

§ 3142. Base closings and realignments

Notwithstanding any other provision of law, the Secretary may provide to an eligible recipient any assistance available under this subchapter for a project to be carried out on a military or Department of Energy installation that is closed or scheduled for closure or realignment without requiring that the eligible recipient have title to the property or a leasehold interest in the property for any specified term.

(Pub. L. 89-136, title II, §202, as added Pub. L. 105-393, title I, §102(a), Nov. 13, 1998, 112 Stat. 3602.)

Editorial Notes**PRIOR PROVISIONS**

A prior section 3142, Pub. L. 89-136, title II, §202, Aug. 26, 1965, 79 Stat. 556; Pub. L. 93-423, §4(b), Sept. 27, 1974, 88 Stat. 1158; Pub. L. 94-487, title I, §§107(c), (d), 108, Oct. 12, 1976, 90 Stat. 2332, authorized business loans and loan guarantees, prior to repeal by Pub. L. 105-393, §102(a).

A prior section 3142-1, Pub. L. 91-596, §28(d), Dec. 29, 1970, 84 Stat. 1618; Pub. L. 93-237, §2(c), Jan. 2, 1974, 87 Stat. 1024, which authorized loans for small business compliance with occupational safety and health standards, was omitted from the Code in view of the repeal of subchapter II of this chapter by Pub. L. 105-393.

A prior section 3142a, Pub. L. 89-298, title II, §217, Oct. 27, 1965, 79 Stat. 1088, which authorized purchase of indebtedness and loans for waterways projects, was transferred to section 2220 of Title 33, Navigation and Navigable Waters.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE**

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105-393, set out as a note under section 3121 of this title.

§ 3143. Grants for planning and grants for administrative expenses**(a) In general**

On the application of an eligible recipient, the Secretary may make grants to pay the costs of economic development planning and the administrative expenses of organizations that carry out the planning.

(b) Planning process

Planning assisted under this subchapter shall be a continuous process involving public officials and private citizens in—

- (1) analyzing local economies;
- (2) defining economic development goals;
- (3) determining project opportunities; and
- (4) formulating and implementing an economic development program that includes systematic efforts to reduce unemployment and increase incomes.

(c) Use of planning assistance

Planning assistance under this subchapter shall be used in conjunction with any other available Federal planning assistance to ensure adequate and effective planning and economical use of funds.

(d) Administrative expenses

Administrative expenses that may be paid with a grant under this section include—

(1) expenses related to carrying out the planning process described in subsection (b);

(2) expenses related to project predevelopment;

(3) expenses related to updating economic development plans to align with other applicable State, regional, or local planning efforts; and

(4) expenses related to hiring professional staff to assist communities in—

(A) project predevelopment and implementing projects and priorities included in—

(i) a comprehensive economic development strategy; or

(ii) an economic development planning grant;

(B) identifying and using other Federal, State, and Tribal economic development programs;

(C) leveraging private and philanthropic investment;

(D) preparing economic recovery plans in response to disasters; and

(E) carrying out economic development and predevelopment activities in accordance with professional economic development best practices.

(e) State plans**(1) Development**

Any State plan developed with assistance under this section shall be developed, to the maximum extent practicable, cooperatively by the State, political subdivisions of the State, and the economic development districts located wholly or partially in the State.

(2) Comprehensive economic development strategy

As a condition of receipt of assistance for a State plan under this subsection, the State shall have or develop a comprehensive economic development strategy.

(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.

(4) Comprehensive planning process

Any overall State economic development planning assisted under this section shall be a part of a comprehensive planning process that shall consider the provision of public works to—

(A) promote economic development and opportunity;

(B) foster effective transportation access;

(C) enhance and protect the environment;

(D) assist in carrying out the workforce investment strategy of a State;

(E) promote the use of technology in economic development, including access to high-speed telecommunications (including broadband);

(F) address and mitigate economic impacts of extreme weather; and

(G) balance resources through the sound management of physical development.

(5) Report to Secretary

Each State that receives assistance for the development of a plan under this subsection

shall submit to the Secretary an annual report on the planning process assisted under this subsection.

(Pub. L. 89-136, title II, §203, as added Pub. L. 105-393, title I, §102(a), Nov. 13, 1998, 112 Stat. 3602; amended Pub. L. 108-373, title II, §201, Oct. 27, 2004, 118 Stat. 1759; Pub. L. 118-272, div. B, title II, §2214, Jan. 4, 2025, 138 Stat. 3180.)

Editorial Notes

PRIOR PROVISIONS

A prior section 3143, Pub. L. 89-136, title II, §203, Aug. 26, 1965, 79 Stat. 558; Pub. L. 94-273, §2(25), Apr. 21, 1976, 90 Stat. 376, directed deposit of funds into Economic Development Revolving Fund, prior to repeal by Pub. L. 105-393, §102(a).

AMENDMENTS

2025—Subsecs. (d), (e). Pub. L. 118-272, §2214(1), (2), added subsec. (d) and redesignated former subsec. (d) as (e).

Subsec. (e)(4)(E). Pub. L. 118-272, §2214(3)(A), substituted “(including broadband);” for “; and”.

Subsec. (e)(4)(F), (G). Pub. L. 118-272, §2214(3)(B), (C), added subpar. (F) and redesignated former subpar. (F) as (G).

2004—Subsec. (d)(1). Pub. L. 108-373, §201(1), inserted “, to the maximum extent practicable,” after “shall be developed”.

Subsec. (d)(3). Pub. L. 108-373, §201(2), added par. (3) and struck out heading and text of former par. (3). Text read as follows: “On completion of a State plan developed with assistance under this section, the State shall—

“(A) certify to the Secretary that, in the development of the State plan, local and economic development district plans were considered and, to the maximum extent practicable, the State plan is consistent with the local and economic development district plans; and

“(B) identify any inconsistencies between the State plan and the local and economic development district plans and provide a justification for each inconsistency.”

Subsec. (d)(4)(D) to (F). Pub. L. 108-373, §201(3), added subpars. (D) and (E) and redesignated former subpar. (D) as (F).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105-393, set out as a note under section 3121 of this title.

§ 3144. Cost sharing

(a) Federal share

Except as provided in subsection (c), the Federal share of the cost of any project carried out under this subchapter shall not exceed—

- (1) 60 percent; plus
- (2) an additional percent that—

(A) shall not exceed 30 percent; and

(B) is based on the relative needs of the area in which the project will be located, as determined in accordance with regulations promulgated by the Secretary.

(b) Non-Federal share

(1) In general

In determining the amount of the non-Federal share of the cost of a project, the Secretary may provide credit toward the non-Federal

share for all contributions both in cash and in-kind, fairly evaluated, including contributions of space, equipment, assumptions of debt, and services.

(2) Regional Commission funds

Notwithstanding any other provision of law, any funds contributed by a Regional Commission for a project under this subchapter may be considered to be part of the non-Federal share of the costs of the project.

(c) Increase in Federal share

(1) Indian tribes

In the case of a grant to an Indian tribe for a project under this subchapter, 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 the effective taxing and borrowing capacity of the State or political subdivision or can otherwise document that no local matching funds are reasonably obtainable, or in the case of a grant to a nonprofit organization that the Secretary determines has exhausted the effective borrowing capacity of the nonprofit organization, the Secretary may increase the Federal share above the percentage specified in subsection (a) up to 100 percent of the cost of the project.

(3) Training, research, and technical assistance

In the case of a grant provided under section 3143 or 3147 of 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.

(4) Small communities

In the case of a grant to a political subdivision of a State (as described in section 3122(6)(A)(iv) of this title) that has a population of fewer than 10,000 residents and meets 1 or more of the eligibility criteria described in section 3161(a) of this title, the Secretary may increase the Federal share under paragraph (1) up to 100 percent of the total cost of the project.

(Pub. L. 89-136, title II, §204, as added Pub. L. 105-393, title I, §102(a), Nov. 13, 1998, 112 Stat. 3603; amended Pub. L. 108-373, title II, §202, Oct. 27, 2004, 118 Stat. 1759; Pub. L. 118-272, div. B, title II, §2215, Jan. 4, 2025, 138 Stat. 3181.)

Editorial Notes

PRIOR PROVISIONS

A prior section 3144, Pub. L. 89-136, title II, §204, as added Pub. L. 94-487, title I, §109, Oct. 12, 1976, 90 Stat. 2333; amended Pub. L. 96-470, title I, §201(d), Oct. 19, 1980, 94 Stat. 2241; Pub. L. 96-506, §1(4), Dec. 8, 1980, 94 Stat. 2745; Pub. L. 97-35, title XVIII, §1821(a)(3), Aug. 13, 1981, 95 Stat. 766, authorized interest free loans to carry out approved redevelopment area plans, prior to repeal by Pub. L. 105-393, §102(a).

AMENDMENTS

2025—Subsec. (a)(1). Pub. L. 118-272, §2215(1), substituted “60” for “50”.