

Calendar No. 554

107TH CONGRESS }
2d Session }

SENATE

{ REPORT
{ 107-244

BROWNFIELD SITE REDEVELOPMENT ASSISTANCE ACT
OF 2002

AUGUST 28, 2002.—Ordered to be printed

Filed, under authority of the order of the Senate of July 29, 2002.

Mr. JEFFORDS, from the Committee on Environment and Public
Works, submitted the following

REPORT

[to accompany S. 1079]

[Including cost estimate of the Congressional Budget Office]

The Committee on Environment and Public Works, to which was referred a bill (S. 1079) to amend the Public Works and Economic Development Act of 1965, to provide assistance to communities for the redevelopment of brownfield sites, having considered the same reports favorably thereon with an amendment and recommends that the bill, as amended, do pass.

GENERAL STATEMENT AND BACKGROUND

The Brownfield Site Redevelopment Assistance Act, S. 1079, will provide the Department of Commerce's Economic Development Administration (EDA) with the legislative authority to engage in brownfields redevelopment activities. Currently, EDA funding can be used for brownfields redevelopment only when a public works or economic adjustment project receiving funding is located on a brownfield site. For example, if a city receives a grant to upgrade water and sewer facilities and the facilities are located on a brownfield, only then can the agency use funding for redevelopment. This legislation changes current law by allowing EDA to undertake individual brownfields redevelopment projects. S. 1079 also provides EDA with a dedicated source of funding (\$60 million a year for 5 years) to help States, local communities, Indian tribes

and nonprofit organizations restore brownfield sites to productive use. This legislation complements the resources and liability clarifications provided in the Brownfields Revitalization and Environmental Restoration Act, S. 350, by focusing on the step after assessment and cleanup: actual redevelopment.

The economic and social need for redeveloping brownfields sites has been well-documented. While predominantly affecting urban areas, brownfields also impact rural areas and Native American communities. The committee notes the following:

1. The U.S. Conference of Mayors (USCM) estimates that brownfields redevelopment could generate more than 550,000 additional jobs and up to \$2.4 billion in new tax revenues for cities. The cities surveyed by the USCM reported that lack of funding for redevelopment is a major obstacle to reuse (Recycling America's Land: A National Report on Brownfields Redevelopment, February 24, 2000, US Conference of Mayors survey results from 231 cities).

2. The General Accounting Office has estimated that there are up to 450,000 brownfields sites. Independent researchers have estimated that there may be as many as 600,000 brownfields sites (Simons, Turning Brownfields into Greenbacks, 1998); and the Bush Administration has publicly stated that there may be as many as 1 million brownfields.

3. In rural areas, abundant open space often is preferred over brownfield sites. The National Association of Development Organizations (NADO) in a report on reclaiming rural America's brownfields found that Federal agencies are not reaching rural areas through existing brownfields programs, and rural communities need financial and technical assistance to include brownfields in economic development strategies.

4. Tribal lands face a legacy of former agricultural, industrial and commercial facilities that have real or perceived contamination. EPA estimates that nationwide there are 1,645 facilities located on tribal lands and 6,982 facilities located within three miles of tribal lands. Currently, 18 tribes have received grants from EPA for brownfields redevelopment.

Public investment combined with private financing can provide incentives for redeveloping these former industrial and commercial properties and level the economic playing field between greenfields and brownfields.

The EDA has provided grants for Eco-Industrial Development (EID) projects including a EID center at Cornell University which promoted these approaches nationwide. EID involves businesses voluntarily coming together to conserve resources, increase efficiencies and reduce wastes.

OBJECTIVES OF THE LEGISLATION

The Brownfield Site Redevelopment Assistance Act, S. 1079, will expand the Department of Commerce's Economic Development Administration (EDA) efforts to assist communities with economic development by authorizing a program to provide targeted assistance for projects that redevelop brownfield sites and authorizing EDA to offer assistance to projects that promote Eco-Industry Development. The bill will provide EDA with increased funding flexibility

to help States, local communities, Indian tribes and nonprofit organizations restore these sites to productive use. The bill authorizes \$60 million each year for 5 years for brownfields redevelopment, and gives EDA the authority to provide grants for brownfields redevelopment projects, including:

- Development of public facilities
- Business development (including revolving loan funds)
- Technical assistance and Training
- Activities to help communities diversify their economies and encourage infill development
- Collaborative economic development planning

While EDA assistance has helped communities redevelop brownfields, the agency lacks a specific authority and a dedicated source of funding for brownfields. This bill would provide EDA with the authority to facilitate effective economic development planning for reuse; develop infrastructure necessary to prepare sites for re-entry into the market; and, provide the capital necessary to support new business development. This bill would make reuse of brownfield sites a priority for EDA.

SECTION-BY-SECTION ANALYSIS

Section 1. Short Title

Brownfield Site Redevelopment Assistance Act of 2001.

Sec. 2. Purposes

To provide targeted assistance through the Department of Commerce's Economic Development Administration for projects that promote the redevelopment and economic recovery of brownfield sites and the use of eco-industrial development approaches in order to bring new income and private investment to distressed communities.

Sec. 3. Definitions

This legislation defines "brownfields" as real property upon which the Secretary of Commerce, in consultation with the Administrator of the Environmental Protection Agency, determines there is a presence or potential presence of a hazardous substance (as defined in section 101 of the Comprehensive Environmental Response, Compensation and Liability Act) or any other pollutant or contaminant. The committee intends that the Secretary, through EDA, continue to fund economic redevelopment of brownfields sites contaminated by pollutants such as asbestos, lead, and petroleum products. However, the committee recognizes the EPA's primary role within the Federal Government in protection of the environment, as well as remediation, and does not intend that the EDA will make remediation decisions. When an eligible applicant seeks funding for assessment or cleanup of a brownfields site under section 3(1)(C), the committee expects that the Secretary will obtain approval for funding for the site from the EPA. This is also true for sites covered under section 3(1)(D)(II).

This legislation defines "Eco-Industrial Development (EID)" as development conducted in a manner in which businesses cooperate with each other and local community to efficiently share resources

(such as information, materials, water, energy infrastructure and natural habitat) with the goals of economic gains, improved environmental quality and equitable enhancement of human resources in businesses and local communities.

Sec. 4. Coordination

Recommends that the Secretary of Commerce coordinate brownfields redevelopment activities with other Federal agencies, States, local governments, consortia of local governments, Indian tribes, nonprofit organizations and public-private partnerships.

Sec. 5. Grants for Brownfield Site Redevelopment

Makes grants available through EDA for brownfields projects that alleviate excessive unemployment, underemployment, blight and infrastructure deterioration. Projects include: development of public facilities, development of public services, business development, planning, technical assistance and training. Grants may also be made available for activities identified by a community negatively impacted by brownfields. These activities include: diversifying the economy; carrying out industrial or commercial redevelopment projects and eco-industrial projects; promoting smart growth through infill development that conserves environmental and agricultural resources; and carrying out collaborative economic development planning.

Sec. 6. Authorization of Appropriations

Authorizes \$60 million for each fiscal years 2002 through 2006.

LEGISLATIVE HISTORY

S. 1079 was introduced by Senator Carl Levin on June 21, 2001. A legislative hearing was held on March 6, 2002. On April 25, 2002, the Committee on Environment and Public Works met to consider S. 1079. An amendment in the nature of a substitute, offered by Senators Jeffords and Smith, was agreed by voice vote; and the bill, as amended, was ordered reported by voice vote.

HEARINGS

On March 6, 2002, the full committee held a legislative hearing on S. 1079. Testimony was provided by Senator Carl Levin of Michigan; Hon. David A. Sampson, Assistant Secretary of Commerce for Economic Development; Ms. Elizabeth Humstone, Vermont Forum on Sprawl, Burlington, on behalf of the American Planning Association; Ms. Deborah Anderson, Wood Partners, Durham, NC, on behalf of the National Multi-Housing Council/National Apartment Association; Mr. Don Chen, Smart Growth America, Washington, DC; Mr. F. Gary Garczynski, Woodbridge, VA, on behalf of the National Association of Home Builders; and Ms. Mary Lou Bentley, Western Nevada Development District, Carson City, on behalf National Association of Development Organizations.

REGULATORY IMPACT STATEMENT

In compliance with section 11(b) of rule XXVI of the Standing Rules of the Senate, the committee makes evaluation of the regulatory impact of the reported bill.

S. 1079 does not create any additional regulatory burdens, nor will it cause any adverse impact on the personal privacy of individuals.

MANDATES ASSESSMENT

In compliance with the Unfunded Mandates Reform Act of 1995 (Public Law 104-4), the committee finds that S. 1079 would not impose any Federal intergovernmental unfunded mandates on State, local, or tribal governments.

COST OF LEGISLATION

Section 403 of the Congressional Budget and Impoundment Control Act requires that a statement of the cost of the reported bill, prepared by the Congressional Budget Office, be included in the report. That statement follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 13, 2002.

Hon. JAMES M. JEFFORDS, *Chairman,*
Committee on Environment and Public Works,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1079, the Brownfields Site Redevelopment Assistance Act of 2002.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Deborah Reis (for Federal costs), who can be reached at 226-2860, and Leo Lex (for State and local impact), who can be reached at 225-3220.

Sincerely,

DAN L. CRIPPEN.

S. 1079, Brownfields Site Redevelopment Assistance Act of 2002, As ordered reported by the Senate Committee on Environment and Public Works on April 25, 2002

Summary

S. 1079 would authorize the Economic Development Administration (EDA) to make grants to communities or tribes for projects that promote the development of brownfield sites. (Brownfields are properties where the presence, or potential presence, of a hazardous substance complicates the development of the property.) The new grants would be used to develop public facilities and business or for planning, technical assistance and training. For these purposes, the bill would authorize the appropriation of \$60 million annually for fiscal years 2003 through 2007.

CBO estimates that implementing S. 1079 would cost \$130 million through fiscal year 2007, assuming the appropriation of the

authorized amounts. We estimate that the remaining \$170 million authorized by the bill would be spent after 2007. S. 1079 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). The bill would benefit local governments by authorizing \$60 million annually in grants to alleviate blight and deterioration associated with brownfield sites. Communities receiving assistance would have to provide at least 25 percent in matching funds for any grants they receive.

Estimated Cost to the Federal Government

The estimated budgetary impact of S. 1079 is shown in the following table. The costs of this legislation fall within budget function 450 (community and regional development). For this estimate, CBO assumes that the bill will be enacted before the start of fiscal year 2003, and that authorized amounts will be appropriated for each fiscal year. Outlays have been estimated based on historical spending patterns of similar programs.

By Fiscal Year, in Millions of Dollars

	2003	2004	2005	2006	2007
SPENDING SUBJECT TO APPROPRIATION					
EDA Brownfields Grants ¹ :					
Authorization Level	60	60	60	60	60
Estimated Outlays	2	10	25	40	53

¹For 2002, \$335 million was appropriated for the various developmental assistance programs administered by EDA. Brownfields grants would be a new EDA program.

Pay-As-You-Go Considerations: None.

Intergovernmental and Private-Sector Impact

S. 1079 contains no intergovernmental mandates as defined in UMRA and would benefit local governments by authorizing \$60 million annually in grants to alleviate blight and deterioration associated with brownfield sites. Communities receiving assistance would have to provide at least 25 percent in matching funds for any grants they receive.

Estimate Prepared By: Federal Costs: Deborah Reis; Impact on State, Local, and Tribal Governments: Leo Lex; Impact on the Private Sector: Lauren Marks.

Estimate Approved By: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW

In compliance with section 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill as reported are shown as follows: Existing law proposed to be omitted is enclosed in [black brackets], new matter is printed in *italic*, existing law in which no change is proposed is shown in roman:

**PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF
1965**

[As Amended Through P.L. 106-580, Dec. 29, 2000]

AN ACT To provide grants for public works and development facilities, other financial assistance and the planning and coordination needed to alleviate conditions of substantial and persistent unemployment and underemployment in economically distressed areas and regions.

* * * * *

[Sec. 210. Changed project circumstances.

[Sec. 211. Use of funds in projects constructed under projected cost.

[Sec. 212. Reports by recipients.

[Sec. 213. Prohibition on use of funds for attorney's and consultant's fees.]

Sec. 210. Grants for brownfield site redevelopment.

Sec. 211. Changed project circumstances.

Sec. 212. Use of funds in projects constructed under projected cost.

Sec. 213. Reports by recipients.

Sec. 214. Prohibition on use of funds for attorney's and consultant's fees.

* * * * *

Sec. 704. Authorization of appropriations for brownfield site redevelopment.

* * * * *

*

SEC. 3. DEFINITIONS.

In this Act:

(1) *BROWNFIELD SITE*.—

(A) *IN GENERAL*.—The term “brownfield site” means real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of—

(i) a hazardous substance (as defined in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601)); or

(ii) any other pollutant or contaminant, as determined by the Secretary, in consultation with the Administrator of the Environmental Protection Agency.

(B) *EXCLUSIONS*.—Except as provided in subparagraph (C), the term “brownfield site” does not include—

(i) a facility that is the subject of a planned or ongoing removal action under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.);

(ii) a facility that is listed on the National Priorities List, or is proposed for listing on that list, under that Act;

(iii) a facility that is the subject of a unilateral administrative order, a court order, an administrative order on consent, or a judicial consent decree that has been issued to or entered into by the parties under that Act;

(iv) a facility that is the subject of a unilateral administrative order, a court order, an administrative order on consent, or a judicial consent decree that has

been issued to or entered into by the parties, or a facility to which a permit has been issued by the United States or an authorized State, under—

(I) the Solid Waste Disposal Act (42 U.S.C. 6901 *et seq.*);

(II) the Federal Water Pollution Control Act (33 U.S.C. 1251 *et seq.*);

(III) the Toxic Substances Control Act (15 U.S.C. 2601 *et seq.*); or

(IV) the Safe Drinking Water Act (42 U.S.C. 300f *et seq.*);

(v) a facility—

(I) that is subject to corrective action under section 3004(u) or 3008(h) of the Solid Waste Disposal Act (42 U.S.C. 6924(u), 6928(h)); and

(II) to which a corrective action permit or order has been issued or modified to require the implementation of corrective measures;

(vi) a land disposal unit with respect to which—

(I) a closure notification under subtitle C of the Solid Waste Disposal Act (42 U.S.C. 6921 *et seq.*) has been submitted; and

(II) closure requirements have been specified in a closure plan or permit;

(vii) a facility that is subject to the jurisdiction, custody, or control of a department, agency, or instrumentality of the United States, except for land held in trust by the United States for an Indian tribe;

(viii) a portion of a facility—

(I) at which there has been a release of polychlorinated biphenyls; and

(II) that is subject to remediation under the Toxic Substances Control Act (15 U.S.C. 2601 *et seq.*); or

(ix) a portion of a facility, for which portion assistance for response activity has been obtained under subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 *et seq.*) from the Leaking Underground Storage Tank Trust Fund established by section 9508 of the Internal Revenue Code of 1986.

(C) *SITE-BY-SITE INCLUSIONS.*—The term “brownfield site” includes a site referred to in clause (i), (iv), (v), (vi), (viii), or (ix) of subparagraph (B), if, on a site-by-site basis, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, determines that use of financial assistance at the site will—

(i) protect human health and the environment; and

(ii)(I) promote economic development;

(II) enable the creation of, preservation of, or addition to parks, greenways, undeveloped property, other recreational property, or other property used for non-profit purposes; or

(III) promote eco-industrial development.

(D) *ADDITIONAL INCLUSIONS.*—The term “brownfield site” includes a site that meets the definition of “brownfield site” under subparagraphs (A) through (C) and that—

(i) is contaminated by a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));

(ii)(I) is contaminated by petroleum or a petroleum product excluded from the definition of “hazardous substance” under section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601);

(II) is a site determined by the Secretary, in consultation with the Administrator of the Environmental Protection Agency, to be—

(aa) of relatively low risk, as compared with other petroleum-only sites in the State in which the site is located; and

(bb) a site for which there is no viable responsible party and that will be assessed, investigated, or cleaned up by a person that is not potentially liable for cleaning up the site; and

(III) is not subject to any order issued under section 9003(h) of the Solid Waste Disposal Act (42 U.S.C. 6991b(h)); or

(iii) is mine-scarred land.

[(1)] (2) *COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY.*—The term “comprehensive economic development strategy” means a comprehensive economic development strategy approved by the Secretary under section 302.

[(2)] (3) *DEPARTMENT.*—The term “Department” means the Department of Commerce.

(4) *ECO-INDUSTRIAL DEVELOPMENT.*—The term “eco-industrial development” means development conducted in a manner in which businesses cooperate with each other and the local community to efficiently share resources (such as information, materials, water, energy infrastructure, and natural habitat) with the goals of—

(A) economic gains;

(B) improved environmental quality; and

(C) equitable enhancement of human resources in businesses and local communities.

[(3)] (5) *ECONOMIC DEVELOPMENT DISTRICT.*—

(A) *IN GENERAL.*—The term “economic development district” means any area in the United States that—

(i) is composed of areas described in section 301(a) and, to the extent appropriate, neighboring counties or communities; and

(ii) has been designated by the Secretary as an economic development district under section 401.

(B) *INCLUSION.*—The term “economic development district” includes any economic development district designated by the Secretary under section 403 (as in effect on the day before the effective date of the Economic Development Administration Reform Act of 1998).

[(4)] (6) ELIGIBLE RECIPIENT.—

(A) IN GENERAL.—The term “eligible recipient” means—

- (i) an area described in section 301(a);
- (ii) an economic development district;
- (iii) an Indian tribe;
- (iv) a State;
- (v) a city or other political subdivision of a State or a consortium of political subdivisions;
- (vi) an institution of higher education or a consortium of institutions of higher education; or
- (vii) a public or private nonprofit organization or association acting in cooperation with officials of a political subdivision of a State.

(B) TRAINING, RESEARCH, AND TECHNICAL ASSISTANCE GRANTS.—In the case of grants under section 207, the term “eligible recipient” also includes private individuals and for-profit organizations.

[(5)] (7) FEDERAL AGENCY.—The term “Federal agency” means a department, agency, or instrumentality of the United States.

[(6)] (8) GRANT.—The term “grant” includes a cooperative agreement (within the meaning of chapter 63 of title 31, United States Code).

[(7)] (9) INDIAN TRIBE.—The term “Indian tribe” means any Indian tribe, band, nation, pueblo, or other organized group or community, including any Alaska Native village or Regional Corporation (as defined in or established under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.)), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

[(8)] (10) SECRETARY.—The term “Secretary” means the Secretary of Commerce.

[(9)] (11) STATE.—The term “State” means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

[(10)] (12) UNITED STATES.—The term “United States” means all of the States.

(13) UNUSED LAND.—The term “unused land” means any publicly-owned or privately-owned unused, underused, or abandoned land that is not contributing to the quality of life or economic well-being of the community in which the land is located.

* * * * *

SEC. 103. COORDINATION.

(a) *COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES.—*The Secretary shall coordinate activities relating to the preparation and implementation of comprehensive economic development strategies under this Act with Federal agencies carrying out other Fed-

eral programs, States, economic development districts, and other appropriate planning and development organizations.

(b) *BROWNFIELD SITE REDEVELOPMENT.*—*The Secretary shall coordinate activities relating to the redevelopment of brownfield sites and the promotion of eco-industrial development under this Act with other Federal agencies, States, local governments, consortia of local governments, Indian tribes, nonprofit organizations, and public-private partnerships.*

* * * * *

SEC. 210. GRANTS FOR BROWNFIELD SITE REDEVELOPMENT.

(a) *IN GENERAL.*—*On the application of an eligible recipient, the Secretary may make grants for projects to alleviate or prevent conditions of excessive unemployment, underemployment, blight, and infrastructure deterioration associated with brownfield sites, including projects consisting of—*

- (1) *development of public facilities;*
- (2) *development of public services;*
- (3) *business development (including funding of a revolving loan fund);*
- (4) *planning;*
- (5) *technical assistance; and*
- (6) *training.*

(b) *CRITERIA FOR GRANTS.*—*The Secretary may provide a grant for a project under this section only if—*

(1) *the Secretary determines that the project will assist the area where the project is or will be located to meet, directly or indirectly, a special need arising from—*

(A) *a high level of unemployment or underemployment, or a high proportion of low-income households;*

(B) *the existence of blight and infrastructure deterioration;*

(C) *dislocations resulting from commercial or industrial restructuring;*

(D) *outmigration and population loss, as indicated by—*

(i)(I) *depletion of human capital (including young, skilled, or educated populations);*

(II) *depletion of financial capital (including firms and investment); or*

(III) *a shrinking tax base; and*

(ii) *resulting—*

(I) *fiscal pressure;*

(II) *restricted access to markets; and*

(III) *constrained local development potential;*

or

(E) *the closure or realignment of—*

(i) *a military or Department of Energy installation;*

or

(ii) *any other Federal facility; and*

(2) *except in the case of a project consisting of planning or technical assistance—*

(A) the Secretary has approved a comprehensive economic development strategy for the area where the project is or will be located; and

(B) the project is consistent with the comprehensive economic development strategy.

(c) **PARTICULAR COMMUNITY ASSISTANCE.**—Assistance under this section may include assistance provided for activities identified by a community, the economy of which is injured by the existence of 1 or more brownfield sites, to assist the community in—

(1) revitalizing affected areas by—

(A) diversifying the economy of the community; or

(B) carrying out industrial or commercial (including mixed use) redevelopment, or eco-industrial development, projects on brownfield sites or sites adjacent to brownfield sites;

(2) carrying out development that conserves environmental and agricultural resources by—

(A) reusing existing facilities and infrastructure;

(B) reclaiming unused land and abandoned buildings;

or

(C) promoting eco-industrial development, and environmentally responsible development, of brownfield sites; or

(3) carrying out a collaborative economic development planning process, developed with broad-based and diverse community participation, that addresses the economic repercussions and opportunities posed by the existence of brownfield sites in an area.

(d) **DIRECT EXPENDITURE OR REDISTRIBUTION BY ELIGIBLE RECIPIENT.**—

(1) **IN GENERAL.**—Subject to paragraph (2), an eligible recipient of a grant under this section may directly expend the grant funds or may redistribute the funds to public and private entities in the form of a grant, loan, loan guarantee, payment to reduce interest on a loan guarantee, or other appropriate assistance.

(2) **LIMITATION.**—Under paragraph (1), an eligible recipient may not provide any grant to a private for-profit entity.

[SEC. 210.] SEC. 211. CHANGED PROJECT CIRCUMSTANCES.

In any case in which a grant (including a supplementary grant described in section 205) has been made by the Secretary under this title (or made under this Act, as in effect on the day before the effective date of the Economic Development Administration Reform Act of 1998) for a project, and, after the grant has been made but before completion of the project, the purpose or scope of the project that was the basis of the grant is modified, the Secretary may approve, subject (except for a grant for which funds were obligated in fiscal year 1995) to the availability of appropriations, the use of grant funds for the modified project if the Secretary determines that—

(1) the modified project meets the requirements of this title and is consistent with the comprehensive economic development strategy submitted as part of the application for the grant; and

(2) the modifications are necessary to enhance economic development in the area for which the project is being carried out.

[SEC. 211.] SEC. 212. USE OF FUNDS IN PROJECTS CONSTRUCTED UNDER PROJECTED COST.

In any case in which a grant (including a supplementary grant described in section 205) has been made by the Secretary under this title (or made under this Act, as in effect on the day before the effective date of the Economic Development Administration Reform Act of 1998) for a construction project, and, after the grant has been made but before completion of the project, the cost of the project based on the designs and specifications that was the basis of the grant has decreased because of decreases in costs—

(1) the Secretary may approve, subject to the availability of appropriations, the use of the excess funds or a portion of the funds to improve the project; and

(2) any amount of excess funds remaining after application of paragraph (1) shall be deposited in the general fund of the Treasury.

[SEC. 212.] SEC. 213. REPORTS BY RECIPIENTS.

(a) **IN GENERAL.**—Each recipient of assistance under this title shall submit reports to the Secretary at such intervals and in such manner as the Secretary shall require by regulation, except that no report shall be required to be submitted more than 10 years after the date of closeout of the assistance award.

(b) **CONTENTS.**—Each report shall contain an evaluation of the effectiveness of the economic assistance provided under this title in meeting the need that the assistance was designed to address and in meeting the objectives of this Act.

[SEC. 213.] SEC. 214. PROHIBITION ON USE OF FUNDS FOR ATTORNEY'S AND CONSULTANT'S FEES.

Assistance made available under this title shall not be used directly or indirectly for an attorney's or consultant's fee incurred in connection with obtaining grants and contracts under this title.

* * * * *

SEC. 704. AUTHORIZATION OF APPROPRIATIONS FOR BROWNFIELD SITE REDEVELOPMENT.

(a) **IN GENERAL.**—*In addition to amounts made available under section 701, there is authorized to be appropriated to carry out section 210 \$60,000,000 for each of fiscal years 2003 through 2007, to remain available until expended.*

(b) **FEDERAL SHARE.**—*Notwithstanding section 204, subject to section 205, the Federal share of the cost of activities funded with amounts made available under subsection (a) shall be not more than 75 percent.*

* * * * *

