

One Hundred Tenth Congress  
of the  
United States of America

AT THE SECOND SESSION

*Begin and held at the City of Washington on Thursday,  
the third day of January, two thousand and eight*

An Act

To reauthorize and improve the program authorized by the Appalachian Regional Development Act of 1965.

*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 “Appalachian Regional Development Act Amendments of 2008”.

**SEC. 2. LIMITATION ON AVAILABLE AMOUNTS; MAXIMUM COMMISSION CONTRIBUTION.**

(a) GRANTS AND OTHER ASSISTANCE.—Section 14321(a) of title 40, United States Code, is amended—

(1) in paragraph (1)(A) by striking clause (i) and inserting the following:

“(i) the amount of the grant shall not exceed—  
“(I) 50 percent of administrative expenses;  
“(II) at the discretion of the Commission, if the grant is to a local development district that has a charter or authority that includes the economic development of a county or a part of a county for which a distressed county designation is in effect under section 14526, 75 percent of administrative expenses; or

“(III) at the discretion of the Commission, if the grant is to a local development district that has a charter or authority that includes the economic development of a county or a part of a county for which an at-risk county designation is in effect under section 14526, 70 percent of administrative expenses;”; and

(2) in paragraph (2) by striking subparagraph (A) and inserting the following:

“(A) IN GENERAL.—Except as provided in subparagraph (B), of the cost of any activity eligible for financial assistance under this section, not more than—

“(i) 50 percent may be provided from amounts appropriated to carry out this subtitle;

“(ii) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent may be provided from amounts appropriated to carry out this subtitle; or

“(iii) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts appropriated to carry out this subtitle.”.

(b) DEMONSTRATION HEALTH PROJECTS.—Section 14502 of title 40, United States Code, is amended—

(1) in subsection (d) by striking paragraph (2) and inserting the following:

“(2) LIMITATION ON AVAILABLE AMOUNTS.—Grants under this section for the operation (including initial operating amounts and operating deficits, which include the cost of attracting, training, and retaining qualified personnel) of a demonstration health project, whether or not constructed with amounts authorized to be appropriated by this section, may be made for up to—

“(A) 50 percent of the cost of that operation;

“(B) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent of the cost of that operation; or

“(C) in the case of a project to be carried out for a county for which an at-risk county designation is in effect under section 14526, 70 percent of the cost of that operation.”; and

(2) in subsection (f)—

(A) in paragraph (1) by striking “paragraph (2)” and inserting “paragraphs (2) and (3)”; and

(B) by adding at the end the following:

“(3) AT-RISK COUNTIES.—The maximum Commission contribution for a project to be carried out in a county for which an at-risk county designation is in effect under section 14526 may be increased to the lesser of—

“(A) 70 percent; or

“(B) the maximum Federal contribution percentage authorized by this section.”.

(c) ASSISTANCE FOR PROPOSED LOW- AND MIDDLE-INCOME HOUSING PROJECTS.—Section 14503 of title 40, United States Code, is amended—

(1) in subsection (d) by striking paragraph (1) and inserting the following:

“(1) LIMITATION ON AVAILABLE AMOUNTS.—A loan under subsection (b) for the cost of planning and obtaining financing (including the cost of preliminary surveys and analyses of market needs, preliminary site engineering and architectural fees, site options, application and mortgage commitment fees, legal fees, and construction loan fees and discounts) of a project described in that subsection may be made for up to—

“(A) 50 percent of that cost;

“(B) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent of that cost; or

“(C) in the case of a project to be carried out for a county for which an at-risk county designation is in effect under section 14526, 70 percent of that cost.”; and

(2) in subsection (e) by striking paragraph (1) and inserting the following:

“(1) IN GENERAL.—A grant under this section for expenses incidental to planning and obtaining financing for a project under this section that the Secretary considers to be unrecoverable from the proceeds of a permanent loan made to finance the project shall—

“(A) not be made to an organization established for profit; and

“(B) except as provided in paragraph (2), not exceed—

“(i) 50 percent of those expenses;

“(ii) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent of those expenses; or

“(iii) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent of those expenses.”.

(d) TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.—Section 14504 of title 40, United States Code, is amended by striking subsection (b) and inserting the following:

“(b) LIMITATION ON AVAILABLE AMOUNTS.—Of the cost of any activity eligible for a grant under this section, not more than—

“(1) 50 percent may be provided from amounts appropriated to carry out this section;

“(2) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent may be provided from amounts appropriated to carry out this section; or

“(3) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts appropriated to carry out this section.”.

(e) ENTREPRENEURSHIP INITIATIVE.—Section 14505 of title 40, United States Code, is amended by striking subsection (c) and inserting the following:

“(c) LIMITATION ON AVAILABLE AMOUNTS.—Of the cost of any activity eligible for a grant under this section, not more than—

“(1) 50 percent may be provided from amounts appropriated to carry out this section;

“(2) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent may be provided from amounts appropriated to carry out this section; or

“(3) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts appropriated to carry out this section.”.

(f) REGIONAL SKILLS PARTNERSHIPS.—Section 14506 of title 40, United States Code, is amended by striking subsection (d) and inserting the following:

“(d) LIMITATION ON AVAILABLE AMOUNTS.—Of the cost of any activity eligible for a grant under this section, not more than—

“(1) 50 percent may be provided from amounts appropriated to carry out this section;

“(2) in the case of a project to be carried out in a county for which a distressed county designation is in effect under

section 14526, 80 percent may be provided from amounts appropriated to carry out this section; or

“(3) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts appropriated to carry out this section.”.

(g) SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.—Section 14507(g) of title 40, United States Code, is amended—

(1) in paragraph (1) by striking “paragraph (2)” and inserting “paragraphs (2) and (3)”; and

(2) by adding at the end the following:

“(3) AT-RISK COUNTIES.—The maximum Commission contribution for a project to be carried out in a county for which an at-risk county designation is in effect under section 14526 may be increased to 70 percent.”.

**SEC. 3. ECONOMIC AND ENERGY DEVELOPMENT INITIATIVE.**

(a) IN GENERAL.—Subchapter I of chapter 145 of subtitle IV of title 40, United States Code, is amended by adding at the end the following:

**“§ 14508. Economic and energy development initiative**

“(a) PROJECTS TO BE ASSISTED.—The Appalachian Regional Commission may provide technical assistance, make grants, enter into contracts, or otherwise provide amounts to persons or entities in the Appalachian region for projects and activities—

“(1) to promote energy efficiency in the Appalachian region to enhance the economic competitiveness of the Appalachian region;

“(2) to increase the use of renewable energy resources, particularly biomass, in the Appalachian region to produce alternative transportation fuels, electricity, and heat; and

“(3) to support the development of regional, conventional energy resources to produce electricity and heat through advanced technologies that achieve a substantial reduction in emissions, including greenhouse gases, over the current baseline.

“(b) LIMITATION ON AVAILABLE AMOUNTS.—Of the cost of any activity eligible for a grant under this section, not more than—

“(1) 50 percent may be provided from amounts appropriated to carry out this section;

“(2) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent may be provided from amounts appropriated to carry out this section; or

“(3) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts appropriated to carry out this section.

“(c) SOURCES OF ASSISTANCE.—Subject to subsection (b), grants provided under this section may be provided from amounts made available to carry out this section in combination with amounts made available under other Federal programs or from any other source.

“(d) FEDERAL SHARE.—Notwithstanding any provision of law limiting the Federal share under any other Federal program, amounts made available to carry out this section may be used

to increase that Federal share, as the Commission decides is appropriate.”.

(b) CONFORMING AMENDMENT.—The analysis for chapter 145 of title 40, United States Code, is amended by inserting after the item relating to section 14507 the following:

“14508. Economic and energy development initiative.”.

**SEC. 4. DISTRESSED, AT-RISK, AND ECONOMICALLY STRONG COUNTIES.**

(a) DESIGNATION OF AT-RISK COUNTIES.—Section 14526 of title 40, United States Code, is amended—

(1) in the section heading by inserting “, **at-risk**,” after **“Distressed”**; and

(2) in subsection (a)(1)—

(A) by redesignating subparagraph (B) as subparagraph (C);

(B) in subparagraph (A) by striking “and” at the end; and

(C) by inserting after subparagraph (A) the following:

“(B) designate as ‘at-risk counties’ those counties in the Appalachian region that are most at risk of becoming economically distressed; and”.

(b) CONFORMING AMENDMENT.—The analysis for chapter 145 of such title is amended by striking the item relating to section 14526 and inserting the following:

“14526. Distressed, at-risk, and economically strong counties.”.

**SEC. 5. AUTHORIZATION OF APPROPRIATIONS.**

(a) IN GENERAL.—Section 14703(a) of title 40, United States Code, is amended to read as follows:

“(a) IN GENERAL.—In addition to amounts made available under section 14501, there is authorized to be appropriated to the Appalachian Regional Commission to carry out this subtitle—

“(1) \$87,000,000 for fiscal year 2008;

“(2) \$100,000,000 for fiscal year 2009;

“(3) \$105,000,000 for fiscal year 2010;

“(4) \$108,000,000 for fiscal year 2011; and

“(5) \$110,000,000 for fiscal year 2012.”.

(b) ECONOMIC AND ENERGY DEVELOPMENT INITIATIVE.—Section 14703(b) of such title is amended to read as follows:

“(b) ECONOMIC AND ENERGY DEVELOPMENT INITIATIVE.—Of the amounts made available under subsection (a), the following amounts may be used to carry out section 14508—

“(1) \$12,000,000 for fiscal year 2008;

“(2) \$12,500,000 for fiscal year 2009;

“(3) \$13,000,000 for fiscal year 2010;

“(4) \$13,500,000 for fiscal year 2011; and

“(5) \$14,000,000 for fiscal year 2012.”.

(c) ALLOCATION OF FUNDS.—Section 14703 of such title is amended by adding at the end the following:

“(d) ALLOCATION OF FUNDS.—Funds approved by the Appalachian Regional Commission for a project in a State in the Appalachian region pursuant to a congressional directive shall be derived from the total amount allocated to the State by the Appalachian Regional Commission from amounts appropriated to carry out this subtitle.”.

**SEC. 6. TERMINATION.**

Section 14704 of title 40, United States Code, is amended by striking “2007” and inserting “2012”.

**SEC. 7. ADDITIONS TO APPALACHIAN REGION.**

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

- (1) by inserting “Metcalfe,” after “Menifee,”;
- (2) by inserting “Nicholas,” after “Morgan,”; and
- (3) 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 “Mahoning,” after “Lawrence,”; and
- (3) by inserting “Trumbull,” after “Scioto,”.

(c) **TENNESSEE.**—Section 14102(a)(1)(K) of such title is amended by inserting “Lawrence, Lewis,” 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,”.

*Speaker of the House of Representatives.*

*Vice President of the United States and  
President of the Senate.*