

110TH CONGRESS  
1ST SESSION

# H. R. 1548

To establish the Northern Border Economic Development Commission, and  
for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 15, 2007

Mr. HODES (for himself, Mr. MICHAUD, Mr. ARCURI, Mr. MCHUGH, Mr. ALLEN, and Mr. WELCH of Vermont) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To establish the Northern Border Economic Development  
Commission, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Northern Border Economic Development Commission  
6 Act of 2007”.

7 (b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

Sec. 2. Definitions.

- Sec. 3. Northern Border Economic Development Commission.
- Sec. 4. Economic and community development grants.
- Sec. 5. Supplements to Federal grant programs.
- Sec. 6. Local development districts; certification and administrative expenses.
- Sec. 7. Development planning process.
- Sec. 8. Program development criteria.
- Sec. 9. Approval of development plans and projects.
- Sec. 10. Consent of States.
- Sec. 11. Records.
- Sec. 12. Annual report.
- Sec. 13. Authorization of appropriations.
- Sec. 14. Termination of Commission.
- Sec. 15. Region of Northern Border Economic Development Commission.

1 **SEC. 2. DEFINITIONS.**

2 In this Act, the following definitions apply:

3 (1) COMMISSION.—The term “Commission”  
 4 means the Northern Border Economic Development  
 5 Commission established by section 3.

6 (2) FEDERAL GRANT PROGRAM.—The term  
 7 “Federal grant program” means a Federal grant  
 8 program to provide assistance in carrying out eco-  
 9 nomic and community development activities and  
 10 conservation activities that are consistent with eco-  
 11 nomic development.

12 (3) NON-PROFIT ENTITY.—The term “non-prof-  
 13 it entity” means any entity with tax-exempt or non-  
 14 profit status, as defined by the Internal Revenue  
 15 Service.

16 (4) REGION.—The term “region” means the  
 17 area covered by the Commission (as described in sec-  
 18 tion 15).

1 **SEC. 3. NORTHERN BORDER ECONOMIC DEVELOPMENT**

2 **COMMISSION.**

3 (a) **ESTABLISHMENT.**—

4 (1) **IN GENERAL.**—There is established the  
5 Northern Border Economic Development Commis-  
6 sion.

7 (2) **COMPOSITION.**—The Commission shall be  
8 composed of—

9 (A) a Federal member, to be appointed by  
10 the President, with the advice and consent of  
11 the Senate; and

12 (B) the Governor of each State in the re-  
13 gion that elects to participate in the Commis-  
14 sion.

15 (3) **COCHAIRPERSONS.**—The Commission shall  
16 be headed by—

17 (A) the Federal member, who shall serve—

18 (i) as the Federal cochairperson; and

19 (ii) as a liaison between the Federal  
20 Government and the Commission; and

21 (B) a State cochairperson, who—

22 (i) shall be a Governor of a partici-  
23 pating State in the region; and

24 (ii) shall be elected by the State mem-  
25 bers for a term of not less than 1 year.

26 (b) **ALTERNATE MEMBERS.**—

1 (1) STATE ALTERNATES.—

2 (A) APPOINTMENT.—The State member of  
3 a participating State may have a single alter-  
4 nate, who shall be appointed by the Governor of  
5 the State from among the Governor’s cabinet or  
6 personal staff.

7 (B) VOTING.—An alternate shall vote in  
8 the event of the absence, death, disability, re-  
9 moval, or resignation of the member for whom  
10 the individual is an alternate.

11 (2) ALTERNATE FEDERAL COCHAIRPERSON.—  
12 The President shall appoint an alternate Federal co-  
13 chairperson.

14 (3) QUORUM.—

15 (A) IN GENERAL.—Subject to the require-  
16 ments of this paragraph, the Commission shall  
17 determine what constitutes a quorum of the  
18 Commission.

19 (B) FEDERAL COCHAIRPERSON.—The  
20 Federal cochairperson or the Federal cochair-  
21 person’s designee must be present for the estab-  
22 lishment of a quorum of the Commission.

23 (C) STATE ALTERNATES.—A State alter-  
24 nate shall not be counted toward the establish-  
25 ment of a quorum of the Commission.

1           (4) DELEGATION OF POWER.—No power or re-  
2           responsibility of the Commission specified in para-  
3           graphs (3) and (4) of subsection (c), and no voting  
4           right of any Commission member, shall be delegated  
5           to any person—

6                     (A) who is not a Commission member; or

7                     (B) who is not entitled to vote in Commis-  
8           sion meetings.

9           (c) DECISIONS.—

10           (1) REQUIREMENTS FOR APPROVAL.—Except  
11           as provided in subsection (g), decisions by the Com-  
12           mission shall require the affirmative vote of the Fed-  
13           eral cochairperson and of a majority of the State  
14           members, exclusive of members representing States  
15           delinquent under subsection (g)(2)(C).

16           (2) CONSULTATION.—In matters coming before  
17           the Commission, the Federal cochairperson, to the  
18           extent practicable, shall consult with the Federal de-  
19           partments and agencies having an interest in the  
20           subject matter.

21           (3) DECISIONS REQUIRING QUORUM OF STATE  
22           MEMBERS.—The following decisions may not be  
23           made without a quorum of State members:

24                     (A) A decision involving Commission pol-  
25           icy.

1 (B) Approval of State, regional, or sub-  
2 regional development plans or strategy state-  
3 ments.

4 (C) Modification or revision of the Com-  
5 mission's code.

6 (D) Allocation of amounts among the  
7 States.

8 (4) PROJECT AND GRANT PROPOSALS.—The ap-  
9 proval of project and grant proposals is a responsi-  
10 bility of the Commission and shall be carried out in  
11 accordance with section 9.

12 (d) DUTIES.—The Commission shall—

13 (1) develop, on a continuing basis, comprehen-  
14 sive and coordinated plans and programs to establish  
15 priorities and approve grants for the economic devel-  
16 opment of the region, giving due consideration to  
17 other Federal, State, and local planning and devel-  
18 opment activities in the region;

19 (2) not later than 365 days after the date of  
20 enactment of this Act, establish priorities in a devel-  
21 opment plan for the region (including 5-year re-  
22 gional outcome targets);

23 (3) assess the needs and capital assets of the  
24 region based on available research, demonstration  
25 projects, assessments, and evaluations of the region

1 prepared by Federal, State, or local agencies, local  
2 development districts, and any other relevant source;

3 (4)(A) enhance the capacity of, and provide  
4 support for, local development districts in the region;  
5 or

6 (B) if no local development district exists in an  
7 area in a participating State in the region, foster the  
8 creation of a local development district;

9 (5) actively solicit the participation of rep-  
10 resentatives of local development districts, industry  
11 groups, and other appropriate organizations as ap-  
12 proved by the Commission, in all public proceedings  
13 of the Commission conducted under subsection  
14 (e)(1), either in-person or through interactive tele-  
15 communications;

16 (6) encourage private investment in industrial,  
17 commercial, and other economic development  
18 projects in the region; and

19 (7) not later than 365 days after the date of  
20 enactment of this Act, initiate a special resource  
21 study for the north woods of Maine, which study—

22 (A) shall be carried out in cooperation with  
23 appropriate local, State, and Federal officials;  
24 and

1 (B) shall examine land use, ownership, and  
2 development trends and propose options for fu-  
3 ture management, ownership, conservation, and  
4 development of land to maximize job creation  
5 and ecological value.

6 (e) ADMINISTRATION.—In carrying out subsection  
7 (d), the Commission may—

8 (1) hold such hearings, sit and act at such  
9 times and places, take such testimony, receive such  
10 evidence, and print or otherwise reproduce and dis-  
11 tribute a description of the proceedings and reports  
12 on actions by the Commission as the Commission  
13 considers appropriate;

14 (2) authorize, through the Federal or State co-  
15 chairperson or any other member of the Commission  
16 designated by the Commission, the administration of  
17 oaths if the Commission determines that testimony  
18 should be taken or evidence received under oath;

19 (3) request from any Federal, State, or local  
20 department or agency such information as may be  
21 available to or procurable by the department or  
22 agency that may be of use to the Commission in car-  
23 rying out duties of the Commission;

1           (4) adopt, amend, and repeal bylaws and rules  
2 governing the conduct of Commission business and  
3 the performance of Commission duties;

4           (5) request the head of any Federal department  
5 or agency to detail to the Commission such per-  
6 sonnel as the Commission requires to carry out du-  
7 ties of the Commission, each such detail to be with-  
8 out loss of seniority, pay, or other employee status;

9           (6) request the head of any State department  
10 or agency or local government to detail to the Com-  
11 mission such personnel as the Commission requires  
12 to carry out duties of the Commission, each such de-  
13 tail to be without loss of seniority, pay, or other em-  
14 ployee status;

15           (7) provide for coverage of Commission employ-  
16 ees in a suitable retirement and employee benefit  
17 system by—

18                   (A) making arrangements or entering into  
19 contracts with any participating State govern-  
20 ment; or

21                   (B) otherwise providing retirement and  
22 other employee benefit coverage;

23           (8) accept, use, and dispose of gifts or dona-  
24 tions of services or real, personal, tangible, or intan-  
25 gible property;

1           (9) enter into and perform such contracts or  
2 other transactions as are necessary to carry out  
3 Commission duties;

4           (10) establish and maintain a central office lo-  
5 cated within the Northern Border Economic Devel-  
6 opment Commission region and field offices at such  
7 locations as the Commission may select; and

8           (11) provide for an appropriate level of rep-  
9 resentation in Washington, DC.

10       (f) FEDERAL AGENCY COOPERATION.—A Federal  
11 agency shall—

12           (1) cooperate with the Commission; and

13           (2) provide, on request of the Federal cochair-  
14 person, appropriate assistance in carrying out this  
15 Act, in accordance with applicable Federal laws (in-  
16 cluding regulations).

17       (g) ADMINISTRATIVE EXPENSES.—

18           (1) IN GENERAL.—Administrative expenses of  
19 the Commission (except for the expenses of the Fed-  
20 eral cochairperson, including expenses of the alter-  
21 nate and staff of the Federal cochairperson, which  
22 shall be paid solely by the Federal Government)  
23 shall be paid—

1 (A) by the Federal Government, in an  
2 amount equal to 50 percent of the administra-  
3 tive expenses; and

4 (B) by the States in the region partici-  
5 pating in the Commission, in an amount equal  
6 to 50 percent of the administrative expenses.

7 (2) STATE SHARE.—

8 (A) IN GENERAL.—The share of adminis-  
9 trative expenses of the Commission to be paid  
10 by each State shall be determined by the Com-  
11 mission.

12 (B) NO FEDERAL PARTICIPATION.—The  
13 Federal cochairperson shall not participate or  
14 vote in any decision under subparagraph (A).

15 (C) DELINQUENT STATES.—If a State is  
16 delinquent in payment of the State's share of  
17 administrative expenses of the Commission  
18 under this subsection—

19 (i) no assistance under this Act shall  
20 be furnished to the State (including assist-  
21 ance to a political subdivision or a resident  
22 of the State); and

23 (ii) no member of the Commission  
24 from the State shall participate or vote in  
25 any action by the Commission.

1 (h) COMPENSATION.—

2 (1) FEDERAL COCHAIRPERSON.—The Federal  
3 cochairperson shall be compensated by the Federal  
4 Government at level III of the Executive Schedule in  
5 subchapter II of chapter 53 of title V, United States  
6 Code.

7 (2) ALTERNATE FEDERAL COCHAIRPERSON.—  
8 The alternate Federal cochairperson—

9 (A) shall be compensated by the Federal  
10 Government at level V of the Executive Sched-  
11 ule described in paragraph (1); and

12 (B) when not actively serving as an alter-  
13 nate for the Federal cochairperson, shall per-  
14 form such functions and duties as are delegated  
15 by the Federal cochairperson.

16 (3) STATE MEMBERS AND ALTERNATES.—

17 (A) IN GENERAL.—A State shall com-  
18 pensate each member and alternate rep-  
19 resenting the State on the Commission at the  
20 rate established by law of the State.

21 (B) NO ADDITIONAL COMPENSATION.—No  
22 State member or alternate member shall receive  
23 any salary, or any contribution to or sup-  
24 plementation of salary from any source other

1 than the State for services provided by the  
2 member or alternate to the Commission.

3 (4) DETAILED EMPLOYEES.—

4 (A) IN GENERAL.—No person detailed to  
5 serve the Commission under subsection (e)(6)  
6 shall receive any salary or any contribution to  
7 or supplementation of salary for services pro-  
8 vided to the Commission from—

9 (i) any source other than the State,  
10 local, or intergovernmental department or  
11 agency from which the person was detailed;  
12 or

13 (ii) the Commission.

14 (B) VIOLATION.—Any person that violates  
15 this paragraph shall be fined not more than  
16 \$5,000, imprisoned not more than 1 year, or  
17 both.

18 (C) APPLICABLE LAW.—The Federal co-  
19 chairperson, the alternate Federal cochair-  
20 person, and any Federal officer or employee de-  
21 tailed to duty on the Commission under sub-  
22 section (e)(5) shall not be subject to subpara-  
23 graph (A), but shall remain subject to sections  
24 202 through 209 of title 18, United States  
25 Code.

1 (5) ADDITIONAL PERSONNEL.—

2 (A) COMPENSATION.—

3 (i) IN GENERAL.—The Commission  
4 may appoint and fix the compensation of  
5 an executive director and such other per-  
6 sonnel as are necessary to enable the Com-  
7 mission to carry out the duties of the Com-  
8 mission.

9 (ii) EXCEPTION.—Compensation  
10 under clause (i) shall not exceed the max-  
11 imum rate for the Senior Executive Service  
12 under section 5382 of title 5, United  
13 States Code, including any applicable local-  
14 ity-based comparability payment that may  
15 be authorized under section 5304(h)(2)(C)  
16 of that title.

17 (B) EXECUTIVE DIRECTOR.—The executive  
18 director shall be responsible for—

19 (i) the carrying out of the administra-  
20 tive duties of the Commission;

21 (ii) direction of the Commission staff;  
22 and

23 (iii) such other duties as the Commis-  
24 sion may assign.

1 (C) NO FEDERAL EMPLOYEE STATUS.—No  
2 member, alternate, officer, or employee of the  
3 Commission (except the Federal cochairperson  
4 of the Commission, the alternate and staff for  
5 the Federal cochairperson, and any Federal em-  
6 ployee detailed to the Commission under sub-  
7 section (e)(5)) shall be considered to be a Fed-  
8 eral employee for any purpose.

9 (i) CONFLICTS OF INTEREST.—

10 (1) IN GENERAL.—Except as provided under  
11 paragraph (2), no State member, alternate, officer,  
12 or employee of the Commission shall participate per-  
13 sonally and substantially as a member, alternate, of-  
14 ficer, or employee of the Commission, through deci-  
15 sion, approval, disapproval, recommendation, the  
16 rendering of advice, investigation, or otherwise, in  
17 any proceeding, application, request for a ruling or  
18 other determination, contract, claim, controversy, or  
19 other matter in which, to knowledge of the member,  
20 alternate, officer, or employee any of the following  
21 persons has a financial interest:

22 (A) The member, alternate, officer, or em-  
23 ployee.

24 (B) The spouse, minor child, partner, or  
25 organization (other than a State or political

1 subdivision of the State) of the member, alter-  
2 nate, officer, or employee, in which the member,  
3 alternate, officer, or employee is serving as offi-  
4 cer, director, trustee, partner, or employee.

5 (C) Any person or organization with whom  
6 the member, alternate, officer, or employee is  
7 negotiating or has any arrangement concerning  
8 prospective employment.

9 (2) DISCLOSURE.—Paragraph (1) shall not  
10 apply if the State member, alternate, officer, or em-  
11 ployee—

12 (A) immediately advises the Commission of  
13 the nature and circumstances of the proceeding,  
14 application, request for a ruling or other deter-  
15 mination, contract, claim, controversy, or other  
16 particular matter presenting a potential conflict  
17 of interest;

18 (B) makes full disclosure of the financial  
19 interest; and

20 (C) before the proceeding concerning the  
21 matter presenting the conflict of interest, re-  
22 ceives a written determination by the Commis-  
23 sion that the interest is not so substantial as to  
24 be likely to affect the integrity of the services

1           that the Commission may expect from the State  
2           member, alternate, officer, or employee.

3           (3) VIOLATION.—Any person that violates this  
4           subsection shall be fined not more than \$10,000, im-  
5           prisoned not more than 2 years, or both.

6           (j) VALIDITY OF CONTRACTS, LOANS, AND  
7 GRANTS.—The Commission may declare void any con-  
8 tract, loan, or grant of or by the Commission in relation  
9 to which the Commission determines that there has been  
10 a violation of any provision under subsection (h)(4), sub-  
11 section (i), or sections 202 through 209 of title 18, United  
12 States Code.

13 **SEC. 4. ECONOMIC AND COMMUNITY DEVELOPMENT**  
14           **GRANTS.**

15           (a) IN GENERAL.—The Commission may approve  
16 grants to States, local development districts (as defined  
17 in section 6(a)), and public and nonprofit entities for  
18 projects, approved in accordance with section 9—

19           (1) to develop the infrastructure of the region  
20           for the purpose of facilitating economic development  
21           in the region (except that grants for this purpose  
22           may only be made to a State or local government);

23           (2) to assist the region in obtaining job train-  
24           ing, employment-related education, business develop-

1 ment, and small business development and entrepre-  
2 neurship;

3 (3) to assist the region in community and eco-  
4 nomic development;

5 (4) to support the development of severely dis-  
6 tressed and underdeveloped areas;

7 (5) to promote resource conservation, tourism,  
8 recreation, and preservation of open space in a man-  
9 ner consistent with economic development goals;

10 (6) to promote the development of renewable  
11 and alternative energy sources; and

12 (7) to achieve the purposes of this Act.

13 (b) FUNDING.—

14 (1) IN GENERAL.—Funds for grants under sub-  
15 section (a) may be provided—

16 (A) entirely from appropriations to carry  
17 out this section;

18 (B) in combination with funds available  
19 under another State or Federal grant program;  
20 or

21 (C) from any other source.

22 (2) ELIGIBLE PROJECTS.—The Commission  
23 may provide assistance, make grants, enter into con-  
24 tracts, and otherwise provide funds to eligible enti-  
25 ties in the region for projects that promote—

1 (A) business development;

2 (B) job training or employment-related  
3 education;

4 (C) small business and entrepreneurship;

5 (D) local planning and leadership develop-  
6 ment;

7 (E) basic public infrastructure, including  
8 high-tech infrastructure and productive natural  
9 resource conservation;

10 (F) information and technical assistance  
11 for the modernization and diversification of the  
12 forest products industry to support value-added  
13 forest products enterprises;

14 (G) forest-related cultural, nature-based,  
15 and heritage tourism;

16 (H) energy conservation and efficiency in  
17 the region to enhance its economic competitive-  
18 ness;

19 (I) the use of renewable energy sources in  
20 the region to produce alternative transportation  
21 fuels, electricity and heat; and

22 (J) any other activity facilitating economic  
23 development in the region.

24 (3) FEDERAL SHARE.—Notwithstanding any  
25 provision of law limiting the Federal share in any

1 grant program, funds appropriated or otherwise  
2 made available to carry out this section may be used  
3 to increase a Federal share in a grant program, as  
4 the Commission determines appropriate.

5 **SEC. 5. SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.**

6 (a) FEDERAL GRANT PROGRAM FUNDING.—In ac-  
7 cordance with subsection (b), the Federal cochairperson  
8 may use amounts made available to carry out this Act,  
9 without regard to any limitations on areas eligible for as-  
10 sistance or authorizations for appropriation under any  
11 other Act, to fund all or any portion of the basic Federal  
12 contribution to a project or activity under a Federal grant  
13 program in the region in an amount that is above the fixed  
14 maximum portion of the cost of the project otherwise au-  
15 thorized by applicable law, but not to exceed 80 percent  
16 of the costs of the project.

17 (b) CERTIFICATION.—

18 (1) IN GENERAL.—In the case of any program  
19 or project for which all or any portion of the basic  
20 Federal contribution to the project under a Federal  
21 grant program is proposed to be made under this  
22 section, no Federal contribution shall be made until  
23 the Federal official administering the Federal law  
24 authorizing the contribution certifies that the pro-  
25 gram or project—

1 (A) meets the applicable requirements of  
2 the applicable Federal grant law; and

3 (B) could be approved for Federal con-  
4 tribution under the law if funds were available  
5 under the law for the program or project.

6 (2) CERTIFICATION BY COMMISSION.—

7 (A) IN GENERAL.—The certifications and  
8 determinations required to be made by the  
9 Commission for approval of projects under this  
10 Act in accordance with section 9—

11 (i) shall be controlling; and

12 (ii) shall be accepted by the Federal  
13 agencies.

14 (B) ACCEPTANCE BY FEDERAL COCHAIR-  
15 PERSON.—Any finding, report, certification, or  
16 documentation required to be submitted to the  
17 head of the department, agency, or instrumen-  
18 tality of the Federal Government responsible for  
19 the administration of any Federal grant pro-  
20 gram shall be accepted by the Federal cochair-  
21 person with respect to a supplemental grant for  
22 any project under the program.

1 **SEC. 6. LOCAL DEVELOPMENT DISTRICTS; CERTIFICATION**  
2 **AND ADMINISTRATIVE EXPENSES.**

3 (a) DEFINITION OF LOCAL DEVELOPMENT DIS-  
4 TRICT.—In this section, the term “local development dis-  
5 trict” means an entity designated by the State that—

6 (1) is—

7 (A)(i) a planning district in existence on  
8 the date of enactment of this Act that is recog-  
9 nized by the Economic Development Adminis-  
10 tration of the Department of Commerce; or

11 (ii) a development district recognized by  
12 the State; or

13 (B) if an entity described in subparagraph  
14 (A)(i) or (A)(ii) does not exist, an entity des-  
15 igned by the Commission that satisfies the  
16 criteria developed by the Economic Develop-  
17 ment Administration for a local development  
18 district; and

19 (2) has not, as certified by the Federal cochair-  
20 person—

21 (A) inappropriately used Federal grant  
22 funds from any Federal source; or

23 (B) appointed an officer who, during the  
24 period in which another entity inappropriately  
25 used Federal grant funds from any Federal  
26 source, was an officer of the other entity.

1 (b) GRANTS TO LOCAL DEVELOPMENT DISTRICTS.—

2 (1) IN GENERAL.—The Commission may make  
3 grants for administrative expenses under this sec-  
4 tion.

5 (2) CONDITIONS FOR GRANTS.—

6 (A) MAXIMUM AMOUNT.—The amount of  
7 any grant awarded under paragraph (1) shall  
8 not exceed 80 percent of the administrative ex-  
9 penses of the local development district receiv-  
10 ing the grant.

11 (B) LOCAL SHARE.—The contributions of  
12 a local development district for administrative  
13 expenses may be in cash or in kind, fairly evalu-  
14 ated, including space, equipment, and services.

15 (c) DUTIES OF LOCAL DEVELOPMENT DISTRICTS.—

16 A local development district shall—

17 (1) operate as a lead organization serving  
18 multicounty areas in the region at the local level;  
19 and

20 (2) serve as a liaison between State and local  
21 governments, nonprofit organizations (including  
22 community-based groups and educational institu-  
23 tions), the business community, and citizens that—

24 (A) are involved in multijurisdictional plan-  
25 ning;

1 (B) provide technical assistance to local ju-  
2 risdictions and potential grantees; and

3 (C) provide leadership and civic develop-  
4 ment assistance.

5 **SEC. 7. DEVELOPMENT PLANNING PROCESS.**

6 (a) STATE DEVELOPMENT PLAN.—In accordance  
7 with policies established by the Commission, each State  
8 member shall submit a development plan for the area of  
9 the region represented by the State member.

10 (b) CONTENT OF PLAN.—A State development plan  
11 submitted under subsection (a) shall reflect the goals, ob-  
12 jectives, and priorities identified in the regional develop-  
13 ment plan developed under section 3(d)(2).

14 (c) CONSULTATION.—In carrying out the develop-  
15 ment planning process, a State shall—

16 (1) consult with—

17 (A) local development districts;

18 (B) local units of government; and

19 (C) institutions of higher learning; and

20 (2) take into consideration the goals, objectives,  
21 priorities, and recommendations of the entities de-  
22 scribed in paragraph (1).

23 (d) PUBLIC PARTICIPATION.—The Commission and  
24 applicable State and local development districts shall en-  
25 courage and assist, to the maximum extent practicable,

1 public participation in the development, revision, and im-  
2 plementation of all plans and programs under this Act.

3 **SEC. 8. PROGRAM DEVELOPMENT CRITERIA.**

4 (a) IN GENERAL.—In considering programs and  
5 projects to be provided assistance under this Act, and in  
6 establishing a priority ranking of the requests for assist-  
7 ance provided by the Commission, the Commission shall  
8 follow procedures that ensure, to the maximum extent  
9 practicable, consideration of—

10 (1) the relationship of the project to overall re-  
11 gional development;

12 (2) the economic distress of an area, including  
13 the per capita income, outmigration, poverty and un-  
14 employment rates, and other socioeconomic indica-  
15 tors for the area;

16 (3) the financial resources available to the ap-  
17 plicants for assistance seeking to carry out the  
18 project, with emphasis on ensuring that projects are  
19 adequately financed to maximize the probability of  
20 successful economic development;

21 (4) the importance of the project in relation to  
22 other projects that may be in competition for the  
23 same funds;

24 (5) the prospects that the project for which as-  
25 sistance is sought will improve, on a continuing rath-

1 er than a temporary basis, the opportunities for em-  
2 ployment, the average level of income, or the eco-  
3 nomic development of the area served by the project;

4 (6) the extent to which the project design pro-  
5 vides for detailed outcome measurements by which  
6 grant expenditures and the results of the expendi-  
7 tures may be evaluated; and

8 (7) the preservation of multiple uses, or con-  
9 servation, of natural resources.

10 (b) NO RELOCATION ASSISTANCE.—No financial as-  
11 sistance authorized by this Act shall be used to assist an  
12 establishment in relocating from 1 area to another.

13 (c) REDUCTION OF FUNDS.—Funds may be provided  
14 for a program or project in a State under this Act only  
15 if the Commission determines that the level of Federal or  
16 State financial assistance provided under a law other than  
17 this Act, for the same type of program or project in the  
18 same area of the State within the region, will not be re-  
19 duced as a result of funds made available by this Act.

20 **SEC. 9. APPROVAL OF DEVELOPMENT PLANS AND**  
21 **PROJECTS.**

22 (a) IN GENERAL.—A State or regional development  
23 plan or any multistate subregional plan that is proposed  
24 for development under this Act shall be reviewed by the  
25 Commission.

1           (b) EVALUATION BY STATE MEMBER.—An applica-  
2 tion for a grant or any other assistance for a project under  
3 this Act shall be made through and evaluated for approval  
4 by the State member of the Commission representing the  
5 applicant.

6           (c) CERTIFICATION.—An application for a grant or  
7 other assistance for a project shall be approved only on  
8 certification by the State member and Federal cochair-  
9 person that the application for the project—

10           (1) describes ways in which the project complies  
11 with any applicable State development plan;

12           (2) meets applicable criteria under section 8;

13           (3) provides adequate assurance that the pro-  
14 posed project will be properly administered, oper-  
15 ated, and maintained; and

16           (4) otherwise meets the requirements of this  
17 Act.

18           (d) VOTES FOR DECISIONS.—Upon certification of an  
19 application for a grant or other assistance for a specific  
20 project under this section, an affirmative vote of the Com-  
21 mission under section 3(c) shall be required for approval  
22 of the application.

1 **SEC. 10. CONSENT OF STATES.**

2 Nothing in this Act requires any State to engage in  
3 or accept any program under this Act without the consent  
4 of the State.

5 **SEC. 11. RECORDS.**

6 (a) RECORDS OF THE COMMISSION.—

7 (1) IN GENERAL.—The Commission shall main-  
8 tain accurate and complete records of all trans-  
9 actions and activities of the Commission.

10 (2) AVAILABILITY.—All records required under  
11 paragraph (1) shall be available for audit by the  
12 Comptroller General of the United States and the  
13 Commission (including authorized representatives of  
14 the Comptroller General and the Commission).

15 (b) RECORDS OF RECIPIENTS OF FEDERAL ASSIST-  
16 ANCE.—

17 (1) IN GENERAL.—A recipient of Federal funds  
18 under this Act shall, as required by the Commission,  
19 maintain accurate and complete records of trans-  
20 actions and activities financed with Federal funds  
21 and report on the transactions and activities to the  
22 Commission.

23 (2) AVAILABILITY.—All records required under  
24 paragraph (1) shall be available for audit by the  
25 Comptroller General of the United States and the

1 Commission (including authorized representatives of  
2 the Comptroller General and the Commission).

3 **SEC. 12. ANNUAL REPORT.**

4 Not later than 180 days after the end of each fiscal  
5 year, the Commission shall submit to the President and  
6 to Congress a report describing the activities carried out  
7 under this Act.

8 **SEC. 13. AUTHORIZATION OF APPROPRIATIONS.**

9 (a) IN GENERAL.—There is authorized to be appro-  
10 priated to the Commission to carry out this Act  
11 \$40,000,000 for each of fiscal years 2008 through 2012,  
12 to remain available until expended.

13 (b) ADMINISTRATIVE EXPENSES.—Not more than 5  
14 percent of the amount appropriated under subsection (a)  
15 for a fiscal year shall be used for administrative expenses  
16 of the Commission.

17 **SEC. 14. TERMINATION OF COMMISSION.**

18 This Act shall have no force or effect on or after Oc-  
19 tober 1, 2012.

20 **SEC. 15. REGION OF NORTHERN BORDER ECONOMIC DE-**  
21 **VELOPMENT COMMISSION.**

22 (a) GOAL.—It shall be the goal of the Commission  
23 to address economic distress along the northern border of  
24 the United States east of, and including, Cayuga County,  
25 New York, especially in rural areas.

1 (b) COUNTIES INCLUDED IN NORTHERN BORDER  
2 REGION.—Consistent with the goal described in sub-  
3 section (a), the region of Commission shall include the fol-  
4 lowing counties:

5 (1) In Maine, the counties of Aroostook, Frank-  
6 lin, Oxford, Somerset, and Washington.

7 (2) In New Hampshire, the county of Coos.

8 (3) In New York, the counties of Cayuga, Clin-  
9 ton, Franklin, Jefferson, Oswego, and St. Lawrence.

10 (4) In Vermont, the counties of Essex, Frank-  
11 lin, Grand Isle, and Orleans.

12 (c) CONTIGUOUS COUNTIES.—

13 (1) IN GENERAL.—Subject to paragraph (2), in  
14 addition to the counties listed in subsection (b), the  
15 region of Commission shall include the following  
16 counties:

17 (A) In Maine, the counties of  
18 Androscoggin, Kennebec, Penobscot,  
19 Piscataquis, and Waldo.

20 (B) In New York, the counties of Essex,  
21 Hamilton, Herkimer, Lewis, Oneida, and Sen-  
22 eca.

23 (C) In Vermont, the county of Caledonia.

24 (2) RECOMMENDATIONS TO CONGRESS.—As  
25 part of an annual report submitted under section 12,

1 the Commission may recommend to Congress re-  
2 moval of a county listed in paragraph (1) from the  
3 region on the basis that the county no longer exhib-  
4 its 2 or more of the following economic distress fac-  
5 tors: population loss, poverty, income levels, and un-  
6 employment.

7 (d) EXAMINATION OF ADDITIONAL COUNTIES AND  
8 AREAS FOR INCLUSION IN THE REGION.—

9 (1) IN GENERAL.—Not later than one year  
10 after the date of enactment of this Act, the Commis-  
11 sion—

12 (A) shall examine all counties that border  
13 the region of the Commission specified in sub-  
14 section (a), including the political subdivisions  
15 and census tracts within such counties; and

16 (B) may add a county or any portion of a  
17 county examined under subparagraph (A) to the  
18 region, if the Commission determines that the  
19 county or portion—

20 (i) is predominantly rural in nature;

21 and

22 (ii) exhibits significant economic dis-  
23 tress in terms of population loss, poverty,  
24 income levels, unemployment, or other eco-

1                    nomic indicator that the Commission con-  
2                    siders appropriate.

3                    (2) PRIORITY.—In carrying out paragraph  
4                    (1)(A), the Commission shall first examine the fol-  
5                    lowing counties:

6                    (A) In Maine, the counties of Hancock and  
7                    Knox.

8                    (B) In New Hampshire, the counties of  
9                    Grafton, Carroll, and Sullivan.

10                   (C) In New York, the counties of Fulton  
11                   and Madison.

12                   (D) In Vermont, the county of Lamoille.

13                   (e) ADDITION OF COUNTIES AND OTHER AREAS.—

14                   (1) RECOMMENDATIONS.—Following the one-  
15                   year period beginning on the date of enactment of  
16                   this Act, as part of an annual report submitted  
17                   under section 12, the Commission may recommend  
18                   to Congress additional counties or portions of coun-  
19                   ties for inclusion in the region.

20                   (2) AREAS OF ECONOMIC DISTRESS.—The Com-  
21                   mission may recommend that an entire county be in-  
22                   cluded in the region on the basis of one or more dis-  
23                   tressed areas within the county.

24                   (3) ASSESSMENTS OF ECONOMIC CONDI-  
25                   TIONS.—The Commission may provide technical and

1 financial assistance to a county that is not included  
2 in the region for the purpose of conducting an eco-  
3 nomic assessment of the county. The results of such  
4 an assessment may be used by the Commission in  
5 making recommendations under paragraph (1).

6 (f) LIMITATION.—A county eligible for assistance  
7 from the Appalachian Regional Commission under subtitle  
8 IV of title 40, United States Code, shall not be eligible  
9 for assistance from the Northern Border Economic Devel-  
10 opment Commission.

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