117TH CONGRESS  
1ST SESSION  
H. R. 4651

To require the Secretary of Commerce, acting through the Assistant Secretary for Economic Development, to establish a RECOMPETE grant program to provide flexible, 10-year block grants for purposes of creating quality jobs, providing resources to help local residents access opportunities and attain and retain employment, increasing local per capita income and employment rates, and supporting long-term, sustained economic growth and opportunity in persistently distressed areas, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES  
JULY 22, 2021

Mr. Kilmer (for himself, Ms. Herrera Beutler, Ms. DelBene, Mr. LaMalfa, Mr. Aguilar, Mr. Palazzo, Mr. Bera, Mr. Beyer, Mr. Blumenauer, Ms. Blunt Rochester, Mrs. Bustos, Mr. Carrajal, Mr. Cicilline, Mr. Cooper, Ms. Craig, Mr. Crow, Ms. Davids of Kansas, Mrs. Demings, Mr. Deutch, Mrs. Dingell, Mr. Foster, Mr. Harder of California, Mr. Himes, Mr. Horsford, Ms. Houlahan, Mr. Jeffries, Mr. Khanna, Mr. Kildee, Mr. Kind, Mr. Larson of Connecticut, Mrs. Luria, Ms. Manning, Mrs. McBath, Mr. Morelle, Mrs. Murphy of Florida, Mr. Norcross, Mr. Panetta, Mr. Perlmutter, Mr. Peters, Mr. Phillips, Miss Rice of New York, Mr. Ryan, Mr. Schiff, Ms. Schrier, Ms. Sewell, Ms. Sherrill, Mr. Soto, Ms. Strickland, Mr. Trone, Mr. Vela, and Mr. Yarmuth) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To require the Secretary of Commerce, acting through the Assistant Secretary for Economic Development, to estab-
lish a RECOMPETE grant program to provide flexible, 10-year block grants for purposes of creating quality jobs, providing resources to help local residents access opportunities and attain and retain employment, increasing local per capita income and employment rates, and supporting long-term, sustained economic growth and opportunity in persistently distressed areas, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Rebuilding Economies and Creating Opportunities for More People Everywhere To Excel Act” or the “RECOMPETE Act”.

SEC. 2. DEFINITIONS.

In this Act:

(1) APPLICABLE AREA.—The term “applicable area”—

(A) with respect to a local labor market, local community, or partial local labor market—

(i) means—

(I) the geographical area of the local labor market, local community, or partial local labor market; and

(II) each corresponding unit of local government in the geographical area described in subclause (I); and
(ii) does not include any Tribal land
in the geographical area described in
clause (i)(I), unless the Tribal government
with jurisdiction over the Tribal land elects
to participate in an applicable cooperation
agreement under section 3(b)(2)(B); and

(B) with respect to a Tribal government,
means the Tribal land subject to the jurisdi-
tion of the Tribal government.

(2) APPLICANT.—The term “applicant”
means—

(A) a unit of general local government,
such as a county or a county equivalent (includ-
ing a borough in the State of Alaska and a par-
ish in the State of Louisiana), city, town, vil-
lage, or other general-purpose political subdivi-
sion of a State;

(B) the District of Columbia;

(C) a territory or possession of the United
States;

(D) a Tribal government;

(E) a State-authorized political subdivision
or other entity, such as a special-purpose entity
engaged in economic development activities;
(F) a public or private nonprofit organization, acting in cooperation with the officials of a political subdivision or entity described in subparagraph (E);

(G) an economic development district (as defined in section 3 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3122)); and

(H) a consortium of units of general local government within an applicable area.

(3) COOPERATION AGREEMENT.—The term “cooperation agreement” means an agreement entered into under section 3(b) relating to the implementation of a RECOMPETE plan for an applicable area.

(4) ELIGIBLE.—The term “eligible” means—

(A) with respect to a local labor market, local community, partial local labor market, or Tribal government, that the local labor market, local community, partial local labor market, or Tribal government meets the applicable distress eligibility criteria described in section 3(a); and

(B) with respect to an applicant or lead entity, that the applicant or lead entity has submitted an application for a RECOMPETE
grant under section 4(a)(2) relating to a local labor market, local community, partial local labor market, or Tribal government described in subparagraph (A).

(5) LEAD ENTITY.—The term “lead entity” means an applicant designated to act as a lead entity pursuant to an applicable cooperation agreement.

(6) LOCAL COMMUNITY.—

(A) IN GENERAL.—The term “local community” means the area served by an applicant described in paragraph (2)(A) that—

(i)(I) is located within a local labor market or partial local labor market that is not eligible; or

(II) is not coexistent with a local labor market; and

(ii) meets such additional criteria, including a minimum population requirement, as the Secretary may establish.

(B) INCLUSIONS.—The term “local community” includes a consortium of 2 or more applicants described in subparagraph (A)—

(i) all of which are located within the same local labor market; or
(ii) each of which is directly adjacent to an area described in subparagraph (A). 

(7) LOCAL LABOR MARKET.—The term “local labor market” means any of the following areas that contains 1 or more applicants described in subparagraphs (A) through (C) of paragraph (2):

(A) A commuting zone, as defined by the Economic Research Service of the Department of Agriculture.

(B) Subject to subparagraph (C), if 1 or more discrete metropolitan statistical areas or micropolitan statistical areas, as defined by the Office of Management and Budget (collectively referred to as “core-based statistical areas”), exist within a commuting zone described in subparagraph (A), each such core-based statistical area.

(C) If the remaining area of a commuting zone described in subparagraph (A), excluding all core-based statistical areas within the commuting zone described in subparagraph (B), contains 1 or fewer counties and has a population of 7,500 or fewer residents, that remaining area combined with an adjacent core-based statistical area within the commuting zone.
(8) **Partial Local Labor Market.**—The term “partial local labor market” means a geographical area that—

(A) is located within, but is not coextensive with, a local labor market; and

(B) contains 1 or more applicants described in subparagraphs (A) through (C) of paragraph (2).

(9) **Prime-age.**—The term “prime-age” means individuals between the ages of 25 years and 54 years.

(10) **Prime-age Employment Gap.**—

(A) **In General.**—The term “prime-age employment gap”, with respect to an applicable area, means the difference (expressed as a percentage), calculated in accordance with subparagraph (B), between—

(i) the national 5-year average prime-age employment rate; and

(ii) the 5-year average prime-age employment rate of the applicable area.

(B) **Calculation.**—For purposes of calculating the prime-age employment gap under subparagraph (A), an applicant shall use data relating to the most recent 5-year period for
which data are available preceding the first date
of the application period established for the ap-
plicant under section 4(a)(2)(B).

(11) Prime-age employment rate.—

(A) In general.—The term “prime-age
employment rate”, with respect to an applicable
area, means the quotient (expressed as a per-
centage), calculated in accordance with sub-
paragraph (B), obtained by dividing—

(i) the 5-year average quantity of the
prime-age population of the applicable area
that is employed; by

(ii) the total prime-age population of
the applicable area.

(B) Calculation.—For purposes of cal-
culating the prime-age employment rate under
subparagraph (A), an applicant shall use data
relating to the most recent 5-year period for
which data are available preceding the first date
of the application period established for the ap-
plicant under section 4(a)(2)(B).

(12) Recipient.—The term “recipient” means,
as applicable—

(A) an applicant to which a RECOMPETE
grant is provided; or
(B) a lead entity designated pursuant to a cooperation agreement entered into under section 3(b) for an applicable area for which a RECOMPETE grant is provided.

(13) RECOMPETE GRANT.—The term “RECOMPETE grant” means a grant provided to a recipient under section 4(a).

(14) RECOMPETE PLAN.—The term “RECOMPETE plan” means a plan developed by an applicant under section 4(b).

(15) SECRETARY.—The term “Secretary” means the Secretary of Commerce, acting through the Assistant Secretary for Economic Development.

(16) SUBRECIPIENT.—The term “subrecipient” means an applicant located within an applicable area that—

(A) is not a recipient; but

(B) receives funds provided under a RECOMPETE grant in such manner and in such amounts as may be agreed to in the RECOMPETE plan for the applicable area.

(17) TRIBAL GOVERNMENT.—The term “Tribal government” means the recognized governing body of any Indian or Alaska Native tribe, band, nation, pueblo, village, community, component band, or com-
ponent reservation, individually identified (including parenthetically) in the list published by the Bureau of Indian Affairs on January 29, 2021, pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 5131).

(18) TRIBAL LAND.—The term “Tribal land” means—

(A) any land located within the boundaries of an Indian reservation, pueblo, or rancheria; or

(B) any land not located within the boundaries of an Indian reservation, pueblo, or rancheria, the title to which is held—

(i) in trust by the United States for the benefit of an Indian Tribe or an individual Indian;

(ii) by an Indian Tribe or an individual Indian, subject to restriction against alienation under laws of the United States; or

(iii) by a dependent Indian community.

SEC. 3. DISTRESS ELIGIBILITY CRITERIA AND COOPERATION AGREEMENTS.

(a) Distress Eligibility.—
(1) CRITERIA.—To be eligible for a RECOM-PETE grant, a local labor market, local community, partial local labor market, or Tribal government shall meet the following criteria, as applicable, as determined by the Secretary:

(A) LOCAL LABOR MARKETS.—A local labor market shall have a prime-age employment gap equal to not less than 2.5 percent.

(B) LOCAL COMMUNITIES.—A local community shall—

(i) meet the applicable requirements described in section 2(6); and

(ii) have—

(I) a median household income equal to not more than $75,000; and

(II)(aa) a prime-age employment gap of not less than 5 percent; or

(bb) as determined by the Secretary, a special need arising from—

(AA) a recent decrease in the applicable prime-age employment rate; or

(BB) another severe economic disruption that is likely to
reduce the applicable prime-age employment rate.

(C) Partial local labor markets.—A partial local labor market shall—

(i) have a prime-age employment gap equal to not less than 2.5 percent; and

(ii) receive a waiver under subsection (b)(3)(A).

(D) Tribal governments.—

(i) In general.—A Tribal government shall have a prime-age employment gap of not less than 2.5 percent, as calculated under clause (ii).

(ii) Calculation.—For purposes of clause (i), the prime-age employment gap of a Tribal government shall be calculated, with respect to the most recent 5-year period for which data are available, for all individuals residing on the Tribal land of the Tribal government.

(2) Limitations.—

(A) Applicable areas.—A local labor market, local community, partial local labor market, or Tribal government shall not be eligi-
(B) APPLICANTS.—For purposes of the RECOMPETE grant program, an applicant may not be considered to be located in, or submit an application under section 4(a)(2) on behalf of, more than 1 eligible local labor market, local community, partial local labor market, or Tribal government.

(b) COOPERATION AGREEMENTS.—

(1) REQUIREMENT.—

(A) IN GENERAL.—Subject to paragraph (3), if an applicable area contains 2 or more applicants described in subparagraph (A), (B), or (C) of section 2(2), each such applicant shall, as a condition of receiving a RECOMPETE grant for the applicable area—

(i) enter into a legally binding cooperation agreement for the applicable area in accordance with subparagraph (C); and

(ii) designate 1 applicant as the lead entity to act in a representative capacity for purposes of assuming overall responsibility for carrying out the programs and
activities, and achieving compliance with the applicable requirements, under the RE-
COMPETE grant.

(B) Participation by other applicants.—An applicant described in subpara-
graph (E), (F), or (G) of section 2(2) that is located in an applicable area for which a co-
operation agreement is entered into under sub-
paragraph (A) may elect to join the cooperation agreement, at the discretion of the applicant.

(C) Terms.—A cooperation agreement under this subsection shall include—

(i) a written statement that—

(I) is executed by each applicant that is a party to the cooperation agreement; and

(II) establishes the consent of the applicant to be bound by the terms of—

(aa) the cooperation agree-
ment; and

(bb) the RECOMPETE plan for the applicable area; and
(ii) a process for redress of any action, or failure to act, by the lead entity that is detrimental to an applicant.

(D) LIMITATION.—An applicable area may be the subject of only 1 cooperation agreement.

(2) ELECTION BY LOCAL COMMUNITIES AND TRIBAL GOVERNMENTS.—

(A) LOCAL COMMUNITIES.—

(i) IN GENERAL.—A local community may enter into a cooperation agreement described in paragraph (1) with any other local communities located within the same local labor market, subject to the condition that 1 or more of those local communities shall be an eligible local community.

(ii) PARTIES.—A cooperation agreement under clause (i) may be executed between or among—

(I) an eligible local community;

and

(II) 1 or more—

(aa) other eligible local communities, or applicants within an eligible local community, located
within the same local labor mar-
ket; or

(bb) applicants that are not
located within an eligible local
community, but are located with-
in the same local labor market as
an eligible local community.

(iii) ADDITIONAL AMOUNTS.—On exe-
cution of a cooperation agreement under
this subparagraph involving 1 or more ap-
plicants described in clause (ii)(II)(bb), the
Secretary may award additional amounts
in accordance with subsection (c)(6) of sec-
tion 6, subject to the applicable cost-shar-
ing requirements of subsection (e)(2) of
that section.

(B) TRIBAL GOVERNMENTS.—

(i) IN GENERAL.—Regardless of
whether the Tribal government is eligible,
subject to clause (ii), a Tribal government
may elect to enter into a cooperation
agreement described in paragraph (1) with
1 or more applicants from an eligible local
labor market, local community, or partial
local labor market that is adjacent to the Tribal land of the Tribal government.

(ii) **DEADLINE.**—An election by a Tribal government under clause (i) shall be made by not later than 45 days after the first date of the application period established for the Tribal government under section 4(a)(2)(B).

(iii) **TREATMENT.**—If a Tribal government elects to enter into a cooperation agreement under clause (i)—

(I) the Tribal land of the Tribal government shall be—

(aa) considered to be included in the applicable area of the eligible local labor market, local community, or partial local labor market that is the subject of the cooperation agreement; and

(bb) subject to the RECOM-PETE plan for the applicable area described in item (aa); and

(II) the amount of the RECOM-PETE grant to which the Tribal gov-
ernment is otherwise eligible to receive, if applicable—

(aa) shall not be decreased;

and

(bb) shall be added to the amount provided to the applicable lead entity for use in accordance with the RECOMPETE plan.

(iv) ENCOURAGEMENT TO COLLABORATE. —To the maximum extent practicable, the Secretary shall encourage Tribal governments to enter into cooperation agreements described in clause (i).

(v) EFFECT OF SUBPARAGRAPH. — Nothing in this subparagraph—

(I) requires a Tribal government to enter into a cooperation agreement in order to receive a RECOMPETE grant;

(II) penalizes a Tribal government that does not elect to participate in a cooperation agreement; or
(III) otherwise affects the amount of a RECOMPETE grant to be provided to any Tribal government.

(3) Waivers.—

(A) In general.—The Secretary may waive the requirement under paragraph (1) with respect to an applicant acting on behalf of a partial local labor market that—

(i) meets the criterion described in subsection (a)(1)(C)(i);

(ii) is located within an eligible local labor market with respect to which a co-operation agreement is unable to be executed under paragraph (1), despite reasonable efforts; and

(iii) submits to the Secretary a request for a waiver under this paragraph demonstrating the ability to carry out the programs and activities, and achieve compliance with the applicable requirements, under sections 4 and 5 in the applicable area.

(B) Effect.—On receipt of a waiver under subparagraph (A), a partial local labor market—
(i) shall be eligible to receive a RECOMPETE grant; and

(ii) may elect to carry out the programs and activities, and achieve compliance with the applicable requirements, in the applicable area under the RECOMPETE grant—

(I) independently; or

(II) by designating from among applicants located within the applicable area a lead entity pursuant to a cooperation agreement described in paragraph (1), which shall submit to the Secretary a written notice in accordance with paragraph (4).

(4) SUBMISSION TO SECRETARY.—On execution of a cooperation agreement under paragraph (1), (2), or (3)(B)(ii)(II), the lead entity shall submit to the Secretary a written notice that—

(A) describes—

(i) the cooperation agreement;

(ii) the date of execution of the cooperation agreement;

(iii) the authorization of the lead entity under the cooperation agreement; and
(iv) the formation of a consortium described in section 2(2)(H) under the cooperation agreement, if applicable; and
(B) includes—
   (i) a copy of each written statement under paragraph (1)(C)(i) relating to the cooperation agreement; and
   (ii) any necessary certifications or other documentation relating to the cooperation agreement.

SEC. 4. RECOMPETE GRANT PROGRAM.
(a) Establishment.—
   (1) In general.—The Secretary shall establish a formula grant program under which the Secretary shall provide to eligible applicants and lead entities block grants, to be known as “RECOMPETE grants”, to carry out programs and activities in the applicable areas served by the applicants and lead entities that—
   (A) create quality jobs;
   (B) provide resources to help local residents—
       (i) access opportunities; and
       (ii) attain and retain employment;
(C) increase local per capita income and prime-age employment rates; and

(D) support long-term, sustained economic growth and opportunity in persistently distressed areas.

(2) APPLICATIONS.—

(A) IN GENERAL.—To be considered for the provision of a RECOMPETE grant, an eligible applicant or lead entity shall submit to the Secretary an application—

(i) at such time, in such manner, and containing such information as the Secretary determines to be appropriate; and

(ii) that includes a RECOMPETE plan for the applicable area served by the applicant or lead entity, in accordance with subsection (b).

(B) APPLICATION WINDOWS.—In carrying out the RECOMPETE grant program, the Secretary shall establish the periods during which applications may be submitted under subparagraph (A), subject to the conditions that—

(i) the initial application period established under this subparagraph shall be not less than 3 years; and
(ii) for the second application period under this subparagraph and each period thereafter, the Secretary may, as the Secretary determines to be appropriate—

(I) extend the period;

(II) accept late applications;

(III) initiate a new application cycle; and

(IV) establish additional rules and regulations under this subsection.

(C) LIMITATIONS.—

(i) IN GENERAL.—Subject to clause (ii), the Secretary may establish a limitation on—

(I) the number of applications to be accepted by the Secretary during each fiscal year from each type of applicant; and

(II) the total amount of each RECOMPETE grant payment provided for each fiscal year.

(ii) REQUIREMENTS.—In establishing any limitation under clause (i), the Secretary shall ensure that—
(I) each applicant and lead entity that submits to the Secretary an application satisfactory to the Secretary for an application period established under subparagraph (B) shall be considered for receipt of a RECOMPETE grant during that application period; and

(II) the Secretary is able—

(aa) to review applications and provide technical assistance and expertise to applicants in the development and implementation of RECOMPETE plans; and

(bb) to conduct benchmark evaluations and meet applicable reporting requirements in accordance with section 5.

(D) PRIORITY.—In selecting recipients of RECOMPETE grants, the Secretary shall give priority consideration to severely distressed, eligible—

(i) local labor markets; and

(ii) Tribal governments.
(E) APPROVAL.—The Secretary shall approve or disapprove each application submitted under this paragraph (including the RECOMPETE plan included in the application) as soon as practicable after the date of receipt of the application.

(3) TERM.—A RECOMPETE grant shall—

(A) have a term of 10 fiscal years; and

(B) be disbursed over that term in accordance with section 6(d).

(b) RECOMPETE PLANS.—

(1) IN GENERAL.—As a condition of receipt of a RECOMPETE grant, the application of an applicant or lead entity under subsection (a)(2) shall include a RECOMPETE plan for the applicable area served by the applicant or lead entity in accordance with this subsection.

(2) REQUIREMENTS.—A RECOMPETE plan shall include the following information with respect to the applicable area:

(A) An identification of—

(i) each economic development challenge proposed to be addressed using a RECOMPETE grant; and
• any past, present, or projected future economic development investments in the applicable area, including, with respect to the investment—
  (I) each public and private participant; and
  (II) each source of funding.

(B) A comprehensive strategy, for the 10-year period beginning on the proposed date of receipt of a RECOMPETE grant, to address the economic challenges identified under subparagraph (A)(i), in accordance with subsection (d), in a manner that—
  (i) promotes long-term, sustained economic growth, opportunity, job creation, employment, and increased per capita income;
  (ii) reduces the prime-age employment gap of the applicable area;
  (iii) creates jobs and connects local workers to employment and other economic opportunities;
  (iv) maximizes the effective development and use of the local workforce; and
(v) provides accessible resources to support job attainment and retention.

(C) The total projected cost to carry out the RECOMPETE plan.

(D) The total amount of the RECOMPETE grant requested, and the justification for that amount.

(E) The roles and responsibilities of each recipient and subrecipient carrying out an activity under the RECOMPETE plan.

(F) The proposed allocation by the recipient to subrecipients of any RECOMPETE grant amounts.

(G) An identification of certain benchmark criteria for use in benchmark evaluations under section 5(a), including reducing the prime-age employment gap of the applicable area by certain percentages at periodic intervals, with the goals of—

(i) reducing the prime-age employment gap by not less than 50 percent on completion of the term of the RECOMPETE grant provided to the recipient; and
(ii) achieving compliance with such other criteria as the Secretary may estab-

(3) Optional Inclusions.—A RECOMPETE plan may include strategies—

(A) to address inequality in the applicable area, such as inequality with respect to income, opportunity, or employment on the basis of race, gender, religion, or sexual orientation;

(B) to support business development and entrepreneurship; and

(C) to support innovation and businesses, job creation, and workforce development in industries expected to continue or increase in force in the applicable area.

(4) Consent of Parties to Cooperation Agreement.—If an applicable area is subject to a cooperation agreement under section 3(b), the RE-

COMPETE plan for the applicable area shall be—

(A) developed in accordance with that co-

operation agreement; and

(B) consented to by each applicant that is a party to the cooperation agreement.

(5) Integration with Comprehensive Economic Development Strategy.—If an applicable
area is subject to a comprehensive economic develop-
ment strategy approved by the Secretary under sec-
tion 302 of the Public Works and Economic Devel-
opment Act of 1965 (42 U.S.C. 3162), the RECOM-
PETE plan for the applicable area—

(A) shall be integrated with that strategy,
to the maximum extent practicable; and
(B) may be developed and included as a
supplemental portion of that strategy, rather
than as an independent plan.

(6) APPROVAL BY SECRETARY.—The Secretary
shall approve a RECOMPETE plan that the Sec-
retary determines meets the applicable requirements
of this subsection.

(c) PLANNING AND TECHNICAL ASSISTANCE.—

(1) PLANNING ASSISTANCE.—

(A) IN GENERAL.—For purposes of assist-
ing a recipient in developing a RECOMPETE
plan, the Secretary may make an advance pay-
ment of a RECOMPETE grant in accordance
with subparagraph (B), if the Secretary deter-
mines that—

(i) the recipient requires such an ad-

ance; and

(ii) the advance will be used—
(I) effectively; and

(II) for planning purposes.

(B) MAXIMUM AMOUNT.—The amount of an advance payment under subparagraph (A) shall be equal to not more than the lesser of—

(i) an amount equal to 5 percent of the maximum RECOMPETE grant amount to be provided to the applicable recipient; and

(ii) $300,000.

(C) NO COST SHARE.—An advance payment made under this paragraph shall not be subject to any cost-sharing requirement.

(2) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance, if necessary, in each applicable area relating to—

(A) the development of a RECOMPETE plan that meets the applicable requirements of this subsection with respect to the applicable area; and

(B) implementation of the programs and activities included in the RECOMPETE plan for the applicable area.

(d) USE OF FUNDS.—
(1) IN GENERAL.—Subject to paragraphs (2) and (3), a recipient or subrecipient may use a RECOMPETE grant to carry out programs and activities in the applicable area, in accordance with the RECOMPETE plan, including—

(A) the provision of business advice and assistance to small and medium-sized local businesses and entrepreneurs, including—

(i) manufacturing extension services;

(ii) small business development centers;

(iii) centers to help businesses bid for Federal procurement contracts;

(iv) entrepreneurial assistance programs that link entrepreneurs with available public and private resources;

(v) legal advice and resources; and

(vi) assistance in accessing capital;

(B) land and site development programs, such as brownfield redevelopment, research and technology parks, business incubators, business corridor development, and Main Street redevelopment programs;
(C) infrastructure and housing activities that are directly related to supporting job creation and employment for residents, such as—

(i) improvements to transit, roads, and broadband access;

(ii) affordable housing development;

(iii) land-use and zoning reforms; and

(iv) transit-oriented development activities;

(D) job training oriented to local employer needs, such as customized job training programs carried out by local community colleges in partnership with local businesses;

(E) workforce outreach programs, such as—

(i) programs located in, and targeted to, lower-income and underemployed neighborhoods; and

(ii) embedding job placement and training services in neighborhood institutions such as churches, housing projects, and community advocacy programs;

(F) job retention programs and activities, such as the provision of—
(i) job coaches, including at locations of employment;

(ii) child care services, including subsidizing the construction, operation, maintenance, and labor costs of child care centers; and

(iii) transportation support, such as support for vehicle repairs to assist in the transit of workers to jobs; and

(G) such other programs and activities as the Secretary determines to be appropriate, including any proposed programs or activities that the recipient demonstrates clearly and substantially, to the satisfaction of the Secretary, will directly advance the goals of the RECOMPETE grant program.

(2) METHOD.—In carrying out programs and activities described in paragraph (1), a recipient or subrecipient may—

(A) use amounts provided under a RECOMPETE grant to carry out such a program or activity directly; or

(B) enter into a contract or other agreement with a subcontractor or vendor (including nongovernmental, nonprofit organizations and
for-profit entities) to carry out such a program
or activity.

(3) OUTSIDE PROGRAMS AND ACTIVITIES.—A
recipient acting on behalf of an eligible local commu-
nity that enters into a cooperation agreement under
section 3(b)(2)(A)(ii)(II) with a local community
that is not eligible, but is located within the same
local labor market, may use amounts provided under
a RECOMPETE grant to carry out a program or
activity described in paragraph (1) in the ineligible
local community, if the program or activity would
provide a benefit to residents of the eligible local
community.

(e) REGIONAL COMMISSIONS.—

(1) DEFINITION OF REGIONAL COMMISSION.—
In this subsection, the term “Regional Commission”
means—

(A) any of the Regional Commissions (as
defined in section 3 of the Public Works and
Economic Development Act of 1965 (42 U.S.C.
3122));

(B) the Northern Border Regional Com-
mission;

(C) the Southeast Crescent Regional Com-
mission;
(D) the Southwest Border Regional Commission; and
(E) any other regional commission established under Federal law, subject to the approval of the Secretary.

(2) TECHNICAL ASSISTANCE AND SUPPORT.—If an applicant (or any portion of the service area of an applicant) is located in a region covered by a Regional Commission, the Regional Commission is encouraged to provide technical assistance and other support relating to applying for a RECOMPETE grant and developing and carrying out a RECOMPETE plan to—

(A) the applicant;
(B) the lead entity, if applicable; and
(C) any other relevant entities.

(3) ACTION BY SECRETARY.—The Secretary shall—

(A) encourage each recipient to coordinate the implementation of a RECOMPETE plan with the activities of each Regional Commission serving the region in which the applicable area is located; and
(B) ensure that a copy of the RECOMPETE plan for each applicable area is provided to each affected Regional Commission.

SEC. 5. ADMINISTRATION, REPORTING, AND OVERSIGHT.

(a) BENCHMARK EVALUATIONS.—

(1) IN GENERAL.—The Secretary shall establish a process under which the Secretary shall conduct periodic benchmark evaluations of each recipient to ensure that the recipient successfully carries out the programs and activities described in the RECOMPETE plan of the recipient.

(2) TIMING.—The Secretary shall conduct a benchmark evaluation of a recipient under this subsection—

(A) for a recipient of a RECOMPETE grant provided during the initial application period under section 4(a)(2)(B)(i), by not later than 3 years after the date of the initial award of the RECOMPETE grant; and

(B) not less frequently than once every 2 years thereafter during the term of the RECOMPETE grant provided to the recipient.

(3) CRITERIA.—In conducting a benchmark evaluation of a recipient under this subsection, the
Secretary shall determine whether the recipient has—

(A) adhered to the timelines and requirements of the programs and activities identified in the RECOMPETE plan of the recipient;

(B) made sufficient progress toward achieving the benchmarks and objectives described in that RECOMPETE plan;

(C) increased the overall employment rate, the prime-age employment rate, median household income, and per capita income in the applicable area; and

(D) achieved compliance with such other criteria as the Secretary determines to be relevant.

(b) Modification of Plans.—

(1) Requirement for Recipients.—A recipient shall modify the RECOMPETE plan of the recipient, or any program or activity conducted under that RECOMPETE plan, if the Secretary—

(A) determines that—

(i) such a program or activity is ineffective or underperforming; or

(ii) with respect to the RECOMPETE plan, program, or activity—
(I) an applicable performance metric or criterion has not been met; or

(II) funds have been misused; and

(B) directs the recipient to modify the RECOMPETE plan, program, or activity.

(2) AUTHORITY OF SECRETARY.—

(A) ADJUSTMENTS AND INCREASES IN FUNDING.—The Secretary may increase the amount of the RECOMPETE grant provided to the recipient as the Secretary determines to be appropriate, taking into consideration any modifications made to the RECOMPETE plan under paragraph (1), in an amount equal to not more than the maximum amount available on the date of approval of the RECOMPETE grant application for the applicable area and subject to the availability of funds, if the Secretary determines that—

(i) events or other factors beyond the control of the recipient significantly—

(I) altered applicable project circumstances; or
(II) prevented the recipient from meeting the objectives and benchmarks of the RECOMPETE plan; or
(ii) a labor market, economic, business, or technology shift, or any other major factor, warrants such a modification and increase in funding.

(B) WITHHOLDING AND TERMINATING FUNDING.—The Secretary may temporarily withhold or terminate any amount scheduled to be provided under a RECOMPETE grant if the Secretary determines that—

(i) after a reasonable effort, an agreement cannot be reached with respect to a modification to a RECOMPETE plan recommended or required by the Secretary under this subsection; or

(ii)(I) a gross, intentional misuse of RECOMPETE grant funds (including any activity subject to a penalty under section 605 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3215)) has occurred; and

(II) the individual or entity responsible for the misuse is not removed from all
programs and activities carried out under
the RECOMPETE plan.

(c) Recipient Reporting Requirements.—Each
recipient shall be subject to—

(1) the grant reporting requirements under part
200 of title 2, Code of Federal Regulations (or suc-
cessor regulations); and

(2) such additional, clear, annual reporting re-
quirements as the Secretary may establish to gather
any information necessary to conduct the benchmark
and final evaluations under this section.

(d) Final Evaluation.—

(1) In General.—Not later than 1 year after
the final disbursement of a RECOMPETE grant is
provided to each recipient, the Secretary, in coopera-
tion with the recipient and each applicable sub-
recipient, shall conduct a final evaluation of the suc-
cess of the programs and activities carried out under
the RECOMPETE plan of the recipient.

(2) Criteria.—The Secretary shall establish
criteria for use in conducting final evaluations under
this subsection—

(A) in addition to the criteria established
under subsection (a)(3); and
(B) taking into consideration the goal of reducing the prime-age employment gap of each applicable area by 50 percent.

(3) REQUIREMENTS FOR RECIPIENTS.—Each recipient and subrecipient shall—

(A) cooperate with the Secretary in conducting a final evaluation under this subsection; and

(B) provide to the Secretary any information necessary for that evaluation.

(e) REPORT TO CONGRESS.—The Secretary shall submit to Congress comprehensive and detailed annual reports describing the implementation of this Act, including, with respect to the period covered by the report—

(1)(A) a summary assessment of the overall progress of the RECOMPETE grant program; and

(B) as data become available, an analysis of the effectiveness of that program;

(2) labor market and economic metrics to describe the impact of the RECOMPETE grant program, including any progress made toward—

(A) decreasing prime-age employment gaps; or

(B) increasing local per capita income;

(3) detailed demographic analyses of—
(A) the populations served by recipients;

and

(B) relevant labor market statistics;

(4) a summary of the benchmark evaluations conducted under subsection (a), as available;

(5) an identification of, and reasons for rejecting or deferring, as applicable, each application submitted under section 4(a)(2), including the applicable annual RECOMPETE grant amount limitation established by the Secretary under subparagraph (C)(i)(II) of that section, if any; and

(6) such other details as the Secretary determines to be appropriate.

(f) APPLICABILITY OF PWEDA.—

(1) IN GENERAL.—The following sections of the Public Works and Economic Development Act of 1965 shall apply to this Act (including the RECOMPETE grant program):

(A) Section 211 (42 U.S.C. 3151).

(B) Section 503 (42 U.S.C. 3193).

(C) Section 504 (42 U.S.C. 3194).

(D) Section 602 (42 U.S.C. 3212).

(E) Section 604 (42 U.S.C. 3214).

(F) Section 605 (42 U.S.C. 3215).

(G) Section 608 (42 U.S.C. 3218).
(H) Section 610 (42 U.S.C. 3220).

(2) AUTHORITIES AND DUTIES OF SECRETARY.—The Secretary shall have the authorities and duties provided by the sections of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.) referred to in paragraph (1) in administering and enforcing this Act (including the RECOMPETE grant program).

SEC. 6. FUNDING.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this Act $175,000,000,000 for fiscal year 2022, to remain available until expended.

(b) ALLOCATION.—

(1) IN GENERAL.—Subject to paragraph (2), of the amounts made available under subsection (a), the Secretary shall allocate—

(A) not less than 70 percent to recipients acting on behalf of local labor markets or partial local labor markets;

(B) not more than 20 percent to recipients acting on behalf of local communities; and

(C) not less than 10 percent to eligible Tribal governments.
(2) **TREATMENT OF CERTAIN AMOUNTS.**—The amounts allocated pursuant to paragraphs (5) and (6)(B) of subsection (c) shall not be taken into consideration for purposes of calculations under paragraph (1).

(3) **ADMINISTRATIVE COSTS AND PERSONNEL.**—

(A) **IN GENERAL.**—Of any amounts made available to carry out this Act, the Secretary shall transfer not less than 1 percent to the Salary and Expenses Account of the Secretary for the costs of administration and oversight of this Act.

(B) **PERSONNEL.**—The Secretary may—

(i) appoint and fix the compensation of such temporary personnel as may be necessary to carry out this Act; and

(ii) effective beginning on the date on which an individual appointed under clause (i) has served continuously in that appointment for 2 years, appoint the individual to a position in the Economic Development Administration in the same manner in which competitive service employees with competitive status are considered for trans-
fer, reassignment, or promotion to such a position, at which time the individual shall become a career-conditional employee, unless the individual has completed the service requirements for career tenure.

(c) Grant Formulas.—

(1) In General.—Subject to subsection (e), based on the information relating to projected costs contained in applicable RECOMPETE plans under subparagraph (C) of section 4(b)(2), and the justifications described in subparagraph (D) of that section, the amount of a RECOMPETE grant provided to a recipient shall be determined in accordance with this subsection.

(2) Local Labor Markets.—An eligible local labor market may receive not more than the amount equal to the product obtained by multiplying—

(A) the prime-age employment gap of the local labor market;

(B) the prime-age population of the local labor market; and

(C) $70,585.

(3) Local Communities.—Subject to paragraph (6), an eligible local community may receive
not more than the amount equal to the product obtained by multiplying—

(A) the prime-age employment gap of the local community;

(B) the prime-age population of the local community; and

(C) $53,600.

(4) Partial local labor markets.—An eligible partial local labor market may receive not more than the amount equal to the product obtained by multiplying—

(A) the population of the partial local labor market;

(B) the lesser of—

(i) the prime-age employment gap of the local labor market within which the partial local labor market is located; and

(ii) the prime-age employment gap of the partial local labor market; and

(C) $70,585.

(5) Tribal governments.—

(A) In general.—An eligible Tribal government may receive not more than the amount equal to the product obtained by multiplying, subject to subparagraph (B)—
(i) the prime-age employment gap of
the Tribal government;

(ii) the prime-age population of the
Tribal government; and

(iii) $70,585.

(B) CALCULATION OF POPULATION.—

(i) IN GENERAL.—Subject to clause
(ii), for purposes of subparagraph (A), the
population of a Tribal government shall be
equal to the sum obtained by adding—

(I) the product obtained by mul-
tiplying—

(aa) the total number of indi-
viduals residing on the Tribal
land of the Tribal government;

and

(bb) 0.65; and

(II) the product obtained by mul-
tiplying—

(aa) the total number of indi-
viduals included on the mem-
bership roll of the Tribal govern-
ment; and

(bb) 0.35.
(ii) Use of data.—Each calculation under clause (i) shall be determined based on data provided by the applicable Tribal government to the Department of the Treasury under the Coronavirus State and Local Fiscal Recovery Fund programs under title VI of the Social Security Act (42 U.S.C. 801 et seq.) (as amended by subtitle M of title IX of the American Rescue Plan Act of 2021 (Public Law 117–2; 135 Stat. 4)).

(6) Local communities with cooperation agreements.—If an eligible local community elects to enter into a cooperation agreement under section 3(b)(2)(A) with 1 or more local communities that are not eligible—

(A) each eligible local community that is a party to the cooperation agreement may receive the maximum amount available to the eligible local community, as determined under paragraph (3); and

(B) the Secretary may award to the lead entity an additional amount equal to not more than 10 percent of the total amount provided under subparagraph (A), for distribution by the
lead entity to any local community or other applicant that is a party to the cooperation agreement, regardless of whether the local community or other applicant is eligible, for use in accordance with the applicable RECOMPETE plan.

(d) OBLIGATION AND DISBURSEMENT OF FUNDS.—

(1) IN GENERAL.—On approval by the Secretary of an application under section 4(a)(2)(E), the Secretary shall—

(A) obligate the entire amount of the RECOMPETE grant for the applicable recipient; and

(B) disburse that amount to the recipient annually for each of the 10 fiscal years beginning after the date of obligation, in accordance with this subsection.

(2) PROPOSALS.—To receive an annual disbursement under paragraph (1), a recipient shall submit to the Secretary a proposal describing the intended use by the recipient of the disbursement during the applicable fiscal year (including the programs and activities proposed to be carried out and any subcontractor or vendor proposed to be used for
those purposes), in accordance with the RECOMPETE plan of the recipient.

(3) Provision of funding.—On approval by the Secretary of a proposal submitted by a recipient under paragraph (2), the Secretary shall disburse to the recipient the amount of the RECOMPETE grant due to the recipient for the fiscal year, for use in accordance with—

(A) the proposal; and

(B) the RECOMPETE plan of the recipient.

(e) Cost sharing.—

(1) Federal share.—

(A) In general.—The Federal share of the cost of each program and activity carried out using a RECOMPETE grant shall be the cost share described in subparagraph (B) for the applicable recipient, subject to subparagraph (C) and paragraphs (2) through (4).

(B) Descriptions of cost shares.—

(i) Local labor markets.—For an eligible local labor market, the cost share referred to in subparagraph (A) shall be—
(I) 50 percent for an eligible local labor market with a prime-age employment gap equal to—

(aa) not less than 2.5 percent; but

(bb) less than 3 percent; and

(II) an additional 6.25 percent for each prime-age employment gap percentage point of 3 percent or more, as determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Local labor market prime-age employment gap</th>
<th>Federal share</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 percent to less than 4 percent</td>
<td>56.25 percent</td>
</tr>
<tr>
<td>4 percent to less than 5 percent</td>
<td>62.5 percent</td>
</tr>
<tr>
<td>5 percent to less than 6 percent</td>
<td>68.75 percent</td>
</tr>
<tr>
<td>6 percent to less than 7 percent</td>
<td>75 percent</td>
</tr>
<tr>
<td>7 percent to less than 8 percent</td>
<td>81.25 percent</td>
</tr>
<tr>
<td>8 percent to less than 9 percent</td>
<td>87.5 percent</td>
</tr>
<tr>
<td>9 percent to less than 10 percent</td>
<td>93.75 percent</td>
</tr>
<tr>
<td>10 percent or greater</td>
<td>100 percent</td>
</tr>
</tbody>
</table>

(ii) LOCAL COMMUNITIES.—For an eligible local community, the cost share referred to in subparagraph (A) shall be—

(I) 68.75 percent for an eligible local community with a prime-age employment gap equal to—
(aa) not less than 5 percent;

but

(bb) less than 6 percent; and

(II) an additional 6.25 percent for each prime-age employment gap percentage point of 6 percent or more, up to 100 percent, as determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Local community prime-age employment gap</th>
<th>Federal share</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 percent to less than 7 percent</td>
<td>75 percent</td>
</tr>
<tr>
<td>7 percent to less than 8 percent</td>
<td>81.25 percent</td>
</tr>
<tr>
<td>8 percent to less than 9 percent</td>
<td>87.5 percent</td>
</tr>
<tr>
<td>9 percent to less than 10 percent</td>
<td>93.75 percent</td>
</tr>
<tr>
<td>10 percent or greater</td>
<td>100 percent</td>
</tr>
</tbody>
</table>

(iii) Partial local labor markets.—

(I) In general.—Subject to subclause (II), for an eligible partial local labor market, the cost share referred to in subparagraph (A) shall be—

(aa) 50 percent for an eligible partial local labor market with a prime-age employment gap equal to—
(AA) not less than 2.5 percent; but

(BB) less than 3 percent; and

(bb) an additional 6.25 percent for each prime-age employment gap percentage point of 3 percent or more, as determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Lesser of partial local labor market, and local labor market, prime-age employment gaps</th>
<th>Federal share</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 percent to less than 4 percent</td>
<td>56.25 percent</td>
</tr>
<tr>
<td>4 percent to less than 5 percent</td>
<td>62.5 percent</td>
</tr>
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<td>5 percent to less than 6 percent</td>
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<tr>
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<td>93.75 percent</td>
</tr>
<tr>
<td>10 percent or greater</td>
<td>100 percent</td>
</tr>
</tbody>
</table>

(II) CERTAIN LOCAL LABOR MARKETS.—If an eligible partial local labor market is located within a local labor market with a prime-age employment gap that is less than the prime-age employment gap of the partial local labor market, the prime-age
employment gap of the local labor market shall be used for purposes of calculating the Federal share of the partial local labor market under subclause (I).

(iv) Tribal Governments.—For an eligible Tribal government, the cost share referred to in subparagraph (A) shall be 100 percent.

(C) Available Increases.—

(i) Relative Need.—The Federal share determined for a recipient under clause (i), (ii), or (iii) of subparagraph (B) may be increased, based on the relative need of each applicable area and recipient and in accordance with such regulations as the Secretary may promulgate, to not more than 80 percent of the total estimated cost of the programs and activities included in the RECOMPETE Plan for the applicable area.

(ii) Severe Economic Need.—The Federal share determined for a recipient under subparagraph (B) may be increased to not more than 100 percent of the total
estimated cost of the programs and activities included in the RECOMPETE Plan for the applicable area in any case in which the Secretary determines that the recipient or a subrecipient has—

(I) exhausted all other reasonable financing and funding options; and

(II) demonstrated severe economic need.

(2) SPECIAL RULE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share calculated for an eligible local community under paragraph (1) shall not be reduced due to an election by the eligible local community to enter into a co-operation agreement under section 3(b)(2)(A).

(B) EXCEPTION.—If additional amounts are provided for an eligible local community for distribution to subrecipients under section 3(b)(2)(A)(iii), the Federal share calculated under paragraph (1) for the eligible local community shall be not more than 50 percent, subject to any increase in accordance with clause (i) or (ii) of paragraph (1)(C), as applicable.
(3) NON-FEDERAL CONTRIBUTIONS.—In calculating the non-Federal share of the cost of a program or activity carried out under a RECOMPETE plan, the Secretary may provide a credit toward the non-Federal share for any non-Federal contribution to the program or activity—

(A) in cash or in-kind;

(B) fairly evaluated; and

(C) including any contribution of space, equipment, assumption of debt, or service.

(4) REASSESSMENT.—

(A) IN GENERAL.—The Federal share and non-Federal share determined for a recipient under paragraphs (1) and (2) shall apply during the period beginning on the date of enactment of this Act and ending on the date on which the initial benchmark evaluation relating to the recipient is conducted under section 5(a).

(B) PERIODIC REEVALUATION.—As soon as practicable after the date on which each benchmark evaluation relating to a recipient is conducted under section 5(a), the Secretary shall—
(i) reevaluate the Federal share and non-Federal share determined for the recipient under this subsection; and

(ii) determine whether such a cost share should be adjusted, subject to subparagraph (C).

(C) LIMITATION ON FEDERAL SHARE.— The Federal share determined for a recipient under this subsection—

(i) shall not be decreased by more than—

(I) 10 percent, as compared to the Federal share determined for the recipient under this subsection for the preceding period; or

(II) 30 percent, in total; and

(ii) shall be not less than 50 percent.