**Testimony of Federal Co-Chair Chris Saunders**
**Northern Border Regional Commission**
**United States Senate Committee on Environment and Public Works**
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Mr. Chairman, Ranking Member Capito, Members of the Committee, thank you for the invitation to appear before the Committee today to discuss the impactful work of the Northern Border Regional Commission. The regional commissions are unique among federal agencies in the way we approach economic development and I appreciate the opportunity to participate in this conversation that highlights the work we do.

The regional commissions operate in a manner that both requires collaboration and demands partnership in order to be successful. We elevate the needs of local communities and the perspective of our state members in developing a shared vision for the region. That input is instrumental in shaping our priorities and investments.

There are few comparable places within the federal government where this level of collaboration occurs and where there is such a singular focus on advancing place-based economic development. Beyond the uniqueness of our structure, my aim today is to highlight for you three characteristics of the Northern Border Regional Commission that show how we advance the economic well-being of the residents of our region. Specifically, these include: NBRC's effectiveness in delivering assistance to rural America; the Commission's ability to intentionally focus resources on a specific regional need or opportunity; and the Commission's non-monetary contributions to the region.

In my experience, the regional commissions are one of the most impactful models for directing federal public investment to rural America. This is in large part thanks to the significant flexibility Congress has granted Commissions in the way we design and administer our programs. This flexibility allows us to consider how best to deliver assistance in a manner that reflects the needs, and recognizes the capacity constraints, of rural places. At NBRC we have intentionally designed pathways into our programs that elevate first time applicants and rural communities. We are able to match technical assistance that prioritizes small communities who have extremely modest municipal budgets and often rely on part-time or volunteer staff.

Certainly, NBRC's intentional focus on rural places was the objective of Congress; NBRC's territory was drawn up in a way that the communities we serve are almost exclusively rural in nature. The largest city in our service area, Utica, New York, has just over 65,000 residents. But even within this predominantly rural landscape, we are focused on directing resources to economically distressed areas that too often have been unable to harness federal resources to improve their economies. By and large, the vast majority of the communities our Commission works with are less than 10,000 people and nearly 60 percent of the grants we made in the last two rounds of our Catalyst Program were made to communities under 5,000 people.[1] We are delivering federal resources to communities who would otherwise never be able to participate in a federal grant program.

In addition to the flexibility Commissions have in designing programs, they can similarly pivot their focus to address key needs within a region as they emerge. In the NBRC territory the

[1] https://www.nbrc.gov/articles/160
https://www.nbrc.gov/articles/142

forest products industry is one such example. For generations, the wood products and paper industries were significant drivers of the economy in Northern New England and New York. As these legacy industries have faltered, it has been a regional priority to develop new products and markets. For the past six years our Commission has focused resources through specific grant offerings to support innovation and infrastructure within the forest products industry. We are seeing the positive economic effects of this approach; with investments that helped transform a former paper mill into a plant that is now producing insulation products from wood fibers. Similarly, NBRC's support for using mass timber products as a construction material is resulting in cultural assets, housing and transportation infrastructure being built with wood.

This ability to move towards emergent challenges is evident in NBRC's recent work to address major region-wide needs, specifically a lack of access to childcare and housing. The significant funds that Congress provided to NBRC through the Bipartisan Infrastructure Law allowed the Commission to revise our flagship grant program. We listened to what our stakeholders identified as their most pressing needs and adapted our programs to better suit those types of projects. Those changes are having the intended impact - in the past month I have traveled to openings and groundbreakings for new childcare facilities in Ticonderoga, New York; Middlebury, Vermont; and Rangeley, Maine, all made possible thanks to investments from our Commission.

There is a comparable level of activity in our infrastructure portfolio, with numerous awards that are laying the groundwork for the development of hundreds of units of housing. This ability to adapt – to the very urgent needs of childcare and housing in our region, for example – is necessary for practitioners of economic development to remain relevant and vital partners to communities across the country. Further, a Commission's ability to be agile and responsive is the reason that the demand for our funds has grown commensurate with the addition of new funds. Demand for our grants continues to outpace the growth in our funding.

While the financial resources that the Commission awards through grants are the most prevalent ways the Commission makes assistance available in the region, it is important to note NBRC and its peers have other tools as well. As with this hearing, there is significant power and benefit to convening distinct groups with the aim of advancing a common goal.

Recognizing the need to organize and bolster the outdoor recreation industry within our region, NBRC organized an inaugural Northern Forest Recreation Symposium in 2018. This event proved a catalyzing event that led our member states to formally create offices of outdoor recreation within state government, significant new public investment in outdoor recreation infrastructure and informed NBRC's own work in this space. This May, NBRC and our partner, the Northern Forest Center, held a follow-on symposium that will guide outdoor recreation work in the region over the coming years. Outdoor recreation speaks to a crucial additional role of Commissions; earlier I cited the changing nature of the wood products industry in the NBRC's region, but it is also crucial that Commissions provide funding for innovations that expand emerging industries that have the potential to provide meaningful, well-paid jobs in areas where changes in legacy industries have reduced growth and left residents with fewer economic opportunities.

Increasing access to health care is one final example of how the Commissions support the well-being of the region in non-monetary ways. Like our peers, NBRC has established a J-1 Visa Waiver program that aims to provide rural and underserved areas with adequate access to

quality, affordable healthcare. As with the state-based Conrad-30 program, Commission programs address the national healthcare provider shortage by easing the visa requirements for physicians who are trained in the United States if they agree to practice in underserved areas.

I hope that this brief overview offers some insights into the role regional commissions play in the economic development ecosystem. In closing, I would like to thank the members of the Committee for their work to advance S 3891, the Economic Development Reauthorization Act of 2024, which would reauthorize and update the programs of the NBRC and other regional commissions.

We appreciate the opportunity to continue our work with Congress and I am pleased to answer questions regarding the Commissions' work to better our region. Thank you again for the opportunity to testify and I look forward to your questions.

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