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Federal Regional Commissions and Authorities: Overview of Structure and Activities

Federal regional commissions and authorities address perceived regional economic underdevelopment. These organizations generally accommodate multileveled and multijurisdictional participation and implementation, which Congress could utilize to address growing interest in broad-based and intensive economic development efforts. Current commissions and authorities represent some regions; other regions could adopt similar entities. This In Focus outlines each organization's structure, activities, and recent funding, but reserves broader policy analysis for future reporting.

Appalachian Regional Commission

The Appalachian Regional Commission (ARC) was established in 1965 to address economic distress in the Appalachian region. The ARC's jurisdiction spans 420 counties in Alabama, Georgia, Kentucky, Ohio, New York, Maryland, Mississippi, North Carolina, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia. The ARC is a federal-state partnership, with administrative costs shared equally by the federal government and member states, while economic development activities are federally funded (**Table 1**). Thirteen state governors and a federal cochair oversee the ARC. The cochair is appointed by the President with the advice and consent of the U.S. Senate. The current federal cochair is Tim Thomas, whose tenure began in April 2018. North Carolina Governor Roy Cooper is the states' cochair, who is selected by the governors.

According to authorizing legislation (40 U.S.C. §14101-14704), the ARC's programs abide by a Regional Development Plan, which is comprised of the strategic plan, bylaws, state development plans, the annual strategy statement for each participating state, the annual program budget, and internal implementation and performance management guidelines. The strategic plan is typically a five-year document, reviewed annually, and revised as necessary. The current strategic plan, adopted in November 2015, prioritizes five investment goals: (1) entrepreneurial and business development; (2) workforce development; (3) infrastructure development; (4) natural and cultural assets; and (5) leadership and community capacity.

The ARC's structure enables local and state-level agenda-setting and implementation tied to federal and multistate regional perspectives. The ARC's economic development activities include significant state and local input. Through state plans and annual work statements, state governments regularly establish goals, priorities, and agendas for fulfilling them. State-level planning typically includes consultation with a network of 73 multicounty local development districts (LDDs), which are financially supported by the ARC and advise on local priorities and issues. Accordingly, state and local governments, governmental entities, and nonprofit organizations are eligible for the ARC's funding. Uniquely, this includes federal- and potentially state-designated tribal entities.

The ARC statutorily designates counties according to levels of economic distress, which determine matching fund requirements for grants. In descending order of distress: *attainment* (0% funding allowance); *competitive* (30%); *transitional* (50%); *at-risk* (70%); and *distressed* (80%). Special allowances may reduce or discharge matches, and match requirements may be met with other federal funds when allowed. The ARC's multileveled and multijurisdictional structure and activities make it a unique model of federal economic development, which is emulated in some other federal regional commissions and authorities.

Table 1. Appropriations for the ARC FY2015-FY2019

$ in millions

FY2015	FY2016	FY2017	FY2018	FY2019
$90	$146	$152	$155	$165

Source: Compiled by CRS using data from P.L. 113-235, P.L. 114-113, P.L. 115-31, P.L. 115-141, and P.L. 115-244.

Delta Regional Authority

The Delta Regional Authority (DRA) was established in 2000 (P.L. 106-554) to address economic distress in the Mississippi River Delta region. The DRA's jurisdiction includes 252 designated parishes in Louisiana and counties in Alabama, Arkansas, Illinois, Kentucky, Mississippi, Missouri, and Tennessee. Like the ARC, the DRA is a federal-state partnership that shares administrative expenses equally, while activities are federally funded (**Table 2**). The DRA is governed by the eight state governors and a federal cochair appointed by the President with the advice and consent of the U.S. Senate. As of January 2018, the current federal cochair is Christopher Caldwell. One governor is selected as the states' cochair of the DRA, which is currently Kentucky Governor Matt Bevin.

The DRA strategic plan illuminates economic development priorities. Its third and current strategic plan—Regional Development Plan III—was released in April 2016. The strategic plan lists three goals: workforce competitiveness; strengthened infrastructure; and increased community capacity. The DRA uses a federal-state-local model similar to the ARC's. State development plans are required by statute, and are issued every five years to coincide with the strategic plan. The DRA funds projects through a supported network of 44 LDDs. By statute, the DRA directs at least 75% of funds to distressed counties; half those funds target transportation and basic infrastructure. As of FY2018, 234 of the DRA's 252 counties are considered distressed.

Table 2. Appropriations for the DRA FY2015-FY2019
$ in millions

FY2015	FY2016	FY2017	FY2018	FY2019
$12	$25	$25	$25	$25

Source: Compiled by CRS using data from P.L. 113-235, P.L. 114-113, P.L. 115-31, P.L. 115-141, and P.L. 115-244.

Denali Commission

The Denali Commission was established in 1998 (P.L. 105-277) to provide rural economic development in Alaska. It is unique as a single-state regional commission and relies on federal funding for its expenses and activities (**Table 3**). By statute, it is comprised of seven members (or a designated nominee) appointed by the U.S. Secretary of Commerce, including the federal cochair; the Alaska Governor, who is state cochair; the University of Alaska president; the Alaska Municipal League president; the Alaska Federation of Natives president; the Alaska State AFL-CIO president; and the Associated General Contractors of Alaska president. John Torgerson is the interim federal cochair.

The Denali Commission is statutorily required to create an annual work plan, which solicits project proposals, guides activities, and informs a five-year strategic plan. The current FY2018-FY2022 strategic plan, released in October 2017, lists four strategic goals and objectives: (1) facilities management; (2) infrastructure protection from ecological change; (3) energy, including storage, production, heating, and electricity; and (4) innovation and collaboration. The Denali Commission's recent activities are largely oriented to energy and infrastructure protection. Denali does not make explicit use of LDDs or their analogues.

Table 3. Appropriations for the Denali Commission FY2015-FY2019
$ in millions

FY2015	FY2016	FY2017	FY2018	FY2019
$10	$11	$15	$30	$15

Source: Compiled by CRS using data from P.L. 113-235, P.L. 114-113, P.L. 115-31, P.L. 115-141, and P.L. 115-244.

Northern Border Regional Commission

The Northern Border Regional Commission (NBRC) was created in 2008 (P.L. 110-234) to alleviate economic distress in northern Maine, New Hampshire, Vermont, and New York. Administrative costs are shared equally between the states and the federal government, while activities are federally funded (**Table 4**). The NBRC includes a federal cochair, appointed by the President by and with the advice and consent of the U.S. Senate, and the five governors, of which one is appointed state cochair. Harold B. Parker is the current federal cochair since October 2018. Governor Phil Scott of Vermont is the current state cochair.

The NBRC's activities are guided by a five-year strategic plan. Its current 2017-2021 strategic plan lists three goals: (1) modernizing infrastructure; (2) creating and sustaining jobs; and (3) anticipating and capitalizing on shifting economic and demographic trends. The NBRC invests along four program areas: (1) economic and infrastructure development (EID); (2) comprehensive planning for states; (3) local development districts; and (4) general planning, for other needs. The NBRC's annual EID investment program provides approximately $1.5-2.5 million for each state for economic development activities, which may require up to a 50% match depending on distress. The NBRC also uses 16 LDDs to identify opportunities, conduct outreach, and administer grant funds, from which LDDs receive fees.

Table 4. Appropriations for the NBRC FY2015-FY2019
$ in millions

FY2015	FY2016	FY2017	FY2018	FY2019
$5	$7	$10	$15	$20

Source: Compiled by CRS using data from P.L. 113-235, P.L. 114-113, P.L. 115-31, P.L. 115-141, and P.L. 115-244.

Northern Great Plains Regional Authority

The Northern Great Plains Regional Authority (NGPRA) was created in 2002 (P.L. 107-171) to address economic distress in Iowa, Minnesota, North Dakota, Nebraska, and South Dakota. The NGPRA was legislatively structured with a federal cochair and participating governors (with a designated state cochair) as well as a Native American tribal cochair. The founding statute also created Northern Great Plains, Inc., a 501(c)(3), as a resource for regional issues and international trade. While the NGPRA was authorized $30 million from FY2002 to FY2018, it appears to have received appropriations once—for $1.5 million in FY2004 (P.L. 108-199). Its authorization lapsed in 2019.

Southeast Crescent Regional Commission

The Southeast Crescent Regional Commission was established in 2008 with the NBRC and the Southwest Border Regional Commission, which were all modeled after the ARC. Southeast Crescent's jurisdiction includes parts of Alabama, Georgia, Mississippi, North Carolina, South Carolina, Virginia, and all of Florida. Congress authorized $30 million funding levels each fiscal year from FY2008 to FY2018, and $33 million in FY2019, but appropriated $250,000 in each of FY2010-FY2019. As of March 2019, Southeast Crescent does not appear active.

Southwest Border Regional Commission

The Southwest Border Regional Commission was established by Congress in 2008 along with Southeast Crescent and the NBRC, and shares an identical governing structure and legislative authorization. Southwest Border encompasses the southern border regions of Arizona, California, New Mexico, and Texas. Southwest Border has received consistent funding authorizations since it was established. Southeast Border never received an appropriation and does not appear to be active.

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