

Testimony of Federal Co-Chair Chris Saunders
Northern Border Regional Commission
House Transportation and Infrastructure Committee
Subcommittee on Economic Development, Public Buildings, and Emergency Management
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Mr. Chairman, Mr. Ranking Member, Members of the Subcommittee, thank you for the invitation to appear before the Subcommittee today to discuss the work of the Northern Border Regional Commission (NBRC). Among federal funders, the regional commissions have a unique approach to economic development, and I appreciate the opportunity to participate in this hearing. As part of today's testimony, NBRC is happy to provide a brief overview of its operations and areas of focus, and how it has prioritized investment of federal funds.

NBRC Operations

Created by Congress in the 2008 Farm Bill, the Northern Border Regional Commission is a federal-state partnership serving the economic and community development needs in the northern counties across Maine, New Hampshire, New York and Vermont. As with its peer Commissions, NBRC operates competitive grant programs aimed at supporting locally driven economic development initiatives. All NBRC awards involve the recommendations of the Governors of member states and are approved by votes from the Federal Co-Chair and Governors.

By design, the regional commissions utilize this highly collaborative model for directing federal public investment to rural America. In requiring the participation of Governors and member states in the governance of a Commission, this structure demands that states see themselves as regional partners with the federal government. As a result, common themes of economic need emerge and receive investment – rather than a specific need of an individual state.

This structure, along with flexibility Congress has granted Commissions, allows for consideration of how best to deliver assistance in a manner that reflects the needs, and recognizes the capacity constraints of the communities within the region. One example is the forest products industry, which has emerged as a defining area of focus in the NBRC territory.

Promoting Increased Timber Production

For generations, the wood products and paper industries were significant drivers of the economy in Northern New England and New York. Over the past four decades these legacy industries have faltered. Pulp and paper mills - often the predominant employer in small, rural communities have closed. These closures have resulted in job losses both at the mills as well as for loggers and foresters. There has been a follow-on negative impact for small businesses located in these communities who have lost customers and revenue. What local leaders and industry stakeholders have made clear is that these economic challenges did not sprout up overnight, and there are no quick fixes to replacing these job losses.

In response, what local industry leaders and communities have advanced is a vision of innovation and economic diversification. Congress has directed NBRC to target resources to support this vision, which the Commission has done through specific grant offerings that support innovation and infrastructure within the forest products industry.

The results of this approach are becoming clear. Targeted investments are transforming paper mills into factories that make new materials, such as housing insulation products, packing materials and other products from wood fibers. In Maine, the Maine Forest Products Council has shown that between 2019 and 2024, while paper manufacturing sales declined by over 40%, wood product manufacturing sales, including these new products, increased by 45%¹.

Mass timber, an engineered wood product comprised of layers of wood that are typically glued or nailed together, represents another significant market opportunity for the region. The northeast lags behind other areas of the country that have established markets for buildings constructed with mass timber panels and columns. Transportation infrastructure has been identified as a potential market opportunity for mass timber. NBRC has awarded funds to spur the adoption of this building material in bridges, airport terminals and other transportation projects.

Prioritization of Infrastructure, Distressed and Rural Communities

In October 2023 the Subcommittee invited the Regional Commissions to participate in a hearing about their role in economic development. At that time NBRC shared details of its investments, including its approach to target resources to the most distressed areas in the region, evaluating infrastructure projects and other investment principles. I am pleased to provide an update to the information NBRC shared at that hearing.

- **Investing in infrastructure** – NBRC awards funds to infrastructure projects with the goal of facilitating additional private and public investments. Congress has determined this should be a priority funding area for NBRC, stipulating in NBRC's statute that a minimum of 40 percent of grant awards should be made to infrastructure projects. NBRC meets and exceeds this threshold with its investments across the region on an annual basis. Over the past two years of the 194 awards from NBRC's Catalyst Program, 50 percent were made to projects classified as infrastructure.
- **Leveraging other sources of funding** – While NBRC requires a local match for its funding, the Commission has a track record of supporting projects that incorporate non-federal funding sources. In 2024 and 2025 NBRC funds were matched at a nearly 1:2

¹ <https://maineforest.org/wp-content/uploads/2025/10/2024-Economic-Report-FINAL-for-printing-AK.pdf>

ratio, leveraging an additional \$273 million in non-federal investment across our four-state region.²

- **Centering the needs of rural communities** The regional commission model is designed around the origination of projects at the local level, and developing the capacity of rural communities. In the NBRC region, the Commission maintains a network of built-in technical assistance providers referred to as Local Development Districts. These partners support rural leaders and collaborate with municipalities and non-profits for grants administration and management of federal funds. In 2024 and 2025 75% of NBRC awards were made to communities with under 5,000 people and 66 % of NBRC awards were made to NBRC applicants in distressed communities.³

Award Examples

NBRC is currently managing 437 active awards. Across its grants portfolio, the Commission has funded projects including transportation infrastructure, drinking water and wastewater infrastructure, workforce development, and business lending, among many other categories. The following are a few examples of the types of awards NBRC might make in a typical year.

The St. Lawrence County Industrial Development Agency in New York was awarded funding to establish a purification pilot facility for Empire State Mines' new graphite processing operation. This public-private partnership will support the first fully integrated U.S. natural flake graphite production since 1956, a critical access to mineral supply chains. It will create jobs, attract investment, and position the region as a leader in domestic graphite production.

The town of Jonesport, Maine was awarded funding to construct a commercial working waterfront facility at Henry Point, including a boat launch, parking, and floating docks. The project will support 250 fishers and 20–50 marine businesses, enhancing economic resilience and access to deep water. This initiative supports infrastructure, fisheries, and rural economic development.

Paul Smith's College, located in the Adirondacks of New York, was awarded funding to launch the Troops to Timber program, which will train veterans and transitioning service members for careers in forestry and logging. The program offers stackable credentials and hands-on training in collaboration with Fort Drum and regional employers. It addresses workforce shortages in the forest economy and supports veteran employment in rural communities.

These three examples represent the types of awards NBRC makes in a typical grant round. I hope this brief overview offers insight into the role regional commissions play in the economic development ecosystem.

² 1 [https://www.nbrc.gov/userfiles/files/Annual%20Reports/NBRC-2024-Annual-Report-Web-version%20\(1\).pdf](https://www.nbrc.gov/userfiles/files/Annual%20Reports/NBRC-2024-Annual-Report-Web-version%20(1).pdf)

³ Ibid.

We appreciate the opportunity to answer questions regarding the Commissions' work in the region. Thank you again for the opportunity to testify and I look forward to your questions.