



Increase EDA Partnership Planning Funding in FY 2025 Appropriations

Although EDA’s current overall annual appropriation level is **40% higher** than it was five years ago, funds for local **EDA Partnership Planning funds** have increased by **less than 5%** within the same timeframe. This places an increasingly heavy administrative burden on the very same core local stakeholders that EDA is designed to support, by overburdening local communities with implementation responsibilities without providing enough funding for project planning and administrative and staff capacity. As a result, **Economic Development Districts (EDDs)**, EDA’s core stakeholder organizations at the local level, are under pressure to administer and manage record volumes of projects and fulfill mandated responsibilities without sufficient support.

While the CARES Act **did** provide supplemental funding to EDDs, the American Rescue Plan Act (ARPA) **did not**. ARPA provided a historic \$3 billion for EDA, but it **did not** provide any additional funding for administrative support for EDDs or Partnership Planning. Similarly, the CHIPS Act authorized billions in funding for EDA, but did not authorize any additional funding for EDDs.

EDDs have served as EDA’s core institutional partners at the local level since EDA’s inception in 1965, but their funding level has barely increased in well over a decade. **Action is critically needed to provide significantly more funding for Partnership Planning**, the appropriations line item that supports EDDs.

Economic Development Administration (Budget figures are in millions)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 NADO Request
EDA Overall Appropriation	\$333 million	\$346 million	\$373.5 million	\$498 million	\$468 million	
Total – Economic Development Assistance Programs	\$292.5 million	\$305.5 million	\$330 million	\$430 million	\$400 million	
Partnership Planning	\$33 million	\$33.5 million	\$34.5 million	\$36 million	\$34.5 million	At least \$90 million

Action needed: Congress should increase FY 2025 Commerce, Justice, and Science appropriations funding for EDA Partnership Planning to at least \$90 million.

Funding Request for Partnership Planning in FY2025

Congress should increase FY25 Commerce, Justice, Science and Related Agencies appropriations funding for EDA Partnership Planning to at least **\$90 million**, the authorized funding level for Partnership Planning contained within the **bipartisan EDA reauthorization bill** released by the Senate Committee on Environment and Public Works in March 2024. **The Economic Development Reauthorization Act of 2024 (S. 3891)**, if passed, would authorize **\$90 million** for Partnership Planning in FY25, escalating to **\$130 million** by FY29.

Why Are Economic Development Districts (EDDs) Important?

Local communities rely on EDDs, because:

- EDDs help other local stakeholders and organizations apply for EDA grants.
- EDDs administer EDA project funding and assist with project implementation.
- EDDs help other local EDA grantees properly administer and steward the EDA funding they receive.
- EDDs lead and leverage local partnerships and help identify local projects that are eligible for EDA funding.
- EDDs are required by EDA to develop [Comprehensive Economic Development Strategy \(CEDS\)](#). EDDs provide local planning expertise, which lays the foundation for successful project implementation.

How Much Funding is Provided to Economic Development Districts Currently?

Partnership Planning funds provide financial support primarily for **Economic Development Districts (EDDs)**. Divided among the more than 400 EDDs across the country, as well as other EDA stakeholders, the current appropriations level for Partnership Planning results in **each individual EDD receiving only \$70,000 annually**¹. This amount of \$70K per organization is barely enough to cover one full-time staff person. Most EDDs cover numerous counties, cities, and towns, so one staff person covering such a large region is already stretched very thin. Furthermore, in order for each EDD to receive their \$70,000 distribution, the EDD must provide matching funds².

Until recently, the appropriated funding level for the **EDA Partnership Planning** appropriations line item had **remained stagnant at \$33 million** for decades. Beginning in FY21, appropriators took important steps to begin incrementally increasing this level in tandem with other increases for EDA funding levels across the board. Economic Development Districts are grateful for recent incremental increases, however the Partnership Planning funding level for FY24 has fallen back once again, down to **\$34.5 million**. Generally, the appropriation level for Partnership Planning has continued to remain relatively flat, even while EDA's overall appropriation has continued to receive substantial increases over time.

Incremental Increases Too Small for EDA to Provide Funds Directly to EDD Stakeholders

The Congressionally appropriated annual increases for Partnership Planning over the past five years have been so minor that **EDA has made an administrative decision not to provide any additional planning funds** directly to EDDs. No increase in annual funding levels was provided by EDA to local EDD stakeholders in FY21, FY22, or FY23 for Partnership Planning, despite the Congressionally appropriated increases during each of those years. For example, the \$1.5 million increase that Congress appropriated from FY22 to FY23, divided among the more than 400 EDDs nationally, would only amount to approximately \$3,750 per organization, if it were divided among the 400 EDDs and passed on to them directly. But, given the small nature of recent annual increases, along with the steadily growing volume of EDDs becoming designated every year, and other stakeholders also vying for these resources, EDA has not provided any additional EDA Partnership Planning funding to local EDD stakeholders for the past three years. For these reasons, Congressional action is critically needed to increase Partnership Planning funding in FY25.

To learn more, visit www.nado.org.

¹ Median dollar amount of EDA Partnership Planning investments is approximately \$70,000 annually as described within the EDA Planning NOFO on page 7 <https://www.eda.gov/funding/funding-opportunities/fiscal-year-2021-2023-eda-planning-and-local-technical-assistance>

² Match requirements for EDA Partnership Planning described in the EDA Planning NOFO on pages 8-9

<https://www.eda.gov/funding/funding-opportunities/fiscal-year-2021-2023-eda-planning-and-local-technical-assistance>