



# State of Mississippi

**TATE REEVES**  
Governor

January 5, 2026

Mr. Brandon McBride  
Executive Director  
Appalachian Regional Commission  
1666 Connecticut Avenue NW, Suite 700  
Washington, D.C. 20009

Dear Mr. McBride,

The State of Mississippi respectfully submits Mississippi's Fiscal Year 2026 Appalachian Regional Commission Annual Strategy Statement for approval by the Commission.

The Mississippi Annual Strategy Statement reaffirms how my Appalachian Regional Office will leverage and invest ARC funds to address regional, county, and state strategies that align with and continue to meet the goals of the Commission.

With continued opportunity for growth and advancement in the Region, I am excited to continue our work together. Please address any questions about this investment document to my ARC Alternate Sam Andrews or ARC Program Manager Andrea Rose.

Sincerely,

A handwritten signature in blue ink that reads "Tate Reeves".

Tate Reeves  
GOVERNOR



2026

# Appalachian Regional Commission Strategy Statement

## State of Mississippi Governor Tate Reeves

Prepared by  
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Sam Andrews, ARC Alternate  
Andrea Rose, ARC Program Manager

## Summary

The Appalachian Regional Commission (ARC) is a regional economic development agency representing a unique partnership of federal, state and local government. Established by an act of Congress in 1965, the Commission is comprised of the governors on the 13 Appalachian States and a federal co-chair, who is appointed by the President. Local participation is provided through multi-county local/planning development districts (LDD/PDD/CoG) with support from community, business, and civic leaders. Each year Congress appropriates funds for Commission programs, which ARC allocates among its member states. In addition, ARC has received funds from the IJA for additional investment over 5 years. Governors prepare annual State Appalachian Strategy Statements and select projects for approval by the federal co-chair. ARC has made investments in essential elements of economic development to including highway systems, education, job-training, healthcare, water and sewer systems, and entrepreneurial development.

In accordance with Section 5.4 of the Appalachian Regional Commission Code, this document will describe the program for achieving the goals and objectives for the State of Mississippi during the Federal Fiscal Year 2026. These strategies will address needs and goals of the region by targeting goals and objectives supported by Governor Tate Reeves that meet ARC's defined goals and objectives.

The Mississippi ARC program is led by Governor Tate Reeves' office. Administrative responsibilities and day-to-day operations for the Mississippi ARC program have been assigned by Governor Reeves to the Director of the Appalachian Regional Office (ARO) and State Program Manager, Andrea Rose.

Mississippi ARC Program staff work with six planning and development districts in ARC project development, application preparation, and implementation. The Executive Director and staff of Mississippi's ARC PDDs work with their board members, elected officials, citizens, and economic developers to identify needs of local communities.

## Appalachian Mississippi

For Fiscal Year 2026, 8 of the 24 Mississippi ARC counties are designated distressed, for a concentration of distressed counties of 33%. These numbers reflect long-standing issues facing Appalachia and Appalachian Mississippi, especially in distressed and at-risk areas.

The Appalachian Region of Mississippi consists of 24 counties: Alcorn, Benton, Calhoun, \*Chickasaw, Choctaw, Clay, Itawamba, \*Kemper, Lee, Lowndes, Marshall, Monroe, \*Montgomery, \*Noxubee, \*Oktibbeha, \*Panola, Pontotoc, Prentiss, Tippah, Tishomingo, Union, Webster, \*Winston, \*Yalobusha.

Distressed counties (marked with an asterisk) are the most economically depressed counties, ranking among the most distressed 10% of the nation's counties. (<https://www.arc.gov/classifying-economic-distress-in-appalachian-counties/>)

## **2026 Targeted Investment Priorities**

Mississippi Appalachia's Annual Strategy for Fiscal Year 2026 lies within the scope of Appalachian Regional Commission's current Strategy Plan (2022-2026):

ARC Investment Goal 1: Building Appalachian Businesses

ARC Investment Goal 2: Building Appalachia's Workforce Ecosystem

ARC Investment Goal 3: Critical Infrastructure

ARC Investment Goal 4: Building Regional Culture and Tourism

ARC Investment Goal 5: Building Community Leaders and Capacity

Much progress has been made in strengthening economic opportunities across Appalachian Mississippi, yet significant work remains, particularly in distressed counties, at-risk counties, and distressed areas of other counties. Through collaborative partnerships at the federal, state, and local levels, Mississippi has advanced projects that support targeted economic growth in advanced manufacturing, automotive and aerospace technology, metal technologies and advanced materials. Recent investments have expanded broadband access, improved workforce training programs, and targeted infrastructure improvements to support businesses and communities of all sizes. In addition to Area Development projects, the Mississippi ARO continues to work with affected communities to access ARISE, INSPIRE, POWER, and READY Appalachia funds.

Governor Reeves has a goal of economic success for all counties in Mississippi, and he is committed to the betterment of the Appalachian region in Mississippi. Appalachian Regional Commission's mission to innovate, partner, and invest to build sustainable community capacity and strengthen economic growth in Appalachian Mississippi is reflected in Governor Reeve's priorities to achieve this success in Appalachian Mississippi:

1. Identify and support private sector and high wage job creation, entrepreneurship, and small businesses;
2. Develop a globally competitive workforce through improvements in workforce training and readiness, education initiatives, healthy workforce initiatives, and increased educational achievement;
3. Invest in critical infrastructure including new technologies and improvement of existing resources and transportation;
4. Strengthen community and economic development by leveraging strategic natural, cultural, and local assets;
5. Invest in capacity and leadership of Appalachian Mississippi.

## **Distressed Counties**

The strategies set forth in this annual plan as well as in the four-year Development Plan apply in particular to Mississippi Appalachia's distressed counties. Further, the Mississippi Appalachian Regional Office will continue its collaboration with Planning and Development Districts, local economic development organizations, and local governments to enhance capacity to prepare and submit improved grant proposals from distressed counties.

## **Mississippi Appalachian Regional Commission Operations**

The Mississippi Appalachian Regional Office will focus on areas of highest need, areas suffering from economic distress, areas with existing health hazards, areas where projects will have the most impact, and areas that are not able to help themselves. Mississippi Appalachian Regional Office requests will be considered on a case-by-case basis and must contain performance measures, outputs and outcomes consistent with those set by the Commission in their Performance Plan for

FY 2026. The Planning and Development Districts (PDD) are encouraged to solicit as many proposals as possible within their service area so that the needs of the Appalachian people can be identified. The Mississippi Appalachian Regional Office staff will continue to work with the PDDs, local government officials, economic developers, non-profits, and Mississippi Development Authority to address the needs of the Region and build their capacity to serve the region.

Certain types of projects are inappropriate for federal funding. Except for unusual circumstances, which will be fully documented and explained, the following type of activity will not be eligible for ARC funding in Mississippi: Projects related to the operation of local government (This includes construction of city halls, courthouses, jails, etc. as well as salaries and operating cost related to government functions. This restriction will not, however, extend to programs operated by local government that provide direct service to the residents of the Mississippi ARC region such as education or health services.)

### **General Funding Timelines and Procedures**

- Generally, Pre-Applications are due in August, but may be submitted at any time during the year and held by the ARO until the next funding cycle.
- Applications are reviewed and prioritized by Mississippi ARO staff in conjunction with state and federal partners and subject matter experts, according to ARC guidelines. Submissions are screened based on criteria below.
- After review projects go to the Governor who makes final recommendations for full project submissions.
- Proposals selected for funding will be invited to submit full applications; this generally occurs during the last quarter of the year.
- Full ARC project submissions are due within 90 days of being called for full application.
- Applicants are strongly encouraged to work with their local PDD for Technical Assistance with Pre-Application and/or Full Submission.

In addition to meeting the requirements of the ARDA of 1965, all projects must demonstrate a contribution to achievement of one or more of the Commission's strategic goals, except that the state may request, in accordance with Section 303 of ARDA, approval of a project or projects without such supporting demonstration to take advantage of special development opportunities, or to respond to emergency economic distress.

ARC conducts workshops for applicants and grantees. Project applications must include measurable outputs and outcomes that are consistent with and can be measured in accordance with federal and state performance measurement requirements. All projects must track the actual outputs and outcomes for up to three years after project completion. This may be monitored by the Registered State Basic Agency – Mississippi Development Authority (MDA), ARO, ARC and/or the ARC Office of Inspector General, or other federal and state entities, during the grant period and after closeout.

Mississippi does not put a firm dollar cap on amount of funding a participant can request. Funding levels are limited by the ARC Code based on county classification and type of project. The Governor reserves the right to approve or reject the requested amount of ARC funding for the project and does not have to award funds at the maximum funding level.

Grant funding for operation is usually limited to an initial year and one year's continuation if deemed necessary. No project is guaranteed more than one year of support. Generally, ARC funds

will be reduced if a second year of funding is approved. Proposals should include a plan for continuation of the program after ARC funds are expended.

ARC participation cost shall be limited to 50% of project costs with the following exceptions:

- Projects located in ARC designated distressed counties may receive a maximum of 80% of project costs, with a corresponding 20% match
- Projects located in ARC designated at-risk counties may receive a maximum of 70% of project costs, with a corresponding 30% match
- ARC assistance for multi-county projects in which at least half of the counties are distressed may be increased to as much as 80% of project costs.
- If at least one, but less than half of counties are distressed, ARC assistance is limited to the highest of 50% or the average percentage applicable to the counties in the project. Multi-county projects may be partly funded from distressed county funds and area development funds based on the number of distressed counties and non-distressed counties identified in the project.

The following criteria will be used to score and rank projects for recommendation to Governor Reeves for consideration:

- Alignment of project with Mississippi Governor Tate Reeves' Strategies as defined in this document and ARC Investment Goals
- Jobs created and/or retained
- Projects that leverage private investment or spur additional private investment
- Projects with other federal funding will be given higher priority
- Strength of overall financial plan for project
- Amount of ARC funds applicant has received to date
- Amount of time since most recent ARC funds received
- Past ARC project performance
- Private investment in the project
- Ratio of local match to ARC funds
- Severity and/or imminence of project need
- Project scope and cost effectiveness
- Proposed performance measures
- Benchmarks, Timelines, Action Plan completeness

Projects will be evaluated based on committed and expected financial resources. Projects with private investment will be scored highest. Projects with secured local or other federal funds will be given higher scores than those with expected or applied for funds. These projects should include letters of commitment from these sources.

At any time during the fiscal year, the ARO, with the permission of Governor Reeves or the ARC Alternate, reserves the right to fast-track a project to supersede all applications when the project will create private sector or high wage jobs. The better and the higher paying the jobs, in comparison with prevailing local employment characteristics, the more aggressive the Mississippi Appalachian Regional Office will be in designating the project an Economic Development Priority.

The Governor may reserve the right to recommend projects for final approval that are not included in the enclosed list of objectives and strategies but are consistent with the goals and objectives outlined in ARC's Strategic Plan and Mississippi's 4-Year ARC Development Plan.