), a Micropolitan Statistical Area (µMSA), a commuting zone, or tribal lands. LLMs with a PAEG of at least 2.5% are eligible. Tribal lands and Pacific Ocean territories are considered eligible LLMs.
- **Local Communities (LCs)—**an area served by a general-purpose unit of local government (e.g., county government) that is located within, but does not fully cover, an ineligible LLM. In addition, one of these conditions must apply:
  - The entire area served by the unit of local government on average has a PAEG of at least 5% and a median annual household income of no more than $75,000; or
  - A subset of the area served by the unit of local government has five or more contiguous Census tracts that each individually have a PAEG of at least 5% and median annual household income of no more than $75,000. In this instance, the applicant's service area must be contained within the identified Census tracts.

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[87] Division B, Title VI—Miscellaneous Science and Technology Provisions, Subtitle C, Section 10621. See also EDA, "Distressed Area Recompete Pilot Program (Recompete Pilot Program)," https://www.eda.gov/funding/programs/recompete-pilot-program; and CRS Insight IN12201, *Economic Development Administration Announces New Recompete Program*, by Julie M. Lawhorn. As of the date of publication, Congress directed EDA to provide $200 million in annual and supplemental appropriations to the Recompete program in FY2023. 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.

[88] 15 U.S.C. §3722b(f)(2).

[89] See CRS Insight IN12413, *Facts and Figures: EDA Awards Phase 2 Grants Under Tech Hubs and Recompete Programs*, by Julie M. Lawhorn.

[90] EDA, "FY2023 Distressed Area Recompete Pilot Program Phase 1 NOFO (Recompete Pilot Phase 1 NOFO)," https://www.eda.gov/sites/default/files/2023-06/Recompete_Pilot_Program_NOFO_phase_1_vF.pdf.

Requirement to align with CEDS or equivalent: The CEDS requirement is not referenced in 15 U.S.C. §3722b.

Level of matching funds requirement: There is no match requirement for Phase 1 or Phase 2 awards in the FY2023 NOFO; matching was a competitive factor in Phase 2.

Regional Technology and Innovation Hubs (Tech Hubs) Program[91]

P.L. 117-167 (the CHIPS and Science Act), enacted August 8, 2022, established a new Regional Technology and Innovation Hub (Tech Hubs) Program at the Department of Commerce.[92] The focus of the program is to support technology development, job creation, and expanding U.S. innovation capacity.[93] The program also seeks to develop hubs in areas that are not "leading technology centers."[94] The Tech Hubs program is one of several programs authorized by P.L. 117-167 designed to improve the development and commercialization of certain technology areas. Through the Tech Hubs program, EDA makes place-based economic development grants to help regions address barriers to entrepreneurship and expand their capacity to become globally competitive in critical technologies and industries.

Program applicants will determine their technology focus area and hub activities based on their regional assets and other factors. P.L. 117-167 does not include a list of specific industry or technology focus areas for the hubs. However, it does outline "considerations for the designation and award of implementation grants." One of the considerations indicates that, among other factors, the Secretary shall consider "the potential of the eligible consortium to advance the research, development, deployment, and domestic manufacturing of technologies in a key technology focus area, as described in Section 10387 of the Research and Development, Competition, and Innovation Act or other technology or innovation sector critical to national security and economic competitiveness." The initial list of ten key technology focus areas in Section 10387 (Division B, Title III—National Science Foundation for the Future, Subtitle G) includes biotechnology, quantum information sciences, advanced materials science, and advanced energy and industrial efficiency technologies, among others.

The NOFO further noted that the grants will be made using a competitive, merit-review process, and that awards will be made in a manner that ensures geographic diversity and representation from communities of differing populations, among other considerations. EDA administers two Tech Hubs funding awards:

- **Strategy development awards**—to help a consortium prepare to apply for an implementation award and/or Tech Hub designation by supporting planning, coordination, and pre-development activities; and
- **Strategy implementation awards**—to support economic development activities such as workforce development, business and entrepreneur development, technology maturation, and infrastructure.

In the inaugural competition, EDA administered the program in two phases. In Phase 1, an applicant could apply for a strategy development award, a Tech Hub designation, or both. Only

[91] For more information, see https://www.eda.gov/funding/programs/regional-technology-and-innovation-hubs.

[92] See P.L. 117-167, Division B, Title VI—Miscellaneous Science and Technology Provisions, Subtitle C, §10621.

[93] P.L. 117-167 directed EDA to administer the Tech Hubs program in coordination with another Commerce agency, the National Institute of Standards and Technology (NIST).

[94] U.S. Senate Committee on Commerce, Science, and Transportation, "CHIPS and Science Act Section-by-Section Summary," https://www.commerce.senate.gov/services/files/1201E1CA-73CB-44BB-ADEB-E69634DA9BB9.

entities that were *already designated* as Tech Hubs in Phase 1 were permitted to apply for implementation awards under the Phase 2 NOFO. Designated Tech Hubs, however, were not required to receive a strategy development award to apply for an implementation award. EDA is statutorily required to designate at least 20 Tech Hubs and indicated that designation is a strong signal of a region's potential. There is no funding associated with the designation.

Tech Hubs grants are awarded to eligible consortia. In addition to other entities, an eligible consortium must include one or more representatives from

- Institutions of higher education;
- State, territorial, local, or tribal governments or other political subdivisions of a state;
- Industry groups or firms in relevant technology, innovation, or manufacturing sectors;
- Economic development organizations or similar entities; and
- Labor or workforce training organizations.

Only eligible consortia may apply for the program, and each consortium has certain required and optional entity types.[95] The NOFO encourages the participation of at least two private firms in an eligible consortium, and notes that other entities may be part of the consortium. One of the consortium members will be the lead applicant.[96]

In FY2024, the initial 12 implementation awards ranged from $19 million to $51 million per award.[97] P.L. 117-167 authorized $10 billion over five years (FY2023 through FY2027) to be appropriated for the program.[98] In January 2025, EDA announced six additional implementation awards totaling approximately $210 million.[99] In May 2025, the Secretary of Commerce announced that EDA would not move forward with the six awards announced in January 2025, and that January 2025 Tech Hub awardees would be able to re-submit applications under a revised NOFO.[100] In September 2025, EDA released the new NOFO, which was open to the 19

[95] EDA, "Tech Hubs Program Launch Fact Sheet," https://www.eda.gov/sites/default/files/2023-04/EDA_TECH_HUBS_Fact_Sheet.pdf.

[96] P.L. 117-167, §10621.

[97] The size of these awards is different from EDA's existing programs. For comparison, the FY2025 NOFO for the Public Works and Economic Adjustment Assistance (EAA) program noted that the average size of a Public Works investment has been approximately $1.4 million, and investments generally range from $600,000 to $5 million. The average size of an EAA investment has been approximately $650,000, and EDA expected to make awards ranging from $150,000 to $2.5 million in FY2025. See the Public Works and EAA NOFO, https://grants.gov/search-results-detail/346815, and CRS Insight IN12413, *Facts and Figures: EDA Awards Phase 2 Grants Under Tech Hubs and Recompete Programs*, by Julie M. Lawhorn. See also EDA, "Biden-Harris Administration Announces Next Funding Round of $504 Million for 12 Tech Hubs Across America," press release, July 2, 2024, https://www.eda.gov/news/press-release/2024/07/02/biden-harris-administration-announces-next-funding-round-504-million.

[98] Division B, Title VI—Miscellaneous Science and Technology Provisions, Subtitle C, Section 10621. See also EDA, "Regional Technology and Innovation Hubs (Tech Hubs)," https://www.eda.gov/funding/programs/regional-technology-and-innovation-hubs; and CRS Insight IN12170, *Economic Development Administration Announces Phase 1 of New Tech Hubs Program*, by Julie M. Lawhorn and Marcy E. Gallo.

[99] EDA, "Biden-Harris Administration Awards Additional $210 Million Tech Hub Grants," press release, January 14, 2025, https://www.commerce.gov/news/press-releases/2025/01/biden-harris-administration-awards-additional-210-million-tech-hub. The press release also noted that, "The six latest Hubs selected for implementation grants are among the 31 Tech Hubs designated in October 2023."

[100] U.S. Department of Commerce (DOC), "Statement from U.S. Secretary of Commerce Howard Lutnick on the Tech Hubs Program," May 16, 2025, https://www.commerce.gov/news/press-releases/2025/05/statement-us-secretary-commerce-howard-lutnick-tech-hubs-program; and DOC, "Tech Hubs Program Fact Sheet" https://www.commerce.gov/news/fact-sheets/2025/05/tech-hubs-program-fact-sheet.

designated Tech Hubs that did not receive implementation awards. In July 2026, EDA announced that its next round of awards will include six Tech Hubs and a total of $169 million in EDA funding.[101]

Statutory Authority: 15 U.S.C. §3722a[102]

Agency Regulations: The program is governed by the terms of the NOFO.[103]

Economic distress criteria: No minimum economic distress level requirements.[104]

Requirement to align with CEDS or equivalent: The CEDS requirement is not referenced in 15 U.S.C. §3722a.

Level of matching funds requirement: Strategy development award recipients will generally contribute at least a 20% cost share, except the cost share is lowered to 10% if the eligible consortium represents all or part of a small and rural or other underserved community. For implementation awards, the total amount of initial funds awarded shall not exceed 90% of the total operating costs of the hub—except in the case of an eligible consortium that represents all or part of a small and rural or other underserved community or is led by a tribal government.

Research and National Technical Assistance Program (RNTA)

According to the EDA, the RNTA program funds research, evaluation, and national technical assistance projects that promote competitiveness and innovation. The EDA administers RNTA funding through a single NOFO for two separate programs: the Research and Evaluation (R&E) Program and the National Technical Assistance (NTA) Program.[105] Through the National Technical Assistance program, EDA may provide technical assistance that is national in scope on a specific type of economic development challenge, opportunity, event, or condition, or for "outreach, training, and information dissemination." For instance,

- EDA partnered with two national organizations (the National Association of Development Organizations [NADO] Research Foundation and the National Association of Counties [NACo]) to disseminate promising strategies among coal-impacted communities.
- EDA directed a portion of Assistance to Nuclear Closure Communities (NCC) funds to a national technical assistance provider that disseminates promising strategies and creates a 'community of practice' for applicants and grantees.[106]

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[101] EDA, "U.S. Department of Commerce Intends to Invest $169 Million in Tech Hubs Funding to Enhance Economic Competitiveness and National Security," July 20, 2026, https://www.eda.gov/news/article/2026/07/20/us-department-commerce-intends-invest-169-million-tech-hubs-funding-enhance.

[102] The Tech Hubs program is authorized under Section 28 of the Stevenson-Wydler Technology Innovation Act (15 U.S.C. §3722a).

[103] EDA, "FY2023 Regional Technology and Innovation Hub Program Phase 1 NOFO (Tech Hubs Phase 1 NOFO)," https://www.eda.gov/sites/default/files/2023-05/Tech_Hubs_NOFO.pdf.

[104] EDA, "FY2023 Tech Hubs NOFO."

[105] EDA, "Research and National Technical Assistance (RNTA) Programs," https://eda.gov/programs/rnta/. See also EDA, "NOFO for FY 2021-2023 Research and Evaluation (R&E) and National Technical Assistance (NTA) Programs," EDA-HDQ-RNTA-2021, https://grants.gov/search-results-detail/334079.

[106] In partnership with EDA, the Nuclear Decommissioning Collaborative (NDC), NADO Research Foundation (NADO RF), the Center on Creative Land Recycling, and Smart Growth America provided support to communities through the Technical Assistance for Nuclear Communities (TANC) program, which assisted communities that have experienced a nuclear power plant closure event and the subsequent adverse socioeconomic impacts. Through the (continued...)

Statutory Authority: 42 U.S.C. §3147

Agency Regulations: 13 C.F.R. Part 306

Economic distress criteria: EDA's regulations (13 C.F.R. §301.3) note that there are no minimum economic distress level requirements for RNTA projects.

Requirement to align with CEDS or equivalent: EDA regulations (13 C.F.R. §306.2) note that projects will be evaluated based on the extent that they are "consistent with an EDA-approved CEDS, *as applicable*, for the region in which the project is located."

Level of matching funds requirement: Generally, 50% of project costs, but may vary. PWEDA notes that the Secretary may also increase the federal share up to 100% for RNTA grants (42 U.S.C. §3144(c)(3)). See 13 C.F.R. §301.4.

program, the TANC team engaged with stakeholders in nuclear closure communities to evaluate their needs and assets and provided support for redevelopment efforts. The EDA's webpage on RNTA provides additional examples at https://www.eda.gov/rnta.

Appendix B. Detailed Summaries of Discontinued EDA Grant Programs

This appendix provides summaries of EDA's recently discontinued grant programs. In January 2025, the Economic Development Reauthorization Act (EDRA) of 2024 (P.L. 118-272) reauthorized the EDA. EDRA amended aspects of the University Center program, which is noted below.

Initiatives Administered through the EAA Program (Discontinued by EDA)

As noted, the EAA program is designed to assist areas experiencing long-term economic distress or sudden and substantial economic dislocation. EDA administered the following economic recovery assistance through the EAA program in recent years:

- **Good Jobs Challenge.** In FY2021, EDA launched the Good Jobs Challenge through the EAA program with funding provided by the American Rescue Plan Act of 2021 (P.L. 117-2) to develop and strengthen regional workforce training systems and sectoral partnerships.[107] The initiative was designed to support regional workforce training programs. EDA announced that it would discontinue the initiative following the FY2024 Good Jobs Challenge competition.[108]
- **Economic Recovery Corps.** In FY2022, EDA administered the new Economic Recovery Corps program through the EAA initiative with funding provided by the CARES Act (P.L. 116-136). The Economic Recovery Corps initiative was designed to expand staff capacity in local organizations focused on improving economic resilience and competitiveness in distressed regions. The Notice of Funding Opportunity (NOFO) indicated that EDA would select a Network Operator (an organization or coalition) to build, launch, and operate the Economic Recovery Corps program, which will embed Fellows in local economic development organizations.[109]
- **Equity Impact Investments.** In FY2022, EDA administered the new Equity Impact Investments initiative through the EAA program with funding provided

[107] For the Good Jobs Challenge, EDA defined a sectoral partnership as a partnership of employers from the same industry who join with other strategic partners to focus on the workforce needs of an industry within a regional labor market. See EDA, "Good Jobs Challenge, Frequently Asked Questions," July 29, 2024, p. 4, https://www.eda.gov/sites/default/files/2024-07/FY2024_GJC_Frequently_Asked_Questions.pdf; and "Workforce Development Design and Programming," https://www.eda.gov/sites/default/files/2024-02/Recompete_Virtual_Summit_Workforce_Development_Recompete_Summit_Slides.pdf; and EDA, "Good Jobs Challenge," https://www.eda.gov/funding/programs/good-jobs-challenge.

[108] EDA launched the Good Jobs Challenge (GJC) grant program in FY2021—with funding provided by the American Rescue Plan Act of 2021 (P.L. 117-2)—to develop and strengthen regional workforce training systems and sectoral partnerships. EDA defined a sectoral partnership as a partnership of employers from the same industry who join with other strategic partners to focus on the workforce needs of an industry within a regional labor market. See EDA, "Good Jobs Challenge, Frequently Asked Questions," July 29, 2024, https://www.eda.gov/sites/default/files/2024-07/FY2024_GJC_Frequently_Asked_Questions.pdf; and "Workforce Development Design and Programming," https://www.eda.gov/sites/default/files/2024-02/Recompete_Virtual_Summit_Workforce_Development_Recompete_Summit_Slides.pdf. EDA, "Good Jobs Challenge," https://www.eda.gov/funding/programs/good-jobs-challenge.

[109] EDA, "Economic Recovery Corps," https://www.eda.gov/archives/2022/programs/economic-recovery-corps/.

by the CARES Act. The program was designed to provide technical assistance to enable organizations serving underserved populations and communities to participate in economic development planning and projects.[110]

EDA administered the Economic Recovery Corps and Equity Impact Investment initiatives as cooperative agreements.

Statutory Authority: 42 U.S.C. §§3149, 3233

Agency Regulations: 13 C.F.R. Part 307

Economic distress criteria: For the Good Jobs Challenge, EDA required the project area meet one (or more) of the economic distress criteria, which includes projects that meet a "special need."[111] For the Economic Recovery Corps and Equity Impact Investment initiatives, the COVID-19 pandemic constituted a "Special Need," and EDA allowed eligibility to be established on that basis without reference to the other economic distress criteria.[112]

Requirement to align with CEDS or equivalent: EDA required Good Jobs Challenge recipients to demonstrate consistency with a regional CEDS.[113] The NOFO for the Economic Recovery Corps and Equity Impact Investment initiatives noted that the projects solicited under the NOFO were not required to discuss a CEDS linkage as they were "inherently in compliance with EDA's requirement that each project be consistent with the region's current CEDS or CEDS-equivalent."[114] This was because activities funded under the NOFO were to support regional planning.

Level of matching funds requirement: With few exceptions for the Good Jobs Challenge initiative, EDA required 50% of project costs. EDA allowed projects to receive an additional amount, not to exceed 30%, based on the relative needs of the region in which the project will be located.[115] EDA did not require matching funds for the Economic Recovery Corps and Equity Impact Investments awards.[116]

STEM Talent Challenge[117] (Discontinued by EDA)

According to EDA, "Funding is not available to continue support for this program and no further competitions are planned."[118] Congress directed EDA—in legislative text—to allocate $2 million each fiscal year for FY2021 and FY2022 and $2.5 million each fiscal year for FY2023-FY2025.

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[110] EDA, "FY2022 CARES Act Economic Recovery Corps and Equity Impact Investments Programs NOFO," EDA-HDQ-RNTA-2022-2007441, p. 11, https://www.grants.gov/search-results-detail/341163.

[111] EDA, "Good Jobs Challenge, Frequently Asked Questions," July 29, 2024, p. 21.

[112] EDA, "FY2022 CARES Act Economic Recovery Corps and Equity Impact Investments Programs NOFO," EDA-HDQ-RNTA-2022-2007441, p. 13.

[113] EDA, "Good Jobs Challenge, Frequently Asked Questions," July 29, 2024, p. 20.

[114] EDA, "FY2022 CARES Act Economic Recovery Corps and Equity Impact Investments Programs NOFO," EDA-HDQ-RNTA-2022-2007441, p. 11.

[115] EDA, "Good Jobs Challenge, Frequently Asked Questions," July 29, 2024, p. 25.

[116] EDA, "FY2022 CARES Act Economic Recovery Corps and Equity Impact Investments Programs NOFO," EDA-HDQ-RNTA-2022-2007441, p. 14.

[117] STEM is the acronym used for science, technology, engineering, and mathematics curriculum, training, education, and related initiatives. For more information, see https://www.eda.gov/funding/programs/stem-challenge.

[118] EDA, "STEM Talent Challenge," https://www.eda.gov/funding/programs/stem-challenge.

Report language accompanying FY2026 appropriations directed EDA to allocate $2.5 million to the program.[119]

Prior to FY2026, the STEM Talent Challenge program (or "STEM Apprenticeship Pilot" program) funded proposals to expand career pathways and meet employers' needs for a STEM-capable workforce. The program was authorized in the American Innovation and Competitiveness Act of 2017 (P.L. 114-329) and is administered by the EDA's Office of Innovation and Entrepreneurship (OIE). According to EDA, the STEM initiative aligned with the goals of the agency's B2S program, which is also administered by OIE and designed to develop talent, capital, and entrepreneurial support systems. The STEM Talent Challenge was designed to address the need for the "talent" component by building a skilled workforce for regional innovation economies. Funded projects generally addressed training gaps in order to facilitate the growth of high-growth, high-wage entrepreneurial ventures, innovation-driven businesses, and industries that leverage emerging technologies.

Statutory Authority: 15 U.S.C. §3723[120]

Agency Regulations: The program is governed by the terms of the NOFO.[121]

Economic distress criteria: No minimum economic distress level requirements.

Requirement to align with CEDS or equivalent: See the terms of the program's NOFO.

Level of matching funds requirement: Applicants must provide a matching nonfederal cost-share of at least 50% of the total project cost.

Trade Adjustment Assistance for Firms (TAAF)[122] (Discontinued by EDA)

According to EDA, "Funding is not available to continue support for this program. Key portions of the statutory authorization of EDA's TAAF program expired on June 30, 2022. As of July 1, 2022, EDA was unable to accept new petitions from firms for certification of eligibility for trade adjustment assistance ("petitions") through the TAAF program. Current Trade Adjustment Assistance Centers will utilize previously awarded funds to serve existing clients until such funding is exhausted."[123] According to the explanatory statement accompanying FY2026 appropriations, Congress directed EDA to provide $7.5 million to the TAAF program in FY2026.[124]

[119] Representative Tom Cole, "Explanatory Statement Submitted by Mr. Cole, Chair of the House Committee on Appropriations, Regarding H.R. 6938, Commerce, Justice, Science; Energy and Water Development; and Interior and Environment Appropriations Act, 2026," p. H256.

[120] The STEM Talent Challenge is authorized under Section 30 (formerly Section 28) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. §3723). The STEM Talent Challenge program was established by the American Innovation and Competitiveness Act (P.L. 114-329).

[121] EDA, "2023 STEM Talent Challenge Program NOFO," https://www.eda.gov/sites/default/files/2023-04/FY%2023%20STEM%20Talent%20Challenge%20NOFO.pdf.

[122] For more information, see CRS In Focus IF12430, *Trade Adjustment Assistance for Firms*, by Kyla H. Kitamura.

[123] EDA, "Trade Adjustment Assistance for Firms," https://www.eda.gov/funding/programs/trade-adjustment-assistance-for-firms.

[124] Representative Tom Cole, "Explanatory Statement Submitted by Mr. Cole, Chair of the House Committee on Appropriations, Regarding H.R. 6938, Commerce, Justice, Science; Energy and Water Development; and Interior and Environment Appropriations Act, 2026," p. H256.

Prior to FY2026, the TAAF program funded a national network of Trade Adjustment Centers (TAACs) that provided assistance to American companies that had "lost domestic sales and employment because of increased imports of similar goods and services." According to the EDA, "a national network of 11 TAACs help strengthen the competitiveness of American companies that have lost domestic sales and employment because of increased imports of similar goods and services." The following entities were eligible to apply for assistance to operate a TAAC: universities or affiliated organizations; states or local governments; or nonprofit organizations.[125] EDA generally funds a TAAC for a three-year period composed of three separate funding periods of 12 months each.[126]

Beginning July 1, 2022, TAAF termination provisions took effect. EDA reported that it will no longer accept new petitions from firms for certification of eligibility for trade adjustment assistance ("petitions") through the TAAF program.[127]

Statutory Authority: Trade Act of 1974, as amended (19 U.S.C. §§2341 et seq.)

Agency Regulations: 13 C.F.R. Part 315

Economic distress criteria: No minimum economic distress level requirements.[128]

Requirement to align with CEDS or equivalent: The CEDS requirement is not referenced in 19 U.S.C. §§2341 et seq. or agency regulations.

Level of matching funds requirement: There are no matching share requirements for adjustment assistance provided by the TAACs to firms for certification or for administrative expenses of the TAACs.[129] Certified firms that receive assistance from TAACs must pay a percentage of expenses associated with services.[130]

University Center Program[131] (Discontinued by EDA)

According to EDA, "Funding is not available to continue support for this program. Information provided on this, and related program pages, is for historical reference and applies to competitions in or before FY 2023."[132]

Prior to FY2026, EDA administered the University Center activities as a component of the Research and National Technical Assistance (RNTA) program.[133] The University Center program connected economic development practitioners with expertise and resources from colleges and universities. University Centers provided technical assistance in support of regional economic development strategies.

University Centers had the statutorily defined duties to

- collaborate with other University Centers;

[125] 13 C.F.R. §315.4.

[126] 13 C.F.R. §315.5.

[127] EDA, "Trade Adjustment Assistance for Firms," https://www.eda.gov/funding/programs/trade-adjustment-assistance-for-firms.

[128] 13 C.F.R. §315.5.

[129] 13 C.F.R. §315.5.

[130] 13 C.F.R. §315.6.

[131] For a list of University Centers, see https://www.eda.gov/funding/programs/university-centers/current-list.

[132] EDA, "University Centers," https://www.eda.gov/funding/programs/university-centers.

[133] 42 U.S.C. §3147(c).

- provide technical assistance to support CEDS and other economic development planning with a focus on innovation, entrepreneurship, workforce development, and regional economic development;
- provide technical assistance, business development, and technology transfer services to businesses in the University Center's service area;
- establish partnerships with commercialization intermediaries that are eligible to receive a grant under 42 U.S.C. §1862s-9;
- promote local and regional capacity building; and
- provide assistance on data collection, analysis, and research to help communities and regions inform economic development and adjustment strategies.

EDRA (P.L. 118-272) directed EDA, when reviewing University Center grants applications, to consider University Centers that may support distressed communities in planning and implementing economic development projects and University Centers that may be located near a distressed community. 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.

Eligible recipients for the University Center program included institutions of higher education (including community colleges or junior colleges and consortia of institutions of higher education); university-affiliated research institutions; and nonprofit organizations. University Center grants generally had a five-year period of performance, with an initial funding period of one year. Beginning in FY2004, EDA administered the University Center program as a competitive multiyear program.

Statutory Authority: 42 U.S.C. §3147

Agency Regulations: 13 C.F.R. Parts 300-302 and 13 C.F.R. §306 Subpart B

Economic distress criteria: No minimum economic distress level requirements.[134]

Requirement to align with CEDS or equivalent: Recent University Center NOFOs indicate that applicants to the University Center program are not required to submit a CEDS.[135]

Level of matching funds requirement: Generally, 60% of project costs, but may be provided up to 100% of project costs (see 42 U.S.C. §3144(a) and 42 U.S.C. §3144(c)(3)). See 13 C.F.R. §301.4.

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[134] 13 C.F.R. §306 Subpart B. The EDA encourages University Centers to provide services that benefit distressed areas in their region (13 C.F.R. §306.5(a)).

[135] EDA, "NOFO—FY2021 EDA University Center Economic Development Program Competition," EDA-CHI-TA-CRO-2021-2006893 and EDA-CHI-TA-CRO-2021-2006894, p. 20.

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