

110<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 799

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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,*

1 **SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Appalachian Regional  
3 Development Act Amendments of 2007”.

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

6       (a) **GRANTS AND OTHER ASSISTANCE.**—Section  
7 14321(a) of title 40, United States Code, is amended—

8           (1) by striking paragraph (1)(A)(i) and insert-  
9       ing the following:

10                       “(i) the amount of the grant shall not  
11                       exceed—

12                               “(I) 50 percent of administrative  
13                               expenses;

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

23                               “(III) at the discretion of the  
24                               Commission, if the grant is to a local  
25                               development district that has a char-  
26                               ter or authority that includes the eco-

1            nomic development of a county or a  
2            part of a county for which an at-risk  
3            county designation is in effect under  
4            section 14526, 70 percent of adminis-  
5            trative expenses;” and

6            (2) by striking paragraph (2)(A) and inserting  
7            the following:

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

12            “(i) 50 percent may be provided from  
13            amounts appropriated to carry out this  
14            subtitle;

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

1 from amounts appropriated to carry out  
2 this subtitle.”.

3 (b) DEMONSTRATION HEALTH PROJECTS.—Section  
4 14502 of title 40, United States Code, is amended—

5 (1) by striking subsection (d)(2) and inserting  
6 the following:

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

15 “(A) 50 percent of the cost of that oper-  
16 ation;

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

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

25 (2) in subsection (f)—

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

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

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

10 “(A) 70 percent; or

11 “(B) the maximum Federal contribution  
12 percentage authorized by this section.”.

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

16 (1) by striking subsection (d)(1) and inserting  
17 the following:

18 “(1) LIMITATION ON AVAILABLE AMOUNTS.—A  
19 loan under subsection (b) for the cost of planning  
20 and obtaining financing (including the cost of pre-  
21 liminary surveys and analyses of market needs, pre-  
22 liminary site engineering and architectural fees, site  
23 options, application and mortgage commitment fees,  
24 legal fees, and construction loan fees and discounts)

1 of a project described in that subsection may be  
2 made for up to—

3 “(A) 50 percent of that cost;

4 “(B) in the case of a project to be carried  
5 out in a county for which a distressed county  
6 designation is in effect under section 14526, 80  
7 percent of that cost; or

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

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

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

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

22 “(B) except as provided in paragraph (2),  
23 not exceed—

24 “(i) 50 percent of those expenses;

1                   “(ii) in the case of a project to be car-  
2                   ried out in a county for which a distressed  
3                   county designation is in effect under sec-  
4                   tion 14526, 80 percent of those expenses;  
5                   or

6                   “(iii) in the case of a project to be  
7                   carried out in a county for which an at-  
8                   risk county designation is in effect under  
9                   section 14526, 70 percent of those ex-  
10                  penses.”.

11               (d) TELECOMMUNICATIONS AND TECHNOLOGY INI-  
12               TIATIVE.—Section 14504 of title 40, United States Code,  
13               is amended by striking subsection (b) and inserting the  
14               following:

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

18                   “(1) 50 percent may be provided from amounts  
19                   appropriated 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 appropriated to  
24                   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 appropriated to carry out  
5           this section.”.

6           (e)    ENTREPRENEURSHIP    INITIATIVE.—Section  
7 14505 of title 40, United States Code, is amended by  
8 striking subsection (c) and inserting the following:

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

12           “(1) 50 percent may be provided from amounts  
13           appropriated to carry out this section;

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

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

1 (f) REGIONAL SKILLS PARTNERSHIPS.—Section  
2 14506 of title 40, United States Code, is amended by  
3 striking subsection (d) and inserting the following:

4 “(d) 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 (g) SUPPLEMENTS TO FEDERAL GRANT PRO-  
20 GRAMS.—Section 14507(g) of title 40, United States  
21 Code, is amended—

22 (1) in paragraph (1) by striking “paragraph  
23 (2)” and inserting “paragraphs (2) and (3)”; and  
24 (2) by adding at the end the following:



1       “(b) LIMITATION ON AVAILABLE AMOUNTS.—Of the  
2 cost of any project 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       “(c) SOURCES OF ASSISTANCE.—Assistance under  
17 this section may be provided from amounts made available  
18 to carry out this section in combination with amounts  
19 made available under other Federal programs or from any  
20 other source.

21       “(d) FEDERAL SHARE.—Notwithstanding any provi-  
22 sion of law limiting the Federal share under any other  
23 Federal program, amounts made available to carry out  
24 this section may be used to increase that Federal share,  
25 as the Commission decides is appropriate.”.

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

“14508. Economic and energy development initiative.”.

5 **SEC. 4. DISTRESSED, AT-RISK, AND ECONOMICALLY**  
 6 **STRONG COUNTIES.**

7 (a) DESIGNATION OF AT-RISK COUNTIES.—Section  
 8 14526 of title 40, United States Code, is amended—

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

11 (2) in subsection (a)(1)—

12 (A) by redesignating subparagraph (B) as  
 13 subparagraph (C);

14 (B) in subparagraph (A) by striking “and”  
 15 at the end; and

16 (C) by inserting after subparagraph (A)  
 17 the following:

18 “(B) designate as ‘at-risk counties’ those  
 19 counties in the Appalachian region that are  
 20 most at risk of becoming economically dis-  
 21 tressed; and”.

22 (b) CONFORMING AMENDMENT.—The analysis for  
 23 chapter 145 of such title is amended by striking the item  
 24 relating to section 14526 and inserting the following:

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

1 **SEC. 5. AUTHORIZATION OF APPROPRIATIONS.**

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

4 “(a) IN GENERAL.—In addition to amounts made  
5 available under section 14501, there is authorized to be  
6 appropriated to the Appalachian Regional Commission to  
7 carry out this subtitle (other than section 14508)—

8 “(1) \$65,000,000 for fiscal year 2007;

9 “(2) \$80,000,000 for fiscal year 2008;

10 “(3) \$85,000,000 for fiscal year 2009;

11 “(4) \$90,000,000 for fiscal year 2010; and

12 “(5) \$95,000,000 for fiscal year 2011.”.

13 (b) AUTHORIZATION OF APPROPRIATIONS.—Section  
14 14703(b) of such title is amended to read as follows:

15 “(b) ECONOMIC AND ENERGY DEVELOPMENT INITIA-  
16 TIVE.—In addition to amounts made available under sec-  
17 tion 14501, there is authorized to be appropriated to the  
18 Commission to carry out section 14508 \$12,000,000 for  
19 each of fiscal years 2008 through 2011.”.

20 (c) AVAILABILITY.—Section 14703(e) of such title is  
21 amended by striking “subsection (a)” and by inserting  
22 “subsections (a) and (b)”.

23 (d) ALLOCATION OF FUNDS.—Section 14703 of such  
24 title is amended by adding at the end the following:

25 “(d) ALLOCATION OF FUNDS.—Funds approved by  
26 the Commission for a project in a State in the Appa-

1 lachian region pursuant to congressional direction shall be  
2 derived from such State's portion of the Commission's al-  
3 location of appropriated amounts among the States.”.

4 **SEC. 6. TERMINATION.**

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

7 **SEC. 7. ADDITIONS TO APPALACHIAN REGION.**

8 (a) KENTUCKY.—Section 14102(a)(1)(C) of title 40,  
9 United States Code, is amended—

10 (1) by inserting “Metcalfe,” after “Menifee,”;

11 (2) by inserting “Nicholas,” after “Morgan,”;

12 and

13 (3) by inserting “Robertson,” after “Pulaski,”.

14 (b) OHIO.—Section 14102(a)(1)(H) of such title is  
15 amended—

16 (1) by inserting “Ashtabula,” after “Adams,”;

17 (2) by inserting “Fayette,” after “Coshocton,”;

18 (3) by inserting “Mahoning,” after “Law-  
19 rence,”; and

20 (4) by inserting “Trumbull,” after “Scioto,”.

21 (c) TENNESSEE.—Section 14102(a)(1)(K) of such  
22 title is amended—

23 (1) by inserting “Giles,” after “Franklin,”; and

24 (2) by inserting “Lawrence, Lewis, Lincoln,”  
25 after “Knox,”.

1 (d) VIRGINIA.—Section 14102(a)(1)(L) of such title  
2 is amended—

3 (1) by inserting “Henry,” after “Grayson,”;  
4 and

5 (2) by inserting “Patrick,” after “Mont-  
6 gomery,”.

Passed the House of Representatives July 16, 2007.

Attest:

*Clerk.*

110<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION  
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**AN ACT**

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