

Washington, DC -- During consideration of the fiscal year 2008 Energy and Water Appropriations bill this week, U.S. Rep. Michael Arcuri (D-Utica), and a bipartisan majority, were able to fend off attempts to eliminate federal funding for the Appalachian Regional Commission (ARC), which provides critical economic development assistance for Tompkins, Cortland, Tioga, Broome, Chenango, and Otsego counties.

“The ARC has strengthened our region’s economic progress by improving living conditions, enhancing the employability of the workforce, and investing the region’s basic infrastructure,” said Arcuri in opposition to an amendment which would have cut all ARC funding for FY2008. “Simply put, the numbers speak for themselves. Since its creation, the ARC has reduced the number of severely distressed counties in the region by more than 65%, cut the poverty rate from 31% to 15%, and created 1.6 million jobs.”

The amendment, offered by U.S Rep. Randy Neugebauer (R- TX) to the fiscal year 2008 Energy & Water Appropriations bill, would have completely cut funding for the ARC. Earlier this year, Arcuri co-sponsored the Appalachian Regional Commission reauthorization bill (H.R. 799) which would give the commission the renewed authority it needs to continue to provide critical support for economic development. Arcuri also introduced bipartisan legislation creating a Northern Border Economic Development Commission to bring much-needed job creation and economic development resources to Seneca, Cayuga, Oneida and Herkimer Counties.

“Many communities in our district are faced with struggling local economies. The Appalachian Regional Commission provides the framework and the guidance for these communities to begin to move towards sustainable economic growth through new technology investments and economic growth strategies,” said Arcuri.

H.R. 799 authorizes appropriations for the ARC through fiscal year 2011 to carry out regional economic development and extends the Appalachian Regional Development Act of 1965 for five years. In the last five years alone, projects funded by the ARC have resulted in 136,000 jobs kept or created.

Below is Arcuri’s statement submitted in opposition to the Neugebauer Amendment:

**The Honorable Michael A. Arcuri (NY-24)
In the House of Representatives
Fiscal Year 2008 Energy & Water Appropriations Bill
Statement in opposition to Neugebauer Amendment
Wednesday, June 20, 2007**

Mr. Chairman, I rise in strong opposition to this amendment. Unfortunately, my colleague from Texas has failed to closely examine the benefits the Appalachian Regional Commission has provided numerous economically distressed counties in the region since its establishment over 40 years ago.

Mr. Chairman, the ARC has enhanced the region's economic progress by improving living conditions, enhancing the employability of the workforce, and strengthening the region's basic infrastructure.

Simply put, the numbers speak for themselves. Since its creation, the ARC has reduced the number of severely distressed counties in the region by more than 65%, cut the poverty rate from 31% to 15%, and created 1.6 million jobs.

Mr. Chairman, my Upstate New York district has been plagued with struggling local economies for quite some time. Population exodus, significant job losses in the manufacturing sector and slow economic development have all contributed to the downturn in economic prosperity in the region.

These communities are in dire need of exposure to new innovative technologies – such as alternative energy projects – and attracting private investment to spur economic activity and improve their quality of life. The ARC helps our communities do just that. The ARC provides the framework and the guidance for these communities to begin to move towards sustainable economic growth.

Mr. Chairman, 6 counties in my Upstate New York district have experienced success as members of the ARC. The Village of Sherburne, NY in Chenango County is a great example of how small ARC grants are extremely helpful in leveraging additional funds from state, local, and private sources for economic development initiatives that create jobs. A \$200,000 grant from

the ARC for the enhancement of aging water infrastructure in Sherburne – a problem that is plaguing many states in the Northeast – was able to leverage close to \$4 million in state and local community investment.

Mr. Chairman, for each one dollar of ARC funding invested, it leverages \$3.14 in other public funding and \$11.55 in private investment. Now that sounds like a responsible and wise investment of tax payer dollars.

It would be unwise and irresponsible to deny the people in 13 states in the region the funds to help them achieve socioeconomic parity with nation.

I ask my colleagues on both sides of the aisle to oppose the amendment to zero-out funding for the ARC.

Mr. Chairman, I also strongly urge my colleagues to support my freshman colleague from Ohio's amendment to fully restore the President's FY08 budget request of \$65 million for the ARC in this bill.

Thank you, Mr. Chairman. I yield back the balance of my time.

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