

108TH CONGRESS  
2D SESSION

# S. 1134

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## AN ACT

To reauthorize and improve the program authorized by the  
Public Works and Economic Development Act of 1965.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Economic Development Administration Reauthorization  
6 Act of 2004”.

1 (b) TABLE OF CONTENTS.—The table of contents for  
 2 this Act is as follows:

Sec. 1. Short title; table of contents.

#### 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. Direct expenditure or redistribution by recipient.

Sec. 213. Brightfields demonstration program.

#### TITLE III—COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES

Sec. 301. Eligibility of areas.

Sec. 302. 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. Annual report to Congress.

Sec. 602. Relationship to assistance under other law.

Sec. 603. Brownfields redevelopment report.

Sec. 604. Savings clause

Sec. 605. Sense of Congress regarding Economic Development Representatives.

#### TITLE VII—FUNDING

Sec. 701. Authorization of appropriations.

Sec. 702. Funding for grants for planning and grants for administrative expenses.

# 1 **TITLE I—GENERAL PROVISIONS**

## 2 **SEC. 101. FINDINGS AND DECLARATIONS.**

3 Section 2 of the Public Works and Economic Devel-  
4 opment Act of 1965 (42 U.S.C. 3121) is amended to read  
5 as follows:

### 6 **“SEC. 2. FINDINGS AND DECLARATIONS.**

7 “(a) FINDINGS.—Congress finds that—

8 “(1) there continue to be areas of the United  
9 States experiencing chronic high unemployment,  
10 underemployment, outmigration, and low per capita  
11 incomes, as well as areas facing sudden and severe  
12 economic dislocations because of structural economic  
13 changes, changing trade patterns, certain Federal  
14 actions (including environmental requirements that  
15 result in the removal of economic activities from a  
16 locality), and natural disasters;

17 “(2) economic growth in the States, cities, and  
18 rural areas of the United States is produced by ex-  
19 panding economic opportunities, expanding free en-  
20 terprise through trade, developing and strengthening  
21 public infrastructure, and creating a climate for job  
22 creation and business development;

23 “(3) the goal of Federal economic development  
24 programs is to raise the standard of living for all

1 citizens and increase the wealth and overall rate of  
2 growth of the economy by encouraging communities  
3 to develop a more competitive and diversified eco-  
4 nomic base by—

5 “(A) creating an environment that pro-  
6 motes economic activity by improving and ex-  
7 panding public infrastructure;

8 “(B) promoting job creation through in-  
9 creased innovation, productivity, and entrepre-  
10 neurship; and

11 “(C) empowering local and regional com-  
12 munities experiencing chronic high unemploy-  
13 ment and low per capita income to develop pri-  
14 vate sector business and attract increased pri-  
15 vate sector capital investment;

16 “(4) while economic development is an inher-  
17 ently local process, the Federal Government should  
18 work in partnership with public and private State,  
19 regional, tribal, and local organizations to maximize  
20 the impact of existing resources and enable regions,  
21 communities, and citizens to participate more fully  
22 in the American dream and national prosperity;

23 “(5) in order to avoid duplication of effort and  
24 achieve meaningful, long-lasting results, Federal,  
25 State, tribal, and local economic development activi-

1 ties should have a clear focus, improved coordina-  
2 tion, a comprehensive approach, and simplified and  
3 consistent requirements; and

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

9 “(b) DECLARATIONS.—In order to promote a strong  
10 and growing economy throughout the United States, Con-  
11 gress declares that—

12 “(1) assistance under this Act should be made  
13 available to both rural- and urban-distressed com-  
14 munities;

15 “(2) local communities should work in partner-  
16 ship with neighboring communities, the States, In-  
17 dian tribes, and the Federal Government to increase  
18 the capacity of the local communities to develop and  
19 implement comprehensive economic development  
20 strategies to alleviate economic distress and enhance  
21 competitiveness in the global economy;

22 “(3) whether suffering from long-term distress  
23 or a sudden dislocation, distressed communities  
24 should be encouraged to support entrepreneurship to  
25 take advantage of the development opportunities af-

1       forded by technological innovation and expanding  
2       newly opened global markets; and

3               “(4) assistance under this Act should be made  
4       available to promote the productive reuse of aban-  
5       doned industrial facilities and the redevelopment of  
6       brownfields.”.

7   **SEC. 102. DEFINITIONS.**

8       (a) **ELIGIBLE RECIPIENT.**—Section 3(4)(A) of the  
9   Public Works and Economic Development Act of 1965 (42  
10 U.S.C. 3122(4)(A)) is amended—

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

14           (2) in clause (iv) (as redesignated by paragraph  
15       (1)) by inserting “, including a special purpose unit  
16       of a State or local government engaged in economic  
17       or infrastructure development activities,” after  
18       “State”.

19       (b) **REGIONAL COMMISSIONS; UNIVERSITY CEN-**  
20 **TER.**—Section 3 of the Public Works and Economic Devel-  
21 opment Act of 1965 (42 U.S.C. 3122) is amended—

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

24           (2) by inserting after paragraph (7) the fol-  
25       lowing:

1           “(8) REGIONAL COMMISSIONS.—The term ‘Re-  
2 regional Commissions’ means—

3           “(A) the Appalachian Regional Commis-  
4 sion established under chapter 143 of title 40,  
5 United States Code;

6           “(B) the Delta Regional Authority estab-  
7 lished under subtitle F of the Consolidated  
8 Farm and Rural Development Act (7 U.S.C.  
9 2009aa et seq.);

10           “(C) the Denali Commission established  
11 under the Denali Commission Act of 1998 (42  
12 U.S.C. 3121 note; 112 Stat. 2681–637 et seq.);  
13 and

14           “(D) the Northern Great Plains Regional  
15 Authority established under subtitle G of the  
16 Consolidated Farm and Rural Development Act  
17 (7 U.S.C. 2009bb et seq.)”;

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

19           “(12) UNIVERSITY CENTER.—The term ‘univer-  
20 sity center’ means an institution of higher education  
21 or a consortium of institutions of higher education  
22 established as a University Center for Economic De-  
23 velopment under section 207(a)(2)(D).”.

1 **SEC. 103. ESTABLISHMENT OF ECONOMIC DEVELOPMENT**  
 2 **PARTNERSHIPS.**

3 Section 101 of the Public Works and Economic De-  
 4 velopment Act of 1965 (42 U.S.C. 3131) is amended—

5 (1) in subsection (b), by striking “and multi-  
 6 State regional organizations” and inserting “multi-  
 7 State regional organizations, and nonprofit organiza-  
 8 tions”; and

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

11 **SEC. 104. COORDINATION.**

12 Section 103 of the Public Works and Economic De-  
 13 velopment Act of 1965 (42 U.S.C. 3132) is amended—

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

16 (2) in subsection (a) (as designated by para-  
 17 graph (1)), by inserting “Indian tribes,” after “dis-  
 18 tricts,”; and

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

20 “(b) MEETINGS.—To carry out subsection (a), or for  
 21 any other purpose relating to economic development activi-  
 22 ties, the Secretary may convene meetings with Federal  
 23 agencies, State and local governments, economic develop-  
 24 ment districts, Indian tribes, and other appropriate plan-  
 25 ning and development organizations.”.



1 **TITLE II—GRANTS FOR PUBLIC**  
 2 **WORKS AND ECONOMIC DE-**  
 3 **VELOPMENT**

4 **SEC. 201. GRANTS FOR PLANNING.**

5 Section 203(d) of the Public Works and Economic  
 6 Development Act of 1965 (42 U.S.C. 3143(d)) is  
 7 amended—

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

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

13 “(3) COORDINATION.—Before providing assist-  
 14 ance for a State plan under this section, the Sec-  
 15 retary shall consider the extent to which the State  
 16 will consider local and economic development district  
 17 plans.”; and

18 (3) in paragraph (4)—

19 (A) by striking “and” at the end of sub-  
 20 paragraph (C);

21 (B) by redesignating subparagraph (D) as  
 22 subparagraph (F); and

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

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

3           “(E) promote the use of technology in eco-  
4 nomic development, including access to high-  
5 speed telecommunications; and”.

6 **SEC. 202. COST SHARING.**

7       (a) FEDERAL SHARE.—Section 204 of the Public  
8 Works and Economic Development Act of 1965 (42  
9 U.S.C. 3144) is amended by striking subsection (a) and  
10 inserting the following:

11       “(a) FEDERAL SHARE.—Except as provided in sub-  
12 section (c), the Federal share of the cost of any project  
13 carried out under this title shall not exceed—

14           “(1) 50 percent; plus

15           “(2) an additional percent that—

16               “(A) shall not exceed 30 percent; and

17               “(B) is based on the relative needs of the  
18 area in which the project will be located, as de-  
19 termined in accordance with regulations pro-  
20 mulgated by the Secretary.”.

21       (b) NON-FEDERAL SHARE.—Section 204(b) of the  
22 Public Works and Economic Development Act of 1965 (42  
23 U.S.C. 3144(b)) is amended by inserting “assumptions of  
24 debt,” after “equipment,”.

1           (c) INCREASE IN FEDERAL SHARE.—Section 204 of  
2 the Public Works and Economic Development Act of 1965  
3 (42 U.S.C. 3144) is amended by adding at the end the  
4 following:

5           “(c) INCREASE IN FEDERAL SHARE.—

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

11                   “(2) CERTAIN STATES, POLITICAL SUBDIVI-  
12 SIONS, AND NONPROFIT ORGANIZATIONS.—In the  
13 case of a grant to a State, or a political subdivision  
14 of a State, that the Secretary determines has ex-  
15 hausted the effective taxing and borrowing capacity  
16 of the State or political subdivision, or in the case  
17 of a grant to a nonprofit organization that the Sec-  
18 retary determines has exhausted the effective bor-  
19 rowing capacity of the nonprofit organization, the  
20 Secretary may increase the Federal share above the  
21 percentage specified in subsection (a) up to 100 per-  
22 cent of the cost of the project.

23                   “(3) TRAINING, RESEARCH, AND TECHNICAL  
24 ASSISTANCE.—In the case of a grant provided under  
25 section 207, the Secretary may increase the Federal

1 share above the percentage specified in subsection  
2 (a) up to 100 percent of the cost of the project if  
3 the Secretary determines that the project funded by  
4 the grant merits, and is not feasible without, such  
5 an increase.”.

6 **SEC. 203. SUPPLEMENTARY GRANTS.**

7 (a) IN GENERAL.—Section 205 of the Public Works  
8 and Economic Development Act of 1965 (42 U.S.C. 3145)  
9 is amended by striking subsection (b) and inserting the  
10 following:

11 “(b) SUPPLEMENTARY GRANTS.—Subject to sub-  
12 section (c), in order to assist eligible recipients in taking  
13 advantage of designated Federal grant programs, on the  
14 application of an eligible recipient, the Secretary may  
15 make a supplementary grant for a project for which the  
16 recipient is eligible but for which the recipient cannot pro-  
17 vide the required non-Federal share because of the eco-  
18 nomic situation of the recipient.”.

19 (b) REQUIREMENTS APPLICABLE TO SUPPLE-  
20 MENTARY GRANTS.—Section 205(c) of the Public Works  
21 and Economic Development Act of 1965 (42 U.S.C.  
22 3145(c)) is amended—

23 (1) by striking paragraphs (1) and (2) and in-  
24 serting the following:

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

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

7                   “(A) the payment of funds made available  
 8                   under this Act to the heads of the Federal  
 9                   agencies responsible for carrying out the appli-  
 10                  cable Federal programs; or

11                   “(B) the award of funds under this Act,  
 12                   which will be combined with funds transferred  
 13                   from other Federal agencies in projects admin-  
 14                   istered by the Secretary.”; and

15           (2) by striking paragraph (4).

16 **SEC. 204. REGULATIONS ON RELATIVE NEEDS AND ALLOCA-**  
 17 **TIONS.**

18           Section 206 of the Public Works and Economic De-  
 19           velopment Act of 1965 (42 U.S.C. 3146) is amended—

20                   (1) in paragraph (1)(C), by striking “and” at  
 21                   the end;

22                   (2) in paragraph (2), by striking the period at  
 23                   the end and inserting a semicolon; and

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

1           “(3)(A) rural and urban economically distressed  
2 areas are not harmed by the establishment or imple-  
3 mentation by the Secretary of a private sector  
4 leveraging goal for a project under this title;

5           “(B) any private sector leveraging goal estab-  
6 lished by the Secretary does not prohibit or discour-  
7 age grant applicants under this title from public  
8 works in, or economic development of, rural or  
9 urban economically distressed areas; and

10           “(C) the relevant Committees of Congress are  
11 notified prior to making any changes to any private  
12 sector leveraging goal; and

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

17 **SEC. 205. GRANTS FOR TRAINING, RESEARCH, AND TECH-**  
18 **NICAL ASSISTANCE.**

19           (a) IN GENERAL.—Section 207(a)(2) of the Public  
20 Works and Economic Development Act of 1965 (42  
21 U.S.C. 3147(a)(2)) is amended—

22           (1) by striking “and” at the end of subpara-  
23 graph (F);

24           (2) by redesignating subparagraph (G) as sub-  
25 paragraph (I); and

1           (3) by inserting after subparagraph (F) the fol-  
2       lowing:

3                   “(G) studies that evaluate the effectiveness  
4                   of coordinating projects funded under this Act  
5                   with projects funded under other Acts;

6                   “(H) assessment, marketing, and establish-  
7                   ment of business clusters; and”.

8       (b) COOPERATION REQUIREMENT.—Section 207(a)  
9       of the Public Works and Economic Development Act of  
10      1965 (42 U.S.C. 3147(a)) is amended by striking para-  
11      graph (3) and inserting the following:

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

19      **SEC. 206. PREVENTION OF UNFAIR COMPETITION.**

20           (a) IN GENERAL.—Section 208 of the Public Works  
21      and Economic Development Act of 1965 (42 U.S.C. 3148)  
22      is repealed.

23           (b) CONFORMING AMENDMENT.—The table of con-  
24      tents in section 1(b) of the Public Works and Economic

1 Development Act of 1965 (42 U.S.C. 3121 note) is  
2 amended by striking the item relating to section 208.

3 **SEC. 207. GRANTS FOR ECONOMIC ADJUSTMENT.**

4 (a) ASSISTANCE TO MANUFACTURING COMMU-  
5 NITIES.—Section 209(c) of the Public Works and Eco-  
6 nomic Development Act of 1965 (42 U.S.C. 3149(c)) is  
7 amended—

8 (1) in paragraph (3), by striking “or”;

9 (2) in paragraph (4), by striking the period at  
10 the end and inserting “; or”; and

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

12 “(5) the loss of manufacturing jobs, for rein-  
13 vesting in and diversifying the economies of the com-  
14 munities.”.

15 (b) DIRECT EXPENDITURE OR REDISTRIBUTION BY  
16 RECIPIENT; SPECIAL PROVISIONS RELATING TO REVOLV-  
17 ING LOAN FUND GRANTS.—Section 209 of the Public  
18 Works and Economic Development Act of 1965 (42  
19 U.S.C. 3149) is amended by striking subsection (d) and  
20 inserting the following:

21 “(d) SPECIAL PROVISIONS RELATING TO REVOLVING  
22 LOAN FUND GRANTS.—

23 “(1) IN GENERAL.—The Secretary shall pro-  
24 mulgate regulations to maintain the proper oper-  
25 ation and financial integrity of revolving loan funds



1 established by recipients with assistance under this  
2 section.

3 “(2) EFFICIENT ADMINISTRATION.—The Sec-  
4 retary may—

5 “(A) at the request of a grantee, amend  
6 and consolidate grant agreements governing re-  
7 volving loan funds to provide flexibility with re-  
8 spect to lending areas and borrower criteria;

9 “(B) assign or transfer assets of a revol-  
10 ving loan fund to third party for the purpose of  
11 liquidation, and the third party may retain as-  
12 sets of the fund to defray costs related to liq-  
13 uidation; and

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

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

25 “(4) PRESERVATION OF SECURITIES LAWS.—

1           “(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 (15 U.S.C. 77a et seq.) or the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), unless exempted by rule or regulation of the Securities and Exchange Commission.

9           “(B) PRESERVATION.—Except as provided in subparagraph (A), no provision of this subsection or any regulation promulgated by the Secretary under this subsection supersedes or otherwise affects the application of the securities laws (as the term is defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a))) or the rules, regulations, or orders of the Securities and Exchange Commission or a self-regulatory organization under that Commission.”.

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

22           Section 211 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3151) is amended to  
 23  
 24 read as follows:

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

3 “(a) IN GENERAL.—In the case of a grant to a recipi-  
4 ent for a construction project under section 201 or 209,  
5 if the Secretary determines, before closeout of the project,  
6 that the cost of the project, based on the designs and spec-  
7 ifications that were the basis of the grant, has decreased  
8 because of decreases in costs, the Secretary may approve,  
9 without further appropriation, the use of the excess funds  
10 (or a portion of the excess funds) by the recipient—

11 “(1) to increase the Federal share of the cost  
12 of a project under this title to the maximum per-  
13 centage allowable under section 204; or

14 “(2) to improve the project.

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

19 “(c) TRANSFERRED FUNDS.—In the case of excess  
20 funds described in subsection (a) in projects using funds  
21 transferred from other Federal agencies pursuant to sec-  
22 tion 604, the Secretary shall—

23 “(1) use the funds in accordance with sub-  
24 section (a), with the approval of the originating  
25 agency; or

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

1 “(d) REVIEW BY COMPTROLLER GENERAL.—

2 “(1) REVIEW.—The Comptroller General of the  
3 United States shall regularly review the implementa-  
4 tion of this section.

5 “(2) REPORT.—Not later than 1 year after the  
6 date of enactment of this subsection, the Comp-  
7 troller General shall submit to the Committee on  
8 Environment and Public Works of the Senate and  
9 the Committee on Transportation and Infrastructure  
10 of the House of Representatives a report on the  
11 findings of the Comptroller General on implementa-  
12 tion of this subsection.”.

13 **SEC. 209. SPECIAL IMPACT AREAS.**

14 (a) IN GENERAL.—Title II of the Public Works and  
15 Economic Development Act of 1965 (42 U.S.C. 3141 et  
16 seq.) is amended by adding at the end the following:

17 **“SEC. 214. SPECIAL IMPACT AREAS.**

18 “(a) IN GENERAL.—On the application of an eligible  
19 recipient that is determined by the Secretary to be unable  
20 to comply with the requirements of section 302, the Sec-  
21 retary may waive, in whole or in part, the requirements  
22 of section 302 and designate the area represented by the  
23 recipient as a special impact area.

1       “(b) CONDITIONS.—The Secretary may make a des-  
2       ignation under subsection (a) only after determining  
3       that—

4               “(1) the project will fulfill a pressing need of  
5       the area; and

6               “(2) the project will—

7                       “(A) be useful in alleviating or preventing  
8       conditions of excessive unemployment or under-  
9       employment; or

10                      “(B) assist in providing useful employment  
11       opportunities for the unemployed or under-  
12       employed residents in the area.

13       “(c) NOTIFICATION.—At the time of the designation  
14       under subsection (a), the Secretary shall submit to the  
15       Committee on Environment and Public Works of the Sen-  
16       ate and the Committee on Transportation and Infrastruc-  
17       ture of the House of Representatives a written notice of  
18       the designation, including a justification for the designa-  
19       tion.”.

20       (b) CONFORMING AMENDMENT.—The table of con-  
21       tents contained in section 1(b) of the Public Works and  
22       Economic Development Act of 1965 (42 U.S.C. 3121  
23       note) is amended by inserting after the item relating to  
24       section 213 the following:

      “Sec. 214. Special impact areas.”.

1 **SEC. 210. PERFORMANCE AWARDS.**

2 (a) IN GENERAL.—Title II of the Public Works and  
3 Economic Development Act of 1965 (42 U.S.C. 3141 et  
4 seq.) (as amended by section 209) is amended by adding  
5 at the end the following:

6 **“SEC. 215. PERFORMANCE AWARDS.**

7 “(a) IN GENERAL.—The Secretary may make a per-  
8 formance award in connection with a grant made, on or  
9 after the date of enactment of this section, to an eligible  
10 recipient for a project under section 201 or 209.

11 “(b) PERFORMANCE MEASURES.—

12 “(1) REGULATIONS.—The Secretary shall pro-  
13 mulgate regulations to establish performance meas-  
14 ures for making performance awards under sub-  
15 section (a).

16 “(2) CONSIDERATIONS.—In promulgating regu-  
17 lations under paragraph (1), the Secretary shall con-  
18 sider the inclusion of performance measures that  
19 assess—

20 “(A) whether the recipient meets or ex-  
21 ceeds scheduling goals;

22 “(B) whether the recipient meets or ex-  
23 ceeds job creation goals;

24 “(C) amounts of private sector capital in-  
25 vestments leveraged; and

1           “(D) such other factors as the Secretary  
2           determines to be appropriate.

3           “(c) AMOUNT OF AWARDS.—

4           “(1) IN GENERAL.—The Secretary shall base  
5           the amount of a performance award made under  
6           subsection (a) in connection with a grant on the ex-  
7           tent to which a recipient meets or exceeds perform-  
8           ance measures established in connection with the  
9           grant.

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

13          “(d) USE OF AWARDS.—A recipient of a performance  
14          award under subsection (a) may use the award for any  
15          eligible purpose under this Act, in accordance with section  
16          602 and such regulations as the Secretary may promul-  
17          gate.

18          “(e) FEDERAL SHARE.—Notwithstanding section  
19          204, the funds of a performance award may be used to  
20          pay up to 100 percent of the cost of an eligible project  
21          or activity.

22          “(f) TREATMENT IN MEETING NON-FEDERAL  
23          SHARE REQUIREMENTS.—For the purposes of meeting  
24          the non-Federal share requirements under this, or any

1 other, Act the funds of a performance award shall be  
2 treated as funds from a non-Federal source.

3 “(g) TERMS AND CONDITIONS.—In making perform-  
4 ance awards under subsection (a), the Secretary shall es-  
5 tablish such terms and conditions as the Secretary con-  
6 siderers to be appropriate.

7 “(h) FUNDING.—The Secretary shall use any  
8 amounts made available for economic development assist-  
9 ance programs to carry out this section.

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

14 “(j) REVIEW BY COMPTROLLER GENERAL.—

15 “(1) REVIEW.—The Comptroller General shall  
16 regularly review the implementation of this section.

17 “(2) REPORT.—Not later than 1 year after the  
18 date of enactment of this section, the Comptroller  
19 General shall submit to the Committee on Environ-  
20 ment and Public Works of the Senate and the Com-  
21 mittee on Transportation and Infrastructure of the  
22 House of Representatives a report on the findings of  
23 the Comptroller on implementation of this sub-  
24 section.”.



1 (b) CONFORMING AMENDMENT.—The table of con-  
 2 tents contained in section 1(b) of the Public Works and  
 3 Economic Development Act of 1965 (42 U.S.C. 3121  
 4 note) is amended by inserting after the item relating to  
 5 section 214 the following:

“Sec. 215. Performance awards.”.

6 **SEC. 211. PLANNING PERFORMANCE AWARDS.**

7 (a) IN GENERAL.—Title II of the Public Works and  
 8 Economic Development Act of 1965 (42 U.S.C. 3141 et  
 9 seq.) (as amended by section 210) is amended by adding  
 10 at the end the following:

11 **“SEC. 216. PLANNING PERFORMANCE AWARDS.**

12 “(a) IN GENERAL.—The Secretary may make a plan-  
 13 ning performance award in connection with a grant made,  
 14 on or after the date of enactment of this section, to an  
 15 eligible recipient for a project under this title located in  
 16 an economic development district.

17 “(b) ELIGIBILITY.—The Secretary may make a plan-  
 18 ning performance award to an eligible recipient under sub-  
 19 section (a) in connection with a grant for a project if the  
 20 Secretary determines before closeout of the project that—

21 “(1) the recipient actively participated in the  
 22 economic development activities of the economic de-  
 23 velopment district in which the project is located;

1           “(2) the project is consistent with the com-  
2           prehensive economic development strategy of the dis-  
3           trict;

4           “(3) the recipient worked with Federal, State,  
5           and local economic development entities throughout  
6           the development of the project; and

7           “(4) the project was completed in accordance  
8           with the comprehensive economic development strat-  
9           egy of the district.

10          “(c) MAXIMUM AMOUNT.—The amount of a planning  
11          performance award made under subsection (a) in connec-  
12          tion with a grant may not exceed 5 percent of the amount  
13          of the grant.

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

18          “(e) FEDERAL SHARE.—Notwithstanding section  
19          204, the funds of a planning performance award may be  
20          used to pay up to 100 percent of the cost of a project  
21          under this title.

22          “(f) FUNDING.—The Secretary shall use any  
23          amounts made available for economic development assist-  
24          ance programs to carry out this section.”.

1 (b) CONFORMING AMENDMENT.—The table of con-  
 2 tents contained in section 1(b) of the Public Works and  
 3 Economic Development Act of 1965 (42 U.S.C. 3121  
 4 note) is amended by inserting after the item relating to  
 5 section 215 the following:

“Sec. 216. Planning performance awards.”.

6 **SEC. 212. DIRECT EXPENDITURE OR REDISTRIBUTION BY**  
 7 **RECIPIENT.**

8 (a) IN GENERAL.—Title II of the Public Works and  
 9 Economic Development Act of 1965 (42 U.S.C. 3141 et  
 10 seq.) (as amended by section 211) is amended by adding  
 11 at the end the following:

12 **“SEC. 217. DIRECT EXPENDITURE OR REDISTRIBUTION BY**  
 13 **RECIPIENT.**

14 “(a) IN GENERAL.—Subject to subsection (b), a re-  
 15 cipient of a grant under section 201, 203, or 207 may  
 16 directly expend the grant funds or may redistribute the  
 17 funds in the form of a subgrant to other eligible recipients  
 18 to fund required components of the scope of work ap-  
 19 proved for the project.

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

23 “(c) ECONOMIC ADJUSTMENT.—Subject to sub-  
 24 section (d), a recipient of a grant under section 209 may  
 25 directly expend the grant funds or may redistribute the

1 funds to public and private entities in the form of a grant,  
 2 loan, loan guarantee, payment to reduce interest on a loan  
 3 guarantee, or other appropriate assistance.

4 “(d) LIMITATION.—Under subsection (c), a recipient  
 5 may not provide any grant to a private for-profit entity.”.

6 (b) CONFORMING AMENDMENT.—The table of con-  
 7 tents contained in section 1(b) of the Public Works and  
 8 Economic Development Act of 1965 (42 U.S.C. 3121  
 9 note) is amended by inserting after the item relating to  
 10 section 216 the following:

“Sec. 217. Direct expenditure or redistribution by recipient.”.

11 **SEC. 213. BRIGHTFIELDS DEMONSTRATION PROGRAM.**

12 (a) IN GENERAL.—Title II of the Public Works and  
 13 Economic Development Act of 1965 (42 U.S.C. 3141 et  
 14 seq.) (as amended by section 212) is amended by adding  
 15 at the end the following:

16 **“SEC. 218. BRIGHTFIELDS DEMONSTRATION PROGRAM.**

17 “(a) DEFINITION OF BRIGHTFIELD SITE.—In this  
 18 section, the term ‘brightfield site’ means a brownfield site  
 19 that is redeveloped through the incorporation of 1 or more  
 20 solar energy technologies.

21 “(b) DEMONSTRATION PROGRAM.—On the applica-  
 22 tion of an eligible recipient, the Secretary may make a  
 23 grant for a project for the development of a brightfield  
 24 site if the Secretary determines that the project will—

1           “(1) use 1 or more solar energy technologies to  
2           develop abandoned or contaminated sites for com-  
3           mercial use; and

4           “(2) improve the commercial and economic op-  
5           portunities in the area in which the project is lo-  
6           cated.

7           “(c) SAVINGS CLAUSE.—To the extent that any por-  
8           tion of a grant awarded under subsection (b) involves re-  
9           mediation, the remediation shall be subject to section 612.

10          “(d) AUTHORIZATION OF APPROPRIATIONS.—There  
11          is authorized to be appropriated to carry out this section  
12          \$5,000,000 for each of fiscal years 2004 through 2008,  
13          to remain available until expended.”.

14          (b) CONFORMING AMENDMENT.—The table of con-  
15          tents contained in section 1(b) of the Public Works and  
16          Economic Development Act of 1965 (42 U.S.C. 3121  
17          note) is amended by inserting after the item relating to  
18          section 217 (as added by section 212(b)) the following:

“Sec. 218. Brightfields demonstration program.”.

19         **TITLE            III—COMPREHENSIVE**  
20         **ECONOMIC        DEVELOPMENT**  
21         **STRATEGIES**

22         **SEC. 301. ELIGIBILITY OF AREAS.**

23           Section 301(c)(1) of the Public Works and Economic  
24           Development Act of 1965 (42 U.S.C. 3161(c)(1)) is  
25           amended by inserting after “most recent Federal data

1 available” the following: “(including data available from  
 2 the Bureau of Economic Analysis, the Bureau of Labor  
 3 Statistics, the Census Bureau, the Bureau of Indian Af-  
 4 fairs, or any other Federal source determined by the Sec-  
 5 retary to be appropriate)”.

6 **SEC. 302. COMPREHENSIVE ECONOMIC DEVELOPMENT**  
 7 **STRATEGIES.**

8 (a) **IN GENERAL.**—Section 302(a)(3)(A) of the Pub-  
 9 lic Works and Economic Development Act of 1965 (42  
 10 U.S.C. 3162(a)(3)(A)) is amended by inserting “maxi-  
 11 mizes effective development and use of the workforce con-  
 12 sistent with any applicable State or local workforce invest-  
 13 ment strategy, promotes the use of technology in economic  
 14 development (including access to high-speed telecommuni-  
 15 cations),” after “access,”.

16 (b) **APPROVAL OF OTHER PLAN.**—Section 302(c) of  
 17 the Public Works and Economic Development Act of 1965  
 18 (42 U.S.C. 3162(c)) is amended—

19 (1) by striking “The Secretary” and inserting  
 20 the following:

21 “(1) **IN GENERAL.**—The Secretary”; and

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

23 “(2) **EXISTING STRATEGY.**—To the maximum  
 24 extent practicable, a plan submitted under this para-  
 25 graph shall be consistent and coordinated with any

1 existing comprehensive economic development strat-  
 2 egy for the area.”.

3 **TITLE IV—ECONOMIC**  
 4 **DEVELOPMENT DISTRICTS**

5 **SEC. 401. INCENTIVES.**

6 (a) IN GENERAL.—Section 403 of the Public Works  
 7 and Economic Development Act of 1965 (42 U.S.C. 3173)  
 8 is repealed.

9 (b) CONFORMING AMENDMENT.—The table of con-  
 10 tents in section 1(b) of the Public Works and Economic  
 11 Development Act of 1965 (42 U.S.C. 3121 note) is  
 12 amended by striking the item relating to section 403.

13 **SEC. 402. PROVISION OF COMPREHENSIVE ECONOMIC DE-**  
 14 **VELOPMENT STRATEGIES TO REGIONAL**  
 15 **COMMISSIONS.**

16 (a) IN GENERAL.—Section 404 of the Public Works  
 17 and Economic Development Act of 1965 (42 U.S.C. 3174)  
 18 is amended to read as follows:

19 **“SEC. 404. PROVISION OF COMPREHENSIVE ECONOMIC DE-**  
 20 **VELOPMENT STRATEGIES TO REGIONAL**  
 21 **COMMISSIONS.**

22 “If any part of an economic development district is  
 23 in a region covered by 1 or more of the Regional Commis-  
 24 sions, the economic development district shall ensure that  
 25 a copy of the comprehensive economic development strat-

1 egy of the district is provided to the affected Regional  
2 Commission.”.

3 (b) CONFORMING AMENDMENT.—The table of con-  
4 tents contained in section 1(b) of the Public Works and  
5 Economic Development Act of 1965 (42 U.S.C. 3121  
6 note) is amended by striking the item relating to section  
7 404 and inserting the following:

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

## 8 **TITLE V—ADMINISTRATION**

### 9 **SEC. 501. ECONOMIC DEVELOPMENT INFORMATION CLEAR-** 10 **INGHOUSE.**

11 Section 502 of the Public Works and Economic De-  
12 velopment Act of 1965 (42 U.S.C. 3192) is amended—

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

15 “(1) maintain a central information clearing-  
16 house on the Internet with—

17 “(A) information on economic develop-  
18 ment, economic adjustment, disaster recovery,  
19 defense conversion, and trade adjustment pro-  
20 grams and activities of the Federal Govern-  
21 ment;

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



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

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

5           “(2) assist potential and actual applicants for  
6           economic development, economic adjustment, dis-  
7           aster recovery, defense conversion, and trade adjust-  
8           ment assistance under Federal and State laws in lo-  
9           cating and applying for the assistance;”;

10          (3) by striking the period at the end of para-  
11          graph (3) and inserting “; and”; and

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

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

16 **SEC. 502. BUSINESSES DESIRING FEDERAL CONTRACTS.**

17          (a) **IN GENERAL.**—Section 505 of the Public Works  
18          and Economic Development Act of 1965 (42 U.S.C. 3195)  
19          is repealed.

20          (b) **CONFORMING AMENDMENT.**—The table of con-  
21          tents in section 1(b) of the Public Works and Economic  
22          Development Act of 1965 (42 U.S.C. 3121 note) is  
23          amended by striking the item relating to section 505.

1 **SEC. 503. PERFORMANCE EVALUATIONS OF GRANT RECIPI-**  
2 **ENTS.**

3 (a) IN GENERAL.—Section 506(c) of the Public  
4 Works and Economic Development Act of 1965 (42  
5 U.S.C. 3196(c)) is amended by striking “after the effec-  
6 tive date of the Economic Development Administration  
7 Reform Act of 1998”.

8 (b) EVALUATION CRITERIA.—Section 506(d)(2) of  
9 the Public Works and Economic Development Act of 1965  
10 (42 U.S.C. 3196(d)(2)) is amended by inserting “program  
11 performance,” after “applied research,”.

12 **SEC. 504. CONFORMING AMENDMENTS.**

13 Section 602 of the Public Works and Economic De-  
14 velopment Act of 1965 (42 U.S.C. 3212) is amended—

15 (1) in the first sentence, by striking “in accord-  
16 ance with” and all that follows before the period at  
17 the end and inserting “in accordance with sub-  
18 chapter IV of chapter 31 of title 40, United States  
19 Code”; and

20 (2) in the third sentence, by striking “section 2  
21 of the Act of June 13, 1934, as amended (40 U.S.C.  
22 276c)” and inserting “section 3145 of title 40,  
23 United States Code”.

1       **TITLE VI—MISCELLANEOUS**

2       **SEC. 601. ANNUAL REPORT TO CONGRESS.**

3       Section 603 of the Public Works and Economic De-  
4       velopment Act of 1965 (42 U.S.C. 3213) is amended—

5               (1) by striking “Not later” and inserting the  
6       following:

7               “(a) IN GENERAL.—Not later”; and

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

9               “(b) INCLUSIONS.—Each report required under sub-  
10       section (a) shall—

11               “(1) include a list of all grant recipients by  
12       State, including the projected private sector dollar to  
13       Federal dollar investment ratio for each grant recipi-  
14       ent;

15               “(2) include a discussion of any private sector  
16       leveraging goal with respect to grants awarded to—

17               “(A) rural and urban economically dis-  
18       tressed areas; and

19               “(B) highly distressed areas; and

20               “(3) after the completion of a project, include  
21       the realized private sector dollar to Federal dollar  
22       investment ratio for the project.”.

1 **SEC. 602. RELATIONSHIP TO ASSISTANCE UNDER OTHER**  
 2 **LAW.**

3 Section 609 of the Public Works and Economic De-  
 4 velopment Act of 1965 (42 U.S.C. 3219) is amended—

5 (1) by striking subsection (a); and

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

8 **SEC. 603. BROWNFIELDS REDEVELOPMENT REPORT.**

9 (a) **IN GENERAL.**—Title VI of the Public Works and  
 10 Economic Development Act of 1965 (42 U.S.C. 3171 et  
 11 seq.) is amended by adding at the end the following:

12 **“SEC. 611. BROWNFIELDS REDEVELOPMENT REPORT.**

13 “(a) **DEFINITION OF BROWNFIELD SITE.**—In this  
 14 section, the term ‘brownfield site’ has the meaning given  
 15 the term in section 101(39) of the Comprehensive Envi-  
 16 ronmental Response, Compensation, and Liability Act of  
 17 1980 (42 U.S.C. 9601(39)).

18 “(b) **REPORT.**—

19 “(1) **IN GENERAL.**—Not later than 1 year after  
 20 the date of enactment of this section, the Comp-  
 21 troller General shall prepare a report that evaluates  
 22 the grants made by the Economic Development Ad-  
 23 ministration for the economic development of  
 24 brownfield sites.

25 “(2) **CONTENTS.**—The report shall—

1           “(A) identify each project conducted dur-  
2           ing the previous 10-year period in which grant  
3           funds have been used for brownfield sites rede-  
4           velopment activities; and

5           “(B) include for each project a description  
6           of —

7                   “(i) the type of economic development  
8                   activities conducted;

9                   “(ii) if remediation activities were  
10                  conducted—

11                           “(I) the type of remediation ac-  
12                           tivities; and

13                           “(II) the amount of grant money  
14                           used for those activities in dollars and  
15                           as a percentage of the total grant  
16                           award;

17                           “(iii) the economic development and  
18                           environmental standards applied, if appli-  
19                           cable;

20                           “(iv) the economic development im-  
21                           pact of the project;

22                           “(v) the role of Federal, State, or  
23                           local environmental agencies, if any; and

24                           “(vi) public participation in the  
25                           project.

1           “(3) SUBMISSION OF REPORT.—The Comp-  
 2           troller General shall submit to the Committee on  
 3           Environment and Public Works of the Senate and  
 4           the Committee on Transportation and Infrastructure  
 5           of the House of Representatives a copy of the re-  
 6           port.”.

7           (b) CONFORMING AMENDMENT.—The table of con-  
 8           tents contained in section 1(b) of the Public Works and  
 9           Economic Development Act of 1965 (42 U.S.C. 3121  
 10          note) is amended by inserting after the item relating to  
 11          section 610 the following:

          “Sec. 611. Brownfields redevelopment report.”.

12   **SEC. 604. SAVINGS CLAUSE.**

13          (a) IN GENERAL.—Title VI of the Public Works and  
 14          Economic Development Act of 1965 (42 U.S.C. 3171 et  
 15          seq.) (as amended by section 603(a)) is amended by add-  
 16          ing at the end the following:

17   **“SEC. 612. SAVINGS CLAUSE.**

18          “To the extent that any portion of grants made under  
 19          this Act are used for an economic development project that  
 20          involves remediation, the remediation shall be conducted  
 21          in compliance with all applicable Federal, State, and local  
 22          laws and standards.”.

23          (b) CONFORMING AMENDMENT.—The table of con-  
 24          tents contained in section 1(b) of the Public Works and  
 25          Economic Development Act of 1965 (42 U.S.C. 3121

1 note) is amended by inserting after the item relating to  
2 section 611 (as added by section 603(b)) the following:

“Sec. 612. Savings clause.”.

3 **SEC. 605. SENSE OF CONGRESS REGARDING ECONOMIC DE-**  
4 **VELOPMENT REPRESENTATIVES.**

5 (a) FINDINGS.—Congress finds that—

6 (1) planning and coordination among Federal  
7 agencies, State and local governments, Indian tribes,  
8 and economic development districts is vital to the  
9 success of an economic development program;

10 (2) economic development representatives of the  
11 Economic Development Administration provide dis-  
12 tressed communities with the technical assistance  
13 necessary to foster this planning and coordination;  
14 and

15 (3) in the 5 years preceding the date of enact-  
16 ment of this Act, the number of economic develop-  
17 ment representatives has declined by almost 25 per-  
18 cent.

19 (b) SENSE OF CONGRESS.—It is the sense of Con-  
20 gress that the Secretary should maintain a sufficient num-  
21 ber of economic development representatives to ensure  
22 that the Economic Development Administration is able to  
23 provide effective assistance to distressed communities and  
24 foster economic growth and development among the  
25 States.

## TITLE VII—FUNDING

### SEC. 701. AUTHORIZATION OF APPROPRIATIONS.

Section 701 of the Public Works and Economic Development Act of 1965 (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, to remain available until expended—

“(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.”

“(b) SALARIES AND EXPENSES.—There are authorized to be appropriated for salaries and expenses of administering this Act, to remain available until expended—

“(1) \$33,377,000 for fiscal year 2004; and

“(2) such sums as are necessary for each fiscal year thereafter.”



1 **SEC. 702. FUNDING FOR GRANTS FOR PLANNING AND**  
2 **GRANTS FOR ADMINISTRATIVE EXPENSES.**

3 (a) IN GENERAL.—Title VII of the Public Works and  
4 Economic Development Act of 1965 (42 U.S.C. 3231 et  
5 seq.) is amended by adding at the end the following:

6 **“SEC. 704. FUNDING FOR GRANTS FOR PLANNING AND**  
7 **GRANTS FOR ADMINISTRATIVE EXPENSES.**

8 “Of the amounts made available under section 701  
9 for each fiscal year, not less than \$27,000,000 shall be  
10 made available for grants provided under section 203.”.

11 (b) CONFORMING AMENDMENT.—The table of con-  
12 tents contained in section 1(b) of the Public Works and  
13 Economic Development Act of 1965 (42 U.S.C. 3121  
14 note) is amended by inserting after the item relating to  
15 section 703 the following:

“Sec. 704. Funding for grants for planning and grants for administrative  
expenses”.

Passed the Senate October 6, 2004.

Attest:

*Secretary.*

108<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**S. 1134**

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**AN ACT**

To reauthorize and improve the program authorized  
by the Public Works and Economic Development  
Act of 1965.