

**NADO ACTION ALERT:  
ECONOMIC DEVELOPMENT ADMINISTRATION  
URGE CONGRESS TO MAINTAIN FUNDING FOR EDA**

**BACKGROUND:**

During the week of February 14, the House Republican leadership plans to bring a federal budget package to the floor with at least \$60 billion in funding cuts for the remainder of FY2011 (October 1, 2010 to September 30, 2011). The House debate will be held under an “open rule,” meaning that any House member will be allowed to offer additional budget-cutting amendments.

Even if the leadership of the House Appropriations Committee retains funding for the U.S. Economic Development Administration (EDA) and other related community and economic development programs near their FY2010 levels, we are now expecting several major amendments to eliminate essential job creation and infrastructure development programs such as EDA.

*This is especially true for EDA, HUD’s Community Development Block Grant (CDBG) program, USDA Rural Development and federal-state regional commissions such as the Appalachian Regional Commission, Delta Regional Authority and Denali Commission. All of these agencies and programs have been targeted for elimination in various federal budget reduction plans, such as the Bowles-Simpson National Commission on Fiscal Responsibility and Reform and the House Republican Study Committee’s \$2.5 trillion budget-cutting proposal.*

The next few weeks are crucial to the future of EDA. While the Obama Administration and the Senate are unlikely to accept the severe reductions being discussed by the House Republican leadership, we still need to preserve the budget baselines for programs such as EDA and CDBG in the House version of the FY2011 omnibus appropriations bill or detailed Continuing Resolution (CR). This is very important for the House-Senate negotiations on the final FY2011 spending bill. In addition, we will be quickly moving into the FY2012 budget cycle with the release of the administration’s FY2012 federal budget proposal on February 14.

**IMMEDIATELY CONTACT YOUR MEMBERS OF CONGRESS ON THE IMPORTANCE OF EDA**

**ACTION REQUESTED:**

1. **Immediately CALL and WRITE to your Members of the U.S. House today.** Please see the attached sample letter. Be sure to put it on your organization’s letterhead, personalize the comments to your region and include brief yet detailed background on EDA investments from your region! **Please be sure to provide copies of any correspondence to NADO via email ([dcox@nado.org](mailto:dcox@nado.org)) or fax (202.624.8813).**
2. **Showcase the best federal investments in your region by bringing your Members of Congress (and their DC and district office staff) on a tour of successful EDA, CDBG and other related projects – this is a pressing and immediate need.** For example, if you have a great EDA-funded business park, arrange a tour of the facility and a “meet-and-greet” with the businesses and entrepreneurs. It is critically important in the current political environment for federal policymakers to hear directly from business leaders about the importance of federal community and economic development programs.
3. **Develop and present a professional summary (1-2 pages is preferred) of the best federal community and economic development investments in your region, especially EDA-funded projects, to your members of Congress and their DC policy staff.** This executive summary should have concise information:

- a. Why was the project an appropriate use of federal money? Why was the federal money needed to make the project a reality?
  - b. How did the federal investment attract or leverage matching funds from state and local sources, as well as from the private sector?
  - c. What are both the short-term and long-range benefits of the federal investment?
4. For your U.S. Senators and if you share a U.S. House Member with a neighboring RDO, we encourage you to partner with your state association and peers to coordinate your message, presentations and project tours!

## KEY TALKING POINTS ON EDA AND THE ROLE OF REGIONAL DEVELOPMENT ORGANIZATIONS

### Key Messages on EDA:

- **In recent months, critics of EDA have targeted the agency for elimination as part of renewed federal budget-cutting debates.** Unfortunately, these critics have been using very outdated and irrelevant data from the late 1970s and early 1980s. This old rhetoric from nearly 30 years ago is outdated and does not reflect today's reality with the agency. In fact, Republican leaders in the House and Senate passed a major reform / reauthorization bill in 1998 that addressed previous concerns with the agency.
- EDA is the only federal agency with the sole mission to assist in the creation of high quality private sector jobs and promote economic prosperity in America's distressed communities. By federal law, EDA projects require a substantial local match, and EDA investments must leverage additional private sector investments in distressed and underserved areas.
- EDA awards grants on a competitive basis and based on regional comprehensive economic development strategies developed by the national network of Economic Development Districts and their local officials, private sector leaders and community representatives. ***In fact, EDA is one of the few federal agencies with no congressional project earmarks in recent appropriations bills.***
- EDA investments are targeted at public infrastructure - human, community and physical - required to support private sector business needs. These are economic development building blocks that the private sector will NOT build themselves, but instead expect communities to offer and possess.
- **Two major independent studies conducted within the past ten years concluded that EDA projects have a significant impact on employment levels in communities where EDA investments are made.** The most recent analysis released by Grant Thornton and ASR Analytics in September 2008 found that EDA's public works program generates "between 2.2 and 5 jobs per \$10,000 in incremental EDA funding, at a cost per job of between \$2,001 and \$4,611." These are highly impressive rates of return for any public economic development agency, whether at federal, state or local level.
- At a time when our local governments, businesses and communities across the nation are struggling to overcome intensifying global competition, replace aging public infrastructure and gain access to business development capital, **Congress should be focusing its efforts on increasing funding for EDA's core job creation programs.**

**For more information, contact NADO Associate Legislative Director Deborah Cox at 202.624.8590 or [dcox@nado.org](mailto:dcox@nado.org).**

**PLEASE ENCOURAGE ALL OF YOUR MEMBERS TO SUPPORT EDA,  
ESPECIALLY IF THEY SERVE ON THE APPROPRIATIONS COMMITTEE**

## U.S. HOUSE APPROPRIATIONS COMMITTEE

### **Majority (Republican)**

*Hal Rogers, Chairman, Kentucky*

C.W. Bill Young, Florida

Jerry Lewis, California

**Frank Wolf, Virginia**

Jack Kingston, Georgia

Rodney Frelinghuysen, New Jersey

Tom Latham, Iowa

**Robert Aderholt, Alabama**

Jo Ann Emerson, Missouri

Kay Granger, Texas

Mike Simpson, Idaho

**John Culberson, Texas**

Ander Crenshaw, Florida

Denny Rehberg, Montana

John Carter, Texas

Rodney Alexander, Louisiana

Ken Calvert, California

**Jo Bonner, Alabama**

Steve LaTourette, Ohio

Tom Cole, Oklahoma

Jeff Flake, Arizona

Mario Diaz-Balart, Florida

Charlie Dent, Pennsylvania

**Steve Austria, Ohio**

Cynthia Lummis, Wyoming

**Tom Graves, Georgia**

**Kevin Yoder, Kansas**

Steve Womack, Arkansas

Alan Nunnelee, Mississippi

### **Minority (Democratic)**

*Norman D. Dicks, Ranking Member, Washington*

Marcy Kaptur, Ohio

Pete Visclosky, Indiana

Nita Lowey, New York

**José Serrano, New York**

Rosa DeLauro, Connecticut

Jim Moran, Virginia

John Olver, Massachusetts

Ed Pastor, Arizona

David Price, North Carolina

Maurice Hinchey, New York

Lucille Roybal-Allard, California

Sam Farr, California

Jesse Jackson, Jr., Illinois

**Chaka Fattah, Pennsylvania**

Steve Rothman, New Jersey

Sanford Bishop, Georgia

Barbara Lee, California

**Adam Schiff, California**

**Mike Honda, California**

Betty McCollum, Minnesota

*\*\***Bold text** indicates that the member serves on the Commerce-Justice-Science Appropriations Subcommittee, which has responsibility for annual funding for the U.S. Economic Development Administration (EDA).*

**DRAFT LETTER IN SUPPORT OF THE  
U.S. ECONOMIC DEVELOPMENT ADMINISTRATION (EDA)**

February 1, 2011

Honorable \_\_\_\_\_  
U.S. House of Representatives  
Washington, DC 20515

Dear Representative \_\_\_\_\_:

**On behalf of the \_\_\_\_\_, I am writing to express our strong support for maintaining full funding for the Economic Development Administration (EDA) within the U.S. Department of Commerce's final FY2011 appropriations bill.** While we appreciate the nation's immediate need to address our federal deficits and debt, EDA is a proven program that provides significant financial and employment returns for our federal investments. This is primarily through strategic planning, infrastructure development, business lending and economic adjustment assistance for distressed areas, efforts that are working to create high quality private sector jobs.

Unfortunately, there have been unfounded and out-of-date attacks on EDA in recent weeks. The agency's critics have been using obsolete and irrelevant data from the late 1970s and early 1980s. This old rhetoric from nearly 30 years ago is outdated and doesn't reflect today's reality with the agency. In fact, previous Republican leaders in the House and Senate passed a major EDA reform and reauthorization bill in 1998 that addressed previous concerns with the agency.

In our region, EDA has played an invaluable role in helping our local communities create and retain high quality private sector jobs. In addition to supporting our regional development strategy process, the agency invested in the \_\_\_\_\_ project. This project created \_\_\_\_\_ jobs and helped retain another \_\_\_\_\_. In addition, EDA's investment helped secure \_\_\_\_\_ in matching funds and leveraged another \_\_\_\_\_ in private sector investments.

**ADD MORE EDA PROJECTS....**

**As the House debates the next and final steps on the FY2011 appropriations bills, we strongly encourage you to support maintaining full funding for the U.S. Economic Development Administration (EDA).** We would also like to work with your office to tour successful EDA projects within our region. We believe you will find EDA investments to be an appropriate and impactful federal investment.

If you have any questions regarding this important matter or you would like to arrange a tour of EDA projects within our region, please contact me at \_\_\_\_\_.

Thank you again for your consideration to this timely issue.

Name, Title  
Organization  
Contact Information