Southeast Crescent Regional Commission (SCRC)

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House Transportation and Infrastructure Committee:
Subcommittee on Economic Development, Public Buildings and Emergency Management

January 22, 2026

Good morning Chairman Perry, Ranking Member Stanton, and Members of the Subcommittee. Thank you for the opportunity to testify on behalf of the Southeast Crescent Regional Commission (SCRC).

When I last appeared before this Subcommittee in 2023, the Southeast Crescent Regional Commission was just getting started. At that time, our focus was on establishing the governance, accountability, and data systems necessary to deploy federal resources responsibly.

Today, SCRC marks four years of operations. I am here to report activities and outcomes across the Southeast Crescent region.

Statutorily, SCRC serves 428 counties across seven states and covers more than 210,000 square miles where 51 million Americans call home. Nearly 40 percent of these counties are classified as economically distressed. In many of these communities, economic growth is constrained by workforce shortages, infrastructure gaps, and limited access to essential services that employers rely on to operate and expand. Many of these challenges are regional in nature.

From the outset, SCRC prioritized **strategic discipline over speed**, recognizing that effective economic development requires alignment, not duplication. Fiscal investments followed a structured process.

SCRC's planning and outreach efforts included sustained coordination with Governors' offices, state economic development agencies, and Local Development Districts.

Regionwide data collection efforts such as the *Love Where You Live* survey; and a county-by-county review of economic conditions alongside current state and federal programs allowed SCRC to target unmet needs and prioritize projects capable of delivering measurable economic returns.

To further strengthen this evidence-based approach, SCRC conducted a comprehensive 428-county regional health assessment. This analysis confirmed the interconnected relationship between workforce participation, access to essential services, and regional economic stability. Three consistent findings emerged:

1. **Strong labor markets are foundational to economic stability.** Employers are less likely to invest or expand in communities where workforce participation is constrained by deficiencies in transportation, housing, healthcare, or basic infrastructure.

2. **Targeted investments deliver the highest return when they strengthen organizations already executing work on the ground.** In distressed and rural areas, these institutions—community colleges, hospitals, workforce entities, and local governments—form the backbone of local economies.
3. **Regional coordination improves efficiency and return on investment.** Addressing challenges at the scale they exist—not through fragmented, jurisdiction-by-jurisdiction solutions—delivers greater impact for communities.

One of the most urgent constraints validated through this assessment was the shortage of medical professionals across rural counties in the region. Persistent provider shortages—exacerbated by rural hospital closures—directly undermine workforce participation, increase employer risk, and weaken regional competitiveness.

In response, SCRC developed the **Crescent Care Collaborative**, partnering with the U.S. Department of State to place qualified physicians in designated shortage areas where the domestic labor supply is insufficient or unavailable.

This initiative exemplifies **smart federal design**: it is a targeted workforce placement strategy funded through application processing fees, allowing it to operate without federal cost and administrative overhead.

To date, 397 physicians have been placed in high-need counties, with approximately 50 applications currently under review. These placements have stabilized essential services, reduced business operating risk, and helped reverse stagnation in communities where economic growth was at risk.

In addition to workforce-driven interventions, SCRC has completed two cycles of the **State Economic and Infrastructure Development (SEID) Grant Program**. SEID grants deliberately target job creation, address infrastructure gaps, and increase access to capital.

Of the 139 SEID projects funded to date, I would like to highlight four:

- **Georgia:** A $1.2 million investment in Bluffton funded a workforce training center that will train more than 200 individuals in agriculture and small business development, with a focus on transitioning veterans into agricultural careers.
- **Alabama:** A $2 million investment in Henry County to develop a Workforce Technology Center, providing hands-on training and dual enrollment partnerships that create seamless career pathways for students and adults.
- **Mississippi:** A $475,000 investment to expand training in diesel, automotive, and aviation maintenance—directly addressing skilled labor shortages and supporting 159 new jobs while leveraging nearly $33 million in regional investment.
- **South Carolina:** A $500,000 investment in trail construction supporting immediate construction jobs and creating a long-term tourism asset to drive sustained employment and visitor spending in Georgetown and Williamsburg Counties.

Structurally, SCRC is designed for accountability and efficiency. The Commission maintains a lean federal footprint, while Governors of member states play a direct and active role in setting priorities and overseeing investments. This governance model ensures local relevance, minimizes administrative duplication, and aligns federal spending with state economic strategies.

From the beginning, SCRC paired this structure with clear performance measures. As outlined in our five-year strategic plan, investments are evaluated based on expanded access to infrastructure and services, job creation and retention, strengthened local capacity, and long-term economic sustainability.

Across the 2024 and 2025 grant cycles, SCRC invested nearly $53 million in 139 projects across six states. These funds leveraged significant state, local, and private investment—producing an estimated return of $2.49 for every federal dollar invested in 2024 and $1.52 per federal dollar in 2025. These positive returns on investment are tied to quantifiable outcomes in jobs, infrastructure, and economic capacity.

I appreciate the opportunity to report before the Subcommittee on SCRC's work to strengthen a region critical to America's long-term economic growth.

Thank you for your time. I look forward to answering your questions.