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MEMORANDUM

TO: ADC BOARD OF DIRECTORS
TIM FORD
TODD HERBERGHS
TRISH JONES

FROM: MR. SCHLOSSBERG
MR. PERSKY, LEGISLATIVE ASSISTANT

DATE: JUNE 17, 2011

RE: SENATE BILL WOULD RE-AUTHORIZE THE ECONOMIC
DEVELOPMENT ADMINISTRATION AT \$500M PER YEAR THROUGH
2015 AND MAKE COMMUNITIES IMPACTED BY THE EXPANSION OF
DEFENSE FACILITIES ELIGIBLE FOR ASSISTANCE

Introduction

The Senate is considering a bill that would re-authorize the Economic Development Administration (EDA) at \$500 million annually for five years and change the terms under which defense communities may receive assistance.

Specifically, S. 782, the Economic Development Revitalization Act of 2011, would expand the Administration's authority to address economic adjustment issues related to the expansion of defense facilities, not just defense-related closures and realignments.

Economic Development Administration Background

The EDA works to promote job creation and to accelerate industrial and commercial growth in communities suffering from limited job opportunities, low per capita income levels, or similar economic distress. The EDA accomplishes these goals through grants in public infrastructure, the provision of technical assistance and research, and the development and implementation of comprehensive economic development strategies.

The most recent EDA authorization expired on September 30, 2008.

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New Authority to Address Expansion of Defense Facilities

In addition to re-authorizing the EDA at \$500 million per year for five years, the Economic Development Revitalization Act of 2011 would also change eligibility requirements to include communities with expanding defense facilities.

Section 10 of the measure, “Enhancement of Recipient Flexibility to Deal with Project Assets,” would amend the original authorizing law, the Public Works and Economic Development Act of 1965, to that effect.

Specifically, Section 10 of the 2011 measure would amend section 209 of the 1965 law to state that assistance may be provided to communities impacted by “military base closures, realignments, or mission growth.” Mission growth was not previously a criterion.

Senate Action on the Measure

The Committee on Environment and Public Works passed the Economic Development Revitalization Act of 2011 by voice vote on April 14, 2011. The measure proceeded to the Senate floor in early June, where it is still under consideration. Debate will resume on the legislation next week.

If you have any questions concerning this information, please call George Schlossberg directly at (202) 828-2418 or email him at george.schlossberg@kutakrock.com, or call Eli Persky directly at (202) 828-2465 or e-mail him at eli.persky@kutakrock.com.

A handwritten signature in black ink, appearing to read "Eli Persky". The signature is written in a cursive style with a long, sweeping underline that extends to the right.