

Calendar No. 303

107TH CONGRESS
1ST SESSION**S. 1206****[Report No. 107-132]**

To reauthorize the Appalachian Regional Development Act of 1965, and
for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 19, 2001

Mr. VOINOVICH (for himself, Mr. INHOFE, Mr. FRIST, Mr. McCONNELL, Mr. WARNER, Mr. BUNNING, Mr. COCHRAN, Mr. MILLER, and Mr. CLELAND) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

DECEMBER 20 (legislative day, DECEMBER 18), 2001

Reported by Mr. JEFFORDS, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To reauthorize the Appalachian Regional Development Act
of 1965, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Appalachian Regional
5 Development Act Amendments of 2001”.

1 **SEC. 2. PURPOSES.**

2 The purposes of this Act are—

3 (1) to reauthorize the Appalachian Regional
4 Development Act of 1965 (40 U.S.C. App.); and

5 (2) to ensure that the people and businesses of
6 the Appalachian region have the knowledge, skills,
7 and access to telecommunication and technology
8 services necessary to compete in the knowledge-
9 based economy of the United States.

10 **SEC. 3. FUNCTIONS OF THE COMMISSION.**

11 Section 102(a) of the Appalachian Regional Develop-
12 ment Act of 1965 (40 U.S.C. App.) is amended—

13 (1) in paragraph (5), by inserting “, and sup-
14 port,” after “formation of”;

15 (2) in paragraph (7), by striking “and” at the
16 end;

17 (3) in paragraph (8), by striking the period at
18 the end and inserting “, and”;

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

20 “(9) seek to coordinate the economic develop-
21 ment activities of, and the use of economic develop-
22 ment resources by, Federal agencies in the region.”.

23 **SEC. 4. INTERAGENCY COORDINATING COUNCIL ON APPA-**
24 **LACHIA.**

25 Section 104 of the Appalachian Regional Develop-
26 ment Act of 1965 (40 U.S.C. App.) is amended—

1 (1) by striking “The President” and inserting

2 “(a) IN GENERAL.—The President”; and

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

4 “(b) INTERAGENCY COORDINATING COUNCIL ON AP-
5 PALACHIA.—

6 “(1) ESTABLISHMENT.—In carrying out sub-
7 section (a), the President shall establish an inter-
8 agency council to be known as the ‘Interagency Co-
9 ordinating Council on Appalachia’.

10 “(2) MEMBERSHIP.—The Council shall be com-
11 posed of—

12 “(A) the Federal Cochairman, who shall
13 serve as Chairperson of the Council; and

14 “(B) representatives of Federal agencies
15 that carry out economic development programs
16 in the region.”.

17 **SEC. 5. TELECOMMUNICATIONS AND TECHNOLOGY INITIA-**
18 **TIVE.**

19 Title H of the Appalachian Regional Development
20 Act of 1965 (40 U.S.C. App.) is amended by inserting
21 after section 202 the following:

22 **“SEC. 203. TELECOMMUNICATIONS AND TECHNOLOGY INI-**
23 **TIATIVE.**

24 “(a) IN GENERAL.—The Commission may provide
25 technical assistance, make grants, enter into contracts, or

1 otherwise provide funds to persons or entities in the region
 2 for projects—

3 ~~“(1) to increase affordable access to advanced~~
 4 ~~telecommunications; entrepreneurship; and manage-~~
 5 ~~ment technologies or applications in the region;~~

6 ~~“(2) to provide education and training in the~~
 7 ~~use of telecommunications and technology;~~

8 ~~“(3) to develop programs to increase the readi-~~
 9 ~~ness of industry groups and businesses in the region~~
 10 ~~to engage in electronic commerce; or~~

11 ~~“(4) to support entrepreneurial opportunities~~
 12 ~~for businesses in the information technology sector.~~

13 ~~“(b) SOURCE OF FUNDING.—~~

14 ~~“(1) IN GENERAL.—Assistance under this sec-~~
 15 ~~tion may be provided—~~

16 ~~“(A) exclusively from amounts made avail-~~
 17 ~~able to carry out this section; or~~

18 ~~“(B) from amounts made available to~~
 19 ~~carry out this section in combination with~~
 20 ~~amounts made available under any other Fed-~~
 21 ~~eral program or from any other source.~~

22 ~~“(2) FEDERAL SHARE REQUIREMENTS SPECI-~~
 23 ~~FIED IN OTHER LAWS.—Notwithstanding any provi-~~
 24 ~~sion of law limiting the Federal share under any~~
 25 ~~other Federal program; amounts made available to~~

1 carry out this section may be used to increase that
 2 Federal share, as the Commission determines to be
 3 appropriate.

4 “(c) COST SHARING FOR GRANTS.—Not more than
 5 50 percent (or 80 percent in the case of a project to be
 6 carried out in a county for which a distressed county des-
 7 ignation is in effect under section 226) of the costs of any
 8 activity eligible for a grant under this section may be pro-
 9 vided from funds appropriated to carry out this section.”.

10 **SEC. 6. PROGRAM DEVELOPMENT CRITERIA.**

11 (a) ELIMINATION OF GROWTH CENTER CRITERIA.—
 12 Section 224(a)(1) of the Appalachian Regional Develop-
 13 ment Act of 1965 (40 U.S.C. App.) is amended by striking
 14 “in an area determined by the State have a significant
 15 potential for growth or”.

16 (b) ASSISTANCE TO DISTRESSED COUNTIES AND
 17 AREAS.—Section 224 of the Appalachian Regional Devel-
 18 opment Act of 1965 (40 U.S.C. App.) is amended by add-
 19 ing at the end the following:

20 “(d) ASSISTANCE TO DISTRESSED COUNTIES AND
 21 AREAS.—For each fiscal year, not less than 50 percent
 22 of the amount of grant expenditures approved by the Com-
 23 mission shall support activities or projects that benefit se-
 24 verely and persistently distressed counties and areas.”.

1 **SEC. 7. GRANTS FOR ADMINISTRATIVE EXPENSES OF**
 2 **LOCAL DEVELOPMENT DISTRICTS.**

3 Section 302(a)(1)(A)(i) of the Appalachian Regional
 4 Development Act of 1965 (40 U.S.C. App.) is amended
 5 by inserting “(or, at the discretion of the Commission, 75
 6 percent of such expenses in the case of a local development
 7 district that has a charter or authority that includes the
 8 economic development of a county or part of a county for
 9 which a distressed county designation is in effect under
 10 section 226)” after “such expenses”.

11 **SEC. 8. AUTHORIZATION OF APPROPRIATIONS.**

12 Section 401 of the Appalachian Regional Develop-
 13 ment Act of 1965 (40 U.S.C. App.) is amended to read
 14 as follows:

15 **“SEC. 401. AUTHORIZATION OF APPROPRIATIONS.**

16 **“(a) IN GENERAL.—**In addition to amounts author-
 17 ized by section 201 and other amounts made available for
 18 the Appalachian development highway system program,
 19 there are authorized to be appropriated to the Commission
 20 to carry out this Act—

21 “(1) \$83,000,000 for fiscal year 2002;

22 “(2) \$86,000,000 for fiscal year 2003;

23 “(3) \$89,000,000 for fiscal year 2004;

24 “(4) \$92,000,000 for fiscal year 2005; and

25 “(5) \$95,000,000 for fiscal year 2006.”

1 “(b) TELECOMMUNICATIONS AND TECHNOLOGY IN-
 2 TENSIVE.—Of the amounts made available under sub-
 3 section (a), \$10,000,000 for each fiscal year shall be made
 4 available to carry out section 203.

5 “(c) AVAILABILITY.—Sums made available under
 6 subsection (a) shall remain available until expended.”.

7 **SEC. 9. TERMINATION.**

8 Section 405 of the Appalachian Regional Develop-
 9 ment Act of 1965 (40 U.S.C. App.) is amended by striking
 10 “2001” and inserting “2006”.

11 **SEC. 10. TECHNICAL AND CONFORMING AMENDMENTS.**

12 (a) Section 101(b) of the Appalachian Regional De-
 13 velopment Act of 1965 (40 U.S.C. App.) is amended in
 14 the third sentence by striking “implementing investment
 15 program” and inserting “strategy statement”.

16 (b) Section 106(7) of the Appalachian Regional De-
 17 velopment Act of 1965 (40 U.S.C. App.) is amended by
 18 striking “expiring no later than September 30, 2001”.

19 (c) Sections 202, 214, and 302(a)(1)(C) of the Appa-
 20 lachian Regional Development Act of 1965 (40 U.S.C.
 21 App.) are amended by striking “grant-in-aid programs”
 22 each place it appears and inserting “grant programs”.

23 (d) Section 202(a) of the Appalachian Regional De-
 24 velopment Act of 1965 (40 U.S.C. App.) is amended in
 25 the second sentence by striking “title VI of the Public

1 Health Service Act (42 U.S.C. 291–291o), the Mental Re-
 2 tardation Facilities and Community Mental Health Cen-
 3 ters Construction Act of 1963 (77 Stat. 282),” and insert-
 4 ing “title VI of the Public Health Service Act (42 U.S.C.
 5 291 et seq.), the Developmental Disabilities Assistance
 6 and Bill of Rights Act of 2000 (42 U.S.C. 15001 et
 7 seq.),”.

8 (e) Section 207(a) of the Appalachian Regional De-
 9 velopment Act of 1965 (40 U.S.C. App.) is amended by
 10 striking “section 221 of the National Housing Act, section
 11 8 of the United States Housing Act of 1937, section 515
 12 of the Housing Act of 1949,” and inserting “section 221
 13 of the National Housing Act (12 U.S.C. 1715l), section
 14 8 of the United States Housing Act of 1937 (42 U.S.C.
 15 1437f), section 515 of the Housing Act of 1949 (42
 16 U.S.C. 1485),”.

17 (f) Section 214 of the Appalachian Regional Develop-
 18 ment Act of 1965 (40 U.S.C. App.) is amended—

19 (1) in the section heading, by striking “GRANT-
 20 IN-AID” and inserting “GRANT”;

21 (2) in subsection (a)—

22 (A) by striking “grant-in-aid Act” each
 23 place it appears and inserting “Act”;

24 (B) in the first sentence, by striking
 25 “grant-in-aid Acts” and inserting “Acts”;

1 (C) by striking “grant-in-aid program”
 2 each place it appears and inserting “grant pro-
 3 gram”; and

4 (D) by striking the third sentence;

5 (3) by striking subsection (c) and inserting the
 6 following:

7 “(c) DEFINITION OF FEDERAL GRANT PROGRAM.—

8 “(1) IN GENERAL.—In this section, the term
 9 ‘Federal grant program’ means any Federal grant
 10 program authorized by this Act or any other Act
 11 that provides assistance for—

12 “(A) the acquisition or development of
 13 land;

14 “(B) the construction or equipment of fa-
 15 cilities; or

16 “(C) any other community or economic de-
 17 velopment or economic adjustment activity.

18 “(2) INCLUSIONS.—In this section, the term
 19 ‘Federal grant program’ includes a Federal grant
 20 program such as a Federal grant program author-
 21 ized by—

22 “(A) the Consolidated Farm and Rural
 23 Development Act (7 U.S.C. 1921 et seq.);

24 “(B) the Land and Water Conservation
 25 Fund Act of 1965 (16 U.S.C. 460l-4 et seq.);

1 “(C) the Watershed Protection and Flood
2 Prevention Act (16 U.S.C. 1001 et seq.);

3 “(D) the Carl D. Perkins Vocational and
4 Technical Education Act of 1998 (20 U.S.C.
5 2301 et seq.);

6 “(E) the Federal Water Pollution Control
7 Act (33 U.S.C. 1251 et seq.);

8 “(F) title VI of the Public Health Service
9 Act (42 U.S.C. 291 et seq.);

10 “(G) sections 201 and 209 of the Public
11 Works and Economic Development Act of 1965
12 (42 U.S.C. 3141, 3149);

13 “(H) title I of the Housing and Commu-
14 nity Development Act of 1974 (42 U.S.C. 5301
15 et seq.); or

16 “(I) part IV of title III of the Communica-
17 tions Act of 1934 (47 U.S.C. 390 et seq.);

18 “(3) EXCLUSIONS.—In this section, the term
19 ‘Federal grant program’ does not include—

20 “(A) the program for construction of the
21 Appalachian development highway system au-
22 thorized by section 201;

23 “(B) any program relating to highway or
24 road construction authorized by title 23, United
25 States Code; or

1 “(C) any other program under this Act or
 2 any other Act to the extent that a form of fi-
 3 nancial assistance other than a grant is author-
 4 ized.”; and

5 (4) by striking subsection (d).

6 (g) Section 224(a)(2) of the Appalachian Regional
 7 Development Act of 1965 (40 U.S.C. App.) is amended
 8 by striking “relative per capita income” and inserting “per
 9 capita market income”.

10 (h) Section 225 of the Appalachian Regional Develop-
 11 ment Act of 1965 (40 U.S.C. App.)—

12 (1) in subsection (a)(3), by striking “develop-
 13 ment program” and inserting “development strate-
 14 gies”; and

15 (2) in subsection (c)(2), by striking “develop-
 16 ment programs” and inserting “development strate-
 17 gies”.

18 (i) Section 303 of the Appalachian Regional Develop-
 19 ment Act of 1965 (40 U.S.C. App.) is amended—

20 (1) in the section heading, by striking “INVEST-
 21 MENT PROGRAMS” and inserting “STRATEGY STATE-
 22 MENTS”;

23 (2) in the first sentence, by striking “imple-
 24 menting investments programs” and inserting
 25 “strategy statements”; and

1 ~~(3) by striking “implementing investment pro-~~
 2 ~~gram” each place it appears and inserting “strategy~~
 3 ~~statement”.~~

4 ~~(j) Section 403 of the Appalachian Regional Develop-~~
 5 ~~ment Act of 1965 (40 U.S.C. App.) is amended—~~

6 ~~(1) in the next-to-last undesignated paragraph,~~
 7 ~~by striking “Committee on Public Works and Trans-~~
 8 ~~portation” and inserting “Committee on Transpor-~~
 9 ~~tation and Infrastructure”; and~~

10 ~~(2) by striking the last undesignated paragraph.~~

11 **SECTION 1. SHORT TITLE.**

12 *This Act may be cited as the “Appalachian Regional*
 13 *Development Act Amendments of 2001”.*

14 **SEC. 2. PURPOSES.**

15 ~~(a) THIS ACT.—The purposes of this Act are—~~

16 ~~(1) to reauthorize the Appalachian Regional De-~~
 17 ~~velopment Act of 1965 (40 U.S.C. App.); and~~

18 ~~(2) to ensure that the people and businesses of~~
 19 ~~the Appalachian region have the knowledge, skills,~~
 20 ~~and access to telecommunication and technology serv-~~
 21 ~~ices necessary to compete in the knowledge-based econ-~~
 22 ~~omy of the United States.~~

23 ~~(b) APPALACHIAN REGIONAL DEVELOPMENT ACT OF~~
 24 ~~1965.—Section 2 of the Appalachian Regional Development~~
 25 ~~Act of 1965 (40 U.S.C. App.) is amended—~~

1 (1) in subsection (b), by inserting after the third
 2 sentence the following: “Consistent with the goal de-
 3 scribed in the preceding sentence, the Appalachian re-
 4 gion should be able to take advantage of eco-industrial
 5 development, which promotes both employment and
 6 economic growth and the preservation of natural re-
 7 sources.”; and

8 (2) in subsection (c)(2)(B)(ii), by inserting “, in-
 9 cluding eco-industrial development technologies” be-
 10 fore the semicolon.

11 **SEC. 3. FUNCTIONS OF THE COMMISSION.**

12 Section 102(a) of the Appalachian Regional Develop-
 13 ment Act of 1965 (40 U.S.C. App.) is amended—

14 (1) in paragraph (5), by inserting “, and sup-
 15 port,” after “formation of”;

16 (2) in paragraph (7), by striking “and” at the
 17 end;

18 (3) in paragraph (8), by striking the period at
 19 the end and inserting a semicolon; and

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

21 “(9) encourage the use of eco-industrial develop-
 22 ment technologies and approaches; and

23 “(10) seek to coordinate the economic develop-
 24 ment activities of, and the use of economic develop-
 25 ment resources by, Federal agencies in the region.”.

1 **SEC. 4. INTERAGENCY COORDINATING COUNCIL ON APPA-**
 2 **LACHIA.**

3 *Section 104 of the Appalachian Regional Development*
 4 *Act of 1965 (40 U.S.C. App.) is amended—*

5 *(1) by striking “The President” and inserting*
 6 *“(a) IN GENERAL.—The President”; and*

7 *(2) by adding at the end the following:*

8 *“(b) INTERAGENCY COORDINATING COUNCIL ON APPA-*
 9 *LACHIA.—*

10 *“(1) ESTABLISHMENT.—In carrying out sub-*
 11 *section (a), the President shall establish an inter-*
 12 *agency council to be known as the ‘Interagency Co-*
 13 *ordinating Council on Appalachia’.*

14 *“(2) MEMBERSHIP.—The Council shall be com-*
 15 *posed of—*

16 *“(A) the Federal Cochairman, who shall*
 17 *serve as Chairperson of the Council; and*

18 *“(B) representatives of Federal agencies*
 19 *that carry out economic development programs*
 20 *in the region.”.*

21 **SEC. 5. TELECOMMUNICATIONS AND TECHNOLOGY INITIA-**
 22 **TIVE.**

23 *Title II of the Appalachian Regional Development Act*
 24 *of 1965 (40 U.S.C. App.) is amended by inserting after sec-*
 25 *tion 202 the following:*

1 **“SEC. 203. TELECOMMUNICATIONS AND TECHNOLOGY INI-**
2 **TIATIVE.**

3 “(a) *IN GENERAL.—The Commission may provide*
4 *technical assistance, make grants, enter into contracts, or*
5 *otherwise provide funds to persons or entities in the region*
6 *for projects—*

7 “(1) *to increase affordable access to advanced*
8 *telecommunications, entrepreneurship, and manage-*
9 *ment technologies or applications in the region;*

10 “(2) *to provide education and training in the*
11 *use of telecommunications and technology;*

12 “(3) *to develop programs to increase the readi-*
13 *ness of industry groups and businesses in the region*
14 *to engage in electronic commerce; or*

15 “(4) *to support entrepreneurial opportunities for*
16 *businesses in the information technology sector.*

17 “(b) *SOURCE OF FUNDING.—*

18 “(1) *IN GENERAL.—Assistance under this section*
19 *may be provided—*

20 “(A) *exclusively from amounts made avail-*
21 *able to carry out this section; or*

22 “(B) *from amounts made available to carry*
23 *out this section in combination with amounts*
24 *made available under any other Federal pro-*
25 *gram or from any other source.*

1 “(2) *FEDERAL SHARE REQUIREMENTS SPECI-*
 2 *FIED IN OTHER LAWS.*—*Notwithstanding any provi-*
 3 *sion of law limiting the Federal share under any*
 4 *other Federal program, amounts made available to*
 5 *carry out this section may be used to increase that*
 6 *Federal share, as the Commission determines to be*
 7 *appropriate.*

8 “(c) *COST SHARING FOR GRANTS.*—*Not more than 50*
 9 *percent (or 80 percent in the case of a project to be carried*
 10 *out in a county for which a distressed county designation*
 11 *is in effect under section 226) of the costs of any activity*
 12 *eligible for a grant under this section may be provided from*
 13 *funds appropriated to carry out this section.*

14 “(d) *BROADBAND STUDY.*—

15 “(1) *IN GENERAL.*—*The Commission shall make*
 16 *a grant, enter into an agreement, or otherwise provide*
 17 *funds for the conduct of a study on—*

18 “(A) *the availability of broadband tele-*
 19 *communications services and access to the Inter-*
 20 *net through such services in rural and other re-*
 21 *mote areas;*

22 “(B) *the impacts of the availability of those*
 23 *services on those areas; and*

1 “(C) the means that are available for en-
 2 hancing or facilitating the availability of those
 3 services in those areas.

4 “(2) *COMPLETION OF STUDY.*—The study under
 5 paragraph (1) shall be completed not later than 18
 6 months after the date of enactment of the Appa-
 7 lachian Regional Development Act Amendments of
 8 2001.”.

9 **SEC. 6. ENTREPRENEURSHIP INITIATIVE.**

10 *Title II of the Appalachian Regional Development Act*
 11 *of 1965 (40 U.S.C. App.) is amended by inserting after sec-*
 12 *tion 203 (as added by section 5) the following:*

13 **“SEC. 204. ENTREPRENEURSHIP INITIATIVE.**

14 “(a) *DEFINITION OF BUSINESS INCUBATOR SERV-*
 15 *ICE.*—In this section, the term ‘business incubator service’
 16 means a professional or technical service necessary for the
 17 initiation and initial sustainment of the operations of a
 18 newly established business, including a service such as—

19 “(1) a legal service, including aid in preparing
 20 a corporate charter, partnership agreement, or basic
 21 contract;

22 “(2) a service in support of the protection of in-
 23 tellectual property through a patent, a trademark, or
 24 any other means;

1 “(3) a service in support of the acquisition and
2 use of advanced technology, including the use of Inter-
3 net services and Web-based services; and

4 “(4) consultation on strategic planning, mar-
5 keting, or advertising.

6 “(b) *PROJECTS TO BE ASSISTED.*—The Commission
7 may provide technical assistance, make grants, enter into
8 contracts, or otherwise provide funds to persons or entities
9 in the region for projects—

10 “(1) to support the advancement of, and provide,
11 high-quality entrepreneurial training and education
12 for youths, students, and businesspersons;

13 “(2) to improve access to debt and equity cap-
14 ital, including the establishment of development ven-
15 ture capital funds;

16 “(3) to aid communities in identifying, devel-
17 oping, and implementing development strategies for
18 various sectors of the economy; and

19 “(4)(A) to develop a working network of business
20 incubators; and

21 “(B) to support entities that provide business in-
22 cubator services.

23 “(c) *SOURCE OF FUNDING.*—

24 “(1) *IN GENERAL.*—Assistance under this section
25 may be provided—

1 “(A) *exclusively from amounts made avail-*
2 *able to carry out this section; or*

3 “(B) *from amounts made available to carry*
4 *out this section in combination with amounts*
5 *made available under any other Federal pro-*
6 *gram or from any other source.*

7 “(2) *FEDERAL SHARE REQUIREMENTS SPECI-*
8 *FIED IN OTHER LAWS.*—*Notwithstanding any provi-*
9 *sion of law limiting the Federal share under any*
10 *other Federal program, amounts made available to*
11 *carry out this section may be used to increase that*
12 *Federal share, as the Commission determines to be*
13 *appropriate.*

14 “(d) *COST SHARING FOR GRANTS.*—*Not more than 50*
15 *percent (or 80 percent in the case of a project to be carried*
16 *out in a county for which a distressed county designation*
17 *is in effect under section 226) of the costs of any activity*
18 *eligible for a grant under this section may be provided from*
19 *funds appropriated to carry out this section.”.*

20 **SEC. 7. REGIONAL SKILLS PARTNERSHIPS.**

21 *Title II of the Appalachian Regional Development Act*
22 *of 1965 (40 U.S.C. App.) is amended by inserting after sec-*
23 *tion 204 (as added by section 6) the following:*

1 **“SEC. 205. REGIONAL SKILLS PARTNERSHIPS.**

2 “(a) *DEFINITION OF ELIGIBLE ENTITY.*—*In this sec-*
 3 *tion, the term ‘eligible entity’ means a consortium that—*

4 “(1) *is established to serve 1 or more industries*
 5 *in a specified geographic area; and*

6 “(2) *consists of representatives of—*

7 “(A) *businesses (or a nonprofit organization*
 8 *that represents businesses);*

9 “(B) *labor organizations;*

10 “(C) *State and local governments; or*

11 “(D) *educational institutions.*

12 “(b) *PROJECTS TO BE ASSISTED.*—*The Commission*
 13 *may provide technical assistance, make grants, enter into*
 14 *contracts, or otherwise provide funds to eligible entities in*
 15 *the region for projects to improve the job skills of workers*
 16 *in a specified industry, including projects for—*

17 “(1) *the assessment of training and job skill*
 18 *needs for the industry;*

19 “(2) *the development of curricula and training*
 20 *methods, including, in appropriate cases, electronic*
 21 *learning or technology-based training;*

22 “(3) *the purchase, lease, or receipt of donations*
 23 *of training equipment;*

24 “(4)(A) *the identification of training providers;*
 25 *and*

1 “(B) the development of partnerships between the
2 industry and educational institutions, including com-
3 munity colleges;

4 “(5) the development of apprenticeship pro-
5 grams;

6 “(6) the development of training programs for
7 workers, including dislocated workers; and

8 “(7) the development of training plans for busi-
9 nesses.

10 “(c) ADMINISTRATIVE COSTS.—An eligible entity may
11 use not more than 10 percent of the funds made available
12 to the eligible entity under subsection (b) to pay adminis-
13 trative costs associated with the projects described in sub-
14 section (b).

15 “(d) SOURCE OF FUNDING.—

16 “(1) IN GENERAL.—Assistance under this section
17 may be provided—

18 “(A) exclusively from amounts made avail-
19 able to carry out this section; or

20 “(B) from amounts made available to carry
21 out this section in combination with amounts
22 made available under any other Federal pro-
23 gram or from any other source.

24 “(2) FEDERAL SHARE REQUIREMENTS SPECI-
25 FIED IN OTHER LAWS.—Notwithstanding any provi-

1 *sion of law limiting the Federal share under any*
 2 *other Federal program, amounts made available to*
 3 *carry out this section may be used to increase that*
 4 *Federal share, as the Commission determines to be*
 5 *appropriate.*

6 *“(e) COST SHARING FOR GRANTS.—Not more than 50*
 7 *percent (or 80 percent in the case of a project to be carried*
 8 *out in a county for which a distressed county designation*
 9 *is in effect under section 226) of the costs of any activity*
 10 *eligible for a grant under this section may be provided from*
 11 *funds appropriated to carry out this section.”.*

12 **SEC. 8. PROGRAM DEVELOPMENT CRITERIA.**

13 *(a) ELIMINATION OF GROWTH CENTER CRITERIA.—*
 14 *Section 224(a)(1) of the Appalachian Regional Develop-*
 15 *ment Act of 1965 (40 U.S.C. App.) is amended by striking*
 16 *“in an area determined by the State have a significant po-*
 17 *tential for growth or”.*

18 *(b) ASSISTANCE TO DISTRESSED COUNTIES AND*
 19 *AREAS.—Section 224 of the Appalachian Regional Develop-*
 20 *ment Act of 1965 (40 U.S.C. App.) is amended by adding*
 21 *at the end the following:*

22 *“(d) ASSISTANCE TO DISTRESSED COUNTIES AND*
 23 *AREAS.—For each fiscal year, not less than 50 percent of*
 24 *the amount of grant expenditures approved by the Commis-*

1 sion shall support activities or projects that benefit severely
 2 and persistently distressed counties and areas.”.

3 **SEC. 9. GRANTS FOR ADMINISTRATIVE EXPENSES OF**
 4 **LOCAL DEVELOPMENT DISTRICTS.**

5 Section 302(a)(1)(A)(i) of the Appalachian Regional
 6 Development Act of 1965 (40 U.S.C. App.) is amended by
 7 inserting “(or, at the discretion of the Commission, 75 per-
 8 cent of such expenses in the case of a local development dis-
 9 trict that has a charter or authority that includes the eco-
 10 nomic development of a county or part of a county for
 11 which a distressed county designation is in effect under sec-
 12 tion 226)” after “such expenses”.

13 **SEC. 10. AUTHORIZATION OF APPROPRIATIONS.**

14 Section 401 of the Appalachian Regional Development
 15 Act of 1965 (40 U.S.C. App.) is amended to read as follows:

16 **“SEC. 401. AUTHORIZATION OF APPROPRIATIONS.**

17 **“(a) IN GENERAL.—**In addition to amounts author-
 18 ized by section 201 and other amounts made available for
 19 the Appalachian development highway system program,
 20 there are authorized to be appropriated to the Commission
 21 to carry out this Act—

22 “(1) \$88,000,000 for each of fiscal years 2002
 23 through 2004;

24 “(2) \$90,000,000 for fiscal year 2005; and

25 “(3) \$92,000,000 for fiscal year 2006.

1 “(b) *TELECOMMUNICATIONS AND TECHNOLOGY INITIA-*
 2 *TIVE.—Of the amounts made available under subsection*
 3 *(a), the following amounts may be made available to carry*
 4 *out section 203:*

5 “(1) \$10,000,000 for fiscal year 2002.

6 “(2) \$8,000,000 for fiscal year 2003.

7 “(3) \$5,000,000 for each of fiscal years 2004
 8 *through 2006.*

9 “(c) *AVAILABILITY.—Sums made available under sub-*
 10 *section (a) shall remain available until expended.”.*

11 **SEC. 11. STUDIES.**

12 (a) *STUDY OF REGIONAL CHARACTERISTICS OF UPPER*
 13 *NEW YORK STATE.—Section 403 of the Appalachian Re-*
 14 *gional Development Act of 1965 (40 U.S.C. App.) is amend-*
 15 *ed in the second sentence of the last undesignated paragraph*
 16 *by striking “June 30, 1970” and inserting “September 30,*
 17 *2002”.*

18 (b) *STUDY OF IMPACTS OF TERRORIST ATTACKS ON*
 19 *ECONOMY OF NEW YORK.—*

20 (1) *IN GENERAL.—The Appalachian Regional*
 21 *Commission shall provide for a study to be conducted*
 22 *by an academic institution located within the Appa-*
 23 *lachian region of New York State—*

24 (A) *to examine the immediate and potential*
 25 *short-term and long-term economic impacts of*

1 *the events of September 11, 2001, on New York*
 2 *City and on other areas of New York State; and*

3 *(B) to identify mechanisms and resources*
 4 *that could be used to prevent, reduce, and ame-*
 5 *liorate those impacts.*

6 (2) *COMPLETION OF STUDY.—The study under*
 7 *paragraph (1) shall be completed not later than 1*
 8 *year after the date of enactment of this Act.*

9 (3) *AUTHORIZATION OF APPROPRIATIONS.—*
 10 *There is authorized to be appropriated to the Appa-*
 11 *lachian Regional Commission to carry out this sub-*
 12 *section \$300,000 for fiscal year 2002, to remain*
 13 *available until expended.*

14 **SEC. 12. TERMINATION.**

15 *Section 405 of the Appalachian Regional Development*
 16 *Act of 1965 (40 U.S.C. App.) is amended by striking*
 17 *“2001” and inserting “2006”.*

18 **SEC. 13. TECHNICAL AND CONFORMING AMENDMENTS.**

19 (a) *Section 101(b) of the Appalachian Regional Devel-*
 20 *opment Act of 1965 (40 U.S.C. App.) is amended in the*
 21 *third sentence by striking “implementing investment pro-*
 22 *gram” and inserting “strategy statement”.*

23 (b) *Section 106(7) of the Appalachian Regional Devel-*
 24 *opment Act of 1965 (40 U.S.C. App.) is amended by strik-*
 25 *ing “expiring no later than September 30, 2001”.*

1 (c) Sections 202, 214, and 302(a)(1)(C) of the Appa-
 2 lachian Regional Development Act of 1965 (40 U.S.C. App.)
 3 are amended by striking “grant-in-aid programs” each
 4 place it appears and inserting “grant programs”.

5 (d) Section 202(a) of the Appalachian Regional Devel-
 6 opment Act of 1965 (40 U.S.C. App.) is amended in the
 7 second sentence by striking “title VI of the Public Health
 8 Service Act (42 U.S.C. 291–291o), the Mental Retardation
 9 Facilities and Community Mental Health Centers Con-
 10 struction Act of 1963 (77 Stat. 282),” and inserting “title
 11 VI of the Public Health Service Act (42 U.S.C. 291 et seq.),
 12 the Developmental Disabilities Assistance and Bill of
 13 Rights Act of 2000 (42 U.S.C. 15001 et seq.),”.

14 (e) Section 207(a) of the Appalachian Regional Devel-
 15 opment Act of 1965 (40 U.S.C. App.) is amended by strik-
 16 ing “section 221 of the National Housing Act, section 8 of
 17 the United States Housing Act of 1937, section 515 of the
 18 Housing Act of 1949,” and inserting “section 221 of the
 19 National Housing Act (12 U.S.C. 1715l), section 8 of the
 20 United States Housing Act of 1937 (42 U.S.C. 1437f), sec-
 21 tion 515 of the Housing Act of 1949 (42 U.S.C. 1485),”.

22 (f) Section 214 of the Appalachian Regional Develop-
 23 ment Act of 1965 (40 U.S.C. App.) is amended—

24 (1) in the section heading, by striking “GRANT-
 25 IN-AID” and inserting “GRANT”;

1 (2) *in subsection (a)—*

2 (A) *by striking “grant-in-aid Act” each*
3 *place it appears and inserting “Act”;*

4 (B) *in the first sentence, by striking “grant-*
5 *in-aid Acts” and inserting “Acts”;*

6 (C) *by striking “grant-in-aid program”*
7 *each place it appears and inserting “grant pro-*
8 *gram”;* *and*

9 (D) *by striking the third sentence;*

10 (3) *by striking subsection (c) and inserting the*
11 *following:*

12 “(c) *DEFINITION OF FEDERAL GRANT PROGRAM.—*

13 “(1) *IN GENERAL.—In this section, the term*
14 *‘Federal grant program’ means any Federal grant*
15 *program authorized by this Act or any other Act that*
16 *provides assistance for—*

17 “(A) *the acquisition or development of land;*

18 “(B) *the construction or equipment of facili-*
19 *ties; or*

20 “(C) *any other community or economic de-*
21 *velopment or economic adjustment activity.*

22 “(2) *INCLUSIONS.—In this section, the term*
23 *‘Federal grant program’ includes a Federal grant*
24 *program such as a Federal grant program authorized*
25 *by—*

1 “(A) *the Consolidated Farm and Rural De-*
2 *velopment Act (7 U.S.C. 1921 et seq.);*

3 “(B) *the Land and Water Conservation*
4 *Fund Act of 1965 (16 U.S.C. 460l–4 et seq.);*

5 “(C) *the Watershed Protection and Flood*
6 *Prevention Act (16 U.S.C. 1001 et seq.);*

7 “(D) *the Carl D. Perkins Vocational and*
8 *Technical Education Act of 1998 (20 U.S.C.*
9 *2301 et seq.);*

10 “(E) *the Federal Water Pollution Control*
11 *Act (33 U.S.C. 1251 et seq.);*

12 “(F) *title VI of the Public Health Service*
13 *Act (42 U.S.C. 291 et seq.);*

14 “(G) *sections 201 and 209 of the Public*
15 *Works and Economic Development Act of 1965*
16 *(42 U.S.C. 3141, 3149);*

17 “(H) *title I of the Housing and Community*
18 *Development Act of 1974 (42 U.S.C. 5301 et*
19 *seq.); or*

20 “(I) *part IV of title III of the Communica-*
21 *tions Act of 1934 (47 U.S.C. 390 et seq.).*

22 “(3) *EXCLUSIONS.—In this section, the term*
23 *‘Federal grant program’ does not include—*

1 “(A) the program for construction of the
2 Appalachian development highway system au-
3 thorized by section 201;

4 “(B) any program relating to highway or
5 road construction authorized by title 23, United
6 States Code; or

7 “(C) any other program under this Act or
8 any other Act to the extent that a form of finan-
9 cial assistance other than a grant is author-
10 ized.”; and

11 (4) by striking subsection (d).

12 (g) Section 224(a)(2) of the Appalachian Regional De-
13 velopment Act of 1965 (40 U.S.C. App.) is amended by
14 striking “relative per capita income” and inserting “per
15 capita market income”.

16 (h) Section 225 of the Appalachian Regional Develop-
17 ment Act of 1965 (40 U.S.C. App.)—

18 (1) in subsection (a)(3), by striking “develop-
19 ment program” and inserting “development strate-
20 gies”; and

21 (2) in subsection (c)(2), by striking “development
22 programs” and inserting “development strategies”.

23 (i) Section 303 of the Appalachian Regional Develop-
24 ment Act of 1965 (40 U.S.C. App.) is amended—

1 (1) *in the section heading, by striking “INVEST-*
2 *MENT PROGRAMS” and inserting “STRATEGY STATE-*
3 *MENTS”;*

4 (2) *in the first sentence, by striking “imple-*
5 *menting investments programs” and inserting “strat-*
6 *egy statements”;* and

7 (3) *by striking “implementing investment pro-*
8 *gram” each place it appears and inserting “strategy*
9 *statement”.*

10 (j) *Section 403 of the Appalachian Regional Develop-*
11 *ment Act of 1965 (40 U.S.C. App.) is amended in the next-*
12 *to-last undesignated paragraph by striking “Committee on*
13 *Public Works and Transportation” and inserting “Com-*
14 *mittee on Transportation and Infrastructure”.*

Calendar No. 303

107TH CONGRESS
1ST SESSION

S. 1206

[Report No. 107-132]

A BILL

To reauthorize the Appalachian Regional
Development Act of 1965, and for other purposes.

DECEMBER 20 (legislative day, DECEMBER 18), 2001

Reported with an amendment