

Southeast Crescent Regional Commission (SCRC)

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Good morning.

Chairman Perry, Ranking Member Titus, Committee Members and Staff, thank you for the opportunity to testify on behalf of the Southeast Crescent Regional Commission (SCRC) and share how it has progressed since being activated in January 2022. I also want to thank the members of Congress and President Biden for your confidence and support for this region of the country. There is an abundance of greatness and potential here.

Many thanks to all the Members of Congress who have met with me over the past 22 months and offered support to SCRC as we create and formalize policies and procedures to meet the needs of its 51 million residents and generate jobs and opportunities within the 428 counties which span over 210,000 square miles. The region, or footprint, consists of seven states – portions of Alabama, Georgia, Mississippi, North Carolina, South Carolina, Virginia, and all of Florida. Currently, it is the largest of all active regional commissions.

I have much appreciation for my State co-chair, Governor McMaster, and the other Governors, Governor's Alternates, program managers, and staff who have shown and continue to show their commitment to the region by putting forth great effort.

Two years ago, almost to the day, I sat before the Senate Committee on Environment and Public Works as a nominee. At that time, I identified goals to pursue – assess the needs of each community, name regional challenges, and determine the tools needed to transition counties out from a distressed economic designation to transitional or attainment status. Today, I'll share what I've learned and how SCRC has progressed.

Immediately after acquiring an Employer Identification Number (EIN), work commenced to develop an initial set of bylaws. A seven-state survey was disseminated with questions that centered around, "What will make you love where you Live?" We hosted virtual "Coffee and Conversations" in each state to introduce SCRC and glean a better understanding of each state's needs. SCRC also held Collaboration Sessions to hear how regional stakeholders thought economic growth, development, and sustainability should look.

Information from the seven-state survey, Coffee and Conversations, and Collaboration Sessions was compiled to formulate SCRC's Five-Year strategic plan. Additionally, participating partner states created state economic development plans which illuminated each Governor's priorities.

Feedback from the information gathering efforts revealed six overarching goals for SCRC to reach to have a positive impact within the footprint:

(1) invest in critical infrastructure,

- (2) improve health and support services access and outcomes,
- (3) strengthen workforce capacity,
- (4) foster entrepreneurial and business development activities,
- (5) expand affordable housing stock and access, and
- (6) promote environmental conservation, preservation, and access.

These guiding principles are in sync with SCRC's statutory obligations to:

- develop public, transportation and telecommunications infrastructure;
- assist with job skills training, business development and entrepreneurship;
- provide access to basic health care and other public services;
- promote conservation, tourism, recreation, and the preservation of open space; and
- also encourage the use of renewable and alternative energy sources.

During that hearing two years ago, Senator Carper suggested that I find what works and do more of that. In response to the data gleaned from outreach efforts, most notably, SCRC found gaps in healthcare access. Of the 76 rural hospital closures between 2011 and 2021, nearly 20% occurred within the Southeast Crescent region. In response to that statistic, SCRC was encouraged to use the J1 Visa Waiver Program. It was already being offered by two other regional commissions and proved highly successful. In conjunction with the Department of State, SCRC processed its first application in November 2021 and, to date, has successfully retained 65 doctors in areas of the region where health access was lacking. SCRC also commissioned a three-part health assessment of the region. Part I compiled data for the 166 distressed counties and is now complete. Part II will focus on the 177 transitional counties and Part III will gather data for the 85 attainment counties.

When preparing for the start of the flagship grant program, SCRC formalized cooperative agreements with all participating states and the 55 local development districts to fortify economic development and sustainability in communities.

SCRC launched the inaugural State Economic Development and Infrastructure (SEID) grant program in June 2023 and the pre-application phase is now complete. 363 pre-applications totaling \$119 million were submitted and are currently under review—an extraordinary showing for the first grant opportunity cycle. There was a wide range of projects with the percentage of construction projects at 56% and non-construction projects at 44%. Fiscal Year appropriations plus funding from the Bipartisan Infrastructure Law totaling \$20 million will be spent on these worthwhile projects. The large number of projects that SCRC cannot fund this year shows the high demand for economic development and infrastructure investment in our region.

I look forward to working with Congress on H.R. 5899, the Southeastern Crescent Economic Empowerment Act. This bipartisan bill to reauthorize the Commission includes legislative proposals from the 2024 Budget, such as authority for the State Capacity Building Program and identifying promoting housing accessibility as an eligible activity.

SCRC is committed to building sustainable communities and strengthening economic growth in the 428 counties and county equivalents that make up the Southeast Crescent footprint. We look

forward to continuing partnerships with local, state, and Federal entities to allow SCRC to achieve its mission, ensuring a prosperous future for the people who call the Southeast Crescent region home. Thank you for your time and attention.