

Serving Institutions, and Tribal Colleges must make to participate in this program. This provision alone is likely to spur new ideas and perspectives in this area.

One provision I do want to express caution on is the International Advisory Board created by this legislation. This board has been created to provide recommendations to the Secretary in the area of international education. While I support this legislation, we should continue to refine the purpose and scope of the Board's responsibilities. As this bill moves to conference later this Congress, I will work to ensure that the role of this Board reflects a true need in the area of international education.

Mr. CASTLE. Mr. Speaker, I rise in support of H.R. 3077, the International Studies in Higher Education Act.

H.R. 3077 updates international and foreign language studies programs by ensuring these programs reflect the current international climate and national security needs. The bill also emphasizes coordination between these programs and homeland security interests, while ensuring the programs continue to enrich higher education by enhancing international knowledge.

As a former Member of the Intelligence Committee I authored legislation encouraging American students to study foreign languages and join the federal government in national security capacities. It is vital to our entire national security that we address our foreign language deficiencies and support educational initiatives that amend this problem. Our lack of highly-trained linguistics experts seriously hampers our ability to fight the war on terrorism and this legislation provides incentive to focus these programs on the reality of the situations our men and women in uniform face overseas. It is important that we build a critical base of future leaders both in government service and in higher education who have cultivated international relationships and worked and studies alongside experts of other countries.

I encourage my colleagues to support H.R. 3077.

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Mr. HINOJOSA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HOEKSTRA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SHAW). The question is on the motion offered by the gentleman from Michigan (Mr. HOEKSTRA) that the House suspend the rules and pass the bill, H.R. 3077, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ECONOMIC DEVELOPMENT ADMINISTRATION REAUTHORIZATION ACT OF 2003

Mr. LATOURETTE. Mr. Speaker, pursuant to the order of the House of Monday, October 20, 2003, I call up the bill (H.R. 2535) to reauthorize and improve the program authorized by the Public

Works and Economic Development Act of 1965, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the order of the House of Monday, October 20, 2003, the bill is considered read for amendment.

The text of H.R. 2535 is as follows:

H.R. 2535

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 "Economic Development Administration Reauthorization Act of 2003".

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

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

TITLE I—GENERAL PROVISIONS

SEC. 101. FINDINGS AND DECLARATIONS.

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

"SEC. 2. FINDINGS AND DECLARATIONS.

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

"(1) There continue to be areas experiencing chronic high unemployment, underemployment, outmigration, and low per capita incomes, as well as areas facing sudden and severe economic dislocations due to structural economic changes, changing trade patterns, certain Federal actions (including environmental requirements that result in the removal of economic activities from a locality), and natural disasters.

"(2) Economic growth in our Nation, States, cities, and rural areas is produced by expanding economic opportunities, expanding free enterprise through trade, developing and strengthening public infrastructure, and creating a climate for job creation and business development.

"(3) The goal of Federal economic development programs is to raise the standard of living for all citizens and increase the wealth and overall rate of growth of the economy by encouraging communities to develop a more competitive and diversified economic base by—

"(A) creating an environment that promotes economic activity by improving and expanding public infrastructure;

"(B) promoting job creation through increased innovation, productivity, and entrepreneurship; and

"(C) empowering local and regional communities experiencing chronic high unemployment and low per capita income to develop private sector business and attract increased private sector capital investment.

"(4) While economic development is an inherently local process, the Federal Government should work in partnership with public and private local, regional, tribal, and State organizations to maximize the impact of existing resources and enable regions, communities, and citizens to participate more fully in the American dream and national prosperity.

"(5) In order to avoid duplication of effort and achieve meaningful, long-lasting results, Federal, State, tribal, and local economic development activities should have a clear focus, improved coordination, a comprehensive approach, and simplified and consistent requirements.

"(6) Federal economic development efforts will be more effective if they are coordinated with, and build upon, the trade, workforce investment, transportation, and technology programs of the United States.

"(b) DECLARATIONS.—In order to promote a strong and growing economy throughout the United States, Congress declares the following:

"(1) Assistance under this Act should be made available to both rural- and urban-distressed communities.

"(2) Local communities should work in partnership with neighboring communities, the States, Indian tribes, and the Federal Government to increase their capacity to develop and implement comprehensive economic development strategies to alleviate economic distress and enhance competitiveness in the global economy.

"(3) Whether suffering from long-term distress or a sudden dislocation, distressed communities should be encouraged to support entrepreneurship to take advantage of the development opportunities afforded by technological innovation and expanding newly opened global markets."

SEC. 102. DEFINITIONS.

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

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

(2) in clause (iv) (as so redesignated) by inserting ", including a special purpose unit of a State or local government engaged in economic or infrastructure development activities," after "State".

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

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

(2) by inserting after paragraph (7) the following:

"(8) REGIONAL COMMISSIONS.—The term 'Regional Commissions' means the following entities:

"(A) The Appalachian Regional Commission established under chapter 143 of title 40, United States Code.

"(B) The Delta Regional Authority established under subtitle F of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009aa et seq.).

"(C) The Denali Commission established under the Denali Commission Act of 1998 (42 U.S.C. 2131 note; 112 Stat. 2681-637 et seq.).

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

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

"(12) UNIVERSITY CENTER.—The term 'university center' means an institution of higher education or a consortium of institutions of higher education established as a University Center for Economic Development under section 207(a)(2)(D)."

SEC. 103. ESTABLISHMENT OF ECONOMIC DEVELOPMENT PARTNERSHIPS.

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

(1) in subsection (b) by striking "and multi-State regional organizations" and inserting "multi-State regional organizations, and nonprofit organizations"; and

(2) in subsection (d)(1) by striking "adjoining" each place it appears.

SEC. 104. COORDINATION.

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

(1) by inserting "(a) IN GENERAL.—" before "The Secretary";

(2) in subsection (a) (as so designated) by inserting "Indian tribes," after "districts,"; and

(3) by adding at the end the following:

“(b) MEETINGS.—To carry out the responsibilities in subsection (a), or for any other purpose related to economic development activities, the Secretary may convene meetings with Federal agencies, State and local governments, economic development districts, Indian tribes, and other appropriate planning and development organizations.”.

TITLE II—GRANTS FOR PUBLIC WORKS AND ECONOMIC DEVELOPMENT

SEC. 201. GRANTS FOR PLANNING.

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

(1) in paragraph (1) by inserting “, to the maximum extent practicable,” after “developed” the second place it appears;

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

“(3) COORDINATION.—Before providing assistance for a State plan under this section, the Secretary shall consider the extent to which the State will consider local and economic development district plans.”; and

(3) in paragraph (4)—

(A) by striking “and” at the end of subparagraph (C);

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

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

“(D) assist in carrying out a State’s workforce investment strategy; and”.

SEC. 202. COST SHARING.

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

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

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

(c) INCREASE IN FEDERAL SHARE.—Section 204 (42 U.S.C. 3144) is amended by adding at the end the following:

“(c) INCREASE IN FEDERAL SHARE.—

“(1) INDIAN TRIBES.—In the case of a grant to an Indian tribe for a project under this title, the Secretary may increase the Federal share above the percentage specified in subsection (a) up to 100 percent of the cost of the project.

“(2) CERTAIN STATES, POLITICAL SUBDIVISIONS, AND NONPROFIT ORGANIZATIONS.—In the case of a grant to a State, or a political subdivision of a State, that the Secretary determines has exhausted its effective taxing and borrowing capacity, or in the case of a grant to a nonprofit organization that the Secretary determines has exhausted its effective borrowing capacity, the Secretary may increase the Federal share above the percentage specified in subsection (a) up to 100 percent of the cost of the project.”.

SEC. 203. SUPPLEMENTARY GRANTS.

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

“(b) SUPPLEMENTARY GRANTS.—Subject to subsection (c), in order to assist eligible recipients in taking advantage of designated Federal grant programs, on the application of an eligible recipient, the Secretary may make a supplementary grant for a project for which the recipient is eligible but for which the recipient cannot provide the required non-Federal share because of the recipient’s economic situation.”.

(b) REQUIREMENTS APPLICABLE TO SUPPLEMENTARY GRANTS.—Section 205(c) (42 U.S.C. 3145(c)) is amended—

(1) by striking paragraphs (1) and (2) and inserting the following:

“(1) AMOUNT OF SUPPLEMENTARY GRANTS.—The share of the project cost supported by a supplementary grant under this section may not exceed the applicable Federal share under section 204.

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

“(A) the payment of funds made available under this Act to the heads of the Federal agencies responsible for carrying out the applicable Federal programs; or

“(B) the award of funds under this Act, which will be combined with funds transferred from other Federal agencies in projects administered by the Secretary.”; and

(2) by striking paragraph (4).

SEC. 204. REGULATIONS ON RELATIVE NEEDS AND ALLOCATIONS.

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

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

(2) by striking the period at the end of paragraph (2) and inserting “; and”;

(3) by adding at the end the following:

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

SEC. 205. GRANTS FOR TRAINING, RESEARCH, AND TECHNICAL ASSISTANCE.

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

(1) by striking “and” at the end of subparagraph (F);

(2) by redesignating subparagraph (G) as subparagraph (H); and

(3) by inserting after subparagraph (F) the following:

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

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

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

SEC. 206. PREVENTION OF UNFAIR COMPETITION.

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

SEC. 207. GRANTS FOR ECONOMIC ADJUSTMENT.

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

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

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

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

“(2) EFFICIENT ADMINISTRATION.—The Secretary may—

“(A) at the request of a grantee, amend and consolidate grant agreements governing revolving loan funds to provide flexibility with respect to lending areas and borrower criteria;

“(B) assign or transfer assets of a revolving loan fund to a third party for the purpose of liquidation, and a third party may retain assets of the fund to defray costs related to liquidation; and

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

“(3) TREATMENT OF ACTIONS.—An action taken by the Secretary under this subsection with respect to a revolving loan fund shall not constitute a new obligation if all grant funds associated with the original grant award have been disbursed to the recipient.”.

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

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

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

“(a) IN GENERAL.—In the case of a grant to a recipient for a construction project under section 201 or 209, if the Secretary determines, before closeout of the project, that the cost of the project, based on the designs and specifications that were the basis of the grant, has decreased because of decreases in costs, the Secretary may approve, without further appropriations action, the use of the excess funds (or a portion of the excess funds) by the recipient to increase the Federal share of the cost of a project under this subtitle to the maximum percentage allowable under section 204 or to improve the project.

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

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

“(1) utilize the funds in accordance with subsection (a), with the approval of the originating agency; or

“(2) return the funds to the originating agency.”.

SEC. 209. SPECIAL IMPACT AREAS.

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

“SEC. 214. SPECIAL IMPACT AREAS.

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

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

“(c) NOTIFICATION REQUIREMENT.—At least 30 days before issuing a waiver under this section, the Secretary shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a written notice of the waiver, including a justification for the waiver.”.

(b) CONFORMING AMENDMENT.—The table of sections contained in section 1(b) is amended by inserting after the item relating to section 213 the following:

“Sec. 214. Special impact areas.”.

SEC. 210. PERFORMANCE INCENTIVE GRANTS.

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

“SEC. 215. PERFORMANCE INCENTIVE GRANTS.

“(a) IN GENERAL.—The Secretary may make a performance incentive grant in connection with a project grant made, on or after the date of enactment of this section, to an eligible recipient under section 201 or 209.

“(b) PERFORMANCE MEASURES.—

“(1) REGULATIONS.—The Secretary shall issue regulations to establish performance measures for making performance incentive grants under subsection (a).

“(2) CONSIDERATIONS.—In issuing regulations under paragraph (1), the Secretary shall consider including performance measures that assess the following factors:

“(A) Whether the recipient meets or exceeds scheduling goals.

“(B) Whether the recipient meets or exceeds job creation goals.

“(C) Amounts of private sector capital investments leveraged.

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

“(c) AMOUNT OF GRANTS.—

“(1) IN GENERAL.—The Secretary shall base the amount of a performance incentive grant under subsection (a) on the extent to which a recipient meets or exceeds performance measures established in connection with the applicable project grant.

“(2) MAXIMUM AMOUNT.—The amount of a performance incentive grant may not exceed 10 percent of the amount of the applicable project grant.

“(3) FEDERAL SHARE.—Notwithstanding section 204, the amounts of a performance incentive grant may be used for up to 100 percent of the cost of an eligible project or activity. For the purposes of meeting the non-Federal share requirements of this Act, or any other Act, the amounts of a performance grant shall be treated as funds from a non-Federal source.

“(d) USE OF PERFORMANCE INCENTIVE GRANTS.—A recipient of a performance incentive grant under subsection (a) may use the grant for any eligible purpose under this Act, in accordance with section 602 and such regulations as the Secretary may prescribe.

“(e) TERMS AND CONDITIONS.—In making performance incentive grants under subsection (a), the Secretary shall establish such terms and conditions as the Secretary considers appropriate.

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

“(g) REPORTING REQUIREMENT.—The Secretary shall include information regarding the award of performance incentive grants under this section in the annual report required under section 603.

“(h) REVIEW BY COMPTROLLER GENERAL.—

“(1) REVIEW.—The Comptroller General shall review the implementation of this section in each fiscal year.

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

(b) CONFORMING AMENDMENT.—The table of sections contained in section 1(b) is amended by inserting after the item relating to section 214 the following:

“Sec. 215. performance incentive grants.”.

SEC. 211. SUBGRANTS.

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

“SEC. 216. SUBGRANTS.

“(a) IN GENERAL.—Subject to subsection (b), a recipient of a grant under section 201,

203, or 207 may directly expend the grant funds or may redistribute the funds in the form of a subgrant to other eligible recipients to fund required components of the scope of work approved for the project.

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

(b) CONFORMING AMENDMENT.—The table of sections contained in section 1(b) is amended by inserting after the item relating to section 215 the following:

“Sec. 216. Subgrants.”.

SEC. 212. BROWNFIELDS REDEVELOPMENT.

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

“SEC. 217. BROWNFIELDS REDEVELOPMENT.

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

“(b) LIMITATIONS.—Projects carried out under this section shall be subject to the limitations of section 104(k)(4)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(k)(4)(B)).

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

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

“(2) QUALIFIED ELIGIBLE RECIPIENT.—The term ‘qualified eligible recipient’ means an eligible recipient that meets the definition of ‘eligible entity’ in section 104(k)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(k)(1)).”.

(b) CONFORMING AMENDMENT.—The table of sections contained in section 1(b) is amended by inserting after the item relating to section 216 the following:

“Sec. 217. Brownfields redevelopment.”.

SEC. 213. BRIGHTFIELDS DEMONSTRATION PROGRAM.

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

“SEC. 218. BRIGHTFIELDS DEMONSTRATION PROGRAM.

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

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

“(2) improve the commercial and economic opportunities in the area where the project is located.

“(b) LIMITATIONS.—Projects carried out under this section shall be subject to the limitations of section 104(k)(4)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(k)(4)(B)).

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

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

“(2) QUALIFIED ELIGIBLE RECIPIENT.—The term ‘qualified eligible recipient’ has the meaning given such term in section 217.

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

(b) CONFORMING AMENDMENT.—The table of sections contained in section 1(b) is amended by inserting after the item relating to section 217 the following:

“Sec. 218. Brightfields demonstration program.”.

TITLE III—COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES**SEC. 301. COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES.**

(a) IN GENERAL.—Section 302(a)(3)(A) (42 U.S.C. 3162(a)(3)(A)) is amended by inserting “maximizes effective development and use of the workforce consistent with any applicable State or local workforce investment strategy,” after “access.”.

(b) APPROVAL OF OTHER PLAN.—Section 302(c) (42 U.S.C. 3162(c)) is amended by adding at the end the following: “To the maximum extent practicable, a plan submitted under this paragraph shall be consistent and coordinated with any existing comprehensive economic development strategy for the area.”.

TITLE IV—ECONOMIC DEVELOPMENT DISTRICTS**SEC. 401. PROVISION OF COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES TO REGIONAL COMMISSIONS.**

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

“SEC. 404. PROVISION OF COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES TO REGIONAL COMMISSIONS.

“If any part of an economic development district is in a region covered by one or more of the Regional Commissions (as defined in section 3), the economic development district shall ensure that a copy of the comprehensive economic development strategy of the district is provided to the affected Regional Commission.”.

(b) CONFORMING AMENDMENT.—The table of sections contained in section 1(b) is amended by striking the item relating to section 404 and inserting the following:

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

TITLE V—ADMINISTRATION**SEC. 501. ECONOMIC DEVELOPMENT INFORMATION CLEARINGHOUSE.**

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

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

“(1) maintain a central information clearinghouse on the Internet with—

“(A) information on economic development, economic adjustment, disaster recovery, defense conversion, and trade adjustment programs and activities of the Federal Government;

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

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

(2) by striking “and” at the end of paragraph (2);

(3) by striking the period at the end of paragraph (3) and inserting “; and”; and

(4) by adding at the end the following:

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

SEC. 502. BUSINESSES DESIRING FEDERAL CONTRACTS.

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

SEC. 503. PERFORMANCE EVALUATIONS OF GRANT RECIPIENTS.

Section 506(c) (42 U.S.C. 3196(c)) is amended by striking “after the effective date of the Economic Development Administration Reform Act of 1998”.

SEC. 504. CONFORMING AMENDMENTS.

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

(1) in the first sentence by striking “in accordance with” and all that follows before the period at the end and inserting “in accordance with subchapter IV of chapter 31 of title 40, United States Code”; and

(2) in the third sentence by striking “section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c)” and inserting “section 3145 of title 40, United States Code”.

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

TITLE VI—MISCELLANEOUS

SEC. 601. RELATIONSHIP TO ASSISTANCE UNDER OTHER LAW.

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

(1) by striking subsection (a); and

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

TITLE VII—FUNDING

SEC. 701. AUTHORIZATION OF APPROPRIATIONS. Section 701 (42 U.S.C. 3231) is amended to read as follows:

“SEC. 701. GENERAL AUTHORIZATION OF APPROPRIATIONS.

“(a) ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS.—There are authorized to be appropriated for economic development assistance programs to carry out this Act—

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

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

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

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

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

Such sums shall remain available until expended.

“(b) SALARIES AND EXPENSES.—There are authorized to be appropriated for salaries and expenses of administering this Act \$33,377,000 for fiscal year 2004 and such sums as may be necessary for each fiscal year thereafter. Such sums shall remain available until expended.”.

The SPEAKER pro tempore. The committee amendment in the nature of a substitute printed in the bill, modified by the amendment designated by the previous order of the House, is adopted.

The text of the committee amendment in the nature of a substitute, as modified, is as follows:

H.R. 2535

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

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

(b) TABLE OF CONTENTS.—

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.

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

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

TITLE I—GENERAL PROVISIONS

SEC. 101. FINDINGS AND DECLARATIONS.

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

“SEC. 2. FINDINGS AND DECLARATIONS.

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

“(1) There continue to be areas experiencing chronic high unemployment, underemployment, outmigration, and low per capita incomes, as well as areas facing sudden and severe economic dislocations due to structural economic changes, changing trade patterns, certain Federal actions (including environmental requirements that result in the removal of economic activities from a locality), and natural disasters.

“(2) Economic growth in our Nation, States, cities, and rural areas is produced by expanding economic opportunities, expanding free enterprise through trade, developing and strengthening public infrastructure, and creating a climate for job creation and business development.

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

“(A) creating an environment that promotes economic activity by improving and expanding public infrastructure;

“(B) promoting job creation through increased innovation, productivity, and entrepreneurship; and

“(C) empowering local and regional communities experiencing chronic high unemployment and low per capita income to develop private sector business and attract increased private sector capital investment.

“(4) While economic development is an inherently local process, the Federal Government should work in partnership with public and private local, regional, tribal, and State organizations to maximize the impact of existing re-

sources and enable regions, communities, and citizens to participate more fully in the American dream and national prosperity.

“(5) In order to avoid duplication of effort and achieve meaningful, long-lasting results, Federal, State, tribal, and local economic development activities should have a clear focus, improved coordination, a comprehensive approach, and simplified and consistent requirements.

“(6) Federal economic development efforts will be more effective if they are coordinated with, and build upon, the trade, workforce investment, transportation, and technology programs of the United States.

“(b) DECLARATIONS.—In order to promote a strong and growing economy throughout the United States, Congress declares the following:

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

“(2) Local communities should work in partnership with neighboring communities, the States, Indian tribes, and the Federal Government to increase their capacity to develop and implement comprehensive economic development strategies to alleviate economic distress and enhance competitiveness in the global economy.

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

SEC. 102. DEFINITIONS.

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

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

(2) in clause (iv) (as so redesignated) by inserting “, including a special purpose unit of a State or local government engaged in economic or infrastructure development activities,” after “State”.

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

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

(2) by inserting after paragraph (7) the following:

“(8) REGIONAL COMMISSIONS.—The term ‘Regional Commissions’ means the following entities:

“(A) The Appalachian Regional Commission established under chapter 143 of title 40, United States Code.

“(B) The Delta Regional Authority established under subtitle F of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009aa et seq.).

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

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

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

“(12) UNIVERSITY CENTER.—The term ‘university center’ means an institution of higher education or a consortium of institutions of higher education established as a University Center for Economic Development under section 207(a)(2)(D).”.

SEC. 103. ESTABLISHMENT OF ECONOMIC DEVELOPMENT PARTNERSHIPS.

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

(1) in subsection (b) by striking “and multi-State regional organizations” and inserting “multi-State regional organizations, and non-profit organizations”; and

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

SEC. 104. COORDINATION.

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

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

(2) in subsection (a) (as so designated) by inserting “Indian tribes,” after “districts,”; and (3) by adding at the end the following:

“(b) MEETINGS.—To carry out the responsibilities in subsection (a), or for any other purpose related to economic development activities, the Secretary may convene meetings with Federal agencies, State and local governments, economic development districts, Indian tribes, and other appropriate planning and development organizations.”.

TITLE II—GRANTS FOR PUBLIC WORKS AND ECONOMIC DEVELOPMENT

SEC. 201. GRANTS FOR PLANNING.

Section 203(d) (42 U.S.C. 3143(d)) is amended— (1) in paragraph (1) by inserting “, to the maximum extent practicable,” after “developed” the second place it appears;

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

“(3) COORDINATION.—Before providing assistance for a State plan under this section, the Secretary shall consider the extent to which the State will consider local and economic development district plans.”; and

(3) in paragraph (4)—

(A) by striking “and” at the end of subparagraph (C);

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

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

“(D) assist in carrying out a State’s workforce investment strategy; and”.

SEC. 202. COST SHARING.

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

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

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

(c) INCREASE IN FEDERAL SHARE.—Section 204 (42 U.S.C. 3144) is amended by adding at the end the following:

“(c) INCREASE IN FEDERAL SHARE.—

“(1) INDIAN TRIBES.—In the case of a grant to an Indian tribe for a project under this title, the Secretary may increase the Federal share above the percentage specified in subsection (a) up to 100 percent of the cost of the project.

“(2) CERTAIN STATES, POLITICAL SUBDIVISIONS, AND NONPROFIT ORGANIZATIONS.—In the case of a grant to a State, or a political subdivision of a State, that the Secretary determines has exhausted its effective taxing and borrowing capacity, or in the case of a grant to a nonprofit organization that the Secretary determines has exhausted its effective borrowing capacity, the Secretary may increase the Federal share above the percentage specified in subsection (a) up to 100 percent of the cost of the project.”.

(d) PLANNING GRANTS.—Section 204 (42 U.S.C. 3144) is further amended by adding at the end the following:

“(d) PLANNING GRANTS.—Notwithstanding subsection (a), the Federal share of the costs of planning activities under section 203 shall be at least 65 percent and not more than 80 percent.”.

SEC. 203. SUPPLEMENTARY GRANTS.

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

“(b) SUPPLEMENTARY GRANTS.—Subject to subsection (c), in order to assist eligible recipients in taking advantage of designated Federal grant programs, on the application of an eligible recipient, the Secretary may make a supplementary grant for a project for which the recipient is eligible but for which the recipient cannot

provide the required non-Federal share because of the recipient’s economic situation.”.

(b) REQUIREMENTS APPLICABLE TO SUPPLEMENTARY GRANTS.—Section 205(c) (42 U.S.C. 3145(c)) is amended—

(1) by striking paragraphs (1) and (2) and inserting the following:

“(1) AMOUNT OF SUPPLEMENTARY GRANTS.—The share of the project cost supported by a supplementary grant under this section may not exceed the applicable Federal share under section 204.

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

“(A) the payment of funds made available under this Act to the heads of the Federal agencies responsible for carrying out the applicable Federal programs; or

“(B) the award of funds under this Act, which will be combined with funds transferred from other Federal agencies in projects administered by the Secretary.”; and

(2) by striking paragraph (4).

SEC. 204. REGULATIONS ON RELATIVE NEEDS AND ALLOCATIONS.

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

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

(2) by striking the period at the end of paragraph (2) and inserting “; and”; and

(3) by adding at the end the following:

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

SEC. 205. GRANTS FOR TRAINING, RESEARCH, AND TECHNICAL ASSISTANCE.

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

(1) by striking “and” at the end of subparagraph (F);

(2) by redesignating subparagraph (G) as subparagraph (H); and

(3) by inserting after subparagraph (F) the following:

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

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

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

SEC. 206. PREVENTION OF UNFAIR COMPETITION.

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

SEC. 207. GRANTS FOR ECONOMIC ADJUSTMENT.

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

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

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

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

“(2) EFFICIENT ADMINISTRATION.—The Secretary may—

“(A) at the request of a grantee, amend and consolidate grant agreements governing revolving loan funds to provide flexibility with respect to lending areas and borrower criteria;

“(B) assign or transfer assets of a revolving loan fund to a third party for the purpose of liq-

uidation, and a third party may retain assets of the fund to defray costs related to liquidation; and

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

“(3) TREATMENT OF ACTIONS.—An action taken by the Secretary under this subsection with respect to a revolving loan fund shall not constitute a new obligation if all grant funds associated with the original grant award have been disbursed to the recipient.

“(4) PRESERVATION OF SECURITIES LAWS.—

“(A) NOT TREATED AS EXEMPTED SECURITIES.—No securities issued pursuant to paragraph (2)(C) shall be treated as exempted securities for purposes of the Securities Act of 1933 or the Securities Exchange Act of 1934, unless exempted by rule or regulation of the Securities and Exchange Commission.

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

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

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

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

“(a) IN GENERAL.—In the case of a grant to a recipient for a construction project under section 201 or 209, if the Secretary determines, before closeout of the project, that the cost of the project, based on the designs and specifications that were the basis of the grant, has decreased because of decreases in costs, the Secretary may approve, without further appropriations action, the use of the excess funds (or a portion of the excess funds) by the recipient to increase the Federal share of the cost of a project under this title to the maximum percentage allowable under section 204 or to improve the project.

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

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

“(1) utilize the funds in accordance with subsection (a), with the approval of the originating agency; or

“(2) return the funds to the originating agency.”.

SEC. 209. SPECIAL IMPACT AREAS.

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

“SEC. 214. SPECIAL IMPACT AREAS.

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

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

“(c) NOTIFICATION REQUIREMENT.—At least 30 days before issuing a waiver under this section,

the Secretary shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a written notice of the waiver, including a justification for the waiver."

(b) CONFORMING AMENDMENT.—The table of contents contained in section 1(b) is amended by inserting after the item relating to section 213 the following:

"Sec. 214. Special impact areas."

SEC. 210. PERFORMANCE AWARDS.

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

"SEC. 215. PERFORMANCE AWARDS.

"(a) IN GENERAL.—The Secretary may make a performance award in connection with a grant made, on or after the date of enactment of this section, to an eligible recipient for a project under section 201 or 209.

"(b) PERFORMANCE MEASURES.—

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

"(2) CONSIDERATIONS.—In issuing regulations under paragraph (1), the Secretary shall consider including performance measures that assess the following factors:

"(A) Whether the recipient meets or exceeds scheduling goals.

"(B) Whether the recipient meets or exceeds job creation goals.

"(C) Amounts of private sector capital investments leveraged.

"(D) Such other factors as the Secretary determines appropriate.

"(c) AMOUNT OF AWARDS.—

"(1) IN GENERAL.—The Secretary shall base the amount of a performance award made under subsection (a) in connection with a grant on the extent to which a recipient meets or exceeds performance measures established in connection with the grant.

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

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

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

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

"(g) TERMS AND CONDITIONS.—In making performance awards under subsection (a), the Secretary shall establish such terms and conditions as the Secretary considers appropriate.

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

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

"(j) REVIEW BY COMPTROLLER GENERAL.—

"(1) REVIEW.—The Comptroller General shall review the implementation of this section in each fiscal year.

"(2) ANNUAL REPORT.—Not later than one year after the date of enactment of this section, and annually thereafter, the Comptroller General shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the Comptroller's findings under this subsection."

(b) CONFORMING AMENDMENT.—The table of contents contained in section 1(b) is amended by inserting after the item relating to section 214 the following:

"Sec. 215. Performance awards."

SEC. 211. PLANNING PERFORMANCE AWARDS.

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

"SEC. 216. PLANNING PERFORMANCE AWARDS.

"(a) IN GENERAL.—The Secretary may make a planning performance award in connection with a grant made, on or after the date of enactment of this section, to an eligible recipient for a project under this title located in an economic development district.

"(b) ELIGIBILITY.—The Secretary may make a planning performance award to an eligible recipient under subsection (a) in connection with a grant for a project if the Secretary determines before closeout of the project that—

"(1) the recipient actively participated in the economic development activities of the economic development district in which the project is located;

"(2) the project is consistent with the comprehensive economic development strategy of the district;

"(3) the recipient worked with Federal, State, and local economic development entities throughout the development of the project; and

"(4) the project was completed in accordance with the comprehensive economic development strategy of the district.

"(c) MAXIMUM AMOUNT.—The amount of a planning performance award made under subsection (a) in connection with a grant may not exceed 5 percent of the amount of the grant.

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

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

"(f) FUNDING.—The Secretary shall carry out this section using any amounts made available for economic development assistance programs."

(b) CONFORMING AMENDMENT.—The table of contents contained in section 1(b) is amended by inserting after the item relating to section 215 the following:

"Sec. 216. Planning performance awards."

SEC. 212. SUBGRANTS.

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

"SEC. 217. SUBGRANTS.

"(a) IN GENERAL.—Subject to subsection (b), a recipient of a grant under section 201, 203, or 207 may directly expend the grant funds or may redistribute the funds in the form of a subgrant to other eligible recipients to fund required components of the scope of work approved for the project.

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

(b) CONFORMING AMENDMENT.—The table of contents contained in section 1(b) is amended by inserting after the item relating to section 216 the following:

"Sec. 217. Subgrants."

SEC. 213. BROWNFIELDS REDEVELOPMENT.

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

"SEC. 218. BROWNFIELDS REDEVELOPMENT.

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

"(b) LIMITATIONS.—Projects carried out under this section shall be subject to the limitations of section 104(k)(4)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(k)(4)(B)); except that recipients may use grant funds awarded under this section for the administrative costs of economic development activities.

"(c) DEFINITIONS.—In this section, the following definitions apply:

"(1) BROWNFIELD SITE.—The term 'brownfield site' has the meaning given such term in section 101(39) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(39)).

"(2) QUALIFIED ELIGIBLE RECIPIENT.—The term 'qualified eligible recipient' means an eligible recipient that meets the definition of 'eligible entity' in section 104(k)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(k)(1)); except that for any project undertaken under this section the term may include a nonprofit organization acting in cooperation with officials of a political subdivision of a State."

(b) CONFORMING AMENDMENT.—The table of contents contained in section 1(b) is amended by inserting after the item relating to section 217 the following:

"Sec. 218. Brownfields redevelopment."

SEC. 214. BRIGHTFIELDS DEMONSTRATION PROGRAM.

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

"SEC. 219. BRIGHTFIELDS DEMONSTRATION PROGRAM.

"(a) IN GENERAL.—On the application of a qualified eligible recipient, the Secretary may make a grant for a project for the development of brightfield sites if the Secretary determines that the project will—

"(1) utilize solar energy technologies to develop abandoned or contaminated sites for commercial use; and

"(2) improve the commercial and economic opportunities in the area where the project is located.

"(b) LIMITATIONS.—Projects carried out under this section shall be subject to the limitations of section 104(k)(4)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(k)(4)(B)); except that recipients may use grant funds awarded under this section for the administrative costs of economic development activities.

"(c) DEFINITIONS.—In this section, the following definitions apply:

"(1) BRIGHTFIELD SITE.—The term 'brightfield site' means a brownfield site (as defined in section 217) that is redeveloped through the incorporation of solar energy technologies.

"(2) QUALIFIED ELIGIBLE RECIPIENT.—The term 'qualified eligible recipient' has the meaning given such term in section 217; except that for any project undertaken under this section the term may include a nonprofit organization acting in cooperation with officials of a political subdivision of a State.

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

(b) CONFORMING AMENDMENT.—The table of contents contained in section 1(b) is amended by inserting after the item relating to section 218 the following:

"Sec. 219. Brightfields demonstration program."

TITLE III—COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES

SEC. 301. COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES.

(a) IN GENERAL.—Section 302(a)(3)(A) (42 U.S.C. 3162(a)(3)(A)) is amended by inserting

"maximizes effective development and use of the workforce consistent with any applicable State or local workforce investment strategy," after "access."

(b) APPROVAL OF OTHER PLAN.—Section 302(c) (42 U.S.C. 3162(c)) is amended by adding at the end the following: "To the maximum extent practicable, a plan submitted under this paragraph shall be consistent and coordinated with any existing comprehensive economic development strategy for the area."

TITLE IV—ECONOMIC DEVELOPMENT DISTRICTS

SEC. 401. INCENTIVES.

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

SEC. 402. PROVISION OF COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES TO REGIONAL COMMISSIONS.

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

"SEC. 404. PROVISION OF COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES TO REGIONAL COMMISSIONS.

"If any part of an economic development district is in a region covered by one or more of the Regional Commissions (as defined in section 3), the economic development district shall ensure that a copy of the comprehensive economic development strategy of the district is provided to the affected Regional Commission."

(b) CONFORMING AMENDMENT.—The table of contents contained in section 1(b) is amended by striking the item relating to section 404 and inserting the following:

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

TITLE V—ADMINISTRATION

SEC. 501. ECONOMIC DEVELOPMENT INFORMATION CLEARINGHOUSE.

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

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

"(1) maintain a central information clearinghouse on the Internet with—

"(A) information on economic development, economic adjustment, disaster recovery, defense conversion, and trade adjustment programs and activities of the Federal Government;

"(B) links to State economic development organizations; and

"(C) links to other appropriate economic development resources;"

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

"(2) assist potential and actual applicants for economic development, economic adjustment, disaster recovery, defense conversion, and trade adjustment assistance under Federal and State laws in locating and applying for the assistance;"

(3) by striking the period at the end of paragraph (3) and inserting "; and"; and

(4) by adding at the end the following:

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

SEC. 502. BUSINESSES DESIRING FEDERAL CONTRACTS.

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

SEC. 503. PERFORMANCE EVALUATIONS OF GRANT RECIPIENTS.

Section 506(c) (42 U.S.C. 3196(c)) is amended by striking "after the effective date of the Economic Development Administration Reform Act of 1998".

SEC. 504. CONFORMING AMENDMENTS.

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

(1) in the first sentence by striking "in accordance with" and all that follows before the period at the end and inserting "in accordance

with subchapter IV of chapter 31 of title 40, United States Code"; and

(2) in the third sentence by striking "section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c)" and inserting "section 3145 of title 40, United States Code".

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

TITLE VI—MISCELLANEOUS

SEC. 601. RELATIONSHIP TO ASSISTANCE UNDER OTHER LAW.

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

(1) by striking subsection (a); and

(2) by striking "(b) ASSISTANCE UNDER OTHER ACTS.—".

SEC. 602. SENSE OF CONGRESS REGARDING ECONOMIC DEVELOPMENT REPRESENTATIVES.

(a) FINDINGS.—Congress finds the following:

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

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

(3) In the past five years, the number of Economic Development Representatives has declined by almost 25 percent.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary should maintain a sufficient number of Economic Development Representatives to ensure that the Economic Development Administration is able to provide effective assistance to distressed communities and foster economic growth and development among the States.

TITLE VII—FUNDING

SEC. 701. AUTHORIZATION OF APPROPRIATIONS.

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

"SEC. 701. GENERAL AUTHORIZATION OF APPROPRIATIONS.

"(a) ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS.—There are authorized to be appropriated for economic development assistance programs to carry out this Act—

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

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

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

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

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

Such sums shall remain available until expended.

"(b) SALARIES AND EXPENSES.—There are authorized to be appropriated for salaries and expenses of administering this Act \$33,377,000 for fiscal year 2004 and such sums as may be necessary for each fiscal year thereafter. Such sums shall remain available until expended."

TITLE VIII—APPALACHIAN REGIONAL DEVELOPMENT

SEC. 801. 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

(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. 802. 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."

The SPEAKER pro tempore. The gentleman from Ohio (Mr. LATOURETTE) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. LATOURETTE).

Mr. LATOURETTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2535, the Economic Development Administration Reauthorization Act, continues the work of the EDA by reauthorizing the agency for 5 years, updates the statute to reflect a changing economy, promotes the efficient use of resources, eliminates unnecessary and outdated provisions, and gives the Secretary flexibility to assist particularly hard-hit parts of the country. This reauthorization also includes several new provisions that will be important additions to the work of the EDA.

This legislation creates a performance-based incentive program in which eligible recipients are eligible for a bonus of up to 10 percent of the project cost by meeting criteria established in regulation; allows for the improved management and operation of revolving loan funds by amending loan areas and consolidating overlapping loans with the operator's consent and by crafting regulations that would allow for the securitization of loans consistent with security laws; and creates a planning performance award that awards up to 5 percent of a grant amount if a recipient meets several mandated criteria. By adding these provisions, EDA can better serve its constituents and do more to improve the economic future of America.

This legislation was developed through an intense process of hearings and markups. It was an open process that allowed for the input of all Members and groups with an interest in the legislation. This process has resulted in legislation that has broad bipartisan support, the support of the administration, and the support of such important partners as the National Association of Development Organizations, International Economic Development Council, National League of Cities, National Association of Counties, and the United States Conference of Mayors. This is a well-crafted piece of legislation. I want to thank the chairman of our full committee the gentleman from Alaska (Mr. YOUNG); the ranking member of the full committee the gentleman from Minnesota (Mr. OBERSTAR); and my distinguished ranking

member on the subcommittee the gentlewoman from the District of Columbia (Ms. NORTON) for helping us put this legislation together.

I urge my colleagues to join me in supporting it.

Mr. Speaker, I reserve the balance of my time.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first I want to commend the chair of the subcommittee for the several hearings he had with great profit on the bill before us today and with the way he conducted those hearings so as to bring out many new ideas that have improved this bill. I rise, therefore, in support of H.R. 2535 as amended by the manager's amendment, a bill to reauthorize the program authorized by the Public Works and Economic Development Act of 1965.

This bill will reauthorize the Economic Development Administration for 5 years and provide authorization for sufficient funding levels to carry out its statutory obligations to provide economic opportunities in distressed areas of our country. This bill is of great importance to many struggling rural communities in our country and has very strong bipartisan support in this body.

The bill being considered this morning authorizes some new concepts, such as performance grants, and reinforces some tried and true approaches, such as ensuring economic development proceeds with close cooperation between local governments and Federal partners. One of the new concepts is the authorization of a performance grant program. Under this new program, grantees that meet or exceed goals for projects scheduled, jobs creation and financial leverage will be eligible for a performance grant of up to 10 percent of the project grant.

Further, for purposes of this act, the grantee can consider the proceeds as local funds to meet the non-Federal share requirements of this or other economic development acts. This is a new and innovative approach to rewarding high performance and provides the grantees with a tangible asset for future use. This will, we think, bring important new efficiencies to a program where there was already great efficiency according to many who testified.

The bill also authorizes the Secretary to make grants for projects to expand, redevelop or reuse brownfields sites. This is a much needed authority for major industrial sites.

I also appreciate the consideration the committee gave to my own interest in university centers and the expertise and resources they can bring to small and disadvantaged communities, just as they are well known to bring such advantages to big cities. Report language will highlight the committee's intent that the EDA should consider increasing the number of university centers. With the increase in authorized sums, I hope new university centers will become a reality.

Most of the districts that will benefit from this bill are rural communities, some of them very small, some of them larger communities. Many communities wanted to be a part of this bill because of its long history of promoting economic development and leveraging private resources, where otherwise that would be very difficult. Although, I represent a highly-urbanized district, I certainly know firsthand the singular importance of economic development, the benefits associated with economic opportunities that are created with a strong, vibrant economic development program and, of course, the persistent need for funding to transform ideas into reality.

At the April hearing on economic development, I mentioned the recent opening of the new Washington Convention Center and the immediate economic effect that it is having on my community and on the residents and community at large, including the entire region. I want to especially thank Chairman YOUNG and Ranking Member OBERSTAR for their constant and beneficial leadership on this bill. I also extend my personal thanks and congratulations to the gentleman from Ohio (Mr. LATOURETTE) for the interest and attention and expertise in committee he brought to reauthorizing this agency which is so vital to so many rural Americans. I strongly support H.R. 2535 and urge its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. LATOURETTE. Mr. Speaker, it is my pleasure to yield 3 minutes to the gentleman from Pennsylvania (Mr. PETERSON).

Mr. PETERSON of Pennsylvania. Mr. Speaker, I want to commend the gentleman from Ohio (Mr. LATOURETTE) and the gentlewoman from the District of Columbia (Ms. NORTON) for their good work on the reauthorization of EDA. I, as the cochairman of the Congressional Rural Caucus, rise today in strong support of this reauthorization for the Economic Development Agency. The programs under the EDA are tremendously vital to rural areas. Without Federal economic development investment in rural economies, many of these communities would lack the resources to attract the next generation of manufacturing jobs and they would wither and dry up.

The reauthorization passed in the 105th Congress focused these programs toward serving the most needy, and I am pleased this reauthorization will continue to build upon those achievements. I have seen firsthand how the past reauthorization has focused Federal dollars to target communities that lack the resources.

I want to give my colleagues a few examples. When Knox Glass closed in Clarion County, it was EDA who stepped up to the plate with a grant that allowed them to build a new industrial park there on 80 and replace many of those jobs. When Franklin Steel closed, it was an EDA grant that

allowed Franklin Industries to reopen that factory and have several hundred people working there. When Kendall Refining closed in McKean County, and now we reopened American Refineries, it was an EDA grant that allowed that to happen. When the Stackpole Corporation closed and thousands of jobs left Elk County in Pennsylvania, it was an EDA grant through the North Central Planning Commission that now has 200 and 300 people working in different companies within that complex. And when the Cyclops Steel Plant closed 5 miles from my home and 1,000 good jobs went down the drain, it was an EDA grant that allowed that facility to be taken over by a local development agency, and there are several hundred jobs and about 20 companies providing employment there today.

Do we need it in the future? Yes, we do. In my 16-county rural district in Pennsylvania, we have lost 17,000 manufacturing jobs in the year 2001 and 2002. So I stand here today saying we need an expanded EDA. We need an EDA with more money, with a bigger budget. And I am here today on behalf of the reauthorization of this agency because their structure allows them to go into a rural community that has been devastated by losing their major employer and give that grant that is the glue that will put an economic opportunity back there in those communities.

Rural America is in trouble. We need a bigger, stronger EDA to help us. They have an agency with a good track record. I want to commend Secretary David Sampson for his strong leadership there, and I want to commend the committee for their good work in bringing forth this reauthorization.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

I want to thank the gentleman who has just spoken. I want him to know that I think I would speak for the chair, as well as myself, when I say it was heartbreaking not to have more money for this bill because of the way in which communities came forward and wanted to be included. But we thought that pretty soon you are going to have every community from a rural area in the United States included in this bill, and for good reason. What made it heartbreaking, of course, is that we are not just talking about another bill that will throw some money out here for communities, even hard-pressed communities. What was really so rewarding was to hear experts who had looked at the program testify as to its benefits and its efficiency.

There came a time in the hearings when I wondered if I was hearing a discussion of a Federal program when its efficiencies were being touted the way they were. What the chairman and I did was to work on making these efficiencies even more widespread with new ways to not only measure performance but to reward performance. I do want to say a word about rewarding performance. The incentive portion of

this bill will also mean that the private sector, whose resources get leveraged as well, will understand why this bill is important for their participation, because they understand incentives. The joining of the performance with incentives, which means that some of that actually comes back to you to use, is a model I would like to see in other Federal legislation as well. I regret that there was not more money. I applaud the fact that there is a greater amount than before. I thank the gentleman from Ohio (Mr. LATOURETTE) for his hard work on this bill.

Mr. Speaker, I yield back the balance of my time.

Mr. LATOURETTE. Mr. Speaker, I yield myself such time as I may consume to make a couple of observations. One, to thank the gentleman from Pennsylvania for his eloquent statement. I think as he recited those communities that have been helped by the EDA, that was the only commercial that we needed for the reauthorization of this valuable program. In the exhaustive hearings that we had on this issue where the gentlewoman from the District and I had the opportunity to listen to economic development experts from around the country, they talked about the fact that the average size of EDA grant is \$600,000. So we are not talking about hundreds of millions, we are not talking about billions, but that \$600,000 when then translated into the local community and what it meant, as recounted by the gentleman from Pennsylvania, I think was truly remarkable. It really is life-changing and community-changing money, and the work that they do is certainly not only well-spent but it is productive.

The second piece, the amendment that was self-executed by the agreement of the House of yesterday, I think, is important in that we have added 12 counties to the Appalachian Regional Commission. Some people expressed concern about that, particularly those communities that are already located within the ARC. I want to highlight and commend the distinguished work of one of our committee members, the gentlewoman from West Virginia (Mrs. CAPITO) that was concerned about the fact that that might stress the resources. She made sure that an amendment was included therein that also made sure that there were sufficient funds so that that fine organization could continue its work and continue its work at a fiscally responsible level.

□ 1230

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Michigan (Mr. HOEKSTRA).

Mr. HOEKSTRA. Mr. Speaker, I thank my colleague for yielding me this time and allowing me the opportunity to speak on this bill.

I am enthusiastic about this bill. It has bipartisan support, supported by development organizations. It is supported by the U.S. Conference of May-

ors, the Education Association of the University Centers. So it has clearly met the needs of a number of folks. But as we take a look at what the bill does specifically, it creates a new program that allows for the designation of special impact areas which allows the Secretary to waive certain planning requirements to help isolated areas in distressed communities.

This designation, I think, really will enable the Secretary to respond more quickly to get help to those areas, to get economic help to those communities that need it; and when they need it, they need it quickly. It creates a performance-based incentive program that rewards high performance, as determined by criteria established in regulation, with a bonus of up to 10 percent of the project cost that can be used on other eligible activities.

Again, these reforms focus on getting better results. It creates a planning performance award equal to 5 percent of the grant amount, which may be awarded prior to closeout of a grant if the recipient satisfies four mandated criteria. And as with any program or any reform, it removes outdated and burdensome administrative procedures. It updates several citations and allows for subgranting of assistance to eligible recipients. It also authorizes the issuance of grants for brownfields redevelopment. Again, important in many communities because if we want to revitalize a community, what we want to do is we want to revitalize those areas that we classify as brownfields. It also allows the EDA to explore the use of photovoltaic technology in brownfield redevelopment on a limited basis, again, enabling us to use perhaps break-through technology in cleaning up the brownfields. So I rise in strong support of H.R. 2535, the Economic Development Administration Reauthorization bill, and I thank my colleague.

Mr. LATOURETTE. Mr. Speaker, we have had a couple of additional speakers show up here, and I am not sure whether the gentlewoman from the District of Columbia was expecting that. So I would ask unanimous consent that the time that she has yielded back be restored to her in case she wants to make some observations.

The SPEAKER pro tempore (Mr. SHAW). Without objection, the gentlewoman from the District of Columbia's (Ms. NORTON) time is restored.

There was no objection.

Mr. LATOURETTE. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. HAYES).

Mr. HAYES. Mr. Speaker, I thank the gentleman from Ohio (Mr. LATOURETTE) for his hard work and dedication in increasing economic opportunities through the reauthorization of the Economic Development Administration.

I strongly support this legislation. Established in 1965, the ADA was created in an effort to improve conditions of substantial and persistent economic distress throughout the United States.

I am fortunate to have been able to work with the EDA, and specifically Dr. David Sampson, on economic development issues that are vitally important to the future and the people of the eighth district of North Carolina.

H.R. 2535 requires Federal agencies to coordinate their economic development initiatives, including a requirement for comprehensive economic development strategies, CEDS, to maximize the effective use of workforce investment strategies. Our CEDS committee is a local initiative led by Chairwoman Judy Stevens and comprised of local economic development, education, and chamber officials. With the hard work of Dr. Sampson and his staff at EDA, our CEDS committee is coming closer to a final recommendation to present to EDA which will serve as a blueprint for regional economic development for the eighth district of North Carolina.

With relatively small investments of Federal funds, the EDA has been able to achieve remarkable successes and change the economic outlook for many citizens. As an example, since 1965, the Appalachian Regional Commission has invested over \$400 million toward transportation, business development, education, health care, and community projects in North Carolina. As a direct result of this investment, poverty rates in the commission region have been cut almost in half.

These are real results for real people, and I look forward to continuing to work with Dr. Sampson and the EDA as we continue to address economic development and jobs in areas such as the eighth district of North Carolina. I am hopeful that the 108th Congress will authorize the Southeast Crescent Authority, or SECA, which will provide 428 counties in the southeastern United States access to Federal funds and expertise that will support increased economic opportunity, prosperity, and jobs for our citizens.

I again thank the gentleman from Ohio (Mr. LATOURETTE) for his service and leadership on his issue, and I support the bill strongly.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

I thank the gentleman for moving to restore my time by unanimous consent. And since we do have the time, I want to note how long-lasting this bill has been. I mentioned that it was first authorized in 1965 when the President was Lyndon Johnson. It was a bipartisan bill then, and it remains bipartisan today. And it comes at a time of special need for such a bill.

Since January, 2001, if we look nationwide, the number of unemployed have increased by 50 percent. We know what that means in big cities because of the media in big cities. The effect on small communities is far more serious because they do not have the economic development vehicles in the first place and because those areas by definition have found it harder to attract the vehicles on their own.

The importance of this bill is that it has given the signal to the private sector to come on in, and the bill is so successful because that is exactly what the private sector has done in rural communities where they would not have thought of coming without the Economic Development Act. So these grants are critical to economic development in good times and in poor times. They keep economic development alive very often. And what kind of money are we talking about? The chairman indicated the size of the average grant. When we come on the floor with a bill that authorizes \$400 million for fiscal year 2004 and \$500 million by the year 2008, we are really talking pocket change for bills that come before this body. And look at what it does. Hundreds of millions more is leveraged from private resources because of this bill.

I am very proud of the work the committee has done, but I am prouder still of what came before us in the form of benefits to rural communities and efficiencies that they had incorporated into their own economic development work.

Mr. Speaker, I reserve the balance of my time.

Mr. LATOURETTE. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado (Mr. BEAUPREZ).

Mr. BEAUPREZ. Mr. Speaker, I thank the gentleman for yielding me this time, and I congratulate him and the ranking member on bringing this important legislation to the floor. And I am rising in strong support of passage of H.R. 2535.

I would like to share a very personal story. Sometimes we talk in grand pictures and sometimes abstract pictures about our impact of legislation. I want to cite for the Members of this body a very specific example. In 1995 with the BRAC closures, the Base Realignment and Closure Act, the Fitzsimmons Army Medical Hospital in Aurora, just on the edge of Denver, found itself on that list. And one can imagine the impact on a community when it finds out that about 4,500 jobs, both direct and indirect, are going to be lost from that community, a tremendous financial and economic impact to a relatively small neighborhood and a community. To make lemonade out of lemons, the EDA came in with some assistance, provided assistance in the form of an infrastructure grant to provide basic infrastructure needs, transportation needs for this old Army base. That Army base now is going to be home for a health sciences center, a collaborative health sciences center, involving the University of Colorado Health Sciences. We hope the Veterans Hospital will move there. We have an cancer center there, an eye center there. A bioethics clinic is locating there.

A long story made short, 35,000 jobs, 35,000 jobs are expected to be on that site by the year 2010, 35,000 high-paying jobs. And indirectly we estimate 66,000 jobs will come to Colorado in large part

because of the EDA's willingness to step up to the plate, be a partner with the community in redeveloping a site and creating a huge opportunity.

Net gains in Colorado for a \$5.1 million grant by the EDA to provide this basic infrastructure, as the ranking member just cited a minute ago, so as to attract private industry, it is estimated that by 2010, \$3.1 billion will be generated for the Colorado economy and \$6.3 billion once the site is fully developed in about another 10 years.

So it is with great pride that I again compliment the chairman and the ranking member on bringing this legislation to the floor and with great comfort that I can strongly support this legislation.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

To close, I just want to remind Members of what the mission is of this bill that was declared in 1965, to enhance community success in attracting private capital investment and lucrative job opportunities. This is not a classic public works program. What we are providing, Mr. Speaker, is seed money. And the indication of that is worth putting on the record. The average project, EDA project, leverages \$10 million in private sector investment for every \$1 million in Federal assistance. And I spoke earlier of the efficiency of this program that was presented at hearings. Here is an indication of that: 99 percent, that is 99 percent, which is a rare number on this floor, of EDA infrastructure projects are completed as planned and 91 percent of projects are completed on time. Would that we could say that about some other projects I can think of. I will not even mention the Visitors Center.

Mr. Speaker, I yield back the balance of my time.

Mr. LATOURETTE. Mr. Speaker, I yield myself such time as I may consume.

I again thank the gentlewoman from the District of Columbia, who has truly been a wonderful cooperative partner during this first year of the 108th Congress, and I look forward to a good number of legislative successes with her in the coming year.

Mr. OXLEY. Mr. Speaker, I rise in strong support of H.R. 2535, the Economic Development Administration Reauthorization Act, offered by my colleague from the great state of Ohio, Mr. LATOURETTE, and urge its immediate passage. As you know, the Committee on Financial Services has jurisdiction over aid to commerce and industry, and based on that jurisdiction received an additional referral of the bill.

Mr. Speaker, while the country experienced record growth during the 1990s, there continued to be pockets of the country that did not enjoy that bounty. An economic downturn of the sort we have had over the past couple of years hits these area especially hard. Now, as the economy is turning up again, even as we tend to the economic wounds suffered by the rest of the country, we must remember that these areas were even harder-hit, and for this reason I salute Mr. LATOURETTE's diligent work on this matter.

Operating out of six regional offices as widely spread as Seattle and Philadelphia, the EDA provides community and regional grants on a cost-share basis for economic adjustment assistance, public works, development facilities, and planning and technical assistance, all aimed at leveraging public and private sector investments, creating or retaining long-term private-sector jobs and generating industrial and commercial development in both urban and rural areas.

Importantly, Mr. Speaker, the EDA is focused not only on reversing or mitigating the effects of long-term economic distress, but also on dealing with sudden economic impact brought on by the closing of, say, a military base or a large manufacturer or group of manufacturers in a particular industry. As the United States economy experiences the loss of some manufacturing jobs due to increased foreign competition, it is imperative for us to find or stimulate new jobs for displaced workers, and the EDA is an important tool in this effort.

David A. Sampson, Assistant Secretary of Commerce for Economic Development, is fond of saying that President Bush is committed to increasing the productivity and wealth of the American economy, and then noting that the President is firmly committed to ensuring that "all regions, States and communities share in economic opportunity." Mr. Speaker, I echo the President and Secretary Sampson. I am sure that the President's goal is the goal of each and every one of us, regardless of which state or which party we represent.

I commend Mr. LATOURETTE for his creativity in this area, and note that the reauthorization of the EDA contains a number of new and exciting programs, including the securitization of some economic development loans in a way that will give us even more bang for our economic buck in these areas. This is a forward-looking bill that seeks to help some of America's hardest-hit economic areas. I commend it, and seek its immediate passage.

Mrs. MYRICK. Mr. Speaker, I come here today in support of the reauthorization of the Economic Development Administration at Commerce. We in the Ninth District of North Carolina have had great success with the programs from EDA. Most importantly, EDA helped my district come together and formulate a comprehensive economic development plan for the next decade. This was the first time all of the economic development officials, business leaders, and community developers came to one place and really discussed where they saw our counties going and what was needed to ensure economic success.

Our area has been hit extremely hard by job losses, particularly in the manufacturing and textile sectors. The help that the EDA has provided and will continue to provide has given my district a vision for the future and a way for each citizen to become involved in its community. I thank the EDA for their help and assistance and commend them for the important work they do in districts like mine all around the country.

If the EDA is given the resources provided in this bill, it will result in the creation of approximately 623,314 jobs and the leveraging of \$46.4 billion in private-sector investments over 5 years. With job challenges facing all of our districts every day, how can we not support a bill that will result in this many jobs being created?

I support this bill and I urge my colleagues to support it.

Mr. OBERSTAR. Mr. Speaker, I rise in support of H.R. 2535, as amended by the manager's amendment, a bill to reauthorize the Economic Development Administration (EDA). In 1965, I was present when President Lyndon Johnson signed the Public Works and Economic Development Act creating EDA. In fact, I still have the pen he used at the signing ceremony. Since its inception, I have been a strong supporter of EDA and now, nearly 40 years later, I continue to believe in EDA's core mission—to create economic opportunity for those living and working in economically distressed communities.

EDA's mission—to create economic opportunities for all—remains as vital and necessary today as it was four decades ago. As our economy continues to struggle, the importance of EDA becomes even more apparent. Since January 2001, the national unemployment rate has risen to 6.1 percent, the highest level in 9 years. Further, in that time, the number of unemployed workers has increased from 5.9 million people to almost 9 million—an increase of more than 3 million unemployed workers, or 50 percent. Moreover, workers who have lost their jobs are having more trouble finding new jobs. The average length of unemployment is now almost 20 weeks, the longest it has been in nearly two decades. Within the last 2 weeks, the number of workers who have been unemployed for longer than 6 months has increased by more than 1.5 million to more than 2.1 million—an increase of 218 percent. One-half of the unemployed are out of work for more than 9 weeks and more than one in five have been out of work for more than 6 months. As in every recession, it is the people living in our Nation's economically distressed communities—the very people who are served by EDA—that are hardest hit by the economic downturn.

Mr. Speaker, EDA works. I know it works because I've seen it work—providing jobs, job training, and real economic opportunities in distressed communities across the country. A recent series of Rutgers University studies found that every \$1 million in EDA public work funding creates 325 jobs; leverages \$10 million in private sector investment; and increases the local tax base by \$10 million.

EDA grants are particularly vital for many smaller, rural communities where deterioration of infrastructure facilities is especially prevalent. Deterioration in infrastructure is often part of a downward cycle that contributes to erosion of human and financial resources. For these rural communities, EDA grants are critical to improve their economic condition.

This bill enhances the agency's ability to deliver economic development services to those who need it most. The bill authorizes EDA for 5 years and provides the agency with the financing levels necessary to affect real growth and development in economically distressed communities. To that end, the bill authorizes \$400 million for the agency in fiscal year 2004, increasing to \$500 million in fiscal year 2008. Further, the bill moves the agency forward by building on a solid base of good administrative practices. It requires comprehensive economic development planning at the State and local level. Such planning is essential for state and local governments to tackle effectively the tremendous economic development challenges

they face and to take full advantage of EDA's program. EDA planning grants, which are reauthorized under the bill, provide a vital tool for state and local governments to undertake this important planning.

There are also many new, innovative programs in the bill. For example, the bill authorizes EDA to award performance incentive awards to high performing grantees. Grantees can use their performance award money in any manner consistent with the Act. The bill also authorizes an EDA brownfields program and establishes a demonstration program for brightfields, which are brownfields developed through the use of photovoltaic solar energy systems. The ability to invest in these areas and technologies provides communities with the tools needed to reap further benefits.

When EDA was last reauthorized in 1998, this House and the Transportation and Infrastructure Committee took the lead in enacting that legislation. I am proud that we are again leading the efforts to reauthorize EDA with this bill. It is a true bipartisan product, and I extend my thanks to Chairman YOUNG, Subcommittee Chairman LATOURETTE, and Subcommittee Ranking Member NORTON for their hard work and diligence on this bill. I urge its passage.

Mr. COSTELLO. Mr. Speaker, I rise today in support of H.R. 2535, legislation to reauthorize the Economic Development Agency for an additional 5 years.

Since its inception in 1965, the EDA has been successful. Positive changes have occurred in every State of this Nation. More than \$18 billion in Federal money has been invested in rural and urban communities, which has leveraged more than \$74 billion in private sector investments. More than 2.8 million jobs have been created. In my congressional district, the EDA has provided assistance for a variety of economic development projects—ranging from ports to business parts—to improve the region's economy.

The bill we have before us today will continue the success of the EDA by providing the agency with \$2.25 billion over a 5-year period for economic development assistance. These resources will result in the creation of almost 625,000 jobs and leverage \$46.4 billion in private sector investments.

Mr. Speaker, the bill we have before us today is a good bill. It builds on the success of the EDA, and will improve the responsiveness and flexibility of the EDA, while improving coordination with other Federal agencies.

I urge my colleagues to join me in supporting this bill.

Mr. HINOJOSA. Mr. Speaker, I rise in strong support for H.R. 2535, the Economic Development Administration Reauthorization. In my congressional district, under the leadership of Pedro Garza, the Austin regional director, EDA has been a strong partner in helping my rural and urban communities in a variety of ways.

EDA grants have helped my small rural towns build wastewater facilities and other infrastructure projects. With EDA grants, South Texas Community College has built an allied health center that is training hundreds of new nurses and health professionals. These students will have the opportunity to work in a

high-paying career and alleviate the nursing shortage that is plaguing the entire State of Texas. EDA funding helped us complete a new pediatric speciality clinic in one of the poorest counties in the nation. An EDA planning grant is currently helping the Delta Region of Hidalgo County develop an economic development plan that will lead the region into a new era of economic growth. Whenever we have called on Mr. Garza, he has been there to help us to the best of his ability. I want to thank him for all he has done for the 15th Congressional District of Texas.

The EDA model of leveraging public and private sector investment is a proven success. Every \$1 million in EDA investment helps rural and urban communities leverage \$10.8 million in private-sector investments. We need to encourage this type of success in other Federal programs. I urge my colleagues to vote in favor of H.R. 2535 and allow EDA to continue its mission of helping our rural and urban communities grow.

Mr. RAHALL. Mr. Speaker, I want to express my strong support for the reauthorization of the Economic Development Administration (EDA).

The EDA enhances regional competitiveness and provides critical long-term support for regional economies. In my own district of southern West Virginia, the EDA has been an important catalyst that has created or saved an estimated 2,240 jobs just since 1993. Similarly, over \$31 million in federal funding has enabled 78 projects in southern West Virginia to leverage more than \$50 million in private sector funding as well as approximately \$24 million in state and local funding. In 2003, alone, EDA programs have provided much-needed funding for projects as diverse as University Center funding at several of West Virginia's institutions of higher education, an airport business park in Raleigh County, and engineering for building construction in Hinton, WV.

But in some regions of our Nation, EDA cannot complete its mission without additional help. For example, the Appalachian Regional Commission (ARC) works in coordination with EDA to serve America's Appalachian region. 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. My home State of West Virginia lies entirely in the Appalachian region. Mr. Speaker, neither of these two important programs can sufficiently serve the area without the other.

For over 30 years, the ARC has provided for development and jobs for more than 22 million people. The ARC's assistance to West Virginia, and to my constituents in the southern part of the state, through the West Virginia Infrastructure and Jobs Development Council has been critical. It has aided the West Virginia Department of Health and Human Resources to develop educational funding, training and job opportunities for local health care. In my district, the ARC made \$1 million available to the Mingo County Redevelopment Authority to provide water service, and to create 130 jobs by processing West Virginia timber into hardwood flooring and related projects. Similarly, the ARC provided water service to 312 new customers in Crum, West Virginia, and it helped to improve the quality of mathematics and science education in Bluefield, WV.

Tragically, however, the Bush administration proposed decreased funding levels for the ARC's nonhighway program by more than 50 percent. Of course, President Bush's friends in the Republican-led House followed through with his wishes by imposing the cuts in appropriations for next year. Now, the administration and the House Republicans say that they want to shift the ARC's nonhighway responsibilities to EDA for larger multijurisdictional projects, diluting the unique attention ARC provides this region of vast potential to serve our Nation.

Mr. Speaker, I am glad to have to be able to express my strong support for the EDA, and I support reauthorization of this vital agency. But, on behalf of West Virginians and all those throughout the Appalachian region, I mourn for the cuts to the ARC.

Mr. LATOURETTE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to the order of the House of Monday, October 20, 2003, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LATOURETTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2535, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

GENERAL LEAVE

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and that I may include tabular and extraneous material on the motion to go to conference on H.R. 3289.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR DEFENSE AND FOR THE RECONSTRUCTION OF IRAQ AND AFGHANISTAN, 2004

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3289) making emergency supplemental appropriations for defense and for the reconstruction of Iraq and Afghanistan for the fiscal year ending September 30, 2004, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

□ 1245

MOTION TO INSTRUCT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. OBEY moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H.R. 3289 making emergency supplemental appropriations for defense and for the reconstruction of Iraq and Afghanistan for the fiscal year ending September 30, 2004, be instructed to insist on the provisions of the Senate bill:

Regarding medical screening for members of the Ready Reserve of the Armed Forces (Section 317).

Regarding transitional health care and benefits for 180 days from separation for members of the Armed Forces (Sec. 321)

Regarding the provision that \$10,000,000,000 of the amounts provided for the reconstruction of Iraq be in the form of loans, subject to certain conditions (Sec. 2319), and

Regarding the provision of \$1,300,000,000 to the Veterans Health Administration for medical care for Veterans (Title IV).

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from Wisconsin (Mr. OBEY) and the gentleman from Florida (Mr. YOUNG) will each control 30 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I yield myself 9½ minutes.

Mr. Speaker, we are about to go to conference on a bill which spends \$87 billion. It is the second installment of what will be many installment payments to deal with the consequences of the war in Iraq. This motion to instruct attempts to put the House on record in favor of three provisions which the Senate passed earlier last week.

First, with respect to the issue of loans versus grants, this motion would provide that after \$5.1 billion is set aside for military and security operations, and after \$5.1 billion is set aside for Ambassador Bremer to deal with other costs associated with the effort in Iraq, that the remaining \$10 billion of the reconstruction portion of the package be provided in the form of a loan, unless the President certifies that 90 percent of the bilateral debt owed by Iraq to other countries is forgiven.

The purpose of this first provision is to recognize that, over the next 5 years, the per capita foreign debt of the United States will be larger than is the per capita debt of Iraq, and since foreign debts can only be paid off by a country running trade surpluses, that means that, in effect, over the next 5 years Iraq will be in a better position to repay their foreign debts than we will be.

Secondly, we ask the House to go on record in support of two provisions that relate to quality-of-life measures for our troops. The first is to provide

medical screening and dental screening for Guard and Reserve personnel prior to their being mobilized; and, second, to extend the transitional health care coverage to servicemembers who have been on active duty in Iraq and are now returning home, to extend that transitional health care coverage from the existing 60 days to 180 days. Certainly, that is the least we can do for these returning servicemen and women.

Thirdly, we ask the House to go on record in support of \$1.3 billion in additional funds for veterans health care so that Priority 7 and Priority 8 veterans can make better use of veterans health care facilities without having to pay a \$250 deductible and without seeing the cost of their prescriptions virtually doubled. This is, in essence, the content of the Bond-Mikulski amendment adopted in the other body.

That is what this does, and I would ask Members to support it.

I would also ask that if they do support it, they recognize that they have an obligation to then insist that these provisions be contained in the conference report, because they are already in the Senate bill. As Members know, conference committees are supposed to deal only with those matters which are in dispute between the two bodies. So I would urge any veteran or any other interested American citizen watching this debate to keep close track of how Members vote today, and compare that vote with how they vote when this conference report comes back. I think in that way it will in effect mean that they will be acting as a "hypocrisy detector," which is always good for this body, when someone is looking over our shoulders.

I want to say one other thing. I know that the President of the United States is a powerful man. I know that in this town he is probably the biggest man on campus that you can find. But the fact is that I have never yet met a White House who did not think that Article I of the Constitution was a drafting error by the Founding Fathers. And I think that we need to remind all Presidents that we represent the same citizens that they do. We owe every President our respect, we owe every President a respectful hearing, but he also owes us the same thing, and that means that we need to work with each other.

Checks and balances: Mr. Speaker, in my view checks and balances is not simply an ornamental concept of democracy; it is a core element. It is the heart of our democratic system, and we have a right to expect the same respectful hearing from the President if we have an opinion that differs from his, as we have an obligation to give his views a respectful hearing.

But I note in today's article by E.J. Dionne in the Washington Post that the President, in a meeting last week, appears to have provided something other than that respectful hearing to Members of Congress.