

Supply Chain Site Development grant program” (referred to in this section as the “grant program”) to carry out site development or expansion projects for the purpose of making the site ready for manufacturing projects.

**(b) Considerations**

In providing a grant to an eligible recipient under the grant program, the Secretary may consider whether—

- (1) the proposed improvements to the site will improve economic conditions for rural areas, Tribal communities, or areas that meet 1 or more of the criteria described in section 3161(a) of this title;
- (2) the project is consistent with regional economic development plans, which may include a comprehensive economic development strategy;
- (3) the eligible recipient has initiatives to prioritize job training and workforce development; and
- (4) the project supports industries determined by the Secretary to be of strategic importance to the national or economic security of the United States.

**(c) Priority**

In awarding grants to eligible recipients under the grant program, the Secretary shall give priority to eligible recipients that propose to carry out a project that—

- (1) has State, local, private, or nonprofit funds being contributed to assist with site development efforts; and
- (2) if the site development or expansion project is carried out, will result in a demonstrated interest in the site by commercial entities or other entities.

**(d) Use of funds**

A grant provided under the grant program may be used for the following activities relating to the development or expansion of a site:

- (1) Investments in site utility readiness, including—
  - (A) construction of on-site utility infrastructure;
  - (B) construction of last-mile infrastructure, including road infrastructure, water infrastructure, power infrastructure, broadband infrastructure, and other physical last-mile infrastructure;
  - (C) site grading; and
  - (D) other activities to extend public utilities or services to a site, as determined appropriate by the Secretary.
- (2) Investments in site readiness, including—
  - (A) land assembly;
  - (B) environmental reviews;
  - (C) zoning;
  - (D) design;
  - (E) engineering; and
  - (F) permitting.
- (3) Investments in workforce development and sustainability programs, including job training and retraining programs.
- (4) Investments to ensure that disadvantaged communities have access to on-site jobs.

**(e) Prohibition**

**(1) In general**

Subject to paragraph (2), in awarding grants under the grant program, the Secretary shall

not require an eligible recipient to demonstrate that a private company or investment has selected the site for development or expansion.

**(2) Safeguards**

In awarding grants under the grant program, the Secretary shall include necessary safeguards to ensure that—

- (A) the site development is fully completed within a reasonable timeframe; and
- (B) the eligible recipient has sufficiently demonstrated private sector interest.

(Pub. L. 89-136, title II, §222, as added Pub. L. 118-272, div. B, title II, §2224, Jan. 4, 2025, 138 Stat. 3189.)

SUBCHAPTER III—ELIGIBILITY; COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES

**§ 3161. Eligibility of areas**

**(a) In general**

For a project to be eligible for assistance under section 3141 or 3149 of this title, the project shall be located in an area that, on the date of submission of the application, meets 1 or more of the following criteria:

**(1) Low per capita income**

The area has a per capita income of 80 percent or less of the national average.

**(2) Unemployment rate above national average**

The area has an unemployment rate that is, for the most recent 24-month period for which data are available, at least 1 percent greater than the national average unemployment rate.

**(3) Unemployment, underemployment, or economic adjustment problems**

The area is an area that the Secretary determines has experienced or is about to experience a special need arising from actual or threatened severe unemployment, underemployment, or economic adjustment problems resulting from severe short-term or long-term changes in economic conditions.

**(4) Low median household income**

The area has a median household income of 80 percent or less of the national average.

**(5) Workforce participation**

- The area has—
- (A) a labor force participation rate of 90 percent or less of the national average; or
  - (B) a prime-age employment gap of 5 percent or more.

**(6) Expected economic dislocation and distress from energy industry transitions**

The area is an area that is expected to experience actual or threatened severe unemployment or economic adjustment problems resulting from severe short-term or long-term changes in economic conditions from energy industries that are experiencing accelerated contraction.

**(b) Political boundaries of areas**

An area that meets 1 or more of the criteria of subsection (a), including a small area of poverty

or high unemployment within a larger community in less economic distress, shall be eligible for assistance under section 3141 or 3149 of this title without regard to political or other subdivisions or boundaries.

**(c) Documentation**

**(1) In general**

A determination of eligibility under subsection (a) shall be supported by the most recent Federal data available (including data available from the Bureau of Economic Analysis, the Bureau of Labor Statistics, the Census Bureau, the Bureau of Indian Affairs, or any other Federal source determined by the Secretary to be appropriate), or, if no recent Federal data is available, by the most recent data available through the government of the State in which the area is located.

**(2) Acceptance by Secretary**

The documentation shall be accepted by the Secretary unless the Secretary determines that the documentation is inaccurate.

**(d) Prior designations**

Any designation of a redevelopment area made before the effective date of the Economic Development Administration Reform Act of 1998 shall not be effective after that effective date.

**(e) Transparency**

To the extent the Secretary includes neighboring counties and communities in an economic development district in accordance with subsection (a)(3), the Secretary shall submit to Congress, and make publicly available online, a notification describing the justification for such inclusion and detailing the economic indicators of such neighboring counties and communities.

(Pub. L. 89-136, title III, §301, as added Pub. L. 105-393, title I, §102(a), Nov. 13, 1998, 112 Stat. 3607; amended Pub. L. 108-373, title III, §301, Oct. 27, 2004, 118 Stat. 1767; Pub. L. 118-272, div. B, title II, §2225, Jan. 4, 2025, 138 Stat. 3191.)

**Editorial Notes**

REFERENCES IN TEXT

For the effective date of the Economic Development Administration Reform Act of 1998, referred to in subsec. (d), see section 105 of Pub. L. 105-393, set out as an Effective Date note under section 3121 of this title.

PRIOR PROVISIONS

A prior section 3161, Pub. L. 89-136, title IV, §401, Aug. 26, 1965, 79 Stat. 560; Pub. L. 89-794, title XI, §1102, Nov. 8, 1966, 80 Stat. 1477; Pub. L. 91-123, title III, §304, Nov. 25, 1969, 83 Stat. 219; Pub. L. 92-65, title I, §106, Aug. 5, 1971, 85 Stat. 167; Pub. L. 93-423, §§3(a), 6, Sept. 27, 1974, 88 Stat. 1158, 1161; Pub. L. 94-487, title I, §§113, 114, Oct. 12, 1976, 90 Stat. 2334, set forth criteria for determining eligible redevelopment areas, prior to repeal by Pub. L. 105-393, §102(a).

A prior section 301 of Pub. L. 89-136 was classified to section 3151 of this title prior to repeal by Pub. L. 105-393, §102(a).

AMENDMENTS

2025—Subsec. (a)(3) to (6). Pub. L. 118-272, §2225(1), added pars. (3) to (6) and struck out former par. (3). Prior to amendment, text of par. (3) read as follows: “The area is an area that the Secretary determines has experienced or is about to experience a special need

arising from actual or threatened severe unemployment or economic adjustment problems resulting from severe short-term or long-term changes in economic conditions.”

Subsec. (e). Pub. L. 118-272, §2225(2), added subsec. (e).  
2004—Subsec. (c)(1). Pub. L. 108-373 inserted “(including data available from the Bureau of Economic Analysis, the Bureau of Labor Statistics, the Census Bureau, the Bureau of Indian Affairs, or any other Federal source determined by the Secretary to be appropriate)” after “most recent Federal data available”.

**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.

**§3162. Comprehensive economic development strategies**

**(a) In general**

The Secretary may provide assistance under section 3141 or 3149 of this title (except for planning assistance under section 3149 of this title) to an eligible recipient for a project only if the eligible recipient submits to the Secretary, as part of an application for the assistance—

(1) an identification of the economic development problems to be addressed using the assistance;

(2) an identification of the past, present, and projected future economic development investments in the area receiving the assistance and public and private participants and sources of funding for the investments; and

(3)(A) a comprehensive economic development strategy for addressing the economic problems identified under paragraph (1) in a manner that promotes economic development and opportunity, fosters effective transportation access, maximizes effective development and use of the workforce consistent with any applicable State or local workforce investment strategy, promotes the use of technology in economic development (including access to high-speed telecommunications), enhances and protects the environment, including to mitigate and adapt to the economic impacts of extreme weather, and balances resources through sound management of development; and

(B) a description of how the strategy will solve the problems.

**(b) Approval of comprehensive economic development strategy**

The Secretary shall approve a comprehensive economic development strategy that meets the requirements of subsection (a) to the satisfaction of the Secretary.

**(c) Approval of other plan**

**(1) In general**

The Secretary may accept as a comprehensive economic development strategy a satisfactory plan developed under another federally supported program.

**(2) Existing strategy**

To the maximum extent practicable, a plan submitted under this paragraph shall be consistent and coordinated with any existing