

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

# S. 2832

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## AN ACT

To reauthorize and improve the program authorized by the  
Appalachian Regional 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.**

4        This Act may be cited as the “Appalachian Regional  
5 Development Act Amendments of 2006”.

1 **SEC. 2. LIMITATION ON AVAILABLE AMOUNTS; MAXIMUM**  
2 **COMMISSION CONTRIBUTION.**

3 (a) GRANTS AND OTHER ASSISTANCE.—Section  
4 14321(a) of title 40, United States Code, is amended—

5 (1) in paragraph (1)(A), by striking clause (i)  
6 and inserting the following:

7 “(i) the amount of the grant shall not  
8 exceed—

9 “(I) 50 percent of administrative  
10 expenses;

11 “(II) at the discretion of the  
12 Commission, if the grant is to a local  
13 development district that has a char-  
14 ter or authority that includes the eco-  
15 nomic development of a county or a  
16 part of a county for which a dis-  
17 tressed county designation is in effect  
18 under section 14526, 75 percent of  
19 administrative expenses; or

20 “(III) at the discretion of the  
21 Commission, if the grant is to a local  
22 development district that has a char-  
23 ter or authority that includes the eco-  
24 nomic development of a county or a  
25 part of a county for which an at-risk  
26 county designation is in effect under

1 section 14526, 70 percent of adminis-  
2 trative expenses;” and

3 (2) in paragraph (2), by striking subparagraph  
4 (A) and inserting the following:

5 “(A) IN GENERAL.—Except as provided in  
6 subparagraph (B), of the cost of any activity el-  
7 igible for financial assistance under this section,  
8 not more than—

9 “(i) 50 percent may be provided from  
10 amounts appropriated to carry out this  
11 subtitle;

12 “(ii) in the case of a project to be car-  
13 ried out in a county for which a distressed  
14 county designation is in effect under sec-  
15 tion 14526, 80 percent may be provided  
16 from amounts appropriated to carry out  
17 this subtitle; or

18 “(iii) in the case of a project to be  
19 carried out in a county for which an at-  
20 risk county designation is in effect under  
21 section 14526, 70 percent may be provided  
22 from amounts appropriated to carry out  
23 this subtitle.”.

24 (b) DEMONSTRATION HEALTH PROJECTS.—Section  
25 14502 of title 40, United States Code, is amended—

1           (1) in subsection (d), by striking paragraph (2)  
2           and inserting the following:

3           “(2) LIMITATION ON AVAILABLE AMOUNTS.—  
4           Grants under this section for the operation (includ-  
5           ing initial operating amounts and operating deficits,  
6           which include the cost of attracting, training, and  
7           retaining qualified personnel) of a demonstration  
8           health project, whether or not constructed with  
9           amounts authorized by this section, may be made for  
10          up to—

11                 “(A) 50 percent of the cost of that oper-  
12                 ation;

13                 “(B) in the case of a project to be carried  
14                 out in a county for which a distressed county  
15                 designation is in effect under section 14526, 80  
16                 percent of the cost of that operation; or

17                 “(C) in the case of a project to be carried  
18                 out for a county for which an at-risk county  
19                 designation is in effect under section 14526, 70  
20                 percent of the cost of that operation.”; and

21           (2) in subsection (f), by adding at the end the  
22           following:

23                 “(3) AT-RISK COUNTIES.—The maximum Com-  
24                 mission contribution for a project to be carried out  
25                 in a county for which an at-risk county designation

1 is in effect under section 14526 may be increased to  
2 the lesser of—

3 “(A) 70 percent; or

4 “(B) the maximum Federal contribution  
5 percentage authorized by this section.”.

6 (c) ASSISTANCE FOR PROPOSED LOW- AND MIDDLE-  
7 INCOME HOUSING PROJECTS.—Section 14503 of title 40,  
8 United States Code, is amended—

9 (1) in subsection (d), by striking paragraph (1)  
10 and inserting the following:

11 “(1) LIMITATION ON AVAILABLE AMOUNTS.—A  
12 loan under subsection (b) for the cost of planning  
13 and obtaining financing (including the cost of pre-  
14 liminary surveys and analyses of market needs, pre-  
15 liminary site engineering and architectural fees, site  
16 options, application and mortgage commitment fees,  
17 legal fees, and construction loan fees and discounts)  
18 of a project described in that subsection may be  
19 made for up to—

20 “(A) 50 percent of that cost;

21 “(B) in the case of a project to be carried  
22 out in a county for which a distressed county  
23 designation is in effect under section 14526, 80  
24 percent of that cost; or

1           “(C) in the case of a project to be carried  
2           out for a county for which an at-risk county  
3           designation is in effect under section 14526, 70  
4           percent of that cost.”; and

5           (2) in subsection (e), by striking paragraph (1)  
6           and inserting the following:

7           “(1) IN GENERAL.—A grant under this section  
8           for expenses incidental to planning and obtaining fi-  
9           nancing for a project under this section that the  
10          Secretary considers to be unrecoverable from the  
11          proceeds of a permanent loan made to finance the  
12          project shall—

13           “(A) not be made to an organization estab-  
14          lished for profit; and

15           “(B) except as provided in paragraph (2),  
16          not exceed—

17           “(i) 50 percent of those expenses;

18           “(ii) in the case of a project to be car-  
19          ried out in a county for which a distressed  
20          county designation is in effect under sec-  
21          tion 14526, 80 percent of those expenses;  
22          or

23           “(iii) in the case of a project to be  
24          carried out in a county for which an at-  
25          risk county designation is in effect under

1                   section 14526, 70 percent of those ex-  
2                   penses.”.

3           (d) TELECOMMUNICATIONS AND TECHNOLOGY INI-  
4 TIATIVE.—Section 14504 of title 40, United States Code,  
5 is amended by striking subsection (b) and inserting the  
6 following:

7           “(b) LIMITATION ON AVAILABLE AMOUNTS.—Of the  
8 cost of any activity eligible for a grant under this section,  
9 not more than—

10                   “(1) 50 percent may be provided from amounts  
11                   appropriated to carry out this section;

12                   “(2) in the case of a project to be carried out  
13                   in a county for which a distressed county designa-  
14                   tion is in effect under section 14526, 80 percent  
15                   may be provided from amounts appropriated to  
16                   carry out this section; or

17                   “(3) in the case of a project to be carried out  
18                   in a county for which an at-risk county designation  
19                   is in effect under section 14526, 70 percent may be  
20                   provided from amounts appropriated to carry out  
21                   this section.”.

22           (e) ENTREPRENEURSHIP INITIATIVE.—Section  
23 14505 of title 40, United States Code, is amended by  
24 striking subsection (c) and inserting the following:

1       “(c) LIMITATION ON AVAILABLE AMOUNTS.—Of the  
2 cost of any activity eligible for a grant under this section,  
3 not more than—

4           “(1) 50 percent may be provided from amounts  
5 appropriated to carry out this section;

6           “(2) in the case of a project to be carried out  
7 in a county for which a distressed county designa-  
8 tion is in effect under section 14526, 80 percent  
9 may be provided from amounts appropriated to  
10 carry out this section; or

11          “(3) in the case of a project to be carried out  
12 in a county for which an at-risk county designation  
13 is in effect under section 14526, 70 percent may be  
14 provided from amounts appropriated to carry out  
15 this section.”.

16       (f) REGIONAL SKILLS PARTNERSHIPS.—Section  
17 14506 of title 40, United States Code, is amended by  
18 striking subsection (d) and inserting the following:

19       “(d) LIMITATION ON AVAILABLE AMOUNTS.—Of the  
20 cost of any activity eligible for a grant under this section,  
21 not more than—

22           “(1) 50 percent may be provided from amounts  
23 appropriated to carry out this section;

24           “(2) in the case of a project to be carried out  
25 in a county for which a distressed county designa-

1 tion is in effect under section 14526, 80 percent  
2 may be provided from amounts appropriated to  
3 carry out this section; or

4 “(3) in the case of a project to be carried out  
5 in a county for which an at-risk county designation  
6 is in effect under section 14526, 70 percent may be  
7 provided from amounts appropriated to carry out  
8 this section.”.

9 (g) SUPPLEMENTS TO FEDERAL GRANT PRO-  
10 GRAMS.—Section 14507(g) of title 40, United States  
11 Code, is amended by adding at the end the following:

12 “(3) AT-RISK COUNTIES.—The maximum Com-  
13 mission contribution for a project to be carried out  
14 in a county for which an at-risk county designation  
15 is in effect under section 14526 may be increased to  
16 70 percent.”.

17 **SEC. 3. DISTRESSED, AT-RISK, AND ECONOMICALLY**  
18 **STRONG COUNTIES.**

19 Section 14526(a)(1) of title 40, United States Code,  
20 is amended—

21 (1) by redesignating subparagraph (B) as sub-  
22 paragraph (C);

23 (2) in subparagraph (A), by striking “and” at  
24 the end; and

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

3                   “(B) designate as ‘at-risk counties’ those  
4           counties in the Appalachian region that are  
5           most at risk of becoming economically dis-  
6           tressed; and”.

7 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS.**

8           Section 14703 of title 40, United States Code, is  
9           amended by striking subsection (a) and inserting the fol-  
10          lowing:

11          “(a) IN GENERAL.—In addition to amounts made  
12          available under section 14501, there are authorized to be  
13          appropriated to the Appalachian Regional Commission to  
14          carry out this subtitle—

15                   “(1) \$95,200,000 for fiscal year 2007;

16                   “(2) \$98,600,000 for fiscal year 2008;

17                   “(3) \$102,000,000 for fiscal year 2009;

18                   “(4) \$105,700,000 for fiscal year 2010; and

19                   “(5) \$109,400,000 for fiscal year 2011.”.

20 **SEC. 5. TERMINATION.**

21          Section 14704 of title 40, United States Code, is  
22          amended by striking “2006” and inserting “2011”.

1 **SEC. 6. EFFECTIVE DATE.**

2       The amendments made by this Act take effect on Oc-  
3 tober 1, 2006.

      Passed the Senate July 25, 2006.

      Attest:

*Secretary.*

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