THE ROLE OF REGIONS IN THE NATION’S FEDERAL SYSTEM

A Memo from the National Association of Regional Councils

NARC
Building Regional Communities
National Association of Regional Councils
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About NARC

The National Association of Regional Councils (NARC) serves as the national voice for regions by advocating for regional cooperation as the most effective way to address a variety of community planning and development opportunities and issues.

NARC members include regional councils, councils of governments (COGs), regional planning and development agencies, metropolitan planning organizations (MPOs), economic development organizations (EDDs), rural transportation planning organizations (RTPOs, and other regional organizations.

NARC Members work collaboratively with their cities and counties – large and small, urban, suburban, and rural – to address their residents’ needs and promote a regional approach to planning for the future.
Summary of Recommendations

Increase eligibility of regions to receive direct federal funding. Regions are recognized by the Office of Management and Budget as local governments. Whenever a program is funded by the federal government but implemented at the local level, regions should be allowed to apply for and receive these funds.

Provide Direct Funding to Regions
Increase eligibility of regions to receive direct federal funding. Regions are recognized by the Office of Management and Budget as local governments. Whenever a program is funded by the federal government but implemented at the local level, regions should be allowed to apply for and receive these funds.

Grant More Flexibility to Spend Funds
Build interagency and cross-agency waiver authority for all funding at the regional level so that funds from different agencies and programs may be combined to achieve local goals.

Provide New Resources for Regions
Work with states, localities, and regions to identify programs and activities best handled at the regional level and directly fund regions to implement those programs and activities.

Promote Interagency Cooperation
Increase interagency cooperation to ensure that regions and local governments receiving federal funding can develop and implement plans that reflect the federal government’s emphasis on programmatic integration.
What is a Regional Council?

Regional councils, also known as councils of governments (COGs) and regional planning and development agencies, are public organizations governed by local elected officials to promote collaboration among local governments, and to work across the jurisdictional silos of states, counties, and municipalities. Regional councils have an appointed staff led by a chief executive officer of various titles.

More than 500 regional councils in all 50 states serve areas with populations ranging from less than 50,000 to more than 19 million residents.
What Do Regions Do?

- **Convene** elected officials and leaders from member communities to develop solutions to challenges extending beyond individual jurisdictions.

- **Plan** transportation, environmental, and community development projects.

- **Deliver** projects and programs by providing technical assistance and serving in roles such as metropolitan planning organizations, rural transportation planning organizations, area agencies on aging, economic development districts, 911 operators, and more.

Which Federal Solutions Can Be Led by Regions?

Why Regions?

With the nation facing multiple challenges, from the public health and economic crises caused by COVID-19 to the renewed focus on racial, economic, and environmental inequity, Americans are looking to Congress and the administration for solutions. To solve problems of this scale, the federal government must engage and empower all levels of government following the foundational principles of federalism.

Federalism balances power and responsibility between the national government, states, and localities. Each of these levels of government, while distinctly separate, is designed to function together, to ensure that all citizens receive the services they need. Regional organizations provide critical support for the nation’s system of federalism by working as coordinators and conveners among states, counties, and cities, so that jurisdictional
“Regions provide critical support . . . by working as coordinators between states, counties, and cities . . . “

boundaries don’t interfere with the equitable provision of services, planning of regional projects, and distribution of federal and local funds.

As Congress and the administration craft legislation to address the current economic conditions, the post-pandemic era, and calls for social justice, America’s regions are positioned to play a pre-eminent role in these efforts as they are applied across all levels of government.

• **Regions represent the best of federalism** by bringing together various levels of local government, each with different responsibilities, with federal and state support to address the common needs of their residents.

• **Regions have demonstrated their ability to efficiently disburse those funds** and, in many instances, have shown themselves to be the best mechanism for directing federal funds to the local level.

• **Regions enable local governments and elected officials to develop and implement solutions that are not bound by jurisdictional boundaries** and provide a framework in which local needs can be best understood and acted upon in a way that equitably benefits all of the individual communities within a region.

• **Regions are non-partisan thereby removing politics from the decision-making process** and providing solutions that cross beyond the divide that exists in some areas between “blue” cities and “red” rural areas.
How Have Regions Demonstrated Their Role in the Federal System?

Like our nation and the states and localities that comprise it, regional organizations are diverse and serve communities in many different ways. But all are consistent in a specific way that is critical to their success: they represent multiple local governments (municipalities and counties) with the aim of addressing one or more issues that affect all jurisdictions within the region.

Some regions were established to address federally mandated activities and provide examples of the benefits of federalism, including MPOs, RTPOs, and EDDs. Others may be based on federal programs but reflect state designations, including AAAs, and workforce investment areas. Still others reflect the needs of their member localities including financial services, environmental health, storm water, broadband, housing, criminal justice, and law enforcement training. Others are responsible for overall land use planning within their region and as a result have taken an active role in addressing problems resulting from a lack of equity. Still others aggregate data and make that data available to their localities so that their members may objectively plan. This diversity is not by accident. As noted before, it is the direct result of the needs and desires of the elected officials of municipalities and counties that make up the region as they structure federal, state, and local investments into regional coordination mechanisms. It is because of this diversity that regions can be perfect vehicles for implementing federal policy at the local level.
Regions have proven that they have the ability to direct a wide variety of federal funding at the local level including:

- **Department of Transportation** funds through MPOs and RTPOs to plan for and allocate resources to local areas for transportation and infrastructure programs.

- **Economic Development Administration** funds through EDDs to local communities for economic development activities.

- **Administration on Aging** funds through AAAs to provide services and distribute funds in accordance with the Older Americans Act (OAA).

- **Employment and Training Administration** funds to implement local workforce development programs required by the Workforce Innovation and Opportunity Act (WIOA).

- **Health and Human Services** funds in support of local public health programs and services.

- **Housing and Urban Development** Community Development Block Grants (CDBG) that provide flexible funding to help communities expand economic opportunities for low- and moderate-income persons.

- **Housing and Urban Development** funds to address homelessness at the local and regional level including Emergency Solutions Grants (ESGs) program and Continuum of Care (CoCs) as well as the Youth Homelessness Demonstration Program (YHDP).

- **Housing and Urban Development** funds to plan for and develop affordable housing.

- **Environmental Protection Agency** funds to help regions and local communities meet federal, state, and local environmental standards.
• **Environmental Protection Agency** funds to develop environmental plans and practices that result in environmental justice.

• **Environmental Protection Agency** funds to clean up “Brownfields” and other environmentally hazardous sites.

• **Federal Emergency Management Agency** and **National Oceanic and Atmospheric Administration** resilience funds to develop programs designed to mitigate and from the impacts of natural and manmade disasters including hurricanes, earthquakes, fires, and sea level rise, and create sustainable communities.

• **Department of Justice** discretionary and mandatory funds to improve local law enforcement activities including aid to victims of violent crime.

• **Department of Energy** funds to help regions transition to electric vehicles and make use of alternative fuels.

• **Department of Transportation** funds to help regions address growth management, housing’s impact on commuting, and rural transit.

• **Department of Homeland Security** funds, including the Urban Area Security Initiative (UASI) and regional homeland security plans to help local areas respond to potential terror threats.

• **Federal Communications Commission** funds to create universal access to broadband.

• **National Telecommunications and Information Administration** funds to increase broadband and internet access and adoption.

• **Multi-agency funding** to develop and implement economic and environmental resilience activities.

It is because of this proven capacity to efficiently distribute funds across a range of sectors that regions should be seen by Congress and the administration as vital partners to allocate federal funds locally and achieve federal policy and programmatic goals.
How Can Regions Play a Greater Role in the Nation’s Federal System?

Regions have shown themselves to be a valuable support within the federal system and in many instances have proven to be the best mechanism for delivering federal investment to the local level. With this record of success, regions are prepared to take on an even greater role.

As Congress and the administration look to develop solutions that address current economic, post-pandemic, and social justice issues, they should consider the ways in which an increased role for regions can help accomplish this.

Recommendations:

Enable Regions to Receive Direct Funding:
Increase eligibility of regions to receive direct funding. Regions are recognized by the Office of Management and Budget as local governments and as such are eligible to receive federal funds directly. NARC, therefore, recommends that whenever a program is funded by the federal government but implemented at the local level, regions should be allowed to apply for and receive these funds.

- Example: Funding for CDBG that normally goes to cities and counties should be able to go directly to regions (if the cities and counties of the region agree) for spending across the region in a way that ensures equitable distribution of funds.

Grant Localities and Regions Greater Flexibility to Spend Funds in Ways the Reflects Regional Needs:
Build interagency and cross-agency waiver authority for all funding at the regional level so that funds from different agencies and programs may be combined to achieve local goals. Federal funding for regions is generally siloed and must be used for very specific purposes. Greater
flexibility to merge and leverage funding in a way that serves the identified needs of the region would substantially improve regional planning and program implementation.

- Example: Individual grants for affordable housing, transit and workforce planning should be able to be consolidated into a single funding stream so that regions can develop unified plans that recognize the connectedness of these and other issues.

**Provide Regions with New Resources:**
Identify and directly fund programs and activities that are best implemented at the regional level. Congress and the administration should work with states, localities, and regions to identify programs and activities best handled at the regional level and should then directly fund regions to implement those programs and activities. Additional funding across a range of programs should be appropriated as part of an effort to enable regions to better achieve positive outcomes for their member municipalities and counties.

- Example: Funding for economic and environmental resilience activities should be directed to regions as resilience planning is best implemented at the multijurisdictional, regional level. Economic and environmental challenges and events cannot be easily contained within jurisdictional boundaries and necessitate cross-boundary solutions.

**Promote Interagency Cooperation:**
Increase interagency cooperation to ensure that regions and local governments receiving federal funding can develop and implement plans that reflect the federal government’s emphasis on programmatic integration.

- Example: Develop a formal agreement for joint program implementation between the Department of Labor (DOL) and Department of Transportation (DOT) based upon the natural connection that should exist between workforce development programs and transportation programs. DOL is able to help employers find workers through job matching services and training programs and DOT can help ensure workers have the transportation needed to get to those jobs.