

MEMORANDUM OF UNDERSTANDING
Concerning an Appalachian Regional Development Initiative
Between and Among

Appalachian Regional Commission and
United States Department of Agriculture, United States Department of Commerce, United States
Department of Education, United States Department of Energy, United States Department of Health
and Human Services, United States Department of Housing and Urban Development, United States
Department of the Interior, United States Department of Labor, United States Department of
Transportation, United States Department of the Treasury, United States Environmental Protection
Agency, United States Small Business Administration, Corporation for National and Community
Service, and National Endowment for the Arts

I. Purpose

This Memorandum of Understanding (Memorandum) is entered into by the signatory agencies to establish an interagency collaboration and action plan specifically designed to strengthen and diversify the Appalachian economy, improve the health and welfare of its people and to protect the environment. This Memorandum aims to better deploy and coordinate Federal resources in the Appalachian Region, and implement the goals, strategies and purposes of the Appalachian Regional Development Act of 1965, as amended. This Memorandum includes short-term goals to organize a Federal outreach initiative to assist with immediate capacity needs in the Region, as well as long-term goals to facilitate the cooperation and collaboration of Federal agencies and to disseminate policy and funding strategies to State and local partners.

II. Authority

Under the provisions of the Appalachian Regional Development Act of 1965, as amended (40 U.S.C. 14101-14704), the Appalachian Regional Commission (ARC) is authorized to serve as a focal point and coordinating unit for Appalachian programs and to seek to coordinate the economic development activities of, and the use of economic development resources by, Federal agencies in the Appalachian Region (40 U.S.C. 14303 (a) (7) and (10)).

III. Background

The Appalachian Region of the United States, as defined by statute, includes all of West Virginia and portions of 12 other States, including Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, and Virginia. Appalachia is generally characterized by three main sub-regions – Northern, Central and Southern – each possessing unique socioeconomic challenges. Approximately 25 million people live in the 205,000 square mile area called Appalachia, encompassing 420 counties.

Appalachia faces a combination of challenges that few other regions of the country experience, including mountainous terrain, dispersed population, limited access to higher education, shortages of financial and human capital, and lower per capita public investment. These challenges have resulted in lower rates of educational attainment and higher rates of poverty and underemployment. Appalachia also experiences continued underinvestment in critical infrastructure-related work, including broadband, and wastewater and drinking water systems. In addition, the Appalachian Region experiences significant health disparities and a lack of access to health care. The most recent economic downturn has compounded these challenges, and Appalachia has been affected even more severely than the nation as a whole.

IV. Findings

To help better understand Appalachia's unique situation, several signatory agencies to this Memorandum performed an economic assessment of the Region and sought the input of Appalachian citizens through a series of listening sessions held in the Region and on an online public comment website. The assessment reported that the well-being of the Appalachian people remains below the national average on a wide range of key indicators, including high rates of unemployment, disability, health disparities, and poverty, coupled with low per capita incomes and college graduation rates. The assessment concludes that the combination of these challenges has greatly hindered economic development in Appalachia. At the same time, Appalachians who attended the listening sessions expressed frustration with the Region's overdependence on single-sector employment and concern over health issues associated with environmental challenges. Attendees repeatedly requested help to take advantage of 21st century educational and employment opportunities. Citizens were also concerned over the shortage of regional economic development strategies and the lack of coordination to address challenges by Federal, State, and local agencies.

The signatory agencies to this Memorandum find that these aforementioned concerns represent critical challenges for Appalachia that could be more effectively addressed through a coordinated and targeted Federal response, a strategy for which is outlined herein.

V. Actions and Responsibilities

In response to these findings, the signatory agencies intend to:

- a) Commit one representative to an Interagency Coordinating Council (Council) on Appalachia. The Council, which is to be chaired by the ARC Federal Co-Chair, shall consist of a senior representative designated by each agency head. The Council will meet in person at the beginning of each fiscal year to commence yearly coordination efforts and periodically thereafter to share information, establish policy priorities, and, where appropriate and consistent with applicable statutory and regulatory authority, share information on new and current funding opportunities and activities in the Region. The ARC Federal Co-Chair will be responsible for organizing and hosting these meetings.
- b) Commit local Federal agency representatives to three regional steering committees covering each of Northern, Central, and Southern Appalachia. (See attached map for regional breakout) Representatives on these steering committees should be senior agency field staff that work in the Northern, Central and Southern regions. The steering committees will be responsible for coordinating Federal activities in each sub-region and making policy recommendations to the Council. Each steering committee is to meet at least once each fiscal year and will be comprised of Federal personnel only.
- c) Support the Council's efforts to develop a strategy to further the purposes of the Appalachian Regional Development Act (ARDA) of 1965, as amended (40 U.S.C. 14101-14704). The Council will examine which agencies are best suited to work towards the fulfillment of the different purposes of ARDA, and ascertain ways the agencies can work with Federal, State, and local partners to advance these elements. As part of this effort, the Council will work with participating agencies to gather information on prior year funding in Appalachia. In addition, the Council will work with agencies to identify challenges encountered in their work in Appalachia and help formulate mitigating strategies.
- d) Through the Council, collaborate with States, local governments, and regional stakeholders, as appropriate, to develop strategic initiatives and partnerships to pursue particular goals developed through this initiative.

- e) Participate in a Federal technical assistance outreach initiative across Appalachia to better inform citizens on how to access Federal grant assistance programs. Each agency agrees to participate in strategic outreach sessions during which their programs are to be showcased and described to State and local stakeholders. These sessions are to be designed and organized by the Council, in partnership with the Northern, Central, and Southern Appalachian regional steering committees, and are to occur as necessary at the agreement of the group.
- f) Collaborate with a Federal Advisory Board to assess demographic, economic, and natural resource trends in the Appalachian Region and identify issues where additional Federal attention is needed to support community and regional development efforts. The Federal Advisory Board is to be chaired by a representative from the Department of Agriculture's Economic Research Service and will coordinate closely with the Council. The Board will be composed of Federal Government social scientists with expertise in research areas relevant to the development challenges and opportunities in the Appalachian Region.
- g) Actively seek opportunities, as appropriate, to collaborate with other Federal agencies to support activities and investments in Appalachia related to the goals of this Memorandum.

VI. Period of Agreement and Limitations

- a) This Memorandum of Understanding will terminate on September 30, 2016, but may be extended or amended at any time by mutual written agreement of signatory agencies.
- b) This Memorandum does not create any right or benefit, substantive or procedural, enforceable by law or equity, by persons who are not signatory agencies to this agreement, against any party, their officers or employees, or any other person. This Memorandum does not direct or apply to any person outside of any of the signatory agencies.
- c) As required by the Antideficiency Act (31 U.S.C. 1341 and 1342), all commitments made by any signatory agencies in this Memorandum are subject to the availability of appropriated funds and budget priorities. Nothing in this Memorandum, in and of itself, obligates any signatory agency to expend appropriations, to enter into any contract, assistance agreement, or interagency agreement, or to incur other financial obligations. Any transaction involving transfers of funds between the signatory agencies to this Memorandum will be handled in accordance with applicable laws, regulations, and procedures under separate written agreements.
- d) Nothing in this Memorandum shall obligate any of the signatory agencies to undertake any activity not consistent with that agency's laws, regulations, or priorities.

The signatory agencies hereto have executed this Memorandum concerning an Appalachian Regional Development Initiative as of the latest date written below:



 Earl Gohl, Federal Co-Chair
 Appalachian Regional Commission

11/12/2010

 Date



 Thomas Vilsack, Secretary
 U.S. Department of Agriculture

11/12/2010

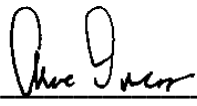
 Date



Gary Locke, Secretary
U.S. Department of Commerce

11/12/2010

Date



Arne Duncan, Secretary
U.S. Department of Education

11/12/2010

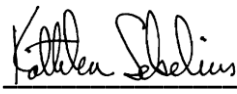
Date

//SIGNED//

Steven Chu, Secretary
U.S. Department of Energy

5/2012

Date



Kathleen Sebelius, Secretary
U.S. Department of Health
and Human Services

11/12/2010

Date



Shaun Donovan, Secretary
U.S. Department of Housing and
Urban Development

11/12/2010

Date




Ken Salazar, Secretary
U.S. Department of the Interior

1/5/2011

Date

U.S. Department of Labor


Date



Ray LaHood, Secretary
U.S. Department of Transportation

11/12/2010

Date



Timothy F. Geithner, Secretary
U.S. Department of the Treasury

11/18/2010

Date

Lisa P. Jackson, Administrator
U.S. Environmental Protection Agency

11/12/2010

Date

Karen G. Mills, Administrator
U.S. Small Business Administration

11/12/2010

Date

Wendy Spencer, Chief Executive Officer
Corporation for National and Community Service

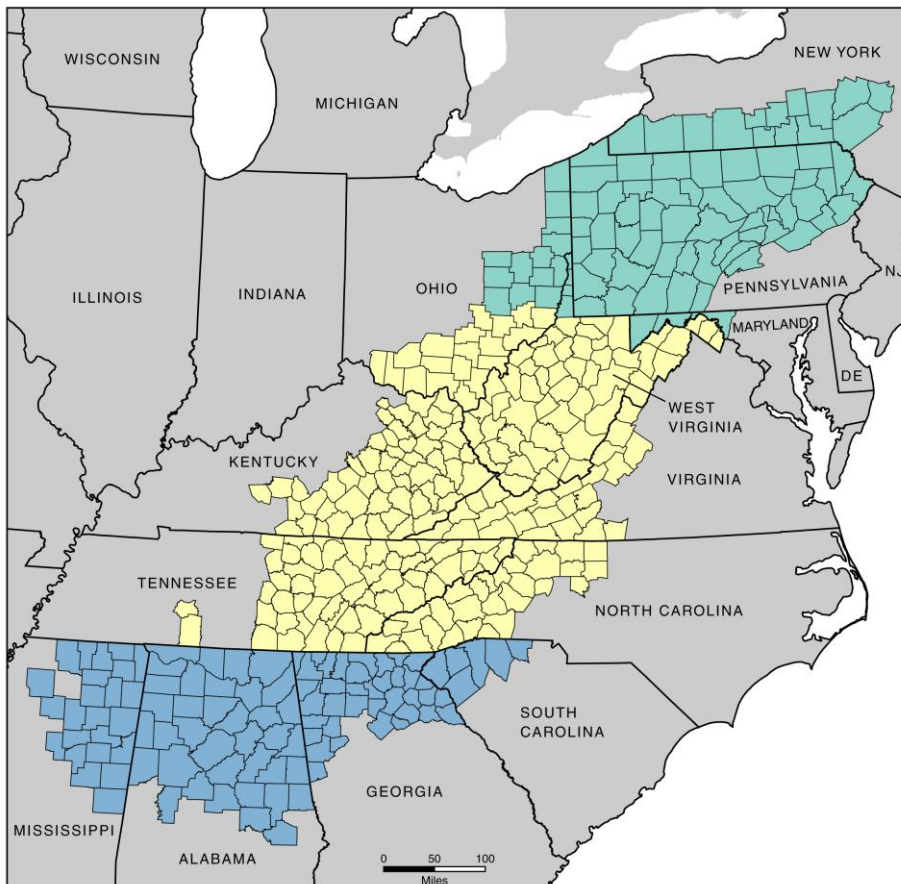
6/27/2012

Date




Rocco Landesman, Chairman
National Endowment for the Arts

2/24/2012

Date



ARDI Steering Committee Regions

-  **Northern**
-  **Central**
-  **Southern**

Source: Appalachian Regional Commission.