



## Increase **EDA Partnership Planning Funding** in FY 2027 Appropriations

**Economic Development Districts (EDDs)** are local community-based organizations that station economic development professionals in towns and regions across the country. EDDs help their towns implement local economic development projects, leverage private sector funding, broker deals with companies and industry partners, and facilitate the creation of jobs for American workers. EDDs are supported in part by funding from the U.S. Department of Commerce **Economic Development Administration (EDA)**. Although EDDs have been one of EDA’s most important core local stakeholders since EDA’s inception in 1965, their funding level has barely increased in well over a decade. This places a particularly heavy burden on rural communities and economically challenged regions. **Action is critically needed to provide significantly more funding for EDA Partnership Planning**, the appropriations line item that supports EDDs.

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 implementation, and without sufficient staff capacity. As a result, EDDs are under pressure to administer and manage high volumes of projects and to fulfill federally mandated responsibilities without sufficient support.

Recently, **EDA and its core programs were reauthorized**. On January 4, 2025, the *Thomas R. Carper Water Resources Development Act (Senate Bill 4367)* was signed into law, following its passage in the House and Senate with broad bipartisan support. Title II of the legislation, *the Economic Development Reauthorization Act of 2024*, reauthorized the EDA. In Fiscal Year (FY) 2027, Congressional appropriators should **provide appropriated funding for EDA that is equivalent to Congressionally authorized amounts**.

| Economic Development Administration              | FY 2020             | FY 2021               | FY 2022               | FY 2023             | FY 2024               | FY 2025               | FY 2026               | FY 2027 NADO Request  |
|--|---------------------|-----------------------|-----------------------|---------------------|-----------------------|-----------------------|-----------------------|---|
| EDA Overall Appropriation                        | \$333 million       | \$346 million         | \$373.5 million       | \$498 million       | \$468 million         | \$468 million         | \$466 million         | —   |
| Total – Economic Development Assistance Programs | \$292.5 million     | \$305.5 million       | \$330 million         | \$430 million       | \$400 million         | \$400 million         | \$400 million         | <b>\$645 million</b> , which is the authorized funding level for core programs        |
| Partnership Planning                             | <b>\$33 million</b> | <b>\$33.5 million</b> | <b>\$34.5 million</b> | <b>\$36 million</b> | <b>\$34.5 million</b> | <b>\$34.5 million</b> | <b>\$34.5 million</b> | <b>\$110 million</b> , which is the authorized funding level for Partnership Planning |

**Action needed: Congress should increase FY 2027 Commerce, Justice, and Science appropriations funding for EDA Partnership Planning to at least \$110 million, which is the authorized funding level.**

## Funding Request for EDA Partnership Planning in FY 2027

Congress should increase FY 2027 Commerce, Justice, Science, and Related Agencies appropriations funding for EDA Partnership Planning to at least **\$110 million**. This is the authorized funding level for EDA Partnership Planning.

## Why Are Economic Development Districts (EDDs) Important?

Local communities rely on EDDs, because:

- EDDs station trusted economic development professionals in local communities across the country.
- EDDs implement local projects, leverage private sector funding, broker deals with companies and industry partners, ensure the readiness of industrial sites for businesses, and help create jobs for American workers.
- EDDs support rural America, working-class communities, and economically challenged regions.
- EDDs properly administer and steward EDA funding, and they help other local EDA grantees do the same.
- EDDs help identify which local projects are of greatest importance to local workers, businesses, and families.
- EDDs are required by EDA to develop [Comprehensive Economic Development Strategies \(CEDs\)](#). 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**<sup>1</sup>. 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 typically must provide matching funds<sup>2</sup>.

Until recently, the appropriated funding level for the **EDA Partnership Planning** appropriations line item had **remained stagnant at \$33 million** for decades. Beginning in FY 2021, appropriators began incrementally increasing this line item, however the Partnership Planning funding level in FY 2024 fell back down to **\$34.5 million** where it has remained. Generally, the appropriation level for Partnership Planning has continued to remain nearly flat for decades, 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 its local EDD stakeholders in FY 2021, FY 2022, or FY 2023, **despite the Congressionally appropriated increases** for Partnership Planning during each of those years. Funding levels also remained flat in FY2024 and FY2025 given no increases in Congressional appropriations.

Given the small nature of recent annual appropriations increases for this line item, 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 these reasons, Congressional action is critically needed to increase Partnership Planning funding in FY 2027.

To learn more visit [www.nado.org](http://www.nado.org)

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<sup>1</sup> 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>

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

[https://www.eda.gov/sites/default/files/filebase/files/programs/eda-programs/FY21-23-Planning-and-LTA-NOFO\\_FINAL.pdf](https://www.eda.gov/sites/default/files/filebase/files/programs/eda-programs/FY21-23-Planning-and-LTA-NOFO_FINAL.pdf)