

108TH CONGRESS
1ST SESSION

H. R. 2535

AN ACT

To reauthorize and improve the program authorized by the
Public Works and Economic Development Act of 1965.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
 3 “Economic Development Administration Reauthorization
 4 Act of 2003”.

5 (b) TABLE OF CONTENTS.—The table of contents for
 6 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Amendments to Public Works and Economic Development Act of 1965.

TITLE I—GENERAL PROVISIONS

- Sec. 101. Findings and declarations.
- Sec. 102. Definitions.
- Sec. 103. Establishment of economic development partnerships.
- Sec. 104. Coordination.

TITLE II—GRANTS FOR PUBLIC WORKS AND ECONOMIC
DEVELOPMENT

- Sec. 201. Grants for planning.
- Sec. 202. Cost sharing.
- Sec. 203. Supplementary grants.
- Sec. 204. Regulations on relative needs and allocations.
- Sec. 205. Grants for training, research, and technical assistance.
- Sec. 206. Prevention of unfair competition.
- Sec. 207. Grants for economic adjustment.
- Sec. 208. Use of funds in projects constructed under projected cost.
- Sec. 209. Special impact areas.
- Sec. 210. Performance awards.
- Sec. 211. Planning performance awards.
- Sec. 212. Subgrants.
- Sec. 213. Brownfields redevelopment.
- Sec. 214. Brightfields demonstration program.

TITLE III—COMPREHENSIVE ECONOMIC DEVELOPMENT
STRATEGIES

- Sec. 301. Comprehensive economic development strategies.

TITLE IV—ECONOMIC DEVELOPMENT DISTRICTS

- Sec. 401. Incentives.
- Sec. 402. Provision of comprehensive economic development strategies to regional commissions.

TITLE V—ADMINISTRATION

- Sec. 501. Economic development information clearinghouse.
- Sec. 502. Businesses desiring Federal contracts.
- Sec. 503. Performance evaluations of grant recipients.
- Sec. 504. Conforming amendments.

TITLE VI—MISCELLANEOUS

Sec. 601. Relationship to assistance under other law.

Sec. 602. Sense of Congress regarding economic development representatives.

TITLE VII—FUNDING

Sec. 701. Authorization of appropriations.

TITLE VIII—APPALACHIAN REGIONAL DEVELOPMENT

Sec. 801. Additions to appalachian region.

Sec. 802. Authorization of appropriations.

1 **SEC. 2. AMENDMENTS TO PUBLIC WORKS AND ECONOMIC**
 2 **DEVELOPMENT ACT OF 1965.**

3 Except as otherwise expressly provided, whenever in
 4 this Act an amendment or repeal is expressed in terms
 5 of an amendment to, or a repeal of, a section or other
 6 provision, the reference shall be considered to be made to
 7 a section or other provision of the Public Works and Eco-
 8 nomic Development Act of 1965 (42 U.S.C. 3121 et seq.).

9 **TITLE I—GENERAL PROVISIONS**

10 **SEC. 101. FINDINGS AND DECLARATIONS.**

11 Section 2 (42 U.S.C. 3121) is amended to read as
 12 follows:

13 **“SEC. 2. FINDINGS AND DECLARATIONS.**

14 **“(a) FINDINGS.—**Congress finds the following:

15 **“(1)** There continue to be areas experiencing
 16 chronic high unemployment, underemployment, out-
 17 migration, and low per capita incomes, as well as
 18 areas facing sudden and severe economic dislocations
 19 due to structural economic changes, changing trade
 20 patterns, certain Federal actions (including environ-

1 mental requirements that result in the removal of
2 economic activities from a locality), and natural dis-
3 asters.

4 “(2) Economic growth in our Nation, States,
5 cities, and rural areas is produced by expanding eco-
6 nomic opportunities, expanding free enterprise
7 through trade, developing and strengthening public
8 infrastructure, and creating a climate for job cre-
9 ation and business development.

10 “(3) The goal of Federal economic development
11 programs is to raise the standard of living for all
12 citizens and increase the wealth and overall rate of
13 growth of the economy by encouraging communities
14 to develop a more competitive and diversified eco-
15 nomic base by—

16 “(A) creating an environment that pro-
17 motes economic activity by improving and ex-
18 panding public infrastructure;

19 “(B) promoting job creation through in-
20 creased innovation, productivity, and entrepre-
21 neurship; and

22 “(C) empowering local and regional com-
23 munities experiencing chronic high unemploy-
24 ment and low per capita income to develop pri-

1 vate sector business and attract increased pri-
2 vate sector capital investment.

3 “(4) While economic development is an inher-
4 ently local process, the Federal Government should
5 work in partnership with public and private local, re-
6 gional, tribal, and State organizations to maximize
7 the impact of existing resources and enable regions,
8 communities, and citizens to participate more fully
9 in the American dream and national prosperity.

10 “(5) In order to avoid duplication of effort and
11 achieve meaningful, long-lasting results, Federal,
12 State, tribal, and local economic development activi-
13 ties should have a clear focus, improved coordina-
14 tion, a comprehensive approach, and simplified and
15 consistent requirements.

16 “(6) Federal economic development efforts will
17 be more effective if they are coordinated with, and
18 build upon, the trade, workforce investment, trans-
19 portation, and technology programs of the United
20 States.

21 “(b) DECLARATIONS.—In order to promote a strong
22 and growing economy throughout the United States, Con-
23 gress declares the following:

1 “(1) Assistance under this Act should be made
2 available to both rural- and urban-distressed com-
3 munities.

4 “(2) Local communities should work in partner-
5 ship with neighboring communities, the States, In-
6 dian tribes, and the Federal Government to increase
7 their capacity to develop and implement comprehen-
8 sive economic development strategies to alleviate eco-
9 nomic distress and enhance competitiveness in the
10 global economy.

11 “(3) Whether suffering from long-term distress
12 or a sudden dislocation, distressed communities
13 should be encouraged to support entrepreneurship to
14 take advantage of the development opportunities af-
15 forded by technological innovation and expanding
16 newly opened global markets.”.

17 **SEC. 102. DEFINITIONS.**

18 (a) **ELIGIBLE RECIPIENT.**—Section 3(4)(A) (42
19 U.S.C. 3122(4)(A)) is amended—

20 (1) by striking clause (i) and redesignating
21 clauses (ii) through (vii) as clauses (i) through (vi),
22 respectively; and

23 (2) in clause (iv) (as so redesignated) by insert-
24 ing “, including a special purpose unit of a State or

1 local government engaged in economic or infrastruc-
2 ture development activities,” after “State”.

3 (b) REGIONAL COMMISSIONS.—Section 3 (42 U.S.C.
4 3122) is amended—

5 (1) by redesignating paragraphs (8), (9), and
6 (10) as paragraphs (9), (10), and (11), respectively;
7 and

8 (2) by inserting after paragraph (7) the fol-
9 lowing:

10 “(8) REGIONAL COMMISSIONS.—The term ‘Re-
11 gional Commissions’ means the following entities:

12 “(A) The Appalachian Regional Commis-
13 sion established under chapter 143 of title 40,
14 United States Code.

15 “(B) The Delta Regional Authority estab-
16 lished under subtitle F of the Consolidated
17 Farm and Rural Development Act (7 U.S.C.
18 2009aa et seq.).

19 “(C) The Denali Commission established
20 under the Denali Commission Act of 1998 (42
21 U.S.C. 2131 note; 112 Stat. 2681–637 et seq.).

22 “(D) The Northern Great Plains Regional
23 Authority established under subtitle F of the
24 Consolidated Farm and Rural Development Act
25 (7 U.S.C. 2009bb et seq.).”.

1 (c) UNIVERSITY CENTER.—Section 3 (42 U.S.C.
2 3122) is amended by adding at the end the following:

3 “(12) UNIVERSITY CENTER.—The term ‘univer-
4 sity center’ means an institution of higher education
5 or a consortium of institutions of higher education
6 established as a University Center for Economic De-
7 velopment under section 207(a)(2)(D).”.

8 **SEC. 103. ESTABLISHMENT OF ECONOMIC DEVELOPMENT**
9 **PARTNERSHIPS.**

10 Section 101 (42 U.S.C. 3131) is amended—

11 (1) in subsection (b) by striking “and multi-
12 State regional organizations” and inserting “multi-
13 State regional organizations, and nonprofit organiza-
14 tions”; and

15 (2) in subsection (d)(1) by striking “adjoining”
16 each place it appears.

17 **SEC. 104. COORDINATION.**

18 Section 103 (42 U.S.C. 3132) is amended—

19 (1) by inserting “(a) IN GENERAL.—” before
20 “The Secretary”;

21 (2) in subsection (a) (as so designated) by in-
22 serting “Indian tribes,” after “districts,”; and

23 (3) by adding at the end the following:

24 “(b) MEETINGS.—To carry out the responsibilities in
25 subsection (a), or for any other purpose related to eco-

1 nomic development activities, the Secretary may convene
2 meetings with Federal agencies, State and local govern-
3 ments, economic development districts, Indian tribes, and
4 other appropriate planning and development organiza-
5 tions.”.

6 **TITLE II—GRANTS FOR PUBLIC** 7 **WORKS AND ECONOMIC DE-** 8 **VELOPMENT**

9 **SEC. 201. GRANTS FOR PLANNING.**

10 Section 203(d) (42 U.S.C. 3143(d)) is amended—

11 (1) in paragraph (1) by inserting “, to the max-
12 imum extent practicable,” after “developed” the sec-
13 ond place it appears;

14 (2) by striking paragraph (3) and inserting the
15 following:

16 “(3) COORDINATION.—Before providing assist-
17 ance for a State plan under this section, the Sec-
18 retary shall consider the extent to which the State
19 will consider local and economic development district
20 plans.”; and

21 (3) in paragraph (4)—

22 (A) by striking “and” at the end of sub-
23 paragraph (C);

24 (B) by redesignating subparagraph (D) as
25 subparagraph (E); and

1 (C) by adding after subparagraph (C) the
2 following:

3 “(D) assist in carrying out a State’s work-
4 force investment strategy; and”.

5 **SEC. 202. COST SHARING.**

6 (a) FEDERAL SHARE.—Section 204(a) (42 U.S.C.
7 3144(a)) is amended to read as follows:

8 “(a) FEDERAL SHARE.—The Secretary shall issue
9 regulations to establish the Federal share of the cost of
10 projects carried out under this title based on the relative
11 needs of the areas in which the projects will be located.
12 Except as provided in subsection (c), the Federal share
13 of the cost of any project carried out under this title shall
14 not exceed 80 percent.”.

15 (b) NON-FEDERAL SHARE.—Section 204(b) (42
16 U.S.C. 3144(b)) is amended by inserting “assumptions of
17 debt,” after “equipment,”.

18 (c) INCREASE IN FEDERAL SHARE.—Section 204 (42
19 U.S.C. 3144) is amended by adding at the end the fol-
20 lowing:

21 “(c) INCREASE IN FEDERAL SHARE.—

22 “(1) INDIAN TRIBES.—In the case of a grant to
23 an Indian tribe for a project under this title, the
24 Secretary may increase the Federal share above the

1 percentage specified in subsection (a) up to 100 per-
2 cent of the cost of the project.

3 “(2) CERTAIN STATES, POLITICAL SUBDIVI-
4 SIONS, AND NONPROFIT ORGANIZATIONS.—In the
5 case of a grant to a State, or a political subdivision
6 of a State, that the Secretary determines has ex-
7 hausted its effective taxing and borrowing capacity,
8 or in the case of a grant to a nonprofit organization
9 that the Secretary determines has exhausted its ef-
10 fective borrowing capacity, the Secretary may in-
11 crease the Federal share above the percentage speci-
12 fied in subsection (a) up to 100 percent of the cost
13 of the project.”.

14 (d) PLANNING GRANTS.—Section 204 (42 U.S.C.
15 3144) is further amended by adding at the end the fol-
16 lowing:

17 “(d) PLANNING GRANTS.—Notwithstanding sub-
18 section (a), the Federal share of the costs of planning ac-
19 tivities under section 203 shall be at least 65 percent and
20 not more than 80 percent.”.

21 **SEC. 203. SUPPLEMENTARY GRANTS.**

22 (a) IN GENERAL.—Section 205(b) (42 U.S.C.
23 3145(b)) is amended to read as follows:

24 “(b) SUPPLEMENTARY GRANTS.—Subject to sub-
25 section (c), in order to assist eligible recipients in taking

1 advantage of designated Federal grant programs, on the
2 application of an eligible recipient, the Secretary may
3 make a supplementary grant for a project for which the
4 recipient is eligible but for which the recipient cannot pro-
5 vide the required non-Federal share because of the recipi-
6 ent's economic situation.”.

7 (b) REQUIREMENTS APPLICABLE TO SUPPLE-
8 MENTARY GRANTS.—Section 205(e) (42 U.S.C. 3145(e))
9 is amended—

10 (1) by striking paragraphs (1) and (2) and in-
11 serting the following:

12 “(1) AMOUNT OF SUPPLEMENTARY GRANTS.—
13 The share of the project cost supported by a supple-
14 mentary grant under this section may not exceed the
15 applicable Federal share under section 204.

16 “(2) FORM OF SUPPLEMENTARY GRANTS.—The
17 Secretary shall make supplementary grants by—

18 “(A) the payment of funds made available
19 under this Act to the heads of the Federal
20 agencies responsible for carrying out the appli-
21 cable Federal programs; or

22 “(B) the award of funds under this Act,
23 which will be combined with funds transferred
24 from other Federal agencies in projects admin-
25 istered by the Secretary.”; and

1 (2) by striking paragraph (4).

2 **SEC. 204. REGULATIONS ON RELATIVE NEEDS AND ALLOCA-**
3 **TIONS.**

4 Section 206 (42 U.S.C. 3146) is amended—

5 (1) by striking “and” at the end of paragraph
6 (1)(B);

7 (2) by striking the period at the end of para-
8 graph (2) and inserting “; and”; and

9 (3) by adding at the end the following:

10 “(3) grants made under this title promote job
11 creation and will have a high probability of meeting
12 or exceeding applicable performance requirements
13 established in connection with the grants.”.

14 **SEC. 205. GRANTS FOR TRAINING, RESEARCH, AND TECH-**
15 **NICAL ASSISTANCE.**

16 (a) IN GENERAL.—Section 207(a)(2) (42 U.S.C.
17 3147(a)(2)) is amended—

18 (1) by striking “and” at the end of subpara-
19 graph (F);

20 (2) by redesignating subparagraph (G) as sub-
21 paragraph (H); and

22 (3) by inserting after subparagraph (F) the fol-
23 lowing:

1 “(G) studies that evaluate the effectiveness
2 of coordinating projects funded under this Act
3 with projects funded under other Acts; and”.

4 (b) COOPERATION REQUIREMENT.—Section 207(a)
5 (42 U.S.C. 3147(a)) is amended by adding at the end the
6 following:

7 “(4) COOPERATION REQUIREMENT.—In the
8 case of a project assisted under this section that is
9 national or regional in scope, the Secretary may
10 waive the provision in section 3(4)(A)(vi) requiring
11 a nonprofit organization or association to act in co-
12 operation with officials of a political subdivision of
13 a State.”.

14 **SEC. 206. PREVENTION OF UNFAIR COMPETITION.**

15 Section 208 (42 U.S.C. 3148), and the item relating
16 to section 208 in the table of contents contained in section
17 1(b), are repealed.

18 **SEC. 207. GRANTS FOR ECONOMIC ADJUSTMENT.**

19 (a) DIRECT EXPENDITURE OR REDISTRIBUTION BY
20 RECIPIENT.—Section 209(d) (42 U.S.C. 3149(d)) is
21 amended by striking “an eligible recipient” each place it
22 appears and inserting “a recipient”.

23 (b) SPECIAL PROVISIONS RELATING TO REVOLVING
24 LOAN FUND GRANTS.—Section 209 (42 U.S.C. 3149) is
25 amended by adding at the end the following:

1 “(e) SPECIAL PROVISIONS RELATING TO REVOLVING
2 LOAN FUND GRANTS.—

3 “(1) IN GENERAL.—The Secretary shall issue
4 regulations to maintain the proper operation and fi-
5 nancial integrity of revolving loan funds established
6 by recipients with assistance under this section.

7 “(2) EFFICIENT ADMINISTRATION.—The Sec-
8 retary may—

9 “(A) at the request of a grantee, amend
10 and consolidate grant agreements governing re-
11 volving loan funds to provide flexibility with re-
12 spect to lending areas and borrower criteria;

13 “(B) assign or transfer assets of a revolv-
14 ing loan fund to a third party for the purpose
15 of liquidation, and a third party may retain as-
16 sets of the fund to defray costs related to liq-
17 uidation; and

18 “(C) take such actions as are appropriate
19 to enable revolving loan fund operators to sell
20 or securitize loans (except that the actions may
21 not include issuance of a Federal guaranty by
22 the Secretary).

23 “(3) TREATMENT OF ACTIONS.—An action
24 taken by the Secretary under this subsection with
25 respect to a revolving loan fund shall not constitute

1 a new obligation if all grant funds associated with
2 the original grant award have been disbursed to the
3 recipient.

4 “(4) PRESERVATION OF SECURITIES LAWS.—

5 “(A) NOT TREATED AS EXEMPTED SECURITIES.—No securities issued pursuant to para-
6 graph (2)(C) shall be treated as exempted secu-
7 rities for purposes of the Securities Act of 1933
8 or the Securities Exchange Act of 1934, unless
9 exempted by rule or regulation of the Securities
10 and Exchange Commission.

11 “(B) PRESERVATION.—Except as provided
12 in subparagraph (A), no provision of this sub-
13 section or any regulation issued by the Sec-
14 retary under this subsection shall supersede or
15 otherwise affect the application of the securities
16 laws (as such term is defined in section
17 2(a)(47) of the Securities Exchange Act of
18 1934) or the rules, regulations, or orders of the
19 Securities and Exchange Commission or a self-
20 regulatory organization thereunder.”.

22 **SEC. 208. USE OF FUNDS IN PROJECTS CONSTRUCTED**
23 **UNDER PROJECTED COST.**

24 Section 211 (42 U.S.C. 3151) is amended to read as
25 follows:

1 **“SEC. 211. USE OF FUNDS IN PROJECTS CONSTRUCTED**
2 **UNDER PROJECTED COST.**

3 “(a) IN GENERAL.—In the case of a grant to a recipi-
4 ent for a construction project under section 201 or 209,
5 if the Secretary determines, before closeout of the project,
6 that the cost of the project, based on the designs and spec-
7 ifications that were the basis of the grant, has decreased
8 because of decreases in costs, the Secretary may approve,
9 without further appropriations action, the use of the ex-
10 cess funds (or a portion of the excess funds) by the recipi-
11 ent to increase the Federal share of the cost of a project
12 under this title to the maximum percentage allowable
13 under section 204 or to improve the project.

14 “(b) OTHER USES OF EXCESS FUNDS.—Any amount
15 of excess funds remaining after application of subsection
16 (a) may be used by the Secretary for providing assistance
17 under this Act.

18 “(c) TRANSFERRED FUNDS.—In the case of excess
19 funds described in subsection (a) in projects utilizing
20 funds transferred from other Federal agencies pursuant
21 to section 604, the Secretary shall—

22 “(1) utilize the funds in accordance with sub-
23 section (a), with the approval of the originating
24 agency; or

25 “(2) return the funds to the originating agen-
26 cy.”.

1 **SEC. 209. SPECIAL IMPACT AREAS.**

2 (a) IN GENERAL.—Title II (42 U.S.C. 3141 et seq.)
3 is amended by adding at the end the following:

4 **“SEC. 214. SPECIAL IMPACT AREAS.**

5 “(a) IN GENERAL.—On the application of an eligible
6 recipient, the Secretary may determine that the recipient
7 is unable to comply with the requirements of section 302
8 and designate the area represented by the recipient as a
9 special impact area.

10 “(b) WAIVERS.—Subject to the requirements of this
11 section, the Secretary may waive, in whole or in part, as
12 appropriate, the requirements of section 302 with respect
13 to a special impact area designated under subsection (a)
14 if the Secretary determines that the waiver will carry out
15 the purposes of the Act.

16 “(c) NOTIFICATION REQUIREMENT.—At least 30
17 days before issuing a waiver under this section, the Sec-
18 retary shall transmit to the Committee on Transportation
19 and Infrastructure of the House of Representatives and
20 the Committee on Environment and Public Works of the
21 Senate a written notice of the waiver, including a justifica-
22 tion for the waiver.”.

23 (b) CONFORMING AMENDMENT.—The table of con-
24 tents contained in section 1(b) is amended by inserting
25 after the item relating to section 213 the following:

“Sec. 214. Special impact areas.”.

1 **SEC. 210. PERFORMANCE AWARDS.**

2 (a) IN GENERAL.—Title II (42 U.S.C. 3141 et seq.)
3 is further amended by adding at the end the following:

4 **“SEC. 215. PERFORMANCE AWARDS.**

5 “(a) IN GENERAL.—The Secretary may make a per-
6 formance award in connection with a grant made, on or
7 after the date of enactment of this section, to an eligible
8 recipient for a project under section 201 or 209.

9 “(b) PERFORMANCE MEASURES.—

10 “(1) REGULATIONS.—The Secretary shall issue
11 regulations to establish performance measures for
12 making performance awards under subsection (a).

13 “(2) CONSIDERATIONS.—In issuing regulations
14 under paragraph (1), the Secretary shall consider in-
15 cluding performance measures that assess the fol-
16 lowing factors:

17 “(A) Whether the recipient meets or ex-
18 ceeds scheduling goals.

19 “(B) Whether the recipient meets or ex-
20 ceeds job creation goals.

21 “(C) Amounts of private sector capital in-
22 vestments leveraged.

23 “(D) Such other factors as the Secretary
24 determines appropriate.

25 “(c) AMOUNT OF AWARDS.—

1 “(1) IN GENERAL.—The Secretary shall base
2 the amount of a performance award made under
3 subsection (a) in connection with a grant on the ex-
4 tent to which a recipient meets or exceeds perform-
5 ance measures established in connection with the
6 grant.

7 “(2) MAXIMUM AMOUNT.—The amount of a
8 performance award may not exceed 10 percent of
9 the amount of the grant.

10 “(d) USE OF AWARDS.—A recipient of a performance
11 award under subsection (a) may use the award for any
12 eligible purpose under this Act, in accordance with section
13 602 and such regulations as the Secretary may prescribe.

14 “(e) FEDERAL SHARE.—Notwithstanding section
15 204, the amounts of a performance award may be used
16 for up to 100 percent of the cost of an eligible project
17 or activity.

18 “(f) TREATMENT IN MEETING NON-FEDERAL
19 SHARE REQUIREMENTS.—For the purposes of meeting
20 the non-Federal share requirements of this Act, or any
21 other Act, the amounts of a performance award shall be
22 treated as funds from a non-Federal source.

23 “(g) TERMS AND CONDITIONS.— In making perform-
24 ance awards under subsection (a), the Secretary shall es-

1 tablish such terms and conditions as the Secretary con-
2 siders appropriate.

3 “(h) FUNDING.—The Secretary shall carry out this
4 section using any amounts made available for economic
5 development assistance programs.

6 “(i) REPORTING REQUIREMENT.—The Secretary
7 shall include information regarding performance awards
8 made under this section in the annual report required
9 under section 603.

10 “(j) REVIEW BY COMPTROLLER GENERAL.—

11 “(1) REVIEW.—The Comptroller General shall
12 review the implementation of this section in each fis-
13 cal year.

14 “(2) ANNUAL REPORT.—Not later than one
15 year after the date of enactment of this section, and
16 annually thereafter, the Comptroller General shall
17 transmit to the Committee on Transportation and
18 Infrastructure of the House of Representatives and
19 the Committee on Environment and Public Works of
20 the Senate a report on the Comptroller’s findings
21 under this subsection.”.

22 (b) CONFORMING AMENDMENT.—The table of con-
23 tents contained in section 1(b) is amended by inserting
24 after the item relating to section 214 the following:

“Sec. 215. Performance awards.”.

1 **SEC. 211. PLANNING PERFORMANCE AWARDS.**

2 (a) IN GENERAL.—Title II (42 U.S.C. 3141 et seq.)
3 is further amended by adding at the end the following:

4 **“SEC. 216. PLANNING PERFORMANCE AWARDS.**

5 “(a) IN GENERAL.—The Secretary may make a plan-
6 ning performance award in connection with a grant made,
7 on or after the date of enactment of this section, to an
8 eligible recipient for a project under this title located in
9 an economic development district.

10 “(b) ELIGIBILITY.—The Secretary may make a plan-
11 ning performance award to an eligible recipient under sub-
12 section (a) in connection with a grant for a project if the
13 Secretary determines before closeout of the project that—

14 “(1) the recipient actively participated in the
15 economic development activities of the economic de-
16 velopment district in which the project is located;

17 “(2) the project is consistent with the com-
18 prehensive economic development strategy of the dis-
19 trict;

20 “(3) the recipient worked with Federal, State,
21 and local economic development entities throughout
22 the development of the project; and

23 “(4) the project was completed in accordance
24 with the comprehensive economic development strat-
25 egy of the district.

1 “(c) MAXIMUM AMOUNT.—The amount of a planning
2 performance award made under subsection (a) in connec-
3 tion with a grant may not exceed 5 percent of the amount
4 of the grant.

5 “(d) USE OF AWARDS.—A recipient of a planning
6 performance award under subsection (a) shall use the
7 award to increase the Federal share of the cost of a project
8 under this title.

9 “(e) FEDERAL SHARE.—Notwithstanding section
10 204, the amounts of a planning performance award may
11 be used for up to 100 percent of the cost of a project
12 under this title.

13 “(f) FUNDING.—The Secretary shall carry out this
14 section using any amounts made available for economic
15 development assistance programs.”.

16 (b) CONFORMING AMENDMENT.—The table of con-
17 tents contained in section 1(b) is amended by inserting
18 after the item relating to section 215 the following:

“Sec. 216. Planning performance awards.”.

19 **SEC. 212. SUBGRANTS.**

20 (a) IN GENERAL.—Title II (42 U.S.C. 3141 et seq.)
21 is further amended by adding at the end the following:

22 **“SEC. 217. SUBGRANTS.**

23 “(a) IN GENERAL.—Subject to subsection (b), a re-
24 cipient of a grant under section 201, 203, or 207 may

1 directly expend the grant funds or may redistribute the
2 funds in the form of a subgrant to other eligible recipients
3 to fund required components of the scope of work ap-
4 proved for the project.

5 “(b) LIMITATION.—A recipient may not redistribute
6 grant funds received under section 201 or 203 to a for-
7 profit entity.”.

8 (b) CONFORMING AMENDMENT.—The table of con-
9 tents contained in section 1(b) is amended by inserting
10 after the item relating to section 216 the following:

“Sec. 217. Subgrants.”.

11 **SEC. 213. BROWNFIELDS REDEVELOPMENT.**

12 (a) IN GENERAL.—Title II (42 U.S.C. 3141 et seq.)
13 is further amended by adding at the end the following:

14 **“SEC. 218. BROWNFIELDS REDEVELOPMENT.**

15 “(a) IN GENERAL.—On the application of a qualified
16 eligible recipient, the Secretary may make grants under
17 sections 201, 203, 207, and 209 for projects to expand,
18 redevelop, or reuse brownfield sites.

19 “(b) LIMITATIONS.—Projects carried out under this
20 section shall be subject to the limitations of section
21 104(k)(4)(B) of the Comprehensive Environmental Re-
22 sponse, Compensation, and Liability Act of 1980 (42
23 U.S.C. 9604(k)(4)(B)); except that recipients may use
24 grant funds awarded under this section for the adminis-
25 trative costs of economic development activities.

1 “(c) DEFINITIONS.—In this section, the following
2 definitions apply:

3 “(1) BROWNFIELD SITE.—The term ‘brownfield
4 site’ has the meaning given such term in section
5 101(39) of the Comprehensive Environmental Re-
6 sponse, Compensation, and Liability Act of 1980 (42
7 U.S.C. 9601(39)).

8 “(2) QUALIFIED ELIGIBLE RECIPIENT.—The
9 term ‘qualified eligible recipient’ means an eligible
10 recipient that meets the definition of ‘eligible entity’
11 in section 104(k)(1) of the Comprehensive Environ-
12 mental Response, Compensation, and Liability Act
13 of 1980 (42 U.S.C. 9604(k)(1)); except that for any
14 project undertaken under this section the term may
15 include a nonprofit organization acting in coopera-
16 tion with officials of a political subdivision of a
17 State.”.

18 (b) CONFORMING AMENDMENT.—The table of con-
19 tents contained in section 1(b) is amended by inserting
20 after the item relating to section 217 the following:

“Sec. 218. Brownfields redevelopment.”.

21 **SEC. 214. BRIGHTFIELDS DEMONSTRATION PROGRAM.**

22 (a) IN GENERAL.—Title II (42 U.S.C. 3141 et seq.)
23 is further amended by adding at the end the following:

1 **“SEC. 219. BRIGHTFIELDS DEMONSTRATION PROGRAM.**

2 “(a) IN GENERAL.—On the application of a qualified
3 eligible recipient, the Secretary may make a grant for a
4 project for the development of brightfield sites if the Sec-
5 retary determines that the project will—

6 “(1) utilize solar energy technologies to develop
7 abandoned or contaminated sites for commercial use;
8 and

9 “(2) improve the commercial and economic op-
10 portunities in the area where the project is located.

11 “(b) LIMITATIONS.—Projects carried out under this
12 section shall be subject to the limitations of section
13 104(k)(4)(B) of the Comprehensive Environmental Re-
14 sponse, Compensation, and Liability Act of 1980 (42
15 U.S.C. 9604(k)(4)(B)); except that recipients may use
16 grant funds awarded under this section for the adminis-
17 trative costs of economic development activities.

18 “(c) DEFINITIONS.—In this section, the following
19 definitions apply:

20 “(1) BRIGHTFIELD SITE.—The term
21 ‘brightfield site’ means a brownfield site (as defined
22 in section 217) that is redeveloped through the in-
23 corporation of solar energy technologies.

24 “(2) QUALIFIED ELIGIBLE RECIPIENT.—The
25 term ‘qualified eligible recipient’ has the meaning
26 given such term in section 217; except that for any

1 project undertaken under this section the term may
 2 include a nonprofit organization acting in coopera-
 3 tion with officials of a political subdivision of a
 4 State.

5 “(d) AUTHORIZATION OF APPROPRIATIONS.—There
 6 is authorized to be appropriated to carry out this section
 7 \$5,000,000 for each of fiscal years 2004 through 2008.
 8 Such sums shall remain available until expended.”.

9 (b) CONFORMING AMENDMENT.—The table of con-
 10 tents contained in section 1(b) is amended by inserting
 11 after the item relating to section 218 the following:

“Sec. 219. Brightfields demonstration program.”.

12 **TITLE III—COMPREHENSIVE**
 13 **ECONOMIC DEVELOPMENT**
 14 **STRATEGIES**

15 **SEC. 301. COMPREHENSIVE ECONOMIC DEVELOPMENT**
 16 **STRATEGIES.**

17 (a) IN GENERAL.—Section 302(a)(3)(A) (42 U.S.C.
 18 3162(a)(3)(A)) is amended by inserting “maximizes effec-
 19 tive development and use of the workforce consistent with
 20 any applicable State or local workforce investment strat-
 21 egy,” after “access,”.

22 (b) APPROVAL OF OTHER PLAN.—Section 302(c) (42
 23 U.S.C. 3162(c)) is amended by adding at the end the fol-
 24 lowing: “To the maximum extent practicable, a plan sub-
 25 mitted under this paragraph shall be consistent and co-

1 ordinated with any existing comprehensive economic devel-
 2 opment strategy for the area.”.

3 **TITLE IV—ECONOMIC**
 4 **DEVELOPMENT DISTRICTS**

5 **SEC. 401. INCENTIVES.**

6 Section 403 (42 U.S.C. 3173), and the item relating
 7 to section 403 in the table of contents contained in section
 8 1(b), are repealed.

9 **SEC. 402. PROVISION OF COMPREHENSIVE ECONOMIC DE-**
 10 **VELOPMENT STRATEGIES TO REGIONAL**
 11 **COMMISSIONS.**

12 (a) IN GENERAL.—Section 404 (42 U.S.C. 3174) is
 13 amended to read as follows:

14 **“SEC. 404. PROVISION OF COMPREHENSIVE ECONOMIC DE-**
 15 **VELOPMENT STRATEGIES TO REGIONAL**
 16 **COMMISSIONS.**

17 “If any part of an economic development district is
 18 in a region covered by one or more of the Regional Com-
 19 missions (as defined in section 3), the economic develop-
 20 ment district shall ensure that a copy of the comprehen-
 21 sive economic development strategy of the district is pro-
 22 vided to the affected Regional Commission.”.

23 (b) CONFORMING AMENDMENT.—The table of con-
 24 tents contained in section 1(b) is amended by striking the
 25 item relating to section 404 and inserting the following:

“Sec. 404. Provision of comprehensive economic development strategies to Regional Commissions.”.

1 **TITLE V—ADMINISTRATION**

2 **SEC. 501. ECONOMIC DEVELOPMENT INFORMATION CLEAR-** 3 **INGHOUSE.**

4 Section 502 (42 U.S.C. 3192) is amended—

5 (1) by striking paragraph (1) and inserting the
6 following:

7 “(1) maintain a central information clearing-
8 house on the Internet with—

9 “(A) information on economic develop-
10 ment, economic adjustment, disaster recovery,
11 defense conversion, and trade adjustment pro-
12 grams and activities of the Federal Govern-
13 ment;

14 “(B) links to State economic development
15 organizations; and

16 “(C) links to other appropriate economic
17 development resources;”;

18 (2) by striking paragraph (2) and inserting the
19 following:

20 “(2) assist potential and actual applicants for
21 economic development, economic adjustment, dis-
22 aster recovery, defense conversion, and trade adjust-
23 ment assistance under Federal and State laws in lo-
24 cating and applying for the assistance;”;

1 (3) by striking the period at the end of para-
2 graph (3) and inserting “; and”; and

3 (4) by adding at the end the following:

4 “(4) obtain appropriate information from other
5 Federal agencies needed to carry out the duties
6 under this Act.”.

7 **SEC. 502. BUSINESSES DESIRING FEDERAL CONTRACTS.**

8 Section 505 (42 U.S.C. 3195), and the item relating
9 to section 505 in the table of contents contained in section
10 1(b), are repealed.

11 **SEC. 503. PERFORMANCE EVALUATIONS OF GRANT RECIPI-**
12 **ENTS.**

13 Section 506(c) (42 U.S.C. 3196(c)) is amended by
14 striking “after the effective date of the Economic Develop-
15 ment Administration Reform Act of 1998”.

16 **SEC. 504. CONFORMING AMENDMENTS.**

17 (a) STANDARDS.—Section 602 (42 U.S.C. 3212) is
18 amended—

19 (1) in the first sentence by striking “in accord-
20 ance with” and all that follows before the period at
21 the end and inserting “in accordance with sub-
22 chapter IV of chapter 31 of title 40, United States
23 Code”; and

24 (2) in the third sentence by striking “section 2
25 of the Act of June 13, 1934, as amended (40 U.S.C.

1 276e)” and inserting “section 3145 of title 40,
2 United States Code”.

3 (b) EVALUATION CRITERIA.—Section 506(d)(2) (42
4 U.S.C. 3196(d)(2)) is amended by inserting “program
5 performance,” after “applied research,”.

6 **TITLE VI—MISCELLANEOUS**

7 **SEC. 601. RELATIONSHIP TO ASSISTANCE UNDER OTHER** 8 **LAW.**

9 Section 609 (42 U.S.C. 3219) is amended—

10 (1) by striking subsection (a); and

11 (2) by striking “(b) ASSISTANCE UNDER
12 OTHER ACTS.—”.

13 **SEC. 602. SENSE OF CONGRESS REGARDING ECONOMIC DE-** 14 **VELOPMENT REPRESENTATIVES.**

15 (a) FINDINGS.—Congress finds the following:

16 (1) Planning and coordination among Federal
17 agencies, State and local governments, Indian tribes,
18 and economic development districts is vital to the
19 success of an economic development program.

20 (2) Economic Development Representatives of
21 the Economic Development Administration provide
22 distressed communities with the technical assistance
23 necessary to foster this planning and coordination.

1 (3) In the past five years, the number of Eco-
2 nomic Development Representatives has declined by
3 almost 25 percent.

4 (b) SENSE OF CONGRESS.—It is the sense of Con-
5 gress that the Secretary should maintain a sufficient num-
6 ber of Economic Development Representatives to ensure
7 that the Economic Development Administration is able to
8 provide effective assistance to distressed communities and
9 foster economic growth and development among the
10 States.

11 **TITLE VII—FUNDING**

12 **SEC. 701. AUTHORIZATION OF APPROPRIATIONS.**

13 Section 701 (42 U.S.C. 3231) is amended to read as
14 follows:

15 **“SEC. 701. GENERAL AUTHORIZATION OF APPROPRIA-** 16 **TIONS.**

17 “(a) ECONOMIC DEVELOPMENT ASSISTANCE PRO-
18 GRAMS.—There are authorized to be appropriated for eco-
19 nomic development assistance programs to carry out this
20 Act—

21 “(1) \$400,000,000 for fiscal year 2004;

22 “(2) \$425,000,000 for fiscal year 2005;

23 “(3) \$450,000,000 for fiscal year 2006;

24 “(4) \$475,000,000 for fiscal year 2007; and

25 “(5) \$500,000,000 for fiscal year 2008.

1 Such sums shall remain available until expended.

2 “(b) SALARIES AND EXPENSES.—There are author-
 3 ized to be appropriated for salaries and expenses of admin-
 4 istering this Act \$33,377,000 for fiscal year 2004 and
 5 such sums as may be necessary for each fiscal year there-
 6 after. Such sums shall remain available until expended.”.

7 **TITLE VIII—APPALACHIAN**
 8 **REGIONAL DEVELOPMENT**

9 **SEC. 801. ADDITIONS TO APPALACHIAN REGION.**

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

12 (1) by inserting “Nicholas,” after “Morgan,”;

13 and

14 (2) by inserting “Robertson,” after “Pulaski,”.

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

17 (1) by inserting “Ashtabula,” after “Adams,”;

18 (2) by inserting “Fayette,” after “Coshocton,”;

19 (3) by inserting “Mahoning,” after “Law-
 20 rence,”; and

21 (4) by inserting “Trumbull,” after “Scioto,”.

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

24 (1) by inserting “Giles,” after “Franklin,”; and

1 (2) by inserting “Lawrence, Lewis, Lincoln,”
2 after “Knox,”.

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

5 (1) by inserting “Henry,” after “Grayson,”;
6 and

7 (2) by inserting “Patrick,” after “Mont-
8 gomery,”.

9 **SEC. 802. AUTHORIZATION OF APPROPRIATIONS.**

10 Section 14703(a) of title 40, United States Code, is
11 amended by striking paragraphs (1) through (3) and in-
12 serting the following:

13 “(1) \$88,000,000 for each of fiscal years 2002
14 and 2003.

15 “(2) \$91,000,000 for fiscal year 2004.

16 “(3) \$93,000,000 for fiscal year 2005.

17 “(4) \$95,000,000 for fiscal year 2006.”.

 Passed the House of Representatives October 21,
2003.

Attest:

Clerk.

108TH CONGRESS
1ST SESSION

H. R. 2535

AN ACT

To reauthorize and improve the program authorized
by the Public Works and Economic Development
Act of 1965.