



# NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS 2007 LEGISLATIVE PRIORITIES

PROMOTING REGIONAL APPROACHES TO ADVANCING AMERICA'S LOCAL COMMUNITIES

**T**he members of the National Association of Development Organizations (NADO) support federal programs and policies that encourage regional approaches to improving the economic conditions and quality of life in America's local communities. This includes building on the proven track record of the nation's 545 regional development organizations in fostering cooperation among local officials, leveraging limited resources to achieve economies of scale and implementing a broad portfolio of federal and state programs on a regional basis.

As multi-jurisdictional public entities governed by local elected officials, along with private sector, higher education and community representatives, the nation's regional development organizations serve as a key catalyst for strategic planning, public-private partnerships and regional initiatives that are designed to meet locally-identified priorities and needs. Historically, our efforts have focused on public infrastructure improvements, business development finance services, comprehensive economic development planning, transportation planning and other traditional building blocks for promoting regional community and economic development.

In recent years, public sector leaders at all levels of government have turned to our regional entities to deliver, manage and coordinate an increasingly diverse portfolio, including: aging services, homeland security and emergency preparedness, brownfields redevelopment, Geographic Information System (GIS) services, public transportation and workforce development programs. This trend reflects the fact that regional development organizations are publicly accountable, achieve measurable results and provide efficient and high-quality services.

For the 2007 legislative session, the members of NADO place a priority on increasing intergovernmental cooperation among all levels of government, retaining and building upon the existing set of federal assistance programs, and enhancing the planning, delivery and administration of federal programs on a sub-state regional basis. Specifically, these priorities include:

- **Community and Economic Development** — Fully fund the existing portfolio of federal community and economic development programs, most notably the Economic Development Administration's (EDA's) infrastructure, economic adjustment assistance and district planning grant programs and HUD's Community Development Block Grant (CDBG) program.
- **Homeland Security Coordination and Preparedness** — Support enhanced federal guidelines, resources and incentives that build upon the experience, capacity and skills of the national network of regional development organizations to develop, coordinate and implement homeland security and emergency preparedness activities on a regional basis.
- **Rural Development in the 2007 Farm Bill** — Promote the expansion of resources, flexibility and innovation within the Rural Development Title of the 2007 Farm Bill, including regionally-based initiatives to promote strategic planning and development, entrepreneurship, broadband and technology deployment, infrastructure upgrades and business development finance assistance.
- **Transportation** — Provide full and sustainable funding for the nation's aviation, highway and transit needs as outlined in the respective authorization laws, SAFETEA-LU and AIR-21. In addition, support the full implementation of the January 2003 federal rules requiring an enhanced role for rural local officials and regional development organizations in the statewide transportation planning and programming processes.

## ECONOMIC, COMMUNITY &

### RURAL DEVELOPMENT

- Fully fund EDA at the FY2008 authorized level of \$500 million, including \$27 million for the economic development district planning grant program.
- Fully fund USDA rural development grant programs for infrastructure improvements, business development, community facilities, housing and broadband services.
- Urge members of the House to actively participate in the Congressional Rural Caucus, a bipartisan group dedicated to supporting federal policies and initiatives that improve the economic and social development of small town and rural America.
- Urge the Census Bureau to work with regions to ensure the participation of local governments and the collection of accurate data under the 2010 decennial census and the American Community Survey program.
- Fully fund EPA's brownfields cleanup and assessment programs and support the limited use of brownfields project funds for administrative costs.
- Support full funding of federal initiatives to assist state and local governments (including regional development organizations) in planning, developing and maintaining water and wastewater infrastructure systems.
- Expand the eligibility criteria for Treasury's Community Development Financial Institutions (CDFI) program to include public entities such as regional development organizations.
- Oppose the elimination of SBA's microloan programs and the Program for Investment in Microentrepreneurs (PRIME), as proposed in the administration's FY2008 budget.
- Oppose any federal tax measures on electronic commerce that reduce state and local government authority and revenue. Support policies to promote affordable, advanced and accessible telecommunications and broadband services in underserved and rural areas.

## FEDERAL-STATE COMMISSIONS

- Use existing regional development organizations as the local liaison for both new and existing federal-state regional commissions, including the proposed Northeast Regional Development Commission, SouthEast Crescent Authority and Southwest Regional Border Authority and the authorized Northern Great Plains Regional Authority.
- Fully fund the Appalachian Regional Commission and Delta Regional Authority at least at the FY2008 levels and provide program funds for the Northern Great Plains Regional Authority as authorized in the 2002 Farm Bill.

## HOMELAND & EMERGENCY PREPAREDNESS

- Ensure small metropolitan and rural regions receive adequate resources and equitable access to the broad portfolio of homeland security and emergency preparedness programs, including first responder, pre-disaster mitigation and all-hazards mitigation resources. In addition, fully fund FEMA's flood map modernization program at \$200 million.

## SOCIAL SERVICES & WORKFORCE

- Maintain full funding for Area Agencies on Aging. Support the passage of a multi-year welfare reauthorization bill that considers the unique needs of small towns and rural regions. Encourage the continued and expanded use of regional development organizations as the administrators and coordinators of workforce training programs.

## TRANSPORTATION

- Fully fund federal aviation programs that help maintain and enhance regular air service to underserved and rural regions, including FAA's Airport Improvement Program, Essential Air Service program and the Small Communities Air Service program.
- Support programs and policies to coordinate, rehabilitate, maintain and plan the development of services, including public transportation and short line railroads, that benefit underserved and rural regions.



# NADO

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# NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS LEGISLATIVE ACTION ALERT

PROMOTING REGIONAL APPROACHES TO ADVANCING AMERICA'S LOCAL COMMUNITIES

## ECONOMIC DEVELOPMENT ADMINISTRATION: URGE HOUSE MEMBERS TO SIGN MCINTYRE-CAPITO LETTER REQUESTING LEVEL FUNDING FOR EDA IN FINAL FY 2008 SPENDING BILL

-- ACTION NEEDED BY MARCH 14 --

**ISSUE:** Reps. Mike McIntyre (D-NC) and Shelley Moore Capito (R-WV) are currently circulating a “Dear Colleague” letter in the House of Representatives urging appropriations leaders to provide level funding of \$284 million for the Economic Development Administration (EDA) in the fiscal year 2008 Commerce-Justice-Science appropriations measure. The letter also urges the appropriators to retain EDA’s existing structure of economic development assistance programs and that the agency maintain adequate staff resources to fulfill its mission of job creation in distressed communities.

**BACKGROUND:** For FY2008, the administration is proposing a reduction of \$80 million for EDA, which would bring funding to \$202.8 million. If enacted, the budget request would represent a 56 percent total cut in EDA funding since FY2001. Specific line-item funding for EDA includes:

- \$32.8 million for salaries and expenses (an increase of \$2.1 million).
- \$27 million, as mandated by law, for planning and \$13 million for trade adjustment assistance.
- Funding for EDA’s public works, economic adjustment, technical assistance and research and evaluation would be consolidated and replaced by a new Regional Development Account (RDA) funded at \$130 million, nearly \$84 million below the current combined level.

This is the second straight year the administration has proposed eliminating funding for EDA’s traditional economic development assistance programs to establish a new consolidated account that would focus on investing in regional-based projects.

Both chambers of Congress have rejected the RDA consolidation proposal in past years. In its FY2007 committee report, the Senate Commerce-Justice-Science Appropriations subcommittee stated that it was “concerned about the negative impacts of the proposal in the fiscal year 2007 budget request to eliminate funding by separate accounts for public works, technical assistance, research and evaluation, and economic adjustment. By consolidating funding into one new regional development account, the Committee is concerned that this will leave gaps in providing much needed assistance to our rural communities relying on these grants.”

Since FY2001, EDA staffing has declined from 240 full-time employees (FTEs) to roughly 175. In addition, the number of field-based Economic Development Representatives (EDRs) has declined from 49 to 12. Overall, EDA headquarters staff has declined nearly 60 percent during the past six years, and regional and field staff by more than 40 percent. In order for the agency to fulfill its mission of stimulating private sector job creation in distressed and underserved communities, EDA must fill critical field and regional staff vacancies.

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**LEGISLATIVE ACTION ALERT: ECONOMIC DEVELOPMENT ADMINISTRATION**

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**KEY TALKING POINTS ON EDA PROGRAMS AND PARTNERS:**

- The Economic Development Administration (EDA) stands as a model federal program because it has established extensive local partnerships through the network of 340 multi-county economic development districts. By working with its regional and local partners, the agency has helped create more than four million jobs and leverage in excess of \$130 billion in private sector investments in more than 8,000 distressed and underserved communities. In 2004 alone, EDA investments created 160,000 quality jobs and leveraged \$10.4 billion in private sector commitments, according to the Commerce Department.
- EDA is the only federal program focused exclusively on promoting private sector job growth in distressed communities. The agency focuses on the fundamental building blocks for economic development, such as regional strategies, public works, business loan funds and flexible resources for communities to respond to plant closings, base closures, natural disasters and other sudden and severe economic dislocations.
- Of the federal government's broad portfolio of 35 economic and community development programs, EDA has been among the highest scorers when evaluated by the Office of Management and Budget's (OMB) Program Assessment Rating Tool (PART).
- Despite this unique and successful model, funding for EDA has declined 56 percent since FY2001. At a time when nation's public infrastructure is aging and in desperate need of upgrades, and when our local communities are facing unprecedented global competition and need to be rewarded and encouraged to work regionally, EDA funding should be increased.
- Recent independent evaluations of the agency have found that EDA projects are completed on time, leverage a government-leading ratio of private sector investments and lead the way in creating and retaining quality private sector jobs at minimal tax-payer expense. The primary reasons for these results, according to the researchers, are that EDA investments originate from a stringent and strategic comprehensive economic development process implemented primarily by the national network of economic development districts.
- The annual EDA planning grants to economic development districts are matched with local government contributions to establish much needed professional planning and economic development capacity in the nation's most distressed regions and communities. Without the EDA planning program, most rural and small metropolitan communities would lack the skills, staff capacity and organizational partnerships to pursue and implement comprehensive and strategic job creation initiatives.
- At a minimum, Congress must maintain the current level of funding for the planning program. With a modest annual federal investment of \$27 million, the network of EDDs provides high quality and essential leadership support to elected officials, business leaders and communities at the multi-county regional level.

**ACTION NEEDED:**

- **Immediately contact your House members today via fax or personal phone call and urge them to sign the McIntyre-Capito letter in support of full funding for the Economic Development Administration in the FY2008 appropriations process.** To sign the letter, Representatives should contact Blair Milligan in Rep. McIntyre's office at 225.2731. The deadline for signing is March 14.
- Contact your Senators today and urge them to express their written support to the Senate Commerce-Justice-Science Appropriations subcommittee for, at a minimum, maintaining the Economic Development Administration at the FY2007 enacted level as part of the FY2008 appropriations cycle.

**For more information, contact NADO Legislative Director Jason Boehlert at 202.624.8590 or [jboehlert@nado.org](mailto:jboehlert@nado.org).**

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**SAMPLE LETTER URGING REPRESENTATIVES TO SIGN THE MCINTYRE-CAPITO LETTER**

**Address for Representatives:**

The Honorable [First Name] [Last Name]  
US House of Representatives  
Washington, DC 20515  
VIA FACSIMILE:

Dear Representative [Last Name]:

**On behalf of the [Insert Organization Name], I am writing to respectfully request that you sign the “Dear Colleague” letter currently being circulated by Reps. Mike McIntyre and Shelley Moore Capito urging leaders of the House Appropriations Committee to provide level funding of \$284 million for the Economic Development Administration (EDA) for FY 2008.**

**The letter also urges the appropriators to retain EDA’s existing structure of economic development assistance programs and that the agency maintain adequate staff resources to fulfill its mission of job creation in distressed communities.**

As the federal government’s lead economic development agency, EDA and its local partners have a proven and documented record of exceptional performance and accountability. EDA resources help distressed communities create quality private sector jobs, leverage additional public and private sector resources and respond to local conditions and needs.

Since its inception, EDA has created more than four million private sector jobs and leveraged in excess of \$130 billion in private sector investments in distressed communities. In 2004 alone, according to the agency’s annual report, EDA helped create 160,000 jobs and leveraged \$10.4 billion in private sector investment.

Despite this unique and successful model, funding for EDA has declined 56 percent since 2001. At a time when the nation’s public infrastructure is aging and in desperate need of upgrades, and when local communities must be rewarded and encouraged to work regionally, EDA funding should be increased.

In addition, EDA’s national network of economic development districts and regional and field office staff play a vital role in helping communities rebound from economic challenges, replace lost jobs and prepare for the future by developing critical economic and community facilities. It is imperative that this resource network be maintained at levels sufficient to assist small and underserved cities and towns to fully enter the economic mainstream.

It is for these reasons we urge you to sign the McIntyre-Capito letter providing stable funding for EDA. To sign on, contact Blair Milligan in the office of Rep. Mike McIntyre at (202) 225-3731.

Thank you for your thoughtful consideration of this request.



# NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS 2007 LEGISLATIVE PRIORITIES

PROMOTING REGIONAL APPROACHES TO ADVANCING AMERICA'S LOCAL COMMUNITIES

## **2007 FARM BILL REWRITE:**

### **SUPPORT A STRONG RURAL DEVELOPMENT TITLE, INCLUDING A REVISED RURAL STRATEGIC INVESTMENT PROGRAM**

The members of the National Association of Development Organizations (NADO) support an enhanced Rural Development Title as part of the 2007 Farm Bill, including increased grant resources for rural infrastructure improvements, business and entrepreneurial development, broadband deployment and regional strategy development. In addition, the association strongly supports the goals and concepts of the Rural Strategic Investment Program (RSIP), an innovative and forward-thinking regional development program created and funded in the 2002 Farm Bill but never implemented.

### **STATE OF FEDERAL RURAL DEVELOPMENT PROGRAMS AND POLICIES:**

It is essential that federal policies and programs, including USDA Rural Development programs authorized in the 2002 Farm Bill, be updated to ensure our nation's rural regions and communities have the resources, program tools and local flexibility to compete in today's global marketplace. The realities of today's federal rural development policy include:

- **Current federal policies and programs place rural communities at a significant disadvantage to their urban counterparts.** When examining the FY2003 Consolidated Federal Funds data, according to the Southern Rural Development Initiative, nonmetropolitan areas receive \$548 less per capita than metropolitan areas (\$7,242 versus \$6,694). This amounts to more than a \$6 billion federal disadvantage to rural areas each year. This is consistent with other independent studies that show metropolitan areas received two to five times more, per capita, in federal community development resources than their rural counterparts during each year from FY1994-2001.
- **A disproportionate share of federal assistance to rural areas comes in the form of transfer payments,** such as Medicare, Medicaid, Social Security and commodity payments. In FY2003, 67 percent of federal assistance to rural areas represented transfer payments compared to 53 percent for metro areas. While these funds are essential for millions of rural Americans, it means that current federal policies are working to simply sustain rural America rather than help rural regions and communities pursue new economic and community growth opportunities. Meanwhile, urban areas often have direct control and access to federal resources for community, human and physical infrastructure improvements that are essential building blocks for local development and job growth.
- **The current portfolio of USDA Rural Development programs has been shifting from grant resources to direct loans and loan guarantees** for water and sewer, broadband, community facilities, housing and other essential community and economic development initiatives. For example, grant resources for rural water and waste water under USDA Rural Development has declined from \$723 million in FY2003 to only \$530 million in FY2007. The loss of millions of dollars each year in grant funding means that rural communities are falling further behind their urban counterparts and global competitors.

**NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS  
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**PRIORITIES FOR 2007 FARM BILL REWRITE:**

- **The economies, needs and priorities of the nation's rural regions and communities are very diverse**, with manufacturing, retail trade, government and health care and social assistance sectors representing the largest percentage of employment today. The traditional engines of rural prosperity and opportunity – mainly agricultural and natural resource-based industries – also remain an integral part of the future economic potential and strategies of rural regions. Therefore, the members of NADO place a priority on updating and ensuring USDA Rural Development programs are flexible, promote regional cooperation among local communities and respond to local needs and priorities.
  
- **In addition, the members of NADO strongly support the goals and concept, as well as full funding, for a revised Rural Strategic Investment Program (RSIP).** This innovative program would provide much needed federal incentives and resources for the development of rural development strategies on a regional basis, as well as flexible program dollars to implement local project and program priorities. Specifically, RSIP is unique because it would:
  - **Provide seed funds to foster regional partnerships and rural development strategies of public, private, nonprofit and educational sector interests within a region.** It is essential that rural regions establish the economies of scale, comprehensive development strategies and institutional capacity necessary to compete nationally and globally. RSIP would provide federal incentives, resources and broad guidelines to help spur rural leaders and institutions into forging new strategic partnerships among the various sectors and to work together on a regional basis.
  
  - **Offer fully flexible implementation grants for regional and local projects that are identified and prioritized in a region's comprehensive rural development strategy.** On a national competitive basis, local communities and organizations would be eligible to apply for project implementation resources that address a broad range of community and economic development needs, including renewable energy, broadband deployment, value-added agricultural development, infrastructure improvements, entrepreneurship, business development finance and community facility improvements. RSIP investments would not replace the existing USDA Rural Development portfolio, but instead would complement and leverage existing public, private and philanthropic resources.
  
  - **Provide a federal policy goal and framework to build upon the existing regional and local institutions throughout rural America**, while also offering new tools, resources and incentives to develop and sustain comprehensive regional strategies, multi-sector partnerships and, most importantly, community and economic development project initiatives.

**ACTION NEEDED:**

**Urge members of the House and Senate to express their written support to Senate Agriculture Chairman Tom Harkin (D-IA) and House Agriculture Chairman Colin Peterson (D-MN) for a stronger Rural Development Title in the 2007 Farm Bill**, including increased grant resources for rural infrastructure improvements, business and entrepreneurial development, broadband deployment and regional strategy development. In addition, urge their support for revising and increasing funding for the Rural Strategic Investment Program (RSIP) and ensuring public entities such as regional development organizations are eligible for all USDA Rural Development programs.

*For more information, contact NADO Legislative Representative Amy Linehan at 202.624.8177 or [alinehan@nado.org](mailto:alinehan@nado.org).*



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## HUD COMMUNITY DEVELOPMENT BLOCK GRANT: RESTORE FUNDING FOR ESSENTIAL LOCAL DEVELOPMENT AND INFRASTRUCTURE PROJECTS

**ISSUE:** Urge Congress to fully restore HUD's Community Development Block Grant (CDBG) program to the FY2004 funding level of \$4.3 billion. In addition, support retaining the original mission of the program as a flexible, locally-driven program that provides valuable assistance for local community and economic development initiatives.

**BACKGROUND:** The President's FY2008 budget cuts the CDBG state and local formula portion from \$3.7 billion in FY2007 to \$2.97 billion in FY2008. If enacted, the proposal would result in a 30 percent decline of nearly \$1.2 billion since FY2005. From FY2002 to FY2004, the formula portion of CDBG was typically funded at \$4.3 billion. This is the third straight year the administration has recommended a significant reduction to this vital program.

### KEY TALKING POINTS:

- CDBG is an important tool used by state and local officials as they tackle their most serious community development challenges, such as providing affordable housing, upgrading and building essential public infrastructure and water systems, creating small business development loan funds for local entrepreneurs and industries, and addressing local planning and technical assistance needs.
- The cornerstone of the CDBG program is its "bottom-up" approach and design to be locally-driven, flexible and stable. It provides essential annual resources for more than 1,100 urban counties and cities, yet it also reserves more than \$1 billion each year for states to assist rural communities.
- State, regional and local officials use the CDBG program to provide valuable seed capital, gap financing and core support for a variety of projects. More importantly, CDBG funds are typically used to leverage and attract private sector investments. Every dollar of the CDBG program invested in communities is leveraged by three dollars in private funding, bringing much needed business investments, employment opportunities and the chance for a fresh start to distressed areas.
- At a minimum, the proposed cut of nearly \$800 million in CDBG funds would result in a reduction of more than \$3 billion in private sector leveraging each year. It would also cause serious delays, disruptions and cancellations of hundreds of community and economic development projects in underserved and distressed communities across the nation.

### ACTION NEEDED:

Urge your members of Congress to contact the House and Senate Appropriations Subcommittee on Transportation, HUD and Related Agencies to express their support for restoring the CDBG formula program to the FY2004 level of \$4.3 billion and retaining the current mission of the CDBG program.

For more information, contact NADO Legislative Director Jason Boehlert at 202.624.8590 or [jboehlert@nado.org](mailto:jboehlert@nado.org).



NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS  
**LEGISLATIVE ISSUE BRIEF**  
PROMOTING REGIONAL APPROACHES TO ADVANCING AMERICA'S LOCAL COMMUNITIES

## TRANSPORTATION POLICY FOR THE 21<sup>ST</sup> CENTURY

**ISSUE:** The members of the National Association of Development Organizations (NADO) support full and sustainable funding for the nation's aviation, highway and transit needs as outlined in the respective authorization laws, SAFETEA-LU and AIR-21. As the Congress and administration work to reauthorize these essential programs in the 110<sup>th</sup> Congress, we encourage federal policymakers to consider the unique and special needs of our nation's small metropolitan and rural regions.

### HIGHWAY TRUST FUND

The recently enacted Safe, Accountable, Flexible and Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) legislation provides guaranteed federal funding for highway and transit improvements totaling \$286.4 billion through 2009. However, expected revenue coming into the Highway Trust Fund total roughly \$230 billion.

Recent estimates prepared by the U.S. Treasury and the Congressional Budget Office (CBO) project declining balances in Highway Account of the Highway Trust Fund for fiscal years 2006 through 2011, with depletion of the Highway Account as soon as fiscal year 2009. Some studies indicate that the balance of the Highway Account may reach a deficit of \$10 billion by 2011. Without federal action to correct this situation, future federal transportation appropriations to fund state and local transportation projects will be dramatically reduced.

A study by the National Chamber Foundation reveals that to maintain our current transportation system through 2015, current revenue streams will fall short by \$500 billion. In addition, by 2015, to improve our transportation system to a level that benefits the nation's economic productivity, current revenue streams would fall short by \$1.1 trillion.

In addition to the declining resources made available through the Highway Trust beyond 2009, the purchasing power of the resources provided have significantly diminished. According to the American Association of State Highway and Transportation Officials (AASHTO), construction costs will increase 70 percent between 1993 and 2015. From 2004 through 2006 alone, significant increases in the prices of petroleum, concrete, asphalt and steel have driven up construction costs nearly 30 percent. To offset the diminishing purchasing power of federal, state and local governments, increased transportation resources will be needed to match existing investment levels.

- In its work to achieve long-term solvency of the Highway Trust Fund, NADO urges Congress and the administration not to overlook the special and unique needs of small metropolitan and rural America. Over 90 percent of the nation's highway network resides outside of metropolitan communities and the maintenance and development of the network is key to ensure the overall reliable interconnectivity of the country's multi- and inter-modal system.

## RURAL TRANSPORTATION PLANNING

Final statewide and metropolitan planning regulations promulgated by the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) in February 2007 preserve rules developed in 2003 as part of the 1998 TEA-21 legislation that enhance the participation of rural local elected and appointed officials in the statewide transportation planning and decision making process.

As a result of these requirements, championed by NADO and the National Association of Counties (NACo), a growing number of states are tapping into the planning expertise and local official networks of regional development organizations to help form and staff locally-driven consultation models referred to as Rural Planning Organizations (RPO).

Since 1998, the number of states with formal agreements or legislation either creating RPOs or utilizing existing regional development organizations to deliver transportation services has risen from 17 to nearly 30. The benefits of involving local stakeholders in the rural transportation planning process through either the creation of RPOs or utilizing regional development organizations, according to the National Academy of Public Administration, includes:

- ◆ improved performance of transportation systems and better outcomes for end-users of the transportation network;
- ◆ stronger support for implementing transportation plans and programs;
- ◆ the ability to craft better plans and programs that more accurately reflect community and economic development needs; and
- ◆ the increased trust in government that comes from an open and transparent consultation process.

To further strengthen the role of rural local officials in the transportation planning and development process as part of the SAFETEA-LU reauthorization, NADO urges Congress and the administration to:

- ◆ **Provide formal recognition and a definition for *Rural Planning Organizations*.** While the definition and meaning of a Metropolitan Planning Organization (MPO) is clearly outlined in federal transportation rules and law, the term *Rural Planning Organization* is used more loosely to reference an entity that provides a forum for local input on transportation issues in non-metropolitan areas. Federal recognition and definition of RPOs would acknowledge the valuable role these entities are playing in many states.
- ◆ **Target federal planning resources to enable RPOs and rural local officials** to build the institutional capacity, local knowledge and professional skills needed to effectively participate in the development and implementation of comprehensive transportation plans and programs.
- ◆ **Urge states to fully adopted the enhanced consultation** practices outlined by FHWA and FTA that call for documented process for soliciting local official input into statewide transportation plans that is separate and discrete from the general public outreach process.

## AVIATION FUNDING AND REAUTHORIZATION

Current authorization for programs of the Federal Aviation Administration (FAA), provided by the Vision 100-Century of Aviation Reauthorization Act (PL 108-176), is set to expire at the end of FY2007. The national transportation network functions properly when it helps form vital social and economic connections. This is especially true in small metropolitan and rural America where distance and a scattered population make these connections even more important. Transportation is essential not only for linking people to jobs, health care and family in a way that enhances their quality of life, but also for contributing to regional economic growth and development by linking business to customers, goods to markets and tourists to destinations.

**Currently, there are three important programs that help airports in small communities.** The first is known as the **Small Community Air Service Development Pilot Program**. Created under the Aviation Investment and Reform Act for the 21<sup>st</sup> Century (AIR-21), and renewed under Vision 100, the program is designed to help improve air service to small communities that suffer from insufficient air carrier service or unreasonably high airfares. A total of \$35 million annually is authorized for the program, with an overall limit of 40 communities nationally and no more than four communities per state. The program has been funded recently at \$10 million as a set-aside in the Airport Improvement Program.

**The second program is the Essential Air Service program**, which was created to ensure that rural and remote communities that had scheduled air service before airline deregulation would continue to receive service after the deregulation law was implemented. In 1996, Congress set a minimum program level of \$50 million for the Essential Air Service program. The program is currently funded at \$110 million, with \$60 million coming from an additional appropriation. The program currently subsidizes scheduled air service in about 105 communities. Vision-100 established a local cost match requirement that would have forced EAS communities to contribute local funds. Implementation of the cost-match requirements has been successfully blocked in the annual appropriations process.

**The final program is the Airport Improvement Program**, which has provided grant support to airports for airport development and planning since the early 1980s. Fully funded through the Airport and Aviation Trust Fund, the program was reauthorized under Vision 100 at \$3.4 billion for FY2004 and rising to \$3.7 billion by FY 2007. Traditionally, program funds are spent on projects that support aircraft operations including runways, taxiways, noise abatement, land purchases and safety upgrades. With air travel expected to top 1 billion passengers annually within the next decade, the Airport Improvement Program is expected to play a critical role in helping airports meet the growing demand.

**As part of the Vision 100 reauthorization, the members of NADO urge Congress to:**

- ♦ Implement federal policies and programs that ensure rural communities have access to affordable, reliable and safe air service, including full funding for the Airport Improvement Program, Small Community Air Service Development Program and Essential Air Service program. In addition, eliminate the local cost share requirements imposed on Essential Air Service communities.

**For more information, contact NADO Legislative Director Jason Boehlert at 202.624.8590 or [jboehlert@nado.org](mailto:jboehlert@nado.org).**



# NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS LEGISLATIVE ISSUE BRIEF

PROMOTING REGIONAL APPROACHES TO ADVANCING AMERICA'S LOCAL COMMUNITIES

## **HOMELAND SECURITY PLANNING AND PREPAREDNESS: FEDERAL INCENTIVES AND RESOURCES NEEDED TO PROMOTE REGIONAL SOLUTIONS AND APPROACHES**

### **ISSUE BACKGROUND —**

**The members of the National Association of Development Organizations (NADO) encourage Congress and the administration to adopt stronger federal policies and incentives for a regional approach to homeland security and emergency management prevention, preparation and recovery efforts at the sub-state and local levels.** While recent grant guidance released by the U.S. Department of Homeland Security (DHS) places an emphasis on the need for enhanced regional coordination, many state and local governments have been slow to embrace the policy. There remains a pressing need for improved partnerships, planning and collaboration at the statewide, regional and local levels.

**Additional progress can be made in a more timely and efficient manner with the appropriate federal incentives, resources and guidelines.** Specifically, Congress and the administration should establish incentives that encourage the use of regional development organizations to bring public and private stakeholders together to develop, coordinate and implement homeland security and emergency management prevention, preparation, protection and recovery efforts.

### **RATIONALE FOR A REGIONAL APPROACH —**

The national network of 540 regional councils of government and regional development organizations is an experienced and cost-effective mechanism that should be utilized in facilitating and coordinating homeland security and emergency preparedness activities within a region and state.

For decades, regional development organizations have been instrumental in bringing local officials, business leaders and community stakeholders together to address critical issues on a regional basis. These efforts have traditionally focused on coordinating and fostering local economic development, transportation and land use planning activities. However, many regions are now involved in all-hazard mitigation planning, workforce development, aging services and the enhancement of local data through advanced Geographic Information Systems (GIS).

A common mission of federal policy makers, state officials and local government leaders is to improve the nation's preparedness, prevention, response and recovery capacity for catastrophic events. By working through regional development organizations, leaders can establish a more effective strategy to prepare and protect their citizens. These multi-jurisdictional entities can help assess and prioritize equipment needs and assets, coordinate the integration of first responder communication systems and, most importantly, foster inter-jurisdictional cooperation and partnerships within a region and state.

Unfortunately, we are reminded time and time again that disasters do not track along or respect political boundaries, whether it was the terrorist attacks of September 11th, floods in the Midwest, hurricanes along the East Coast, forest fires in the West or droughts in the Northern Plains. There is an increasing dialogue at all levels of government about the rationale and overwhelming benefits of working regionally to strengthen

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preparedness efforts. A sub-state regional approach that utilizes the efficiency and expertise of regional development organizations is a sound and commonsense solution to addressing local preparedness efforts and planning needs.

According to a recent National League of Cities study, less than 40 percent of cities with a population of 10,000 or less have a terrorism plan in place. Many of these communities simply lack the staff capacity, expertise and resources necessary to develop comprehensive emergency response plans. By working regionally, communities of all sizes can overcome this reality. A regional approach helps build economies of scale by pooling limited resources. It leverages the technical capabilities and financial resources of the entire region and, more importantly, it taps into the proven ability of regional development organizations to facilitate the strategic cooperation of individual local jurisdictions.

In 2005, NADO conducted a survey of the nation's regional development organizations to examine the various regional homeland security initiatives, models and strategies being used by state and local officials to enhance intergovernmental and multijurisdictional collaborations. The survey found that a growing collection of state agencies are contracting with and involving regional development organizations in their homeland security efforts.

Currently, 12 states across the nation have established formal contracts or agreements with regional development organizations to perform homeland security services and tasks, including providing technical assistance to local government officials and first responders. In addition, 29 states maintain contracts with regional development organizations to perform "traditional" emergency management activities, such as hazard mitigation planning and flood map modernization efforts.

When a disaster strikes, effective preparation, coordination and communication among response entities from all levels of government is essential for successful response and recovery. As proven in states such as Texas, Kentucky, Missouri, Massachusetts and Florida, regional development organizations are uniquely qualified to help coordinate and assist public and private stakeholders involved in planning and implementing our nation's homeland security and emergency management programs. Establishing stronger policies and incentives for state and local collaboration and partnerships with regional development organizations will further aid federal efforts to protect and prepare our nation's local communities.

**ACTION NEEDED —**

Encourage members of Congress and the administration to adopt stronger policies and programs that promote and reward the implementation of regional approaches — with preference to use the existing national network of regional development organizations — in the development, coordination and implementation of homeland security and emergency management efforts at the state and local levels.

**KEY HOMELAND SECURITY COMMITTEES —**

**U.S. SENATE**

**Appropriations:** Appropriations Subcommittee on Homeland Security  
**Oversight:** Committee on Homeland Security and Government Affairs

**U.S. HOUSE OF REPRESENTATIVES**

**Appropriations:** Appropriations Subcommittee on Homeland Security  
**Oversight:** Committee on Homeland Security

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