

ADDITIONS TO APPALACHIAN REGION

NOVEMBER 6, 2003.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. YOUNG of Alaska, from the Committee on Transportation and Infrastructure, submitted the following

R E P O R T

[To accompany H.R. 587]

[Including cost estimate of the Congressional Budget Office]

The Committee on Transportation and Infrastructure, to whom was referred the bill (H.R. 587) to amend title 40, United States Code, to add Ashtabula, Mahoning, and Trumbull Counties, Ohio, to the Appalachian region, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. ADDITIONS TO APPALACHIAN REGION.

(a) KENTUCKY.—Section 14102(a)(1)(C) of title 40, United States Code, is amended—

- (1) by inserting “Nicholas,” after “Morgan,”; and
- (2) by inserting “Robertson,” after “Pulaski,”.

(b) OHIO.—Section 14102(a)(1)(H) of such title is amended—

- (1) by inserting “Ashtabula,” after “Adams,”;
- (2) by inserting “Fayette,” after “Coshocton,”;
- (3) by inserting “Mahoning,” after “Lawrence,”; and
- (4) by inserting “Trumbull,” after “Scioto,”.

(c) TENNESSEE.—Section 14102(a)(1)(K) of such title is amended—

- (1) by inserting “Giles,” after “Franklin,”; and
- (2) by inserting “Lawrence, Lewis, Lincoln,” after “Knox,”.

(d) VIRGINIA.—Section 14102(a)(1)(L) of such title is amended—

- (1) by inserting “Henry,” after “Grayson,”; and
- (2) by inserting “Patrick,” after “Montgomery,”.

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 14703(a) of title 40, United States Code, is amended by striking paragraphs (1) through (3) and inserting the following:

- “(1) \$88,000,000 for each of fiscal years 2002 and 2003.
- “(2) \$91,000,000 for fiscal year 2004.
- “(3) \$93,000,000 for fiscal year 2005.
- “(4) \$95,000,000 for fiscal year 2006.”.

Amend the title so as to read:

A bill to amend title 40, United States Code, to make additions to the Appalachian region, and for other purposes.

PURPOSE OF THE LEGISLATION

The purpose of H.R. 587, as amended, is to add certain counties in the States of Ohio, Virginia, Kentucky and Tennessee to the Appalachian Regional Commission (ARC) and increase the ARC's authorized levels so that these counties can benefit from the work of the ARC.

BACKGROUND AND NEED FOR THE LEGISLATION

Established by the Appalachian Regional Development Act of 1965 (P.L. 89-4), the ARC has as its central mission, alleviating economic distress in the Appalachian region, which covers 410 counties in 13 states, and is home to over 22 million people. Historically, the Appalachian region has faced levels of poverty and economic distress higher than national averages as a result of its geographic isolation and inadequate infrastructure. Three indicators, unemployment, market income, and poverty rates, indicate if a county is distressed. A county is in economic distress if it has a three-year average unemployment rate that is at least 1.5 times the U.S. average; has a per capita market income that is less than two-thirds of the U.S. average; and has a poverty rate that is at least 1.5 times the U.S. average. Since its creation, the ARC has cut in half the number of its counties plagued by severe and chronic economic distress.

H.R. 587 adds 12 counties to the Appalachian Regional Commission (ARC). The legislation adds Ashtabula, Fayette, Mahoning, and Trumbull Counties in the State of Ohio; Nicholas and Robertson Counties in the State of Kentucky; Giles, Lawrence, Lewis, and Lincoln Counties in the State of Tennessee; and Henry and Patrick Counties in the Commonwealth of Virginia.

Membership within the ARC only makes counties eligible to receive assistance under its programs. Each of these counties borders the existing ARC, and each can benefit from the work that the ARC does. There are pockets of distress in each of these counties that have suffered from many of the same economic forces that have plagued the rest of the ARC, including a decline in manufacturing, low steel and coal prices, and high outmigration.

SUMMARY OF THE LEGISLATION

SECTION 1. ADDITIONS TO APPALACHIAN REGION

This section adds additional counties to the Appalachian Regional Commission. Included are Nicholas and Robertson Counties in Kentucky; Ashtabula, Fayette, Mahoning, and Trumbull Counties in Ohio; Giles, Lawrence, Lewis, and Lincoln Counties in Tennessee; and Henry and Patrick Counties in Virginia.

SECTION 2. AUTHORIZATION OF APPROPRIATIONS

This section increases the authorization level for the ARC for each of the Fiscal Years 2004 through 2006 by \$3 million.

LEGISLATIVE HISTORY AND COMMITTEE CONSIDERATION

Mr. LaTourette introduced H.R. 587 on February 5, 2003. On September 24, 2003, the Subcommittee met in open session and considered H.R. 587. An amendment offered by Mr. LaTourette to add additional counties to the ARC was adopted by voice vote, with a quorum present. On a motion by Ms. Norton, H.R. 587, as amended, was ordered favorably reported to the Full Committee, by voice vote, with a quorum present.

On October 1, 2003, the Full Committee considered H.R. 587, as amended. An amendment offered by Mrs. Capito to increase the authorization levels of the ARC was adopted by voice vote, with a quorum present. A motion by Mr. LaTourette, to order H.R. 587, as amended, favorably reported to the House was agreed to by the Full Committee unanimously, by voice vote, with a quorum present. There were no recorded votes taken during Committee consideration of H.R. 587.

ROLLCALL VOTES

Clause 3(b) of rule XIII of the House of Representatives requires each committee report to include the total number of votes cast for and against on each rollcall vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against. There were no rollcall votes taken during consideration of H.R. 587, as amended.

COMMITTEE OVERSIGHT FINDINGS

With respect to the requirements of clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in this report.

COST OF LEGISLATION

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives does not apply where a cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974 has been timely submitted prior to the filing of the report and is included in the report. Such a cost estimate is included in this report.

COMPLIANCE WITH HOUSE RULE XIII

1. With respect to the requirement of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, and 308(a) of the Congressional Budget Act of 1974, the Committee references the report of the Congressional Budget Office included below.

2. With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goals and objectives of this legislation are to reduce poverty by improving economic development opportunities in the newly designated counties.

3. With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 587 from the Director of the Congressional Budget Office.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 8, 2003.

Hon. DON YOUNG,
*Chairman, Committee on Transportation and Infrastructure,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 587, a bill to amend title 40, United States Code, to make additions to the Appalachian region, and for other purposes.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Lanette J. Walker.

Sincerely,

DOUGLAS HOLTZ-EAKIN,
Director.

Enclosure.

H.R. 587—A bill to amend title 40, United States Code, to make additions to the Appalachian region, and for other purposes

Summary: H.R. 587 would add certain counties in Kentucky, Ohio, Tennessee, and Virginia to the Appalachian region and would authorize such counties to receive assistance from the Appalachian Regional Commission (ARC). ARC provides grants to the 13 States in the Appalachian region to promote economic and social development.

H.R. 587 also would authorize the appropriation of \$3 million in each of fiscal years 2004, 2005, and 2006 for such assistance. Based on historical spending patterns of ARC, CBO estimates that implementing the bill would cost \$7 million over the 2004–2008 period, subject to appropriation of the specified amounts. Enacting H.R. 587 would have no impact on direct spending or revenues.

H.R. 587 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would benefit State and local governments in the Appalachian region.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 587 is shown in the following table. The costs of this legislation fall within budget function 450 (community and regional development).

	By fiscal year, in millions of dollars—					
	2003	2004	2005	2006	2007	2008
SPENDING SUBJECT TO APPROPRIATION						
Spending under current law for the Appalachian Regional Commission:						
Authorization level ¹	71	88	90	92	0	0
Estimated outlays	80	85	74	77	76	61
Proposed changes:						
Authorization level	0	3	3	3	0	0
Estimated outlays	0	0	1	2	2	2
Spending under H.R. 587 for the Appalachian Regional Commission:						
Authorization level ¹	71	91	93	95	0	0
Estimated outlays	80	85	75	79	78	63

¹ The 2003 level is the amount appropriated for that year.

Basis of estimate: Under current law, ARC is authorized to receive appropriations totaling \$270 million over fiscal years 2004,

2005, and 2006. H.R. 587 would authorize the appropriation of an additional \$3 million in each of those fiscal years for the ARC to make grants to the 13 states in the Appalachian region for economic and social development projects. Based on historical spending patterns, CBO estimates that implementing H.R. 587 would cost \$7 million over the five-year period, subject to the appropriation of the specified amounts.

Intergovernmental and private-sector impact: H.R. 587 contains no intergovernmental mandates or private-sector mandates as defined in UMRA. New counties added to the Appalachian region, along with other counties and states in this region, would benefit from an increase in the authorizations of appropriations of \$9 million over fiscal years 2004 through 2006 for a variety of grant programs. Any costs to those governments would be incurred voluntarily as conditions of receiving federal aid. This bill would not affect the budgets of other state, local, or tribal governments.

Estimate prepared by: Federal Costs: Lanette J. Walker. Impact on State, Local, and Tribal Governments: Melissa Merrell. Impact on the Private Sector: Jean Talarico.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause (3)(d)(1) of rule XIII of the Rules of the House of Representatives, committee reports on a bill or joint resolution of a public character shall include a statement citing the specific powers granted to the Congress in the Constitution to enact the measure. The Committee on Transportation and Infrastructure finds that Congress has the authority to enact this measure pursuant to its powers granted under article I, section 8 of the Constitution.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act. (Public Law 104–4).

PREEMPTION CLARIFICATION

Section 423 of the Congressional Budget Act of 1974 requires the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt state, local, or tribal law. The Committee states that H.R. 587 does not preempt any state, local, or tribal law.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act are created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or

accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act. (Public Law 104–1).

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, existing law in which no change is proposed is shown in roman):

TITLE 40, UNITED STATES CODE

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SUBTITLE IV—APPALACHIAN REGIONAL DEVELOPMENT

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CHAPTER 141—GENERAL PROVISIONS

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§ 14102. Definitions

(a) DEFINITIONS.—In this subtitle—

(1) APPALACHIAN REGION.—The term “Appalachian region” means that area of the eastern United States consisting of the following counties (including any political subdivision located within the area):

(A) * * *

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(C) In Kentucky, the counties of Adair, Bath, Bell, Boyd, Breathitt, Carter, Casey, Clark, Clay, Clinton, Cumberland, Edmonson, Elliott, Estill, Fleming, Floyd, Garrard, Green, Greenup, Harlan, Hart, Jackson, Johnson, Knott, Knox, Laurel, Lawrence, Lee, Leslie, Letcher, Lewis, Lincoln, McCreary, Madison, Magoffin, Martin, Menifee, Monroe, Montgomery, Morgan, *Nicholas*, Owsley, Perry, Pike, Powell, Pulaski, *Robertson*, Rockcastle, Rowan, Russell, Wayne, Whitley, and Wolfe.

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(H) In Ohio, the counties of Adams, *Ashtabula*, Athens, Belmont, Brown, Carroll, Clermont, Columbiana, Coshocton, *Fayette*, Gallia, Guernsey, Harrison, Highland, Hocking, Holmes, Jackson, Jefferson, Lawrence, *Mahoning*, Meigs, Monroe, Morgan, Muskingum, Noble, Perry, Pike, Ross, Scioto, *Trumbull*, Tuscarawas, Vinton, and Washington.

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(K) In Tennessee, the counties of Anderson, Bledsoe, Blount, Bradley, Campbell, Cannon, Carter, Claiborne, Clay, Cocke, Coffee, Cumberland, DeKalb, Fentress, Franklin, *Giles*, Grainger, Greene, Grundy, Hamblen,

Hamilton, Hancock, Hawkins, Jackson, Jefferson, Johnson, Knox, *Lawrence*, *Lewis*, *Lincoln*, Loudon, McMinn, Macon, Marion, Meigs, Monroe, Morgan, Overton, Pickett, Polk, Putnam, Rhea, Roane, Scott, Sequatchie, Sevier, Smith, Sullivan, Unicoi, Union, Van Buren, Warren, Washington, and White.

(L) In Virginia, the counties of Alleghany, Bath, Bland, Botetourt, Buchanan, Carroll, Craig, Dickenson, Floyd, Giles, Grayson, *Henry*, Highland, Lee, Montgomery, *Patrick*, Pulaski, Rockbridge, Russell, Scott, Smyth, Tazewell, Washington, Wise, and Wythe.

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CHAPTER 147—MISCELLANEOUS

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§ 14703. Authorization of appropriations

(a) IN GENERAL.—In addition to amounts authorized by section 14501 of this title and other amounts made available for the Appalachian development highway system program, the following amounts may be appropriated to the Appalachian Regional Commission to carry out this subtitle:

- 【(1) \$88,000,000 for each of the fiscal years 2002–2004.
- 【(2) \$90,000,000 for fiscal year 2005.
- 【(3) \$92,000,000 for fiscal year 2006.】
- (1) *\$88,000,000 for each of fiscal years 2002 and 2003.*
- (2) *\$91,000,000 for fiscal year 2004.*
- (3) *\$93,000,000 for fiscal year 2005.*
- (4) *\$95,000,000 for fiscal year 2006.*

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