

110TH CONGRESS  
1ST SESSION

# H. R. 799

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

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 5, 2007

Mr. OBERSTAR (for himself, Mr. MICA, Ms. NORTON, Mr. GRAVES, Mr. RAHALL, Mr. LATOURETTE, Mr. HOLDEN, Mr. SHUSTER, Mr. MICHAUD, Mr. KUHL of New York, Mr. HIGGINS, Mr. SPACE, Mr. ALTMIRE, Mr. WALZ of Minnesota, Mr. SHULER, Mr. ARCURI, Mr. CARNEY, Mr. COHEN, Mr. DOYLE, Mr. BOUCHER, Mr. MOLLOHAN, Mr. WILSON of Ohio, Mr. KANJORSKI, Mr. LINCOLN DAVIS of Tennessee, Mr. MARSHALL, and Mr. SCOTT of Georgia) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

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## 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”.

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) by striking paragraph (1)(A)(i) and insert-  
6 ing 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) by striking paragraph (2)(A) and inserting  
4 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) by striking subsection (d)(2) and inserting  
2 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)—

22                   (A) in paragraph (1) by striking “para-  
23 graph (2)” and inserting “paragraphs (2) and  
24 (3)”;

25                   (B) by adding at the end the following:

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

6                       “(A) 70 percent; or

7                       “(B) the maximum Federal contribution  
8                       percentage authorized by this section.”.

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

12                   (1) by striking subsection (d)(1) and inserting  
13                   the following:

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

23                               “(A) 50 percent of that cost;

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

1 designation is in effect under section 14526, 80  
2 percent of that cost; or

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

7 (2) by striking subsection (e)(1) and inserting  
8 the following:

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

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

17 “(B) except as provided in paragraph (2),  
18 not exceed—

19 “(i) 50 percent of those expenses;

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

1                   “(iii) in the case of a project to be  
2                   carried out in a county for which an at-  
3                   risk county designation is in effect under  
4                   section 14526, 70 percent of those ex-  
5                   penses.”.

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

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

13                   “(1) 50 percent may be provided from amounts  
14                   appropriated to carry out this section;

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

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

1           (e)    ENTREPRENEURSHIP    INITIATIVE.—Section  
2 14505 of title 40, United States Code, is amended by  
3 striking subsection (c) and inserting the following:

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

7                   “(1) 50 percent may be provided from amounts  
8 appropriated to carry out this section;

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

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

19           (f)    REGIONAL    SKILLS    PARTNERSHIPS.—Section  
20 14506 of title 40, United States Code, is amended by  
21 striking subsection (d) and inserting the following:

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

1           “(1) 50 percent may be provided from amounts  
2           appropriated 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 appropriated 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 appropriated to carry out  
12          this section.”.

13          (g) SUPPLEMENTS TO FEDERAL GRANT PRO-  
14          GRAMS.—Section 14507(g) of title 40, United States  
15          Code, is amended—

16                 (1) in paragraph (1) by striking “paragraph  
17                 (2)” and inserting “paragraphs (2) and (3)”; and

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

19                 “(3) AT-RISK COUNTIES.—The maximum Com-  
20                 mission contribution for a project to be carried out  
21                 in a county for which an at-risk county designation  
22                 is in effect under section 14526 may be increased to  
23                 70 percent.”.

1 **SEC. 3. 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 “and”  
 11 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 such title is amended by striking the item  
 20 relating to section 14526 and inserting the following:

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

21 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS.**

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

24 “(a) IN GENERAL.—In addition to amounts made  
 25 available under section 14501, there is authorized to be

1 appropriated to the Appalachian Regional Commission to  
2 carry out this subtitle—

3 “(1) \$65,000,000 for fiscal year 2007;

4 “(2) \$80,000,000 for fiscal year 2008;

5 “(3) \$85,000,000 for fiscal year 2009;

6 “(4) \$90,000,000 for fiscal year 2010; and

7 “(5) \$95,000,000 for fiscal year 2011.”.

8 (b) ALLOCATION OF FUNDS.—Section 14703 of title  
9 40, United States Code, is amended—

10 (1) by striking subsection (b);

11 (2) by redesignating subsection (c) as sub-  
12 section (b); and

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

14 “(c) ALLOCATION OF FUNDS.—Funds approved by  
15 the Commission for a project in a State in the Appa-  
16 lachian region pursuant to congressional direction shall be  
17 derived from such State’s portion of the Commission’s al-  
18 location of appropriated amounts among the States.”.

19 **SEC. 5. TERMINATION.**

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

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