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Washington, D.C.


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HEARING ON AMERICA'S REGIONAL COMMISSIONS: SHARING BEST PRACTICES IN REGIONAL AND ECONOMIC DEVELOPMENT

Wednesday, September 18, 2024

United States Senate

Committee on Environment and Public Works

Washington, D.C.

The committee met, pursuant to notice, at 10:00 a.m. in room 406, Dirksen Senate Office Building, the Honorable Thomas R. Carper [chairman of the committee] presiding.

Present: Senators Carper, Capito, Cardin, Whitehouse, Stabenow, Kelly, Boozman, Sullivan.

STATEMENT OF THE HONORABLE THOMAS R. CARPER, A UNITED STATES SENATOR FROM THE STATE OF DELAWARE

Senator Carper. I would like to call today's hearing to order. Welcome, one and all.

Today, we have gathered, as you know, to discuss our Nation's regional commissions and the integral role that they play in strengthening our communities, our workforce, and our infrastructure. We are going to hear testimony from our bipartisan panel of witnesses representing five different regional commissions: the Delta Regional Authority, the Denali Commission, the Northern Border Regional Commission, the Southeast Crescent Regional Commission, and the Southwest Border Regional Commission.

To our witnesses, Dr. Wiggins, Dr. Clyburn Reed, Mr. Saunders, you pronounce your name Saunders, don't you? We have a fellow on our team here who pronounces his name Sanders, and so we will try not to confuse them. Mr. Sanchez, Juan Sanchez, and Ms. Fenton, right, thank you all for joining us today. Good to see you.

For those who may not be familiar with our regional commissions, let me start by discussing what our regional commissions do and why their work, your work, is important.

Our Nation's Federal regional commissions are Federal-State partnerships that Congress has created over a period of time,

starting in the 1960s to implement community and economic development strategies in some of our most disadvantaged communities. Our regional commissions work closely with the Economic Development Administration, at the Federal Government level, in order to build durable regional economies throughout the United States of America.

One might ask, why is this mission important? To answer that question, let's paraphrase President Abraham Lincoln, who once said that the role of the Federal Government is to do for the people what they cannot do for themselves. This is what the regional commissions attempt to do every day when they provide financial resources and partner with State governments to help communities prosper. Working hand-in-glove with the Economic Development Administration, our regional commissions are reinvigorating some of America's most distressed regional economies.

I know just how important this kind of work is for our communities. Right after I came home from my third and final tour in Southeast Asia during the Vietnam War as a Naval flight officer, I moved to Delaware, where I earned my MBA, and I went to work, coming out of graduate school, for the Delaware Economic Development Authority. Although I worked there for less than a year, this experience has helped influence almost every part of my career since then, including my time as

Governor of the State of Delaware.

When I was privileged to serve as Governor of Delaware, a job that Senator Capito's father once held, not in Delaware but in West Virginia, more jobs were created in Delaware than any other year, period, in the history of our State. In truth through, I didn't create a single one of those jobs as governor. Governors don't create jobs; Senators don't create jobs. Regional commissions, if we are going to be honest, don't create them, either. What we do together and what we need to do is to create a nurturing environment for job creation and job preservation throughout America.

The work of our regional commissions, from workforce development and infrastructure improvements to promoting access to capital and broadband deployment, is necessary in order to create that nurturing environment.

Today, we look forward to hearing what regional commissions are doing well and what improvements might help these agencies work even more effectively in order to enable disadvantaged communities to recover and to thrive.

As members of this committee have oftentimes heard me say, we need to find out what works and do more of that. Regional commissions have used Bipartisan Infrastructure Law funding to support more than 300 projects in 19 States. The commissions have used their funding in diverse and innovative ways. For

example, last year, the Delta Regional Authority funded infrastructure projects to support a $5.6 billion investment by Ford in a new electric truck manufacturing plant in Tennessee.

In Alaska, the Denali Commission provided technical assistance to the Alaska Native Tribal Consortium to help secure over $90 million in Federal funding for broadband infrastructure in remote communities. Earlier this year, the Northern Border Regional Commission awarded a pre-development grant to a Vermont community which, once completed, will enable the private sector to create over 125 mixed income housing units in an area facing a major housing crisis.

As our colleagues will recall, in March, the committee unanimously passed legislation to reauthorize each of our regional commissions that are represented before us here today, as well as the Economic Development Administration. Enacting this reauthorization bill into law is a crucial part of the work we must do in order to ensure that our regional commissions can continue to support economic growth in communities of all sizes throughout our Country. In fact, this legislation would also create two new regional commissions: the Mid-Atlantic Coast Regional Commission and the Southern New England Regional Commission.

In closing, let me just say that we look forward to hearing more today from our witnesses about the impact that our regional

commissions are having in communities both large and small. I look forward to working with our colleagues on this committee to ensure that our regional commissions have the tools and the resources that they need in order to support economic development and enable communities across our Country to succeed.

With that, Senator Capito, you are recognized. Please proceed.

[The prepared statement of Senator Carper follows:]

STATEMENT OF THE HONORABLE SHELLEY MOORE CAPITO, A UNITED STATES SENATOR FROM THE STATE OF WEST VIRGINIA

Senator Capito. Thank you, Chairman Carper, and thank you all for being here today. Thanks for this hearing.

Again, I want to welcome our witnesses, the Federal co-chairs from the Delta Regional Authority, Denali Commission, Northern Border Regional Commission, Southeast Crescent Regional Commission, and the Southwest Border Regional Commission. Thank all of you for what we are going to hear.

The strength of our regional commissions lies in their partnerships and coordination between the Federal Government and the States that are in their region.

Often, the governor of each State that is within the geographic target of the regional commission serves on that commission. Typically, a regional commission is co-chaired by a Federal political appointee that is confirmed with the advice and consent of the Senate and one governor that is selected from the States covered by the commission. These entities utilize Federal funding to carry out State and local economic development priorities, and the Chairman has lined out a few of those for us today.

The regional commissions' intergovernmental coordination is key to the success of the economic development efforts. Working with the appropriate States, these entities often make

investments in various areas, such as basic infrastructure and workforce training, development, that are critical to ensuring long-term economic growth and opportunity in their communities.

Further, regional commissions must work in tandem with the EDA, the Economic Development Administration. Since EDA and the regional commissions have similar missions, they must strategically coordinate in order to avoid duplicative efforts and investments.

We are here today to talk about best practices and success stories from some of our regional commissions that will help us to strike the balance and ensure our Federal investment is implemented efficiently to achieve the maximum benefit for the States and the communities that they serve. I look forward to hearing the ways to strengthen your partnerships with your States and your coordination with the EDA.

Working with the Appalachian Regional Commission in my home State of West Virginia, I know how beneficial regional commissions can be and the positive impacts that they can have on communities. Our colleague's wife, Gayle Manchin, is the Federal co-chair of the ARC, and I see Guy Land back there, who I have worked with for many, many years on the ARC. They are not on the panel today because the legislation that we have, we have already reauthorized the ARC. How about that? How did that happen?

[Laughter.]

Senator Capito. Today, we want to make sure that we give you all the due attention.

Anyway, they have invested $62 million just last year from Federal funding and then matched projects, 66 projects, just across our State. These projects served over 3,000 households and businesses, trained and educated over 2,000 students and workers. I know each of the regional commission Federal co-chairs before us is working in their areas to make the same type of impactful investments.

To further these efforts back in March, Chairman Carper and I brought forward out bipartisan Economic Development Reauthorization Act before this committee, and the bill was reported favorably to the Senate by unanimous voice vote. Title II of the legislation reauthorizes a number of the regional commissions from the Fiscal Years 2025 through 2029. The bill will expand the type of activities that those regional commissions can carry out and provides flexibility to tailor those activities to the most pressing needs of their own communities.

The bill also modernizes regional commissions' administration requirements to ensure more efficient operations. It is important that the Congress regularly reauthorize the regional commissions and examine what works best within their

authorities and programs in order to ensure that they can continue to carry out their missions effectively.

We look forward to working with our Congressional colleagues so that the EDA reauthorization bill can become law.

With that, Mr. Chairman, I yield back to you.

[The prepared statement of Senator Capito follows:]

Senator Carper. Thank you, ma'am.

I have been summoned to go to another, not a hearing, but actually a business meeting. We are marking up a number of bills in the Committee on Homeland Security and Governmental Affairs. I need to go there now.

Senator Capito has kindly agreed to preside while I am away. I think the first order of business might be to, after you have introduced the four of our witnesses, to recognize Senator Sullivan to introduce our witness from the Denali Commission. Thank you for doing this. I will be back as soon as I can. Thank you.

Senator Capito. [Presiding.] I am pleased to welcome Dr. Corey Wiggins, the Federal Co-Chair for the Delta Regional Authority to our committee. Corey has worked across academia, State government, nonprofits, and the private sector throughout his career. He has served as the head of the Delta Regional Authority since 2022.

We are also joined today by Dr. Jennifer Clyburn Reed, the Federal Co-Chair of the Southeast Crescent Regional Commission. Throughout her career, she has been a small business owner, public servant, educator, and community advocate. She has served as head of the Southeast Crescent Regional Commission since 2021.

Third, I would like to welcome Chris Saunders, the Federal

Co-Chair of the Northern Border Regional Commission to our committee. Chris is no stranger to the Senate, having spent many years here as a member of Senator Leahy's staff. He has served as the head of the Northern Border Regional Commission since 2022.

Finally, I am pleased to welcome Juan Sanchez, the Federal Co-Chair from the Southwest Border Regional Commission. He also is no stranger to the U.S. Senate. Before joining the Southwest Border Regional Commission, he worked for Senator Heinrich. He has served as the head of the commission since 2022.

Senator Sullivan, I know you have an introduction of Ms. Fenton.

Senator Sullivan. Thank you, Senator Capito, and the Chair. Thank you for the opportunity to introduce Jocelyn Fenton, who is the Interim Federal Co-Chair of the Denali Commission.

A little bit of background on the Denali Commission. This was Senator Stevens' and Congressman Young's focus on bringing national attention to the immense challenges and unique situations that many of my constituents in rural Alaska face. They designed the Denali Commission with members of Congress in the Senate and the House for a way in which to address these unique challenges that often make life in Alaska much more

costly and complex than our friends in the lower 48, as we call the rest of you guys, except Hawaii.

Let me give you a couple of examples. Most of our villages cannot be accessed by roads, so you either have to fly there, or if they are on a river, take a boat, or a snowmachine during the winter. That is 86 percent of Alaskan communities that are not connected by roads. In the lower 48, people cannot even conceive of that. Most of our State is that way.

We have over 30 communities in Alaska that have no running water or flush toilets, so think about that. American citizens, who use what we call honey buckets in Alaska. Thousands of Alaskans use honey buckets. That is third-world sanitation. That is just not right.

By the way, Madam Chair, some of the most patriotic communities in the Country, my State has more veterans per capita than any State in the Country, and Alaska Natives, where most of these challenges are, their villages serve at higher rates in the military than any other ethnic group in the Country. Yet, they go to the bathroom with honey buckets.

Most of these communities are powered by diesel and are not on any kind of grid system. I like to say Alaska is resource rich, infrastructure poor. We have less road miles than Connecticut, and yet we are 120 times bigger than Connecticut.

So, the Denali Commission has catalyzed much-needed development, particularly with a focus on infrastructure, water and sewer, power generation, transmission facilities, basic clinics, and communication systems, much of which is just expected if you live in the lower 48.

Through vital tribal, State, and Federal partnerships, the commission has worked on a whole host of these kind of infrastructure projects and workforce development projects that bring resiliency to over 300 communities, as I have said. Due to its proven success, the Denali Commission has become an invaluable asset for Alaska and our Nation on building out infrastructure, which is what, I think, every member of the Senate agrees is important for all Americans.

Just recently, the Department of Defense, recognizing the commission's reach and strategic importance, identified it as a key partner in implementing the national strategy for the Department of Defense for the Arctic region, so an even broader element of the Denali Commission's relevance.

With regard to Jocelyn, she has been doing a great job. She serves in a number of capacities, including this co-chair position on the Denali Commission, several boards involving our military, involving our Native communities, and involving our universities, involving Arctic leadership initiatives.

Jocelyn, I have no idea when you sleep when I was reading your resume, but it is really impressive. Thanks for your great work. Thanks for your dedication and commitment to the people of Alaska.

Madam Chair, this is a commission that not a lot of people know about, but it has really punched above its weight on issues that matter to all Alaskans, and to all Americans, that is basic infrastructure, which this committee is all about. Thank you very much.

Senator Capito. Thank you, Senator.

Corey, before I ask you to proceed, I looked up and looked out and saw my colleague over there from the House. We served together for 14 years. Congressman Jim Clyburn is here from South Carolina. Thank you for coming. Are you watching over -- yes.

[Laughter.]

Senator Capito. Welcome to you. Welcome to you, and thanks for coming over.

Corey, you are up for five minutes.

STATEMENT OF COREY WIGGINS, PH.D., FEDERAL CO-CHAIR, DELTA REGIONAL AUTHORITY

Mr. Wiggins. Mr. Chairman and members of the committee, my name is Dr. Corey Wiggins, and I have the privilege of serving as the Federal Co-Chairman of the Delta Regional Authority.

Since its establishment in 2000, the agency's purpose has remained unchanged: to promote and encourage economic development in the DRA region. DRA's financial assistance programs provide targeted investments in 252 counties and parishes across our eight-State region, including parts of Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee.

Every five years, DRA, by statute, is responsible for creating a regional development plan with public input that is approved by our board of governors. This plan serves as a guide to ensure we are meeting the needs of the region and DRA's mission.

In February 2023, the Authority approved and released Navigating the Currents of Opportunity: Regional Development Plan Forward. The strategic goals identified for DRA over the next five years include expanding and investing in a resiliency of the region's public infrastructure, improving networks of agencies, organizations, businesses, and educational institutions providing workforce development opportunities,

strengthening and supporting the long-term growth of micro and small businesses, expanding efforts to support community place-making, and capacity building.

DRA has pursued its vision of a region as a place where people and business have access to economic opportunities and vibrant, sustainable, and resilient communities. We execute on this vision through our programs that serve the region and through investments that support basic public infrastructure and transportation improvements, workforce development programming, and expanding opportunity for small business development.

Some examples of DRA programs and their impacts include: from 2017 to 2023, infrastructure workforce development and small business development investments made through DRA's States Economic Development Assistance Program resulted in over 500,000 families positively impacted by infrastructure projects; more than 160,000 individuals trained in workforce development programs; and over 36,000 jobs were either created or retained in the region.

In over five years, DRA's Community Infrastructure Fund, a program focused on basic public infrastructure investments, has resulted in nearly 311,000 families impacted by infrastructure projects, with approximately 15,000 jobs created or retained in the region.

In total, for Fiscal Year 2023, DRA invested over $74 million in funding throughout the region. The expected impact of this funding for nearly 165 projects in the region includes over 33,000 families affected via improved access to infrastructure, approximately 9,000 jobs created or retained, and over 31,000 individuals trained through workforce program training.

As we continue to assess our Fiscal Year 2024 projects and impact data, some highlighted regional investments include: awarding more than $10 million in investments to 23 projects in the region through the Delta Workforce Grant Program, an initiative designed to support workforce training and education programs. We have awarded over $1.8 million to communities through the Strategic Planning Grant Program, DRA's newest initiative to support capacity-building in the region.

DRA supports Title II of the Economic Development Reauthorization Act of 2024, which would reauthorize and update the programs of DRA and other regional commissions. Title II would bolster the place-based impact of regional commissions by further supporting economic development and improving infrastructure in underserved and distressed communities across the Nation.

We thank the committee for including key proposals for the 2025 budget in the bill, such as a user fee authority for DRA's

Delta Doctors Program, repeal of DRA's sunsetting provision, and recognition of tribes as eligible recipients.

DRA and its sister commissions serve a distinguished purpose and uniquely critical role within each of our regions. DRA's impact in the region is not just limited to the quantitative outputs from agency investments, but is also connected to our reputation as a regional partner working closely with local governments, local development districts, and our member States to help find solutions to the challenges experienced in the region.

It is critical that DRA remains a vital partner in the region to foster inclusive communities, strengthen regional collaboration, achieve sustained, long-term economic development, and produce meaningful opportunities for all people in the DRA region.

Thank you.

[The prepared statement of Mr. Wiggins follows:]

Senator Capito. Thank you. Next, we will hear from Dr. Jennifer Clyburn Reed. Jennifer, please proceed with your testimony.

Thank you.

STATEMENT OF THE HONORABLE JENNIFER CLYBURN REED, ED.D., FEDERAL CO-CHAIR, SOUTHEAST CRESCENT REGIONAL COMMISSION

Ms. Clyburn Reed. Good morning, Chairman Carper and Ranking Member Capito, committee members, and staff. Thank you for the opportunity to testify on behalf of the Southeast Crescent Regional Commission and share the progress that we have made since becoming active in early 2022.

I begin by expressing support for Title II of the Economic Development Reauthorization Act.

Many thanks to the members of Congress and SCRC governors who have supported the commission as we continue to assist its 51 million residents. The region spans over 210,000 square miles across seven States, parts of Alabama, Mississippi, and Georgia, North Carolina, South Carolina, Virginia, and the whole State of Florida. Currently, SCRC covers the largest region of all active regional commissions.

Historically, rural economies were sustained by agriculture and manufacturing industries, but these sectors have depreciated over the years. As a result, many rural areas are strangled with job losses and economic stagnation, prompting the need for regional commissions to spark economic innovation and revitalization efforts. As a member agency of the Rural Partners Network, SCRC has worked with USDA Rural Development

and other Federal agencies to leverage resources to rural communities.

Almost three years ago, I sat before this committee as a nominee. At the time, I identified three goals to pursue once confirmed: assess the needs of each community, identify regional challenges, and determine the path to move our distressed counties from transitional to attainment status.

Data was compiled from a seven-State survey, virtual coffee and conversations, and collaboration sessions to author the Five-Year Strategic Plan. Participating States also created Economic Development Plans that illuminated each governor's priorities, also aligning with SCRC's strategic plan and statutory language.

During that same hearing, Senator Carper suggested that I find what works and do more of that. Early data collected found gaping holes in healthcare access. In response, SCRC implemented the J1 Visa Waiver Program, already offered by other regional commissions and proven highly successful. With the help of the Department of State, SCRC processed its first application in November of 2022, and to date, has successfully placed 183 doctors where healthcare access was insufficient or absent.

SCRC also commissioned a comprehensive health assessment for all 428 counties, which is now complete and will be published, along with our first white paper next month.

Research shows a strong correlation between underemployment and negative health outcomes. A living wage shapes opportunities for childcare, education, food security, and housing. A responsive healthcare system helps foster economic growth. While these concepts are widely recognized in theory, SCRC is collecting data and acting on it to show how healthcare access contributes to achieving longstanding economic goals.

I also stated during that hearing the commission would fund entities that make economic development a sustainable priority. In preparing to launch the first grant cycle, SCRC executed cooperative agreements with all participating States and 55 local development districts.

The launch of the inaugural $20 million Seed Grant Program yielded 363 pre-applications requesting $119 million. The competitive selection process narrowed that pool to 103 full applications, and I am honored to report that the 56 projects selected exceeded internal expectations and statutory requirements.

Of the 129 counties impacted by the 56 projects, 103, or 80 percent, are in distressed counties. The authorizing statute requires 50 percent of grant funds to be spent on projects in

distressed counties. SCRC exceeded that by spending 77 percent of grant funds in distressed counties on 42 projects. Forty projects, or 71 percent, are infrastructure projects, which exceeds the 40 percent required. SCRC looks forward to continuing partnerships with local, State, and Federal entities that will assist in achieving the mission to alleviate the effects of poverty and ensure a prosperous future for all who call the Southeast Crescent home.

Chairman Carper, Ranking Member Capito, and members of the committee, thank you, and I look forward to your questions.

[The prepared statement of Ms. Clyburn Reed follows:]

Senator Capito. Thank you.

Next, Chris Saunders.

STATEMENT OF THE HONORABLE CHRIS SAUNDERS, FEDERAL CO-CHAIR, NORTHERN BORDER REGIONAL COMMISSION

Mr. Saunders. Thank you, Chairman Carper, thank you, Ranking Member Capito, members of the committee, for the invitation to participate in this hearing and the opportunity to talk a little bit about the Northern Border Regional Commission.

I think, as you have heard from my peers and some of your own opening statements, there is something unique about the Federal commissions. The collaboration that is required, the elevation of local needs, the input from State partners, it is unique among Federal agencies in terms of how we develop a collaborative process.

I think there are few places across the Federal Government where this model of collaboration is included, and likewise, our almost singular focus on place-based economic development is found not many other places within the Federal Government.

My hope today, in addition to complement the testimony of my colleagues, is to highlight a couple characteristics of the Northern Border Regional Commission that demonstrate how we try and advance the well-being of the residents in our region. Specifically, it has been touched on a little bit this morning, our ability to effectively deliver resources to rural America, our commission's ability to focus resources on a specific

regional need or an opportunity, and the non-monetary ways that commissions can deliver assistance.

It has been my experience that the regional commissions are one of the most impactful models for directing Federal public investment to rural America. Thanks to the significant flexibility Congress has granted commissions in the way we design and administer our programs, we can really consider how best to deliver assistance in a manner that reflects the needs and really recognizes the capacity strengths of rural places.

At NBRC, we have intentionally designed pathways into our programs that elevate first-time applicants in rural communities, and we are able to match technical assistance to small communities who have extremely modest municipal budgets and often rely on part-time or volunteer staff.

Certainly, our focus on rural places is no accident. The largest city in our service area 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 funding to improve their economies.

To that point, 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. In short, we are getting help

to the places that would otherwise never be able to participate in a Federal grant program.

Beyond the flexibility that commissions have in program design, we can similarly pivot our focus to address key needs as they emerge. In the NBRC territory, the forest products industry is one such example. For generations, the wood projects and paper industries were really significant drivers of the economy in our region.

As these legacy industries have faltered, it has really been a regional priority to find ways to develop new products and markets. So, for the past six years, we have focused resources through specific grant offerings to support innovation and infrastructure within the forest products industry, and these investments are having their intended impacts.

This ability to move towards emerging challenges is also evident in our work to address major region-wide needs, specifically, a lack of access to childcare and to housing. The significant funds that Congress provided to NBRC through the Bipartisan Infrastructure Law allowed NBRC to revise our flagship grant program to prioritize these needs.

These changes are likewise having the intended impact. In the past month, I have had the good fortune to travel to openings and groundbreakings for new childcare facilities in Ticonderoga, New York, Middlebury, Vermont, and Rangeley, Maine.

These investments will result in hundreds of families receiving help so that they can work.

I am happy to report 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.

While the financial resources that the commission awards through grants are certainly the most prevalent ways that we make assistance available in the region, it is important to note that NBRC and its peers have other tools, as well. A couple of years ago, we recognized the need to organize and bolster the outdoor recreation industry within our region, and we coordinated multiple symposiums, which have proven to be catalyzing events for our States and informed NBRC's own work in this space.

Outdoor rec speaks to a critical additional role of the commission. We are able to put a focus on innovations that expand emerging industries that have the potential to provide meaningful, well-paying jobs in areas where legacy industries have reduced growth and left residents with fewer economic opportunities.

It is my hope that this brief overview offers some insight into the role that commissions play in the economic development

ecosystem, and I am appreciative, again, of the opportunity to testify. I look forward to your questions.

[The prepared statement of Mr. Saunders follows:]

Senator Capito. Next, we will hear from Juan Sanchez. If you want to proceed with your testimony?

STATEMENT OF THE HONORABLE JUAN SANCHEZ, FEDERAL CO-CHAIR, SOUTHWEST BORDER REGIONAL COMMISSION

Mr. Sanchez. Thank you. Good morning, Chairman Carper, Ranking Member Capito, and members of the committee and staff. Thank you for the opportunity to testify on behalf of the Southwest Border Regional Commission. I am Juan Sanchez, the first Federal co-chair of the commission, and I am honored to share our progress and challenges as we aim to serve the southwest.

The commission comprises 93 counties and 35 million people throughout Arizona, New Mexico, California and Texas. Our aim is to help foster economic development, help create jobs, and empower our communities.

In January of 2023, I was entrusted with the responsibility to establish the commission and develop its operating infrastructure from the ground up. My first task was to secure the participation of our four governors, whose ideology spans the political spectrum. It speaks to the importance of the commission that we were able to reach a consensus, and as of June 2023, all four States were participating.

Together, we have reach agreements on the operating procedures, funding allocations, administrative support, our grants process, and a vision for the commission. I would like to thank our first State co-chair, Governor Michelle Lujan

Grisham from New Mexico, our other governors, governor alternatives, and staff who have dedicated their time, financial resources, and efforts to ensure the success of the commission.

Once convened, our next challenge was to assess our region. We identified barriers to economic development and created our strategic goals. We assessed the condition of each one of our counties, utilizing their demographic data, including poverty rate per capita income and unemployment rate. We ranked and designated each one of our counties.

Of the SPRC's 93 counties, 37 were classified as distressed, 41 as transitional, and 15 as attainment. Overall, the commission's average poverty rate stands at 18 percent, significantly higher than the national average of 12.6 percent, and translated into 5 million people living in poverty.

We identified unique distressed communities, such as colonias, which is the Spanish word for neighborhood. Colonias are economically distressed communities located within 150 miles over the U.S.-Mexico border, often lacking a governing structure and basic infrastructure. Families living in colonias are without adequate housing or essential services, like potable water, plumbing, sewage, paved roads, broadband. Approximately 100,000 people lack adequate drinking water and sanitation, with one-third of the folks living in colonias having no access to water or wastewater facilities.

The commission also comprises 51 federally recognized Tribes. Collectively, our tribes have a poverty rate of 44 percent and an unemployment rate of 12 percent. A drastic comparison to the U.S. average is of 12 and 4.2, respectively. Tribal communities also face severe infrastructure challenges and lack adequate drinking water and sanitation facilities, as well as other essential services, such as broadband.

The commission seeks to enhance tribal capacity and promote self-governance and has set aside, at minimum, 5 percent of our total funds to tribal communities.

We identified other interrelated challenges. The commission's region suffers critical shortages of healthcare professionals. Every county within the region is designated a health professional shortage area by HHS in primary health, mental health, and dental care.

We additionally conducted extensive outreach with hundreds of community stakeholders across four States, including mayors, economists, nonprofits, universities, chambers of commerce, industry groups, and more to identify the most significant barriers to economic development.

The most common barriers as addressed by our stakeholders include capacity gaps. Capacity remains a significant barrier in our distressed communities, which often lack technical, managerial, and financial capacity. Distressed communities

often stated that their minimal staff is overburdened with administrative duties.

The secondary barrier was matching requirements. The SBRC serves some of the most poor communities in the Country, often lacking a substantial tax base to generate revenue and secure matching funds. Federal and State grant programs often require a match, which is a significant barrier for our most impoverished communities.

Third was data availability. The respondents indicated that there was insufficient access to data and research on the issues impacting their community, noting that much of the research is conducted by entities outside of their community.

Finally, the communities felt that they were participating and were disadvantaged when competing for competitive grants. The lack of technical support, resources, and specialized staff in these communities, such as grant writers and grant administrators, puts them at a significant disadvantage in competitive grant competitions.

To address some of these barriers, the commission, to help advance equity, the commission will allocate 50 percent of its total funds to distressed areas to build capacity. Our new grant program allows for an increased use of administrative funds for up to 30 percent, and we are also allowing local

development districts to apply on behalf of distressed communities and serve as an administrative agent.

To reduce cost and try to eliminate the matching requirements, the SBRC aims to co-invest with other Federal agencies and has signed agreements with USDA Rural Development and other Federal agencies to co-invest in distressed communities.

Moving forward, the commission will host a series of open houses in partnership with our local universities. We will publish our five-year plan in November, begin conducting grant webinars in December, and we are on track to open our first grant competition in 2025.

Finally, I want to wish a sincere appreciation to the committee for their work on S. 3991. We are particularly thankful for the provisions which waive the matching requirements for Indian tribes and colonias, extend our authorization through Fiscal Year 2029, and provide the commission the ability to offer demonstration healthcare projects.

We look forward to working with the Congress and are pleased to answer any questions. Thank you.

[The prepared statement of Mr. Sanchez follows:]

Senator Capito. Thank you.

Next, we will have Ms. Fenton. If you want to give us your testimony?

STATEMENT OF JOCELYN FENTON, INTERIM FEDERAL CO-CHAIR, DENALI COMMISSION

Ms. Fenton. Good morning, Mr. Chairman, Ranking Member Capito, and honorable members of the committee and staff, thank you for inviting me to testify and providing an opportunity to present you with an update of the Denali Commission in concert with the other regional commissions.

We thank you and the members of Congress who have recognized the achievements and value of the Denali Commission over the last 25 years, whose purpose is to deliver services of the Federal Government in the most cost-effective manner.

Alaska is home to 229 tribes and 160 municipalities, ranging in size from about 20 to 300,000 residents. Eighty-six percent of municipalities are not connected to the road system, which means everything needs to be barged or flown in. It can drive up costs and create logistical challenges, especially in inclement weather.

Many of the smaller communities do not have much in the way of a cash economy, and many who live there have a deep-rooted cultural and subsistence lifestyle, which not only provides the food they consume, but there are also techniques and traditions that are valued and that should be preserved for future generations.

For Fiscal Year 2024, the commission will be making awards that total just over $32 million, of which 93 percent will go to distressed areas. I like to say we were Justice 40 before Justice 40 was cool.

The Denali Commission has been most successful by focusing on preparing projects for larger funding programs, by providing planning or design assistance, gap funding when projects experience unexpected cost increases or delays, or by contributing to a community's non-Federal match local requirement.

In those areas where the infrastructure base is frequently decades behind the rest of the Country, municipalities often don't have tax authority, and there is not much to tax if they did. We appreciate the consideration of lowering local match requirements for distressed, tribal, and Alaska Native villages.

The Denali Commission and other regional commissions have the unique authorities and tools and are best positioned to support disadvantaged rural populations. In the last six years, the commission has expanded its program offerings, diversifying back into its legacy programs, and adding new programs to reflect critical needs, the public funding available at the time, and to leverage partnership opportunities. Over the life of the commission, we have modified programs to reflect the needs and public funding available at the time.

There are three ways that we facilitate investments. One, priority lists, such as the Rural Power System Upgrade Program, the Bulk Fuel Upgrade Program, statewide threat assessment for communities facing environmental threats, the Sanitation Deficiency System, and in the early 2000s, a list for rural primary care clinics. Two, annual competitive funding opportunities; and three, individual discretionary funding through justifications, partnerships, and transfers.

Allow me to share some of the highlights that reflect the Administration's goals and describe some innovative partnerships.

For energy, our program focuses on rural power system upgrades while incorporating renewables. A recently completed 900 kilowatt wind turbine, in connection to the existing electrical distribution system between Stebbins and St. Michael, now provides fluctuation-resistant wind energy, offsetting hundreds of gallons of diesel each year and facilitating days of "diesel-off" operation in both communities.

For bulk fuel, the Denali Commission is at the forefront of addressing the urgent need to upgrade Alaska's aging bulk fuel farms, which are vital for powering communities. Despite a $250 million investment over 25 years, less than 50 percent of the need has been met, while climate change accelerates infrastructure decay.

The commission is exploring efficiencies and advocating for urgent action to prevent an impending environmental crisis due to deteriorating fuel storage infrastructure, some of which is up to 75 years old. Many tanks have outlived their foundations and are sitting on the ground, some without secondary containment.

For transportation, in Fiscal Year 2022 and 2023, through newfound partnerships and collaboration with the State of Alaska and Federal Highways, the recently reinvigorated transportation program awarded 59 surface and waterfront improvement projects for a combined total of $33 million for the direct benefit of 49 communities around the State.

For housing, notable projects to encourage housing innovation and de-risk private development include affordable housing assessments and strategy development, climate-specific housing best practices, site-controlled platting, surveying, given landownership, and complications on tribal lands, and continually evaluating the housing life cycle, assessing timber utilization, better sawmills to develop rural home kits, locally produced trusses, and everything in between.

The commission is advancing materials science and additive manufacturing in Alaska by developing the State’s first 3D concrete printed house and a rural-specific infrastructure printing robot. Through partnerships with leading research

institutions and local organizations, the commission is paving the way for utilizing local materials like gravel and biomass to reduce supply chain costs, enhance automation, and tackle workforce challenges, all while driving innovation and construction technology.

For water and sanitation, about 20 percent of Alaska Native homes in rural Alaska lack access to water and sewer services. Many solid waste systems in rural Alaska also lack protections for human health and the environment. The sanitation program benefits from the commission's unique transfer authority in several ways. We have a partnership with Indian Health Service, with a transfer from the commission to Indian Health Service, and then we also have partnerships where EPA transfers funds to the commission to consolidate and combine funding for the progress of rural Alaska.

Recognizing the benefits that broadband brings to rural areas, since 2019, utilizing just under $3 million, the commission has initiated comprehensive outreach efforts to assist and fund in-depth applications to achieve 187 independent 2.5 gigahertz FCC tribal licenses, in addition to our recent leveraging of over $200 million in broadband deployment since 2022.

For workforce and economic development, we have found timely success through reinvigorating the regional Alaska

development organizations, each with a $75,000 grant and a simple instruction to double that funding to promote a pipeline of projects within a year.

This led to a partnership leveraging a $49 million award from the EDA's Build Back Better Regional Challenge. This award is anticipated to grow the mariculture industry to a target of $325 million per year, supporting 1,800 jobs across the State from Ketchikan to Southeast to Unalaska, far out in the Aleutian Chain, over the next 20 years.

Other innovative partnerships include promoting the recreation economy, both through direct awards to recipients and financially participating in EPA's Recreation Economy for Rural Communities Program for at least two projects in Alaska.

Our Village Infrastructure Protection Program works with tribal, local regional, State, and Federal partners to continue to support the resilience of Alaskan communities by protecting public investment in critical infrastructure. We fund the planning, partnership, and construction efforts to move communities to safer environments while also protecting communities in place and assisting in a managed retreat.

For land and water resources, we are in the beginning stages of setting up a forestry, soil, and water conservation program, partnering with USDA Forest Service and Natural Resource Conservation Service. This program will provide

technical assistance to soil and water conservation districts, match funding when needed, and work with other agriculture producers to promote food security, wood use innovations, biomass energy, insulation and other building materials, fire fuel mitigation, and stream habitat improvements.

Lastly, as the only Alaska-headquartered Federal agency, the Denali Commission serves as a critical hub for White House-led working groups and Arctic policy. As a principal member of the Arctic Executive Steering Committee under the Executive Office of the President and the Interagency Arctic Policy Committee, the commission offers direct advocacy for pressing scientific and policy needs.

This includes updating the Statewide Threat Assessment for IARPC's Risk Management and Hazard Mitigation priorities, asset mapping for infrastructure prediction, and long-term data management. The commission actively promotes Arctic security through its involvement through the National Strategy for the Arctic Region and other intergovernmental efforts, recognizing that a resilient Arctic is essential for broader security.

The regional commissions were all created as a Federal-State partnership to focus on the needs of rural communities, and the Denali Commission prides itself in the successes seen from working closely with the State of Alaska, Federal partners,

tribes, tribal consortia, and other nonfederal entities to address these growing challenges.

After 25 years of service, and particularly in the last six year, I am quite proud of the progress we have made in supporting Alaska's future.

Thank you.

[The prepared statement of Ms. Fenton follows:]

Senator Capito. Thank you.

We will go to the question portion. I would go first, but I am going to cede my time to Senator Boozman, as we have a busy day, and he has a busy day, so Senator Boozman, and then I will go to Senator Stabenow.

Senator Boozman. Thank you. I have to run to the Floor in just a minute.

I really wanted to hang around and just thank you all for all the work that you do. Your budgets are not very great, but those dollars that you have, being able to intervene and really knowing the communities that you are serving makes a huge difference.

Let me ask you, Dr. Wiggins. In recent years, Arkansas has been devastated by natural disasters from tornadoes and wind, historic flooding along the Arkansas River, the impacts of which are still being dealt with. Once the dust has settled and the rubble has been cleared, communities struggle to continue growth and retain residents.

In what ways has DRA assisted in disaster recovery efforts, and I know you have, in Arkansas and the rest of the Delta?

Mr. Wiggins. Yes, sir, thank you for that question. Many communities, as you have mentioned, have been impacted by disasters across our region. We have been working actually, in Wynne, Arkansas. As a matter of fact, the mayor of Wynne,

Arkansas just recently completed our leadership institute that we operate at DRA.

We are leaning in in disaster-impacted communities, meeting with local officials, talking with them on how they best support, and part of our grant-making program allows us to look a little bit deeper, particularly in those areas impacted by disasters. We are there; we are present, and that is an issue that will continue to remain top of mind for us, as well.

Senator Boozman. Good, very good. Thank you.

I noticed, Mr. Sanchez, in your testimony, you talked about grant writers, and how difficult it was to have the knowledge and stuff. Chairwoman Stabenow is on our committee, and I have the pleasure of working with her. This is something that we hear constantly. I know that, Congressman Clyburn, the same thing. It shouldn't be that if you have a good education, that you have to hire a $30,000 grant writer in a very, very small community.

Can you all, maybe you can start, Ms. Reed, could you just comment on that, the problem, if you are seeing the same thing that we are hearing about in the ag community and the rest of our committees about how difficult that is? I know we had a lady and a mayor in Mountainburg, Arkansas that, as a result of getting the project started and done, we were able to knock out

the biggest pocket that we had of people that were hauling water and things.

But the problems they had of figuring out the grant, trying to get a grant writer, we were able to step in. Lots of people stepped in to help out, people like you. Can you comment about that, just a little bit, so we can get that on the record?

Ms. Clyburn Reed. Absolutely. Thank you for that question, and it is an ongoing and broad problem. The approach that we have taken at SCRC is a tiered approach. We have the commission and we have entered into agreements with the States. We have entered into agreements with the local development districts, who are on the ground and work with these communities on a daily basis and the community organizations.

The support that we have given, and we are giving, to the local development districts is just that, so that they will be able to help entities like described, who can't write those grants, but the local development districts will be able to support them in that way. We are building capacity all the way up the pipeline so that we don't continue to have those issues.

Senator Boozman. Very good. I hope that we can all work together to, I know, again, the Chairwoman has been a great leader on this, Congressman Clyburn also. There is no excuse for making things so very, very difficult. That is one of the things in government that doesn't cost any money. That is

something that will save our municipalities a great deal of money.

Again, thank you all again for all that you do. We really do appreciate your efforts. Thank you.

Thank you, Madam Chair.

Senator Carper. [Presiding.] Senator Capito, thank you for presiding.

I think Senator Stabenow is next. Welcome, good to see you.

Senator Stabenow. Thank you very much, Mr. Chairman, Ranking Member, and to my friend and Ranking Member in the Ag Committee, I couldn't agree more. We know. We just pull our hair out trying to cut the paperwork, and particularly get small communities the help that they need.

I also want to join in saying thank you to all of you. You are doing an incredible job encouraging economic development, boosting community development, particularly in rural and economically distressed areas, so thank you for that.

Ms. Clyburn Reed, on top of everything else, you have your dad sitting here, so no pressure. It is good to see you, Congressman.

But it is so important. We would not have gotten where we are without our Federal co-chairs. I have to say that I am especially excited now because we have the creation of a new

regional commission. I appreciate so much the leadership of the committee in helping us get the Great Lakes Authority, so we are looking forward to that.

I was pleased to lead the bill in the Senate. My friend, Congresswoman Marcy Kaptur really led and created this whole push that has done a marvelous job in the House and moving things forward.

We have the first round of funding for that program, and we know that combining Federal money with State resources, as all of you have done, that this new Great Lakes Authority is going to serve as a really important new economic development agency for the Great Lakes region. The partnership is going to give us, as you have all talked about, the tools to create jobs, boost the economy, transform communities.

I am really excited about President Biden's nomination of Matt Kaplan to serve as one of your colleagues, as the first Federal co-chair of the Great Lakes Commission. In order for them to move ahead, obviously, they have to have that leadership.

I look forward with the committee to be approving his nomination and confirming him. He is well-qualified for the position, having two decades of experience working on Great Lakes issues, which we like to say, the ocean without the salt.

Ninety-five percent of the freshwater in our Country surrounds us. We consider that a real duty to protect that water.

I am hopeful that we can join together on a bipartisan basis to confirm this important position, because the sooner the Great Lakes can begin its important work, the sooner Michiganders and residents of all the Great Lakes are going to feel the benefits as they are feeling in your regions.

A question, Mr. Saunders. In your testimony, you stated that regional commissions are one of the most impactful models for directing Federal investment, public investment, to rural communities. I couldn't agree more. Can you elaborate a bit more on how the Northern Border Regional Commission has been effective with rural communities?

Mr. Saunders. Absolutely. Thank you, Senator. I appreciate the question, and I think there are some themes that Senator Boozman raised as well.

In my time as a staffer on Capitol Hill, I recall a time where it took an act of Congress for another agency to rewrite one of its grant programs, where the application was 80 pages long, and no community where there is a volunteer select board member working hard at night was going to be able to complete that process. That agency revised it to eight pages.

You all have given us great flexibility in designing our programs, so we can regularly revise our applications and think

about what the capacity of those communities we are trying to serve really is, and we can also match technical assistance. Dr. Clyburn Reed spoke to that.

We have resources that we distribute through our State members that help organizations fill out applications and even, really, get ideas from a concept to an application. We find that that is one of the biggest struggles for really rural places is that folks may sit around the coffee shop and say, I wish this would happen in my town. But it takes an effort to turn that idea into something that folks can rally around and then turn into a grant application.

So we provide assistance to communities to move ideas from a concept phase to a project phase and have targeted resources in a couple of different ways to do that.

Senator Stabenow. You also talked in your comments about non-monetary contributions to the region, which you have talked about. Could you expand a little bit more about what that looks like?

Mr. Saunders. Right, so we see both convenings, the ability to get folks together to focus on a specific topic. I referenced outdoor recreation. The northeast is known for lots of outdoor recreation, but we weren't seeing much coordination among that industry, and not a connection between folks working to promote outdoor recreation and businesses that sold goods.

We held this symposium to try and strengthen those connections. We saw each of our States create offices of outdoor recreation. We saw State legislatures look at the work we had done and create their own grant programs. So we see this convening power, really, as a way that we are not spending, making a grant, but that we are bringing people together around a topic.

Dr. Clyburn Reed also spoke about the J1 Visa Program. In our region, that program doesn't cost a healthcare facility anything to apply to get a doctor to come work in a rural distressed place, and we can contribute to better health outcomes through that program.

Senator Stabenow. Terrific. Thanks so much.

Thank you, Mr. Chairman.

Senator Carper. And we thank you. Senator Capito?

Senator Capito. Thank you, Mr. Chairman. Thank all of you for being here. Just curious, just to start really quickly, a quick question. Ms. Fenton mentioned, obviously, the Denali Commission is just one State.

Where is your commission located? Just go through really quickly, and then I will ask a deeper question here.

Mr. Wiggins. Our Delta Regional Authority's headquarter office is in Clarksville, Mississippi.

Senator Capito. Thanks.

Ms. Clyburn Reed. SCRC is headquartered in Columbia, South Carolina.

Senator Capito. Okay.

Mr. Saunders. Concord, New Hampshire, but our team is entirely remote.

Senator Capito. Okay.

Mr. Sanchez. Las Cruces, New Mexico.

Senator Capito. Great, good. Thank you.

In my initial statement, I talked about coordination with EDA. Ms. Fenton mentioned a large grant that she had procured, an EDA grant, but I didn't hear much about the EDA from the four of you.

Could you briefly speak about your coordination effort with EDA and how you think we could make these work better together, if they are not, well, you can always do better, so why don't you tell me about what kind of coordination, and we will just go down the row, here.

Mr. Wiggins. We work wonderfully with EDA. As a matter of fact, just last month, we announced a little bit over $4 million of leveraged EDA funding throughout the DRA region. One particular project was in Pine Bluff, Arkansas for about $1.3 million.

What was unique about it was the opportunity to leverage EDA funding. We had investments from the Walton Family

Foundation as well, bringing in some philanthropic funding as well, but we work hand in hand with EDA on these projects.

Senator Capito. What kind of project was that?

Mr. Wiggins. It was a small business and retail incubator in downtown Pine Bluff, Arkansas where they were revitalizing the downtown area, old buildings, putting it back into use. It had great community support and was able to leverage funding through EDA and support for the Walton Family Foundation, as well.

Senator Capito. Perfect, thank you. Next?

Ms. Clyburn Reed. At SCRC, we are just beginning to build those partnerships with Federal agencies. The descriptor that was just given by Dr. Wiggins sounds very much like something that we can replicate throughout our region. There are several buildings that are waiting for use, they are sitting empty. So it would be great if we could have those partnerships, and we are working on leveraging that at SCRC.

Senator Capito. Great, thank you. Mr. Saunders?

Mr. Saunders. We utilize a lot of the same local partners Senator Carper talked about, none of us really being job creators. EDA utilizes economic development districts. We often utilize those same organizations for our local development districts and invest in them to take the plans they produce for EDA to put into action.

We similarly have some projects where we co-invest in a rural place with 5,000 people. If there is a $10 million, $20 million project, the organizers of that project aren't going to be able to use one source to get it done. So they may talk to EDA, they may talk to us. We are really cognizant of what that agency can and cannot do.

So things that may not figure out, pencil out well when a project comes together, say, a housing development, that is not going to score well in an EDA application, but it is a really dire need in many rural places. So we look for the spots that they cannot fund and try to move into those as well.

Senator Capito. Good. Mr. Sanchez?

Mr. Sanchez. We are incorporating the EDA CEDS plan into our five-year plans, so that we can co-invest in projects. Additionally, the local economic development districts are eligible to apply on behalf of distressed communities. So they are the ones who administer and follow EDA CEDS plans, so we anticipate we will have a lot of co-investment.

Senator Capito. Okay. Ms. Fenton, you mentioned one project you are working. Do you have one EDA representative in Alaska for your State solely?

Ms. Fenton. We are happy to work closely with our one EDA representative in Alaska, along with our Alaska regional development organizations, and pairing that EDA opportunity to

Denali Commission, and how can we leverage those opportunities, either through technical assistance, or working closely with the various applicants to really put together a fundable project that makes sense for Alaska's economy.

Senator Capito. I know the emphasis on infrastructure, these are expensive projects. No one funding source, unless you are very lucky, can actually cover all this. That is the coordination.

I will note that I heard in almost everybody's statement that you do quite a bit of coordination with USDA Rural Development. Then with this broadband money coming into the States, that is going to be a really critical piece for all your commissions. It certainly is in our State.

You have mentioned a couple of best practices. It seems like you all kind of have compared and talked a little bit, sometimes you don't have to reinvent the wheel, you can just use good ideas from other commissions.

Dr. Clyburn Reed mentioned the J1, and you mentioned it again, Mr. Saunders. Do you have any other best practices that you would want to share right here that maybe works particularly well for your commission? Dr. Wiggins?

Mr. Wiggins. Sure. I think one of the areas, and we have all talked about regional capacity building. So many of our communities we are serving in that are small, rural, part-time

mayors, part-time alder folks are leading. So we have really leaned in a lot to capacity building by working with established partners like community development financial institutions, university partners, other philanthropic organizations, trying to leverage our resources, their resources, in a way to think about while we can't write grants, there are institutions who can work with them and support them along the way.

So capacity building has been one of those things at the top of the line, making sure that rural communities aren't left out of the amounts of historic Federal funding that is available for infrastructure.

Senator Capito. Anything else anybody would like to add? Yes, go ahead.

Ms. Clyburn Reed. One thing I wanted to add was to look at our universities and colleges in our region. One thing that SCRC is approaching is an HBCU convening. Thirty-eight of the 103 HBCUs in the Country are in the Southeast Crescent region. So it just makes sense for us to form that partnership and convene them, so that we can talk about ways to benefit from SCRC.

We have had no applicants from the HBCU in our first round, and it is just the first round. So we have no applicants. We want to make sure that is not a resource that we are leaving out.

Senator Capito. That is good. Mr. Saunders?

Mr. Saunders. These are some of the external ways we coordinate, as you noted, very much on an internal basis. We share ideas about grant programs and contracting. Senator Stabenow mentioned the nominee for the Great Lakes Authority. We have already engaged with him to talk about developing a vision.

So there is both this external work that happens as well as internal best practices that we can share to be effective.

Senator Capito. Mr. Sanchez, did you have something?

Mr. Sanchez. I appreciate the support from the other regional commissions who have given us a guiding light. Our commission tries to use our authority, our flexibility, to fill in the gaps what other agencies are not funding. An example is, residents often bear the cost of laying down service pipes from the main line. That is something that many Federal agencies don't cover.

Another example is the pre-development studies. We can fund engineering studies, archeological studies, and those happen to be barriers for distressed communities. So we are trying to fill in in the gaps and co-invest.

Senator Capito. Thank you. Thank you, Mr. Chairman.

Senator Carper. Thank you.

Before we turn to Senator Whitehouse, I am going to come back to you, Mr. Saunders. Who would you say is the most famous country and western singer ever born in Pine Bluff, Arkansas?

Would you believe Johnny Cash? He is a native of Pine Bluff, Arkansas. I was sitting here thinking, what famous person is from there, and it is Johnny Cash. His biggest hit song ever written by his wife, June, was "I Fell Into a Burning Ring of Fire." And we want to make sure that folks across the Country don't fall into a burning ring of fire, and if they do that, we can pull them out.

With that, Sheldon, you are recognized. I am going to leave for just a second but I will be back right away.

Senator Whitehouse. Mr. Chairman, you are a fountain of rock and roll trivia.

[Laughter.]

Senator Carper. My wife says it is worthless information, but I promoted my first concert when I was a student at Ohio State, and I love this. I have been doing this much of my life. If I could do anything in my life, I would play third base for the Detroit Tigers and promote concerts. Maybe I will have a chance to try that in about two months.

[Laughter.]

Senator Whitehouse. The only one who is worse than the Chairman is Leader Schumer.

Senator Carper. Oh, yes, he is good.

Senator Whitehouse. His mind is an absolute closet of old song lyrics. When I consider how much he has to think about every day, the idea that he has the space for all those lyrics is --

Senator Carper. Well, he has his priorities in the right place.

[Laughter.]

Senator Whitehouse. Anyway, thank you for this hearing. Commissioner Clyburn Reed, I am particularly glad you are here, because you have attracted a legendary legislator who is here in his role as proud papa. I too have a daughter, so I know how wonderful the role of proud papa is. So thank you for that.

I want to thank the Ranking Member and the Chairman, because our recent EDA reauthorization included our Southern New England Regional Commission. Mr. Clyburn will remember well how hard my colleague, David Cicilline, worked to try to get this Southern New England Regional Commission across the line. He actually once even got it into the House NDAA bill, which is usually a sign that it is headed for passage.

But one thing or another always prevented it. But now it is in the EDA reauthorization, along with the Mid-Atlantic one, and we are looking forward to finally getting that accomplished.

I am particularly interested in what each of your advice would be to a Senator who has -- knock wood -- a brand-new regional commission to work with. What is the best piece of advice you could give me? What is the worst thing we should steer away from?

Mr. Wiggins, let me start with you and just go right across the table.

Mr. Wiggins. Senator, thank you for that question. I think the best piece of advice is the work you are already doing now about being present in your State and your region. I think the most important thing for that regional commission is being able to listen to stakeholders, whether it is Federal or local elected officials that we are serving. So being able to provide your thoughts and opinions over where resources need to go or should be top of mind for whoever is leading the commission.

So I think that would be my best piece of advice.

Senator Whitehouse. Thank you. Commissioner?

Ms. Clyburn Reed. Thank you for the question, Senator.

Since I have just gone through this exercise to build up a commission, the best advice is to get to know who it is that you will serve. You cannot do anything for anybody without talking to them first. We have all sat around enough meetings and tables to come up with ideas of how to make things better for people without talking to the actual people.

So that is my advice, to ensure that you are communicating with those communities directly, so that they are part of the process and they feel heard.

Senator Whitehouse. Commissioner?

Mr. Saunders. Our commission was founded with the northern forest in mind, and as I mentioned, kind of faltering forestry industry as a call to action. If I am not mistaken, there is a similar concern about the historic boat building industries in southern New England and some other common themes that drove the economy there.

We were able to unite States around an idea, either to help reinvigorate this industry or to think about other paths forward for the communities where that was no longer a viable opportunity. Outdoor recreation proved to be one of those calling cards for communities where forestry had passed them by and wasn't going to be the future.

So I think finding some of those common themes that ties the region together and are easy rallying cries. Governors don't know before a commission is set up what these organizations are supposed to do. So finding common themes that bring them to the table, particularly if they are going to be committing State resources to their operation, is pretty important.

Senator Whitehouse. Ours are pretty straightforward. It is blue economy stuff and the risks to coastal economies of sea level rise, storm risk, insurance difficulty, all the things that come that, frankly, we are seeing worst case scenarios beginning to play out in Florida right now as property insurance becomes unaffordable or unavailable.

Commissioner?

Mr. Sanchez. Thank you, Senator. My advice would be to form partnerships. As I have been establishing this commission, I am surprised at how excited people are in the region. I think it is because the commission offers a lot of flexibilities and capabilities that other Federal agencies do not, and can help solve problems that have existed for generations. So those partnerships will be critical, and will open up co-investment opportunities.

Senator Whitehouse. Got it. Ms. Fenton?

Ms. Fenton. I would echo the partnerships, determine the gaps of other programs, possibly ineligible costs. That leaves room for innovations for our programmatic flexibility. I would say institute technical assistance or a capacity building programs to stand up your local development districts, lean on the development organizations of your region.

Lastly, have priority lists. Put together some data. Find priority lists to avoid grant applications. You are

streamlining administrative efficiencies and putting the funding and the projects in the areas that need it most.

Senator Whitehouse. Okay. That is all very helpful. I hope that is advice we get to put to practical use soon when we have our own commission. I will say that I was pleased to hear Senator Sullivan's compliments to you and the commission, because he and I do a lot of work in areas like ocean plastics and international fisheries protection. He is very good to work with on those issues.

So thank you very much.

Ms. Felton. Let's talk about the blue economy and have them give me a call.

Senator Whitehouse. Okay. Thanks, Chairman.

Senator Carper. Sheldon, thank you very much.

Maybe a question for Ms. Fenton and Ms. Clyburn Reed. The question I would have for both of you would be --

Senator Whitehouse. Chairman, can I interrupt on an unrelated point?

Senator Carper. Yes.

Senator Whitehouse. The curtains are open today. The room has daylight in it. Thank you for that. I like that.

[Laughter.]

Senator Carper. I remember saying here one day, let there be light. The next thing you know --

[Laughter.]

Senator Carper. All right. Ms. Fenton, Ms. Clyburn Reed, take it away. One benefit of the regional approach is that the assistance that you provide for communities can be tailored to the unique challenges in each of your regions, including challenges that are presented by various extreme weather events. Question for both of you. Ms. Fenton, as you well know, Alaska, like many of our States, is susceptible to any number of natural disasters like earthquakes, tidal waves, and more.

Would you share with us how your commission helps communities of all sizes recover from the impact of extreme weather and other natural disasters?

Ms. Fenton. Absolutely. We attempt to address risk mitigation through a number of processes. One is putting together essentially a priority list, where are the communities most impacted. That is called the Statewide Threat Assessment, and that is a partnership through the Corps of Engineers, the University of Alaska Fairbanks, and other organizations to characterize the risk of flooding, permafrost thaw, and erosion, and where are the areas we need to look at first.

Then we pair that assessment with a technical assistance arm, the Center for Environmentally Threated Communities, that proactively reaches out to these communities, works with them to determine what challenges they are experiencing, and how to

create a project to address that concern, whether it is protection in place or a managed retreat away from the threat or a full relocation in very few circumstances.

Then we partner with our other colleagues, Federal, State and tribal, to look at what other types of projects we can do to help protect our communities and protect the public investment into this infrastructure.

Senator Carper. Thanks very much.

Let's turn to Ms. Clyburn Reed. The southeast region, like most regions of our Country, is also vulnerable to extreme weather, including nor'easters, including hurricanes. Same question. Would you tell us how your commission helps communities of all sizes recover from the impacts of extreme weather and other natural disasters?

Ms. Clyburn Reed. Thank you very much for the question.

Every State in the Southeast Crescent Region is along the Atlantic coast. That is unique to us. So we are focusing on finding sustainable economic opportunities, reducing poverty, fortifying the infrastructure that will eliminate vulnerabilities to natural disasters.

We have not yet received any grants to do those things. However, through our outreach efforts, that is what we are going to encourage along the coastlines, those communities and counties along the coast, to do.

So we haven't had the opportunity to do that just yet, but we are definitely looking to do that, and it is in our strategic plan to do so.

Senator Carper. All right, thanks so much.

We are joined by the only other retired Navy captain serving in the United States Senate. Thank you for stopping by, and thanks for being such a faithful member of this committee. I understand Senator Kelly doesn't have a question he wants to ask at this time, but thank you for making the time to join us today.

Mr. Sanchez, the Southwest Border Regional Commission is, I think, the newest commission represented here today. Is that correct?

Mr. Sanchez. That is correct, Senator.

Senator Carper. We know that you are currently working to establish all the processes, all the procedures necessary to make grant awards. When do you expect to complete that process and what challenges did you face or have you faced, you and your team, in developing these policies?

The second half of the question is, are there changes that Congress should consider to the grant-making process for regional commissions that would make this process more user-friendly or more accessible to outside stakeholders?

Mr. Sanchez. Thank you for the question, Senator. We have been developing the processes throughout this journey since 2003. We have reached agreement on funding allocations, how we administer our grant program, how much State administrative fund each State has to provide. Those States have provided funding for the commission.

We are finalizing our five-year plan and will publish it in November.

Senator Carper. How long have you been working on it?

Mr. Sanchez. Since we started, since June 2023. Each State is tasked with creating their own plan. The commission as well unifies those plans and conducts public outreach to ensure that we are aligned with the communities' needs.

Senator Carper. Okay, thank you.

Mr. Sanchez. Moving forward, we will open up our webinar in December for our first grant competition, and we anticipate having the competition in the first quarter of 2025. Through this process, I think some of the challenges have been, since the commission is new, we have to get registered into every Federal system, whether that be grants.gov, SAM.gov, the Treasury Department. And those systems often don't recognize the commission because they don't have the -- it takes a conversation with those agencies to ensure them that we are a Federal agency, that we are authorized to do this work.

In terms of grants, I think just facilitating the reporting requirement for grantees. We have tried to do that as we created our grant program. We have a simplified application. We have a three-page pre-application where we screen applicants to ensure that they qualify and meet the basic requirements, so that we don't have folks filling out 20 pages and then being denied. So we are trying to be very straightforward with our applicants.

Senator Carper. Thank you.

I have a question, I think maybe for the entire panel. I would like to hear from each of you on this. Each of you were once newly confirmed Federal co-chairs, and apparently you probably learned a lot through your experiences in running a commission.

What is maybe one thing that you know now in that regard that you wish you had known on day one when you started? What is the one thing that you know now that you wish you had known on day one when you started? Mr. Wiggins?

Mr. Wiggins. I think one of the things coming into the door at Delta Regional Authority, 25 years will be our anniversary next year, coming into the door, we have had to do a lot of internal modernization work within the agency. That was one of the things I would point out in terms of learning and knowing.

But the reason or rationale for doing this work remains the same. Our purpose is to serve the people in our region, and to make it easier for people to get the resources they need to have thriving communities. While I have learned that process and modernization in a government sense, the purpose and our mission remains the same regardless of the work you have to do internally. We have to deliver externally for the communities in which we are serving.

Senator Carper. Okay, thank you. Ms. Clyburn Reed?

Ms. Clyburn Reed. Being so new to the beginning, this is a very difficult question. There are about seven things going through my head.

Senator Carper. Pick the top six.

[Laughter.]

Ms. Clyburn Reed. What I have learned in traveling the region and learning and doing the research about the region is the decades of despair that I have seen. So prioritizing the wants and needs throughout the region is difficult with 51 million people, not wanting to let anyone down or tell anyone no, particularly the lady who has to hold her parasol over the stove in order to cook dinner.

As you were asking the question, I thought back to her and the conversation that I had with her. The flexibility that we are given does allow for some monies to get out earlier than if

they were to apply somewhere else. However, there is still some paperwork that is quite treacherous to get through in order to get the money.

So that is what I wish I would have known from the beginning, is how long it would take to meet the needs of those people who are desperately in need of help.

Senator Carper. Mr. Saunders?

Mr. Saunders. I would echo some of those sentiments. I think we are all appointed to these positions and have a limited amount of time to serve. There is an eagerness to move very quickly, but a need to balance that with the speed that government should take to make sure that it can adequately account for all the needs of all the communities you are trying to serve.

We have really great models with peer commissions like the Appalachian Regional Commission that have been doing this work for decades, and many of us I think have a hope that we can embody the best components of that commission.

But the three of us in the middle here have been authorized for 15 years and are at varying degrees of maturity. So to try and activate at a level that ARC is while still being a newer commission requires a balance of desire to move with speed, but also at a pace where everybody can participate.

Senator Carper. Thank you. Mr. Sanchez?

Mr. Sanchez. I would agree with my colleagues. I think what I wish I knew was the timeline it takes to implement some of these programs, and even to purchase a grant management software system that is FedRAMPed and cybersecurity compliant and will meet the needs of your customers and will be easy to use, and will be under budget.

So the process of acquiring those things takes time, more time than I anticipated it would. Then trying not to pass on that bureaucracy to our applicants, trying to somehow simplify our application process I think are the challenges that I wish I knew about a bit earlier.

Senator Carper. Okay, thank you. Ms. Fenton?

Ms. Fenton. I think the commission as a whole, and myself, we understand the challenges. We know the difficult logistics. We know the long time frames and schedules, the needs for partnerships and relationships.

I guess the part that has been educational for me, and I look forward to supporting our next Federal co-chair that comes on board with some of the understanding of the coordination and importance of success stories here in D.C., and the EOP-OMB approval process and some of that official process that we are not as familiar with on the east coast, at least myself. We know our colleagues in Alaska, it is really some of that outside

coordination that can be mitigated, I suppose, a little easier next time.

Senator Carper. Okay, good, thank you all for responding to that.

Earlier today, I was privileged to speak over breakfast with a number of my colleagues. Every week or two, usually on a Wednesday morning in the Capitol, there is a breakfast hosted by the Senate Chaplain. It is a chance for members to share just a bit about themselves and in some cases what their values are, where they learned them and how do they use those values to guide their service to our Country.

I talked today about my own parents, they were big believers in the Golden Rule, treat other people the way you want to be treated. My dad was a big environmentalist, a big hunter and fisher, and my mom was usually interested in protecting this planet, God's gift to all of us. A bunch of my uncles and dad all served in World War II and Korea. One of my uncles was killed in a kamikaze attack on his aircraft carrier.

So my sister and I were basically instilled at a very early age with the requirement to serve, the expectation to serve our Country, which in some ways led me to come here. Those are a few things I shared with my colleagues this morning over breakfast, which I was pleased to do and I think they fell on fertile soil. So we will see.

I have a question for you, Ms. Clyburn Reed. It is not every day that one of our witnesses actually brings along a mom or dad out in the audience to listen in, to tune into the hearing. I have known your dad for a long time. I served with him in the House. He won't admit it, but it is true. Maybe you can mention for us a lesson or two from your parents that actually helps guide you in the work you do on the commission.

Ms. Clyburn Reed. Thank you for that question. I am honored to have the support of the Congressman, father-Congressman, here today and every day. I am also honored to have had a mother who supported everything that we did, whether she agreed with it or not. Tomorrow morning at 9:01 a.m. will be the fifth anniversary of her death. And I will be having coffee with her.

So the advice that both of them have instilled in me, I think you spoke about it already, is to do unto others as you would have them do unto you. As I travel the 210,000-square miles of SCRC, that is exactly what is in my head: how would I want someone to treat me if I were in that situation? And that is how I approach the tenacity in which I try to get money out of the door. It is difficult to do with the pace that we are held to.

But that is what is in my mind. We should not be still suffering from the 2015 historic flood. And I am seeing that as

I travel. So that is what is in my heart, what is in my mind, what is in my soul. That is the way I approach this job. And I thank you for it.

Senator Carper. Well, your mom is looking down and I am sure she is saying, that is my girl. That is great.

My mom once told my sister and me, she said, the Golden Rule, treat other people the way you want to be treated, is in every major religion in the world, whether you are Protestant, Catholic, Jew, Buddhist, Hindu, it is in every one. It is something that is in every sacred scripture, maybe something we should pay attention to. I am pleased to hear that you reminded us of that today.

In closing, I want to thank our witnesses for your time. We want to thank you for your testimony today and for the leadership that you provide. The work of our regional commissions is so important for helping disadvantaged communities throughout our Nation, as you have reminded us today.

This hearing has motivated me, and I think it has motivated members of our staff, and Senator Capito and others, to keep working to reauthorize regional commissions and the Economic Development Administration.

For some final housekeeping, Senators will be allowed to submit questions for the record through the close of business on

October 2nd. We are going to compile those questions. We are going to send them out to each of our witnesses. We are going to ask you to reply to us by October 16th.

Anything else, folks? All right.

With that, this has been a good hearing. This hearing is adjourned. Thank you so much. God bless.

[Whereupon, at 11:34 a.m., the hearing was adjourned.]