



# IEDC Urges Congress to Support The U.S. Economic Development Administration (EDA) in FY 2025 Appropriations

## ACTION NEEDED

The International Economic Development Council (IEDC) urges Congress to pass the Economic Development Reauthorization Act of 2024 (S.3891).



## BACKGROUND

The U.S. Department of Commerce's Economic Development Administration (EDA), is the only Federal agency that focuses exclusively on economic development. The agency plays a critical role in facilitating regional economic development efforts through its portfolio of flexible investment tools, mission-driven staff, and a network of regionally-based partner organizations.

EDA is tasked to lead the national economic development agenda by promoting innovation and competitiveness, and preparing American regions for growth and success in the global economy. EDA's investment approach helps stakeholders, including IEDC members, build regional economic development capacity to create robust economic ecosystems that contribute to the success of the 21st century workforce, businesses and industry sectors, and the broader community.



# IEDC'S EDA PRIORITIES IN FY2025 APPROPRIATIONS

## IEDC'S EDA PRIORITIES

- **Economic Recovery Corps (ERC):** IEDC urges Congress to provide \$10 million in FY25 to facilitate and administer the U.S. Economic Development Administration's Economic Recovery Corps Program (ERC) to provide critical capacity-building support and technical assistance resources to promote economic development for distressed and underserved communities, including tribal communities, across the United States.
- **ReCompete Pilot Program (ReCompete):** The Recompete Pilot program was established by the CHIPS and Science Act (P.L. 117-167, enacted August 8, 2022; 15 U.S.C. §3722b). The program will provide grants and cooperative agreements to persistently distressed areas supported by IEDC members. EDA administers two types of Recompete awards: (1) strategy development grants and (2) strategy implementation grants. IEDC urges Congress to provide \$50 million in FY25 for the continuation of this program.
- **Public Works:** 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, skills training facilities, and brownfields redevelopment in IEDC members' communities across the nation. IEDC urges Congress to fund this program at FY24 levels for continuity.
- **Economic Adjustment Assistance (EAA):** 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 that are an essential resource in IEDC members' toolkits to support communities throughout the nation. IEDC urges Congress to fund this program at FY24 levels for continuity.
- **Research and National Technical Assistance Program (RNTA):** The RNTA program funds research, evaluation, and national technical assistance projects that promote competitiveness and innovation in distressed rural and urban regions throughout the United States and its territories. IEDC members employ this program funding to support the advancement of innovation and job creation with a specific focus on building the capacities for job growth; providing data, tools and technical assistance to support the export needs of business; and, supporting growing ecosystems that attract foreign direct investment (FDI). IEDC urges Congress to provide \$10 million in FY25 for this program for continuity.
- **EDA Operations and Personnel:** EDA's organizational structure includes offices that administer programs at the headquarters, and six regional offices that review and process grant applications for economic development assistance; monitor approved projects; and provide outreach and technical assistance services. IEDC supports EDA's efforts to further coordinate program services between headquarters and regional offices in addition to supporting capacity building efforts, and increased staffing at EDA and the regional offices. IEDC urges Congress to provide \$5 million above the FY24 levels.

# THE IMPORTANCE OF EDA

- EDA focuses solely on private sector job creation and economic growth. EDA investments promote high quality jobs, especially in advanced manufacturing, science and technology and emerging knowledge-based industries and sectors.
- EDA's infrastructure investments are targeted at essential facilities and assets like water and wastewater systems, middle mile broadband networks, workforce training centers, business incubators, intermodal facilities and science and research parks.
- EDA's grants are awarded on a competitive basis, based on regional comprehensive economic development strategies (CEDs), and are developed and prioritized by local communities. This helps to ensure that projects have significant local support and are part of a broader regional plan, rather than isolated, uncoordinated local projects.
- Under federal law, EDA projects typically require a 50 percent local cost share and significant private sector investment, ensuring that local leaders and businesses are committed to the project's success.

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