



Increase EDA Partnership Planning Funding in FY 2023 Appropriations

While EDA’s annual appropriation has increased by ~24% over the last five years, critical funds for local **EDA Partnership Planning grants** have not kept pace, putting a heavy administrative burden on the same communities that EDA is designed to support. *The American Rescue Plan Act also provided a record \$3 billion for EDA, but did not provide any dedicated EDD administrative grant support.*

Economic Development Administration (Budget figures are in millions)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022 FINAL	FY 2023 NADO Request
EDA Overall Appropriation	\$301.5 million	\$304 million	\$333 million	\$346 million	\$373.5 million	\$500 million
Total – Economic Development Assistance Programs	\$262.5 million	\$265 million	\$292.5 million	\$305.5 million	\$330 million	--
Partnership Planning	\$33 million	\$33 million	\$33 million	\$33.5 million	\$34.5 million	\$50 million

Action needed: Congress should increase FY23 Commerce, Justice, and Science appropriations funding for EDA Partnership Planning to \$50 million.

What are Economic Development Districts (EDDs?)

Economic Development Districts (EDDs) are locally-based, multi-county/multi-jurisdictional entities designated by the U.S. Department of Commerce Economic Development Administration (EDA). EDDs are tasked with carrying out EDA-mandated responsibilities related to facilitating local and regional economic development planning. The local planning process ensures that subsequent federal investments are strategic and that federal funds are carefully stewarded.

EDDs are EDA’s core frontline partners at the local level. EDDs are often based within existing Regional Development Organizations (RDOs) and are typically referred to by EDA as “EDDs” or “District Organizations.” They are sometimes known locally by other names such as Councils of Government (COGs), Planning and Development Districts (PDDs), Regional Planning Councils (RPCs), Area Development Districts (ADDs), or Local Development Districts (LDDs).

There are **nearly 400 EDDs** across the country.¹ One of the key responsibilities EDDs are tasked with by EDA is to lead a regionally-driven economic development planning process which leverages the involvement of public, private, and non-profit sectors. EDDs are responsible for developing a strategic “roadmap” known as a Comprehensive Economic Development Strategy (CEDS), a strategic plan and a guiding document for regional economic development. In order to create a CEDS, the EDD must conduct a regionally-driven planning process. Ultimately, the CEDS is designed to guide the economic prosperity and resiliency of an area or region. The CEDS provides a coordinating mechanism for individuals, organizations, local governments, and private industry to engage in a meaningful conversation and debate about the economic direction of their region.

¹ As of March 2021 there are 392 EDA-designated EDDs across the country.

How Much Do EDDs Receive to Carry Out the “Partnership Planning” Process?

EDA provides “Partnership Planning” awards to designated District Organizations serving EDA-designated EDDs to support the development, implementation, revision, or replacement of their CEDS plan. Each individual EDD only receives about **\$70,000 annually**² in the form of “Partnership Planning” dollars from EDA to carry out the planning process. **This amount is barely enough to cover one full-time staff person** who is tasked with overseeing the CEDS process, leading the public input process, assisting local community stakeholders with EDA grant applications, and conducting other planning and local government advisory services. A typical EDD covers numerous counties, cities, and towns, so one staff person covering this entire region is already stretched thin. The dollar amount that each EDD receives from EDA has not meaningfully increased in well over a decade. Furthermore, in order to receive this annual amount, EDDs must provide matching funds.³

Doesn’t COVID-19 Relief Funding Help Communities?

Congress took incredible steps to support the economic competitiveness of communities during the pandemic with \$1.5 billion for EDA in the CARES Act and \$3 billion for EDA in the American Rescue Plan Act; however, EDD Partnership Planning grants were not specifically allocated resources. This leaves some rural and underserved communities with available project funds, but limited ability to properly and judiciously coordinate, plan, and support these initiatives. Ultimately, the imbalance of emergency economic relief dollars and planning dollars creates a widening gap that can weaken project design and undermine local stakeholder involvement. Additionally, EDDs are in desperate need of higher staffing levels. Added EDD staff capacity is crucial to the success of implementation of federal funding and projects. Just as EDA has needed additional resources for increased staffing placements to support the rollout of relief funds, so too are EDDs in need of supplemental resources to bolster their staff capacity at the local level.

Congressional Action Needed: Increase EDA “Partnership Planning” Grants in FY 2023 Appropriations Legislation

EDA “Partnership Planning” has either been held level or only increased incrementally in recent years. Congress should increase the “Partnership Planning” program to **at least \$50 million** in FY 2023 appropriations legislation.

QUICK HITS: Provide No Less Than \$50M for EDA Partnership Planning in FY23 Appropriations

- Annual appropriated funding for EDA has increased nearly ~24% in five years, but EDA Partnership Planning grants have only increased ~4.5% in that same timeframe.
- EDDs are relied upon to administer increasing levels of EDA funding, but EDD funding for administrative and planning support has not been increased accordingly.
- COVID-19 relief funding has widened the gap between available EDA grant dollars and EDD planning dollars even more.
- EDA Partnership Planning funds would be significantly above \$50 million today, had these levels kept pace with inflation since 1965 when PWEDA was established.

Contact NADO

For more information please contact Mirielle Burgoyne, Director of Government Relations at the National Association of Development Organizations (NADO) at mburgoyne@nado.org

² Median dollar amount of EDA Partnership Planning investments is approximately \$70,000 annually as described within the EDA planning NOFO on page 7 https://eda.gov/files/programs/eda-programs/FY21-23-Planning-and-LTA-NOFO_FINAL.pdf

³ Match requirements for EDA planning programs described in the EDA Planning NOFO on pages 8-9

https://eda.gov/files/programs/eda-programs/FY21-23-Planning-and-LTA-NOFO_FINAL.pdf