

110TH CONGRESS
1ST SESSION

S. 496

To reauthorize and improve the program authorized by the Appalachian
Regional Development Act of 1965.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 6, 2007

Mr. VOINOVICH (for himself, Mrs. CLINTON, Mr. WARNER, Mr. BYRD, Mr. LOTT, Mr. BROWN, Mr. COCHRAN, Mr. SCHUMER, Mr. BURR, Mr. CARDIN, Ms. MIKULSKI, Mrs. DOLE, Mr. ALEXANDER, Mr. SHELBY, and Mr. GRAHAM) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

A BILL

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 2007”.

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

8 (a) GRANTS AND OTHER ASSISTANCE.—Section
9 14321(a) of title 40, United States Code, is amended—

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

3 “(i) the amount of the grant shall not
4 exceed—

5 “(I) 50 percent of administrative
6 expenses;

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

16 “(III) at the discretion of the
17 Commission, if the grant is to a local
18 development district that has a char-
19 ter or authority that includes the eco-
20 nomic development of a county or a
21 part of a county for which an at-risk
22 county designation is in effect under
23 section 14526, 70 percent of adminis-
24 trative expenses;” and

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

3 “(A) IN GENERAL.—Except as provided in
4 subparagraph (B), of the cost of any project eli-
5 gible for financial assistance under this section,
6 not more than—

7 “(i) 50 percent may be provided from
8 amounts made available to carry out this
9 subtitle;

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

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

22 (b) DEMONSTRATION HEALTH PROJECTS.—Section
23 14502 of title 40, United States Code, is amended—

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

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

9 “(A) 50 percent of the cost of that oper-
10 ation;

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

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

19 (2) in subsection (f), by adding at the end the
20 following:

21 “(3) AT-RISK COUNTIES.—The maximum Com-
22 mission contribution for a project to be carried out
23 in a county for which an at-risk county designation
24 is in effect under section 14526 may be increased to
25 the lesser of—

1 “(A) 70 percent; or

2 “(B) the maximum Federal contribution
3 percentage authorized by this section.”.

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

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

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

18 “(A) 50 percent of that cost;

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

23 “(C) in the case of a project to be carried
24 out in a county for which an at-risk county des-

1 ignation is in effect under section 14526, 70
2 percent of that cost.”; and

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

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

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

13 “(B) except as provided in paragraph (2),
14 not exceed—

15 “(i) 50 percent of those expenses;

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

21 “(iii) in the case of a project to be
22 carried out in a county for which an at-
23 risk county designation is in effect under
24 section 14526, 70 percent of those ex-
25 penses.”.

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

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

8 “(1) 50 percent may be provided from amounts
9 made available to carry out this section;

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

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

20 (e) ENTREPRENEURSHIP INITIATIVE.—Section
21 14505 of title 40, United States Code, is amended by
22 striking subsection (c) and inserting the following:

23 “(c) LIMITATION ON AVAILABLE AMOUNTS.—Of the
24 cost of any project eligible for a grant under this section,
25 not more than—

1 “(1) 50 percent may be provided from amounts
2 made available to carry out this section;

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

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

13 (f) REGIONAL SKILLS PARTNERSHIPS.—Section
14 14506 of title 40, United States Code, is amended by
15 striking subsection (d) and inserting the following:

16 “(d) LIMITATION ON AVAILABLE AMOUNTS.—Of the
17 cost of any project eligible for a grant under this section,
18 not more than—

19 “(1) 50 percent may be provided from amounts
20 made available to carry out this section;

21 “(2) in the case of a project to be carried out
22 in a county for which a distressed county designa-
23 tion is in effect under section 14526, 80 percent
24 may be provided from amounts made available to
25 carry out this section; or

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

6 (g) SUPPLEMENTS TO FEDERAL GRANT PRO-
7 GRAMS.—Section 14507(g) of title 40, United States
8 Code, is amended—

9 (1) in paragraph (1), by striking “paragraph
10 (2)” and inserting “paragraphs (2) and (3)”; and

11 (2) 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. ECONOMIC AND ENERGY DEVELOPMENT INITIA-**
18 **TIVE.**

19 (a) IN GENERAL.—Subchapter I of chapter 145 of
20 subtitle IV of title 40, United States Code, is amended
21 by adding at the end the following:

22 **“§ 14508. Economic and energy development initia-**
23 **tive**

24 “(a) PROJECTS TO BE ASSISTED.—The Appalachian
25 Regional Commission may provide technical assistance,

1 provide grants, enter into contracts, or otherwise provide
2 amounts to individuals or entities in the Appalachian re-
3 gion for use in carrying out projects and activities—

4 “(1) to promote energy efficiency in the Appa-
5 lachian region to enhance the economic competitive-
6 ness of the Appalachian region;

7 “(2) to increase the use of renewable energy re-
8 sources, particularly biomass, in the Appalachian re-
9 gion to produce alternative transportation fuels, elec-
10 tricity, and heat; and

11 “(3) to support the development of conventional
12 energy resources, particularly advanced clean coal, in
13 the Appalachian region to produce alternative trans-
14 portation fuels, electricity, and heat.

15 “(b) LIMITATION ON AVAILABLE AMOUNTS.—Of the
16 cost of any project eligible to be funded by a grant under
17 this section, not more than—

18 “(1) 50 percent may be provided from amounts
19 made available to carry out this section;

20 “(2) in the case of a project to be carried out
21 in a county for which a distressed county designa-
22 tion is in effect under section 14526, 80 percent
23 may be provided from amounts made available to
24 carry out this section; and

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

6 “(c) SOURCES OF ASSISTANCE.—Subject to sub-
7 section (b), grants provided under this section may be pro-
8 vided—

9 “(1) entirely from amounts made available to
10 carry out this section; or

11 “(2) from amounts made available to carry out
12 this section, in combination with amounts made
13 available under other Federal programs or from any
14 other source.

15 “(d) FEDERAL SHARE.—Notwithstanding any other
16 provision of law limiting a Federal share of the cost of
17 a project under any other Federal program, amounts
18 made available to carry out this section may be used to
19 increase that Federal share, as the Commission deter-
20 mines to be appropriate.”.

21 (b) CONFORMING AMENDMENT.—The analysis for
22 chapter 145 of title 40, United States Code, is amended
23 by inserting after the item relating to section 14507 the
24 following:

“14508. Economic and energy development initiative.”.

1 **SEC. 4. DISTRESSED, AT-RISK, AND ECONOMICALLY**
 2 **STRONG COUNTIES.**

3 (a) DESIGNATION OF AT-RISK COUNTIES.—Section
 4 14526 of title 40, United States Code, is amended—

5 (1) in the section heading, by inserting “, **at-**
 6 **risk,**” after “**Distressed**”; and

7 (2) in subsection (a)(1)—

8 (A) by redesignating subparagraph (B) as
 9 subparagraph (C);

10 (B) in subparagraph (A), by striking
 11 “and” at the end; and

12 (C) by inserting after subparagraph (A)
 13 the following:

14 “(B) designate as ‘at-risk counties’ those
 15 counties in the Appalachian region that are
 16 most at risk of becoming economically dis-
 17 tressed; and”.

18 (b) CONFORMING AMENDMENT.—The analysis for
 19 chapter 145 of title 40, United States Code, is amended
 20 by striking the item relating to section 14526 and insert-
 21 ing the following:

“14526. Distressed, at-risk, and economically strong counties.”.

22 **SEC. 5. AUTHORIZATION OF APPROPRIATIONS.**

23 (a) IN GENERAL.—Section 14703 of title 40, United
 24 States Code, is amended to read as follows:

1 **“§ 14703. Authorization of appropriations**

2 “(a) IN GENERAL.—In addition to the amounts made
3 available under section 14501, there are authorized to be
4 appropriated to the Appalachian Regional Commission to
5 carry out this subtitle—

6 “(1) \$95,200,000 for fiscal year 2007;

7 “(2) \$98,600,000 for fiscal year 2008;

8 “(3) \$102,000,000 for fiscal year 2009;

9 “(4) \$105,700,000 for fiscal year 2010; and

10 “(5) \$109,400,000 for fiscal year 2011.

11 “(b) TELECOMMUNICATIONS AND TECHNOLOGY INI-
12 TIATIVE.—Of the amounts made available under sub-
13 section (a), the following amounts may be used to carry
14 out section 14504:

15 “(1) \$10,000,000 for fiscal year 2007.

16 “(2) \$8,000,000 for fiscal year 2008.

17 “(3) \$5,000,000 for each of fiscal years 2009
18 through 2011.

19 “(c) ECONOMIC AND ENERGY INITIATIVE.—Of the
20 amounts made available under subsection (a), the fol-
21 lowing amounts may be used to carry out section 14508:

22 “(1) \$12,000,000 for fiscal year 2007.

23 “(2) \$12,400,000 for fiscal year 2008.

24 “(3) \$12,900,000 for fiscal year 2009.

25 “(4) \$13,300,000 for fiscal year 2010.

26 “(5) \$13,800,000 for fiscal year 2011.

1 “(d) AVAILABILITY.—Amounts made available under
2 subsection (a) shall remain available until expended.

3 “(e) ALLOCATION OF FUNDS.—Funds approved by
4 the Appalachian Regional Commission for a project in an
5 Appalachian State pursuant to a congressional directive
6 shall be derived from the total amount allocated to the
7 State by the Appalachian Regional Commission from
8 amounts made available to carry out this subtitle.”.

9 **SEC. 6. TERMINATION.**

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

12 **SEC. 7. EFFECTIVE DATE.**

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

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