



## APPALACHIAN REGIONAL COMMISSION

### MAINTAIN FUNDING FOR ARC IN THE FY2012 APPROPRIATIONS PROCESS

#### BACKGROUND

The Appalachian Regional Commission (ARC) is a regional economic development agency that represents a partnership of federal, state, and local government. Established in 1965, ARC is composed of the governors of the 13 Appalachian states (Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, West Virginia) and a federal co-chair, who is appointed by the President. Local participation is provided through multi-county local development districts.

On September 16, 2011, President Obama signed legislation (P.L. 112-30) extending authorization of federal highway programs, including the Appalachian Development Highway System, through March 2012. The U.S. Senate had passed the bill on September 15; the U.S. House of Representatives approved it on September 13.

On September 7, the U.S. Senate Committee on Appropriations approved its FY2012 Energy and Water Development appropriations bill, which contains ARC's non-highway program funding. The bill provides \$58.024 million for ARC, a reduction of 15 percent from the agency's FY2011 funding level. Full Senate action on the bill has not yet been scheduled. The House approved its version of the legislation (H.R. 2354) on July 15. It contains \$68.4 million for ARC, roughly level with the Commission's FY2011 funding.

#### TALKING POINTS

1. **ARC complements the broad national activities of other federal agencies by facilitating and extending federal programs into the most challenging and distressed parts of Appalachia.** The Commission makes strategic place-based and regional investments that are used to attract and leverage private and non-profit investment to areas suffering from severe economic distress.
2. **ARC has played an instrumental role in reducing the number of economically distressed counties by nearly 60 percent during the past four decades.** However, far too many of the region's communities remain susceptible to shifts in global markets, advancements in technology and changes in federal policies, especially major employment industries like manufacturing, mining, tobacco and steel. This fact was clearly demonstrated during the current economic recession when the number of distressed counties jumped from a historic low of 91 in 2004 to 120 in 2009.
3. **In FY2010, ARC invested roughly \$75 million in projects that leveraged over \$462 million in private investment, a ratio of 6:1.** These strategic investments helped create or retain 23,439 jobs, provide water and sewer services to 23,959 households, and deliver workforce training to 19,980 students or individuals in a highly distressed part of the nation.

#### ACTION NEEDED

- Urge your Senators and Representatives to actively support \$76 million for ARC's community and economic development programs as part of the FY2012 Energy and Water Development Appropriations bill.

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