Refining and Delivering Our Message:
Shaping the Future of the Nation’s Regional Development Organizations

NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS
REGIONAL STRATEGIES. PARTNERSHIPS. SOLUTIONS
MARCH 19, 2012
Strengthen local governments, communities and economies through the regional strategies, partnerships, and solutions of the nation’s regional development organizations.
Presentation Overview

- Thank You to the Membership
  - Membership, Board and Executive Committee
- The National Political Landscape
- Federal Budget Picture
- Refining Our Message
NADO Federal Policy Agenda

- White House and Hill Review of Regional Development Programs
- **EDA** Appropriations and Reauthorization
- **SAFETEA-LU Reauthorization**, with MPO and RPO Provisions
- **HUD Community Development Block Grant** (CDBG) Funding
- **USDA Rural Development** in 2012 Farm Bill
- Key programs such as **Fed-State Commissions, WIA, SBA and EPA**
- **FEMA Support** for State and Local Preparedness and Response
- **HUD-DOT-EPA** Sustainable Development Initiative
The Political Landscape
Presidential Campaign

- President Obama
  - Base remains strong **BUT**
    - Major anxiety with job market and economy, especially GAS prices
    - Independents are key, especially women
Republican Presidential Candidates
13 Key Presidential Battleground States

- Colorado
- Florida
- Indiana
- Iowa
- Michigan
- Minnesota
- Nevada
- New Hampshire
- New Mexico
- North Carolina
- Ohio
- Pennsylvania
- Virginia

The NBC News Political Poll- Feb. 24, 2012
<table>
<thead>
<tr>
<th>Partisan Breakdown</th>
<th>DEM</th>
<th>GOP</th>
<th>OUTLOOK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seats up in 2012</td>
<td>193*</td>
<td>242</td>
<td>+24 Margin</td>
</tr>
<tr>
<td>TOSS UP</td>
<td>8</td>
<td>13</td>
<td>TOSS UP</td>
</tr>
<tr>
<td>LEAN D</td>
<td>9</td>
<td>16</td>
<td>LEAN R</td>
</tr>
<tr>
<td>LEAN R</td>
<td>5</td>
<td>7</td>
<td>LEAN D</td>
</tr>
<tr>
<td>LIKELY D</td>
<td>17</td>
<td>25</td>
<td>LIKELY R</td>
</tr>
<tr>
<td>SOLID D</td>
<td>153</td>
<td>181</td>
<td>SOLID R</td>
</tr>
</tbody>
</table>

Source: Cook Political Report, March 8, 2012
<table>
<thead>
<tr>
<th>Partisan Breakdown</th>
<th>DEM</th>
<th>GOP</th>
<th>OUTLOOK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seats up in 2012</td>
<td>51 + 2 Ls</td>
<td>47</td>
<td>Dems control by +3</td>
</tr>
<tr>
<td>TOSS UP</td>
<td>7</td>
<td>3</td>
<td>TOSS UP</td>
</tr>
<tr>
<td>LEAN D</td>
<td>3</td>
<td>0</td>
<td>LEAN R</td>
</tr>
<tr>
<td>LEAN R</td>
<td>1</td>
<td>0</td>
<td>LEAN D</td>
</tr>
<tr>
<td>LIKELY D</td>
<td>4</td>
<td>2</td>
<td>LIKELY R</td>
</tr>
<tr>
<td>SOLID D</td>
<td>8</td>
<td>5</td>
<td>SOLID R</td>
</tr>
</tbody>
</table>

Source: Cook Political Report, March 1, 2012
U.S. Senate: 2012 Election Cycle

Democratic Races – Toss Up

- Hawaii Open (Akaka)
- McCaskill (MO)
- Nebraska Open (Nelson)
- New Mexico Open (Bingaman)
- Tester (MT)
- North Dakota Open (Conrad)
- Virginia Open (Webb)
- Wisconsin Open (Kohl)

GOP Races – Toss Up

- Brown (MA)
- Heller (NV)
- Maine Open (Snowe)
It's either the national debt or gas prices. I get them confused.
Since then, tax cuts, new spending, two wars and two recessions have driven the debt toward $10.4 trillion this year, well off of the projection 10 years ago.

Source: Washington Post, May 1, 2011; Pew Fiscal Analysis Initiative of CBO data
**How did we dig such a big hole?**

The difference between the surplus projected for 2011 and the actual debt level is approaching $12.7 trillion. New legislation, made up of spending as well as tax cuts, contributed to most of this difference.

**Legislation**
- Bills enacted since 2001 that have added to the debt: $8.4 trillion

**Economic and Technical Changes**
- Primarily lost tax revenue: $3.6 trillion

**Other**
- Costs from fluctuations in borrowing requirements: $700 billion

### 2001 and 2003
- Tax cuts: $1.7 trillion
- New legislation: $1.4 trillion
- Domestic spending: $1.3 trillion

### 2009 Recovery Act
- New tax cuts: $678 billion
- New defense spending: $663 billion

### December 2010
- Tax cuts: $391 billion
- Medicare Part D: $272 billion
- TARP: $16 billion

Source: Washington Post, May 1, 2011; Pew Fiscal Analysis Initiative of CBO data
IT’S A BIRD!

IT’S A PLANE!

IT’S A SUPER COMMITTEE.

SPLAT!
1. **Determine the Size of Cuts**

<table>
<thead>
<tr>
<th>Total “triggered” cut</th>
<th>Distribute remaining</th>
<th>Evenly split each year’s cut</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1.2 trillion</td>
<td>$984 billion evenly among fiscal years 2013 to 2021</td>
<td>between defense and non-defense accounts</td>
</tr>
<tr>
<td></td>
<td>$109.3 billion per year</td>
<td></td>
</tr>
<tr>
<td>Subtract 18 percent in debt service savings</td>
<td>Defense $54.7 billion*</td>
<td>Non-defense $54.7 billion</td>
</tr>
</tbody>
</table>

*Defense includes the military, military construction and atomic energy defense activities.*

Source: CQ
The mandatory cuts to the federal budget are shaping up. While defense spending is almost a quarter of the budget, defense cuts make up almost half of the cuts.

**OVERVIEW OF 2013-2021 TRIGGERED CUTS**

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandatory nondefense spending</td>
<td>$47 billion</td>
</tr>
<tr>
<td>Medicare spending</td>
<td>$123 billion</td>
</tr>
<tr>
<td>New nondefense discretionary spending</td>
<td>$294 billion</td>
</tr>
<tr>
<td>Mandatory defense spending</td>
<td>$1 billion</td>
</tr>
<tr>
<td>New defense discretionary spending</td>
<td>$454 billion</td>
</tr>
</tbody>
</table>

*Source: Congressional Budget Office*
FY2013 Federal Appropriations

- **Earmarks remain banned!**

- Similar to last year’s process, Members of Congress are allowed to submit Programmatic Requests and Language Requests to the Appropriations Subcommittees regarding their FY2013 appropriations priorities.

- **Programmatic Requests** direct specific funding levels for agencies and programs.

- **Language Requests** encourage, urge, or direct some type of action by an agency.
Refining Our Message

*Preparation is Key*
Preparing for the Meeting

- **Do your homework!** Know exactly what you want to say and carefully review your message.

- **Compile basic figures** about the impact of federal grants on your region. Avoid long lists of statistics and complex charts; they are difficult to remember and will lose their impact.

- **Know the counter-arguments** and be ready to respectfully answer any questions or disagreements.

- **Make sure everyone in your group is prepared.**

- **Be organized.** If you are part of a larger coalition or group, meet ahead of time.
Preparing for the Meeting

What are the Political Dynamics of Your Delegation?

- House and Senate member relations
- Fall out from redistricting fights
- Personal relationships and friendships
- Partisan divides and intra-party competition
Making the Presentation

- Be prompt yet be prepared to wait and be patient

- Make a simple and straight forward presentation; you may have two minutes or less to make the pitch directly to the member

- Leave time for dialogue; meaning do not monopolize the conversation

- Thank supportive legislators and their staff

- Be sure to ask your legislator for a specific action and support

- Leave a one-page fact sheet. If it exceeds 1 page, it will not be read
Refining our Message

Making the Ask!
MAKING THE ASK:
EDA’S FY2013 APPROPRIATIONS
EDA: Budget Background

- President’s FY2013 request: $219M, cut of $38M from current year
  - $38M below FY12 enacted level ($257.5M) = 15% cut
  - $64.43M below FY11 enacted level ($283.43M) = 23% cut
  - $74M below FY10 enacted level ($293M) = 25% cut

- EDA’s final FY12 funding total of $457.5M included $200M for disaster assistance and $257.5M for programs and operations

- Since FY2001, funding for EDA’s core economic development assistance programs has decreased by approximately 50 percent!
  - Not including ARRA, and 2008 disaster and 2011 disaster assistance
<table>
<thead>
<tr>
<th>Category</th>
<th>Final FY2010</th>
<th>Final FY2011 CR</th>
<th>Final FY2012</th>
<th>President’s FY2013 Budget</th>
<th>FY2012 Enacted vs. President’s FY2013 Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Budget</td>
<td>$293.00 M</td>
<td>$283.43 M</td>
<td>$457.50 M*</td>
<td>$219.00 M</td>
<td>- $38.00 M</td>
</tr>
<tr>
<td>Planning Grants</td>
<td>$31.00 M</td>
<td>$30.94 M</td>
<td>$29.00 M</td>
<td>$27.00 M</td>
<td>- $2.00 M</td>
</tr>
<tr>
<td>Public Works</td>
<td>$158.28 M</td>
<td>$88.72 M</td>
<td>$111.64 M</td>
<td>$65.50 M</td>
<td>- $46.14 M</td>
</tr>
<tr>
<td>Economic Adjustment Assistance</td>
<td>$38.62 M</td>
<td>$78.74 M</td>
<td>$50.06 M</td>
<td>$65.20 M</td>
<td>+ $15.14 M</td>
</tr>
<tr>
<td>Trade Adjustment Assistance</td>
<td>$15.80 M</td>
<td>$15.77 M</td>
<td>$15.80 M</td>
<td>$15.80 M</td>
<td>$0.00 M</td>
</tr>
<tr>
<td>Technical Assistance</td>
<td>$9.80 M</td>
<td>$13.37 M</td>
<td>$12.00 M</td>
<td>$12.00 M</td>
<td>$0.00 M</td>
</tr>
<tr>
<td>Global Climate Change Fund</td>
<td>$25.00 M</td>
<td>$16.47 M</td>
<td>$0.00 M</td>
<td>$0.00 M</td>
<td>$0.00 M</td>
</tr>
<tr>
<td>Research &amp; Evaluation</td>
<td>$1.50 M</td>
<td>$1.49 M</td>
<td>$1.50 M</td>
<td>$1.50 M</td>
<td>$0.00 M</td>
</tr>
<tr>
<td>Regional Innovation Program</td>
<td>n/a</td>
<td>$0.00 M</td>
<td>$0.00 M</td>
<td>$25.00 M</td>
<td>+ $25.00 M</td>
</tr>
<tr>
<td>Salaries and Expenses</td>
<td>$38.00 M</td>
<td>$37.92 M</td>
<td>$37.50 M</td>
<td>$37.71 M</td>
<td>+ $0.21 M</td>
</tr>
<tr>
<td>2011 Disaster Assistance</td>
<td>n/a</td>
<td>n/a</td>
<td>$200.00 M*</td>
<td>$0.00 M</td>
<td>- $200.00 M</td>
</tr>
</tbody>
</table>
EDA: Key Congressional Action Requests

- Urge your Senators and Representatives to submit a Program Request to the Appropriations Committee to fund EDA at a minimum, at the FY2012 enacted level of $257 million in the FY2013 Commerce-Justice-Science Appropriations bill.

- Urge your Senators and Representatives to submit a Program Request to the Appropriations Committee to level fund the EDA public works program at $111.64 million in the FY2013 Commerce-Justice-Science Appropriations bill.

- Urge your Senators and Representatives to submit a Program Request to the Appropriations Committee to fund the EDA planning program at $31 million in the FY2013 Commerce-Justice-Science Appropriations bill.
EDA: Key Talking Points

EDA is about private sector job creation and retention!

- Provide local examples of successful projects, focusing on the specific companies and types of quality jobs created
- Invite members of Congress and DC staff to tour projects
- Place emphasis on role of EDA investments to assist business
EDA is unique among federal programs.

EDA is the ONLY agency focused strictly on private sector job creation and economic growth in distressed areas - especially in advanced manufacturing, science and technology, and emerging knowledge-based industries and sectors.
EDA: Key Talking Points

By 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.
EDA invests in public assets that private companies are reluctant to fund themselves.

These assets are often lacking in distressed areas, yet they are a prerequisite for private industry to remain or locate in these areas. As we have witnessed in recent years, private companies will relocate to places with these basic yet vital public infrastructure assets, including outside of the United States.
EDA: Key Talking Points

 Thoughts from the audience?
MAKING THE ASK:
HUD CDBG’S
FY2013
APPROPRIATIONS
HUD CDBG: Background

- **President’s FY13 Request:** Level funding for formula grants at $2.948B
  - 11% below FY11 level of $3.34B
  - 26% below FY10 level of $3.99B
  - Allows continuation of 20% for administrative costs

- This continues a recent downward trend in CDBG funding since the program reached a **high of $4.36 billion in FY2003**
<table>
<thead>
<tr>
<th>Program</th>
<th>Final FY2010</th>
<th>Final FY2011 CR</th>
<th>Final FY2012</th>
<th>President’s FY2013 Budget</th>
<th>FY2012 Enacted vs. President’s FY2013 Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Development</td>
<td>$4,450.00 M</td>
<td>$3,508.00 M</td>
<td>$3,308.90 M</td>
<td>$3,143.09 M</td>
<td>- $165.81 M</td>
</tr>
<tr>
<td>CDBG Formula Grants</td>
<td>$3,990.00 M</td>
<td>$3,343.00 M</td>
<td>$2,948.09 M</td>
<td>$2,948.09 M</td>
<td>$0.00 M</td>
</tr>
<tr>
<td>Indian Economic Block Grants</td>
<td>$158.28 M</td>
<td>$88.72 M</td>
<td>$111.64 M</td>
<td>$60.00 M</td>
<td>- $51.64 M</td>
</tr>
<tr>
<td>Rural Innovation Fund</td>
<td>$38.62 M</td>
<td>$0.00 M</td>
<td>$0.00 M</td>
<td>$0.00 M</td>
<td>$0.00 M</td>
</tr>
<tr>
<td>Economic Development Initiative</td>
<td>$172.84 M</td>
<td>$0.00 M</td>
<td>$0.00 M</td>
<td>$0.00 M</td>
<td>$0.00 M</td>
</tr>
<tr>
<td>2011 Disaster Assistance</td>
<td>n/a</td>
<td>n/a</td>
<td>$400.00 M*</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>HOME Investment Program</td>
<td>$1,825.00 M</td>
<td>$1,606.78 M</td>
<td>$1,000.00 M</td>
<td>$1,000.00 M</td>
<td>$0.00 M</td>
</tr>
<tr>
<td>Sustainable Communities Initiative</td>
<td>$150.00 M</td>
<td>$100.00 M</td>
<td>$0.00 M</td>
<td>$100.00 M</td>
<td>+ $100.00 M</td>
</tr>
<tr>
<td>Regional Planning Grants</td>
<td>$100.00 M</td>
<td>$70.00 M</td>
<td>$0.00 M</td>
<td>$46.00 M</td>
<td>+ $46.00 M</td>
</tr>
<tr>
<td>Community Challenge Grants</td>
<td>$40.00 M</td>
<td>$30.00 M</td>
<td>$0.00 M</td>
<td>$46.00 M</td>
<td>+ $46.00 M</td>
</tr>
<tr>
<td>DOT/HUD Research</td>
<td>$10.00 M</td>
<td>$0.00 M</td>
<td>$0.00 M</td>
<td>$8.00 M</td>
<td>+ $8.00 M</td>
</tr>
</tbody>
</table>

**HUD: PRESIDENT’S FY13 BUDGET**
Key Congressional Action Request

- Urge your members of Congress to submit a Program Request to fund CDBG at the FY12 House proposed level of $3.46 billion as part of the FY2013 Transportation-HUD Appropriations bill.

- HUD’s small cities CDBG resources are used extensively for infrastructure, business development assistance and job creation projects in small urban and rural areas.
CDBG: Key Talking Points

Thoughts from the audience?
MAKING THE ASK:
SAFETEA-LU
TRANSPORTATION
REAUTHORIZATION BILL
Transportation: Background

**Senate’s Moving Ahead for Progress in the 21st Century (S. 1813)**
- Passed floor on March 14 as two-year, $109 billion bill (FY2012-2013)
- Maintains existing funding levels, adjusted for inflation

**RTPO Language:**
- Final bill includes compromise language based on current federal regulations negotiated by AASHTO/NADO/NACo
- Establishes rural local official consultation process “separate and discrete” from the general public

**MPO Issues:**
- Sets threshold for new MPOs at 200,000
- **Existing MPOs 50,000 - 200,000** - new multi-step process to maintain MPO status
Transportation: Background

- **House reauthorization bill** - Has not passed floor
  - American Energy and Infrastructure Jobs Act of 2012 (H.R. 7)
    - Five-year, $262.9 billion bill *(OR MAYBE NOT!)*
  - **RTPO Language:** Includes NADO-championed language
    - State DOTs may establish RTPOs for areas outside of MPOs
    - Elevates local official role from “consultation” to “cooperation” for long-range transportation plan, STIP, and project selection
    - If state does not recognize RTPOs, the state shall continue to “consult” with local officials
  - **MPO Issue:**
    - Sets threshold for new MPOs at 100,000
    - *Existing MPOs 50,000-200,000 are grandfathered*
    - **PROBLEM:** When MPO and state disagree on project of state-wide significance, Governor can override MPO
Key Congressional Action Request

As part of the House floor debate, urge your Representatives to retain the T&I committee language for:

- State DOT “cooperation” with nonmetropolitan local officials in the statewide transportation planning process
- Establishment of Regional Transportation Planning Organizations (RTPOs) for areas outside of MPOs
DOT: Key Talking Points

As we learned during ARRA, those areas not engaged in the statewide planning process are left behind in project selection and programming of federal surface transportation funding – this is especially true in today’s era of NO congressional earmarks!
DOT: Key Talking Points

- Statewide planning process is the **GATEWAY** for accessing federal highway and transit funding.

- Local elected officials should have a more formal and clearly defined role, especially since state transportation infrastructure connects with locally owned roads, transit systems, airports, etc.

- The current planning process creates two classes of local elected officials – larger urban vs. non-metro.
MAKING THE ASK:

1. NADO FACT SHEETS

2. CONGRESSIONAL VISIT FORMS

3. FOLLOW UP TO VISIT

4. PROJECT TOURS BACK HOME – RESULTS AFTER THE RIBBON CUTTING!
National Association of Development Organizations (NADO) and the NADO Research Foundation

400 North Capitol Street, NW | Suite 390 | Washington, DC 20001

NADO.org | Ruraltransportation.org | Knowyourregion.org

Regionalcouncilguide.org

202.624.7806 | Info@nado.org