



# SOUTHEAST CRESCENT REGIONAL COMMISSION

**BUDGET JUSTIFICATION**  
**FISCAL YEAR 2023**

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**SOUTHEAST CRESCENT  
REGIONAL COMMISSION**

March 28, 2022

**Message from the Federal Co-Chair**

On behalf of the Southeast Crescent Regional Commission (SCRC), I am pleased to present the attached budget justification for Fiscal Year 2023.

The 2023 Budget requests \$7 million to support the grant-making activities and operations of the Commission. Since its establishment in 2008, SCRC's mission has remained unchanged – to strengthen the economic development of distressed and impoverished communities throughout a seven-state region and 408 counties by making strategic investments into their physical and human infrastructure.

During the remainder of FY 2022 and a portion of FY 2023, the Commission will advance three key priorities. First, SCRC will engage constituents residing in the Southeast Crescent Region through a survey and focus groups. Second, SCRC will collect quantitative data, including demographic and socioeconomic indicators, and integrate this information with stakeholder input from the public engagement phase to develop a five-year strategic plan for the Commission. Third, SCRC will leverage the strategic plan to inform the development of its flagship grant program set to launch in the Spring of 2023.

I am eager to tackle these early priorities and look forward to making and supporting grants with the Commission's FY 2023 Budget and available resources, such as the Bipartisan Infrastructure Law funding, throughout the Southeast Crescent Region.

Sincerely,

Dr. Jennifer Clyburn Reed, Ed.D.  
Federal Co-Chair



## SOUTHEAST CRESCENT REGIONAL COMMISSION

### **About Southeast Crescent Regional Commission (SCRC)**

#### **Overview**

Established as a federal-state partnership by the 2008 Farm Bill (page 547, [P.L. 110-234](#)), SCRC was recently funded to begin operating as a result of the confirmation of a Federal Co-Chair. SCRC's mission is to build sustainable communities and strengthen economic growth across its seven-state region - Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, and Virginia.

Currently, there are 408 counties and municipalities; 178 are categorized as persistent poverty. SCRC was established to provide a comprehensive approach to addressing persistent economic distress. The Commission is on track to provide grants to support local and regional planning initiatives as well as economic and infrastructure development projects. Eligible entities for grants will include state, local and Native American governments, and public or non-profit organizations. Grant funds should respond to the following needs in local and regional development: transportation, basic public infrastructure, telecommunications, skill development, entrepreneurship, and business development, basic health care, tourism and recreation aligned with economic development and renewable and alternate energy.

#### **Organizational Structure**

As authorized, the SCRC consists of a federal co-chair and participating state governors (or designated representatives), of which one would be named by the state representatives as state co-chair. There is no term limit for the federal co-chair. However, the state co-chair is limited to two consecutive terms, but may not serve a term of less than one year.

#### **Legislative History**

The SCRC concept was first introduced by university researchers working on rural development issues in 1990 at Tuskegee University's Annual Professional Agricultural Worker's Conference for 1862 and 1890 Land-Grant Universities. In 1994, the Southern Rural Development Commission Act was introduced in the House Agricultural Committee, which would provide the statutory basis for a "Southern Black Belt Commission." The concept was reintroduced in Congress and various nongovernmental initiatives sustained discussion and interest in the concept. Supportive legislation was reintroduced in 2002, which led to other legislative efforts until authorization in 2008.

**OFFICE OF THE FEDERAL CO-CHAIR**

**Dr. Jennifer Clyburn Reed, *Federal Co-Chair of the Southeast Crescent Regional Commission***

**BOARD OF GOVERNORS**

**The Honorable Kay Ivey, *Governor of the State of Alabama***

Alternate – Kenneth Boswell

**The Honorable Ron DeSantis, *Governor of the State of Florida***

Alternate – Katherine Russo

**The Honorable Brian Kemp, *Governor of the State of Georgia***

Alternate – Christopher Nunn

**The Honorable Tate Reeves, *Governor of the State of Mississippi***

Alternate – Kristen Windham

**The Honorable Roy Cooper, *Governor of the State of North Carolina***

Alternate – Jim McCleskey

**The Honorable Henry McMaster, *Governor of the State of South Carolina***

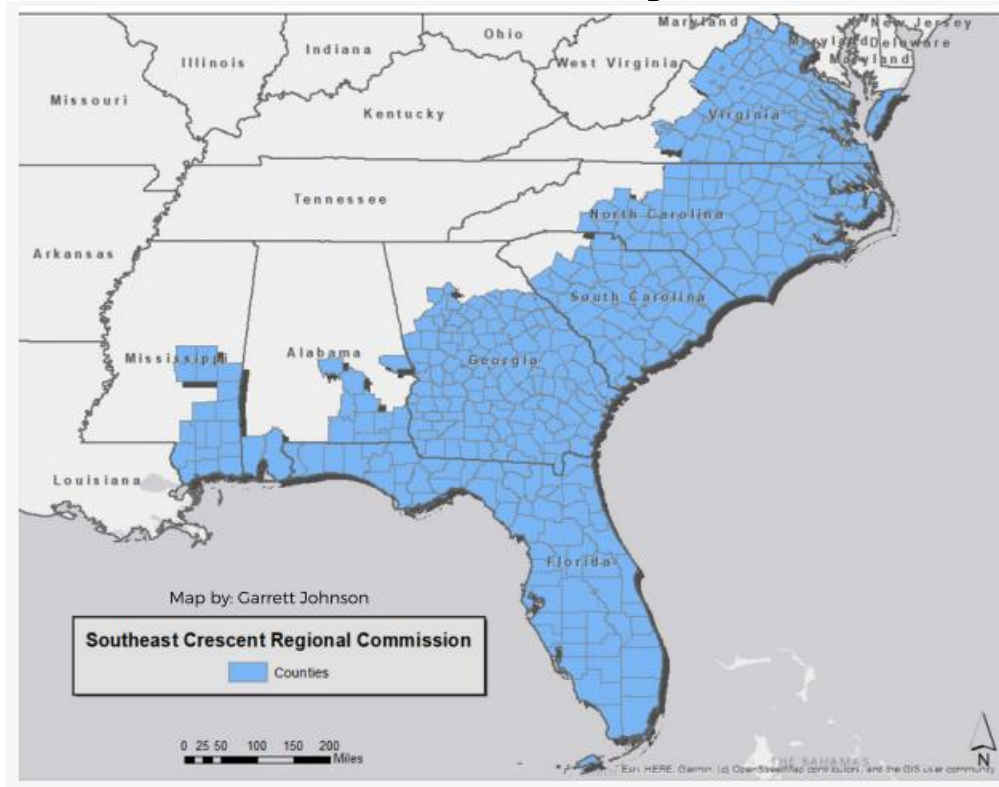
Alternate – Jordan Marsh

**The Honorable Glenn Youngkin, *Governor of the State of Virginia***

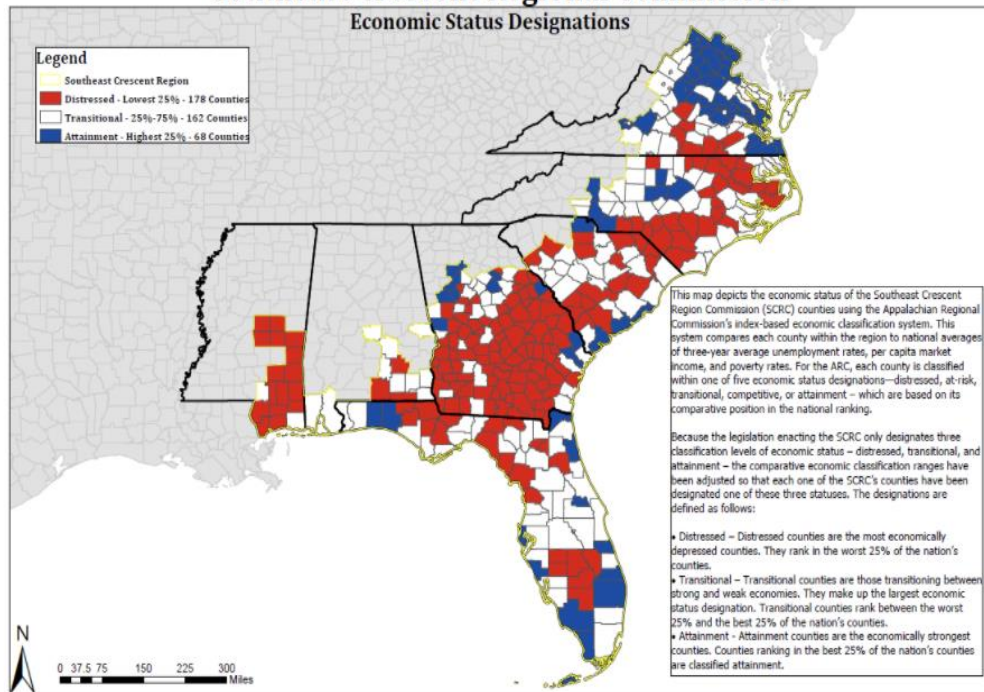
Alternate – Bryan Horn

**SCRC SERVICE AREA**

**Southeast Crescent Region**



**Southeast Crescent Regional Commission  
Economic Status Designations**



## Counties of the Southeast Crescent Region

**Alabama** - Autauga, Baldwin, Coffee, Covington, Crenshaw, Dale, Geneva, Henry, Houston, Lee, Mobile, Montgomery County, Pike

**Georgia** - Appling, Atkinson, Bacon, Baker, Baldwin, Ben Hill, Berrien, Bibb, Bleckley, Brantley, Brooks, Bryan, Bulloch, Burke, Butts, Calhoun, Camden, Candler, Charlton, Chatham, Chattahoochee, Clarke, Clay, Clayton, Clinch, Cobb, Coffee, Colquitt, Columbia, Cook, Coweta, Crawford, Crisp, De Kalb, Decatur, Dodge, Dooly, Dougherty, Early, Echols, Effingham, Emanuel, Evans, Fayette, Fulton, Glascock, Glynn, Grady, Greene, Hancock, Harris, Henry, Houston, Irwin, Jasper, Jeff Davis, Jefferson, Jenkins, Johnson, Jones, Lamar, Lanier, Laurens, Lee, Liberty, Lincoln, Long, Lowndes, Macon, Marion, McDuffie, McIntosh, Meriwether, Miller, Mitchell, Monroe, Montgomery, Morgan, Muscogee, Newton, Oconee, Oglethorpe, Peach, Pierce, Pike, Pulaski, Putnam, Quitman, Randolph, Richmond, Rockdale, Schley, Screven, Seminole, Spalding, Stewart, Sumter, Talbot, Taliaferro, Tattall, Taylor, Telfair, Terrell, Thomas, Tift, Toombs, Treutlen, Troup, Turner, Twiggs, Upson, Walton, Ware, Warren, Washington, Wayne, Webster, Wheeler, White, Whitfield, Wilcox, Wilkes, Wilkinson, Worth

**Florida** - Entire state

**Mississippi** - Clarke, Forrest, George, Greene, Hancock, Harrison, Jackson, Jones, Lamar, Lauderdale, Leake, Neshoba, Newton, Pearl River, Perry, Scott, Stone, Wayne

**North Carolina** - Alamance, Anson, Beaufort, Bertie, Bladen, Brunswick, Cabarrus, Camden, Carteret, Caswell, Catawba,\* Chatham, Chowan, Clay, Cleveland,\* Columbus, Craven, Cumberland, Currituck, Dare, Davidson, Duplin, Durham, Edgecombe, Franklin, Gaston, Gates, Granville, Greene, Guilford, Halifax, Harnett, Hertford, Hoke, Hyde, Iredell, Johnston, Jones, Lee, Lenoir, Lincoln, Martin, Mecklenburg, Montgomery, Moore, Nash, New Hanover, Northampton, Onslow, Orange, Pamlico, Pasquotank, Pender, Perquimans, Person, Pitt, Randolph, Richmond, Robeson, Rockingham, Rowan, Rutherford, Sampson, Scotland, Stanly, Tyrrell, Union, Vance, Wake, Warren, Washington, Wayne, Wilson

**South Carolina** - Abbeville, Aiken, Allendale, Bamberg, Barnwell, Beaufort, Berkeley, Calhoun, Charleston, Chester, Chesterfield, Clarendon, Colleton, Darlington, Dillon, Dorchester, Edgefield, Fairfield, Florence, Georgetown, Greenwood, Hampton, Horry, Jasper, Kershaw, Lancaster, Laurens, Lee, Lexington, Marion, Marlboro, McCormick, Newberry, Orangeburg, Richland, Saluda, Sumter, Williamsburg, York

**Virginia** - Accomack, Albemarle, **Alexandria city**, Amelia, Amherst, Appomattox, Arlington, Augusta, Bedford, Brunswick, Buckingham, Campbell, Caroline, Charlotte, **Charlottesville city**, **Chesapeake city**, Chesterfield, Clarke, **Colonial Heights city**, Culpeper, Cumberland, **Danville city**, Dinwiddie, **Emporia city**, Essex, Fairfax, **Fairfax City**, Falls Church city, Fauquier, Fluvanna, Franklin, **Franklin city**, Frederick, **Fredericksburg city**, Gloucester, Goochland, Greene, Greensville, Halifax, **Hampton city**, Hanover, **Harrisonburg city**, Henrico, **Hopewell city**, Isle Of Wight, King And Queen, King George, King William, Lancaster, Loudoun, Louisa, Lunenburg, **Lynchburg city**, Madison, **Manassas city**, **Manassas Park city**, Mathews, Mecklenburg, Middlesex, Nelson, New Kent, **Newport News city**, **Norfolk city**, Northampton, Northumberland, Nottoway, Orange, Page, **Petersburg city**, Pittsylvania, **Poquoson city**, **Portsmouth city**, Powhatan, Prince Edward, Prince George, Prince William, Rappahannock, Richmond, **Richmond city**, Roanoke, **Roanoke city**, Rockingham, Shenandoah, **South Boston city**, Southampton, Spotsylvania, Stafford, **Staunton city**, **Suffolk city**, Surry, Sussex, **Virginia Beach city**, Warren, **Waynesboro city**, Westmoreland, **Williamsburg city**, **Winchester city**, York

Source: Tabulated by CRS by cross-referencing relevant state counties against ARC and DRA jurisdictions. Notes: In Virginia, independent cities (in bold) are considered counties for U.S. census purposes and are eligible for independent inclusion. Virginia counties with an asterisk (\*) are named as cities, but are actual counties (e.g., James City County).



SOUTHEAST CRESCENT  
REGIONAL COMMISSION

# **SECTION I: BUDGET**



## **FY 2023 BUDGET JUSTIFICATION**

### **Introduction**

This narrative serves as justification for the Southeast Crescent Regional Commission's FY 2023 Budget. SCRC's seven member states (Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Virginia) pay for 50% of SCRC's administrative budget, less the expenses of the Office of the Federal Co-Chair (100% Federal), through their annual state assessments. This budget justification presents the full budget, including Federal appropriations and state assessments.

### **Source and Uses of Appropriations**

The attached budget table indicates the source and uses of SCRC's Federal appropriations, and a detailed presentation of its expenditures as follows:

- FY 2021 Enacted Budget
- FY 2022 Annualized Continuing Resolution Budget (*Note: The Budget and this Congressional Justification were developed prior to the passage of the FY 2022 Omnibus; as such, the Budget assumes an annualized CR level for the 2022 column*)
- FY 2023 Budget Request

### **Format and Content**

SCRC's administrative budget is presented in three sections:

1. **Source:** where funding is sourced from (i.e. Federal appropriations and state assessments).
2. **Uses:** how the funding is used (i.e. grant program and administration).
3. **Administration:** administrative expenses shown by classification.

## Administration

Administrative funds necessary to support the Office of the Federal Co-Chair and carry out Commission programs and initiatives are presented below.

### Office of the Federal Co-Chair

The Office of the Federal Co-Chair consists of one presidentially appointed, Senate-confirmed position: the Federal Co-Chair. Additionally, the Office of the Federal Co-Chair includes the salaries and fringe benefits of the Chief of Staff.

FY 2023 Budget: Office of the Federal Co-Chair	
Salaries	\$300,190
Fringe Benefits (30%)	\$90,058
Travel	\$30,000
Telecommunications/Utilities	\$3,900
Meetings & Events	\$5,000
Equipment	\$4,000
Supplies	\$1,750
Communications	\$3,500
<b>Total</b>	<b>\$438,397</b>

### Summary of Administrative Expense Classifications

- **Salaries:** Salaries consist of payroll for two Federal positions: the Federal Co-Chair and Chief of Staff.
- **Fringe Benefits:** The effective fringe benefit rate is 30 percent of Federal salaries (two positions as described previously), which represents both mandatory and voluntary salary-related expenditures such as Social Security (FICA), Medicare, State Unemployment Tax (SUTA), non-elective retirement, and elective retirement (401k) with a maximum employer match of 5%.
- **Travel:** Travel includes mileage and/or fuel, rental vehicles, hotels, airfare, meals & incidentals, taxis, parking fees, etc., consisting primarily of trips to small rural towns, communities, and counties without access to major modes of public transportation (i.e. air/rail) throughout the 408 counties in the seven-state region. SCRC's service area presents logistical challenges that often necessitates multiple modes of travel (i.e. air and vehicle travel).
- **Telecommunications/Utilities:** Telecommunications/Utilities consists of internet, business phones, basic utilities, and related items.

- **Meetings & Events:** Meetings and Events consists of venues, materials, and food and beverages (non-alcoholic) related to the meeting or event.
- **Equipment:** Equipment consists of computers, printers, external monitors, accessories, and related items.
- **Supplies:** Supplies consists of stationary, writing utensils, binders, folders, and related items.
- **Communications:** Communications consists of graphic design, publications, printing, advertisements, marketing, community outreach, and related software.

**The Commission**

Commission Administration consists of four non-Federal positions and costs represent salaries and expenses necessary to carry out Commission programs and initiatives.

FY 2023 Budget: The Commission	
Salaries	\$456,007
Fringe Benefits (30%)	\$136,802
Travel	\$24,000
Professional Services/Contractual	\$180,000
Leases/Furnishings	\$84,725
Telecommunications/Utilities	\$12,000
Meetings & Events	\$12,500
Equipment	\$8,000
Supplies	\$3,500
Communications	\$12,500
Professional Development	\$4,000
<b>Total</b>	<b>\$933,584</b>

## Summary of Administrative Expense Classifications

- **Salaries:** Salaries consist of payroll for four non-Federal positions.
- **Fringe Benefits:** The effective fringe benefit rate is 30 percent of salaries, which represents both mandatory and voluntary salary-related expenditures such as Social Security (FICA), Medicare, State Unemployment Tax (SUTA), non-elective retirement, and elective retirement (401k) with a maximum employer match of 5%.
- **Travel:** Travel includes mileage and/or fuel, rental vehicles, hotels, airfare, meals & incidentals, taxis, parking fees, etc., consisting primarily of trips to small rural towns, communities, and counties without access to major modes of public transportation (i.e. air/rail) throughout the 431 counties in the seven-state region. SCRC's service area presents logistical challenges that often necessitates multiple modes of travel (i.e. air and vehicle travel).
- **Professional Services/Contractual:** Professional Services/Contractual includes expenses for specialists that provide unique services that are otherwise unavailable to be provided by SCRC staff.
- **Leases/Furnishings:** Leases/Furnishings consists of long-term leases for the Regional Headquarters (Columbia, SC) as well as related furnishings.
- **Telecommunications/Utilities:** Telecommunications/Utilities consists of internet, business phones, basic utilities, and related items.
- **Meetings & Events:** Meetings and Events consists of venues, materials, and food and beverages (non-alcoholic) related to the meeting or event.
- **Equipment:** Equipment consists of computers, printers, external monitors, accessories, and related items.
- **Supplies:** Supplies consists of stationary, writing utensils, binders, folders, and related items.
- **Communications:** Communications consists of graphic design, publications, printing, advertisements, marketing, community outreach, and related software.
- **Professional Development:** Professional development consists of training for staff that is aligned with essential job duties and the mission of the Commission, including program-specific education, management development, and leadership training.



SOUTHEAST CRESCENT  
REGIONAL COMMISSION

# **SECTION II: SCRC GRANT PROGRAM**

**COMPETITIVE GRANT PROGRAM**  
**FY 2023 Budget: \$14.5 million**

In the Spring of 2023, SCRC will open its first competitive grant cycle making available approximately \$14.5 million from FY 2023 appropriations, to include carryover funds from BIL (\$5 million) and prior year appropriations (approximately \$4 million), to fund projects in the seven-state region. SCRC investments must help improve the following in Southeast Crescent communities:

- Basic public infrastructure
- Transportation infrastructure
- Telecommunications infrastructure
- Job skills training
- Business development and entrepreneurship
- Basic health care and other public services
- Conservation, tourism, recreation, and preservation of open space
- Renewable and alternative energy sources

At least 30% of SCRC funds must be invested in basic public infrastructure, transportation infrastructure, and telecommunications infrastructure.

At least 50% of SCRC funds must be invested in “distressed counties and areas of distress” in the region.

<b>FY 2023 Budget: Competitive Grant Program</b>	
Competitive Grant Program	\$6,094,812
<b>Total</b>	<b>\$6,094,812*</b>

*\*In addition to FY 2023 funding, \$8,482,266 in carryover funds will be obligated to SCRC’s competitive grant program for a total of \$14,577,078 made available for grant funding.*

NOTE: The Federal Co-Chair has submitted an allocation proposal to the Board of Governors. Both are in the process of reviewing the proposal which will establish the state allocation formula to divide these funds. A decision is expected on or before May 1, 2022.