mentation of, salary, for services on the Commission from a source other than the State of the member or alternate.

(2) INDIVIDUALS DETAILED TO COMMISSION.—An individual detailed to serve the Commission under section 14306(a)(4) of this title may not receive any salary, or any contribution to, or supplementation of, salary, for services on the Commission from a source other than the state, local, or intergovernmental department or agency from which the individual was detailed or from the Commission.

(3) CRIMINAL PENALTY.—An individual violating this subsection shall be fined under title 18, imprisoned for not more than one year, or both.

(c) FEDERAL COCHAIRMAN, ALTERNATE TO FEDERAL COCHAIRMAN, AND FEDERAL OFFICERS AND EMPLOYEES.—The Federal Cochairman, the alternate to the Federal Cochairman, and any federal officer or employee detailed to duty with the Commission under section 14306(a)(3) of this title are not subject to this section but remain subject to sections 202–209 of title 18.

(d) RESCISSION.—The Commission may declare void and rescind any contract, loan, or grant of or by the Commission in relation to which it finds that there has been a violation of subsection (a)(1) or (b) of this section or any of the provisions of sections 202–209 of title 18.

(Pub. L. 107–217, Aug. 21, 2002, 116 Stat. 1261.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
14309(a)(1) ..	40 App.:108(a) (1st sentence).	Pub. L. 89–4, title I, §108, Mar. 9, 1965, 79 Stat. 9.
14309(a)(2) ..	40 App.:108(b).	
14309(a)(3) ..	40 App.:108(a) (last sentence).	
14309(b)	40 App.:108(c).	
14309(c)	40 App.:108(d).	
14309(d)	40 App.:108(e).	

In subsection (a), the words ''proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other'' are omitted as unnecessary.

In subsection (a)(1), before clause (A), the words ''in any way'' are substituted for ''through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise'' to eliminate unnecessary words.

In subsection (a)(3), the words ''fined under title 18'' are substituted for ''fined not more than $10,000'' for consistency with chapter 227 of title 18.

In subsection (b)(3), the words ''fined under title 18'' are substituted for ''fined not more than $5,000'' for consistency with chapter 227 of title 18.

In subsection (c), the words ''Notwithstanding any other subsection of this section'' are omitted as unnecessary. The words ''this section'' are substituted for ''any such subsection'' to correct an apparent error in the source provision.

In subsection (d), the words ''in its discretion'' are omitted as unnecessary.

§ 14310. Annual report

Not later than six months after the close of each fiscal year, the Appalachian Regional Commission shall prepare and submit to the Governor of each State in the Appalachian region and to the President, for transmittal to Congress, a report on the activities carried out under this subtitle during the fiscal year.

(Pub. L. 107–217, Aug. 21, 2002, 116 Stat. 1262.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
14310	40 App.:304.	Pub. L. 89–4, title III, §304, Mar. 9, 1965, 79 Stat. 20.

SUBCHAPTER II—FINANCIAL ASSISTANCE

§ 14321. Grants and other assistance

(a) AUTHORIZATION TO MAKE GRANTS.—

(1) IN GENERAL.—The Appalachian Regional Commission may make grants—

(A) for administrative expenses, including the development of areawide plans or action programs and technical assistance activities, of local development districts, but—

(i) the amount of the grant shall not exceed—

(I) 50 percent of administrative expenses;

(II) at the discretion of the Commission, if the grant is to a local development district that has a charter or authority that includes the economic development of a county or a part of a county for which a distressed county designation is in effect under section 14526, 75 percent of administrative expenses; or

(III) at the discretion of the Commission, if the grant is to a local development district that has a charter or authority that includes the economic development of a county or a part of a county for which an at-risk county designation is in effect under section 14526, 70 percent of administrative expenses;

(ii) grants for administrative expenses shall not be made for a state agency certified as a local development district for a period of more than three years beginning on the date the initial grant is made for the development district; and

(iii) the local development district contributions for administrative expenses may be in cash or in kind, fairly evaluated, including space, equipment, and services;

(B) for assistance to States for a period of not more than two years to strengthen the state development planning process for the Appalachian region and the coordination of state planning under this subtitle, the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.), and other federal and state programs; and

(C) for investigation, research, studies, evaluations, and assessments of needs, potentials, or attainments of the people of the region, technical assistance, training programs, demonstrations, and the construction of necessary facilities incident to those activities, which will further the purposes of this subtitle.

(2) LIMITATION ON AVAILABLE AMOUNTS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), of the cost of any activity

eligible for financial assistance under this section, not more than—

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

(ii) in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526, 80 percent may be provided from amounts appropriated to carry out this subtitle; or

(iii) in the case of a project to be carried out in a county for which an at-risk county designation is in effect under section 14526, 70 percent may be provided from amounts appropriated to carry out this subtitle.

(B) DISCRETIONARY GRANTS.—

(i) GRANTS TO WHICH PERCENTAGE LIMITATION DOESN'T APPLY.—Discretionary grants made by the Commission to implement significant regional initiatives, to take advantage of special development opportunities, or to respond to emergency economic distress in the region may be made without regard to the percentage limitations specified in subparagraph (A).

(ii) LIMITATION ON AGGREGATE AMOUNT.—For each fiscal year, the aggregate amount of discretionary grants referred to in clause (i) shall not be more than 10 percent of the amount appropriated under section 14703 of this title for the fiscal year.

(3) SOURCES OF GRANTS.—Grant amounts may be provided entirely from appropriations to carry out this section, in combination with amounts available under other federal or federal grant programs, or from any other source.

(4) FEDERAL SHARE.—Notwithstanding any law limiting the federal share in any other federal or federal grant program, amounts appropriated to carry out this section may be used to increase that federal share, as the Commission decides is appropriate.

(b) ASSISTANCE FOR DEMONSTRATIONS OF ENTERPRISE DEVELOPMENT.—

(1) IN GENERAL.—The Commission may provide assistance under this section for demonstrations of enterprise development, including site acquisition or development where necessary for the feasibility of the project, in connection with the development of the region's energy resources and the development and stimulation of indigenous arts and crafts of the region.

(2) COOPERATION BY FEDERAL AGENCIES.—In carrying out the purposes of this subtitle and in implementing this section, the Secretary of Energy, the Environmental Protection Agency, and other federal agencies shall cooperate with the Commission and shall provide assistance that the Federal Cochairman may request.

(3) AVAILABLE AMOUNTS.—In any fiscal year, not more than—

(A) $3,000,000 shall be obligated for energy resource related demonstrations; and

(B) $2,500,000 shall be obligated for indigenous arts and crafts demonstrations.

(c) RECORDS.—

(1) COMMISSION.—The Commission, as required by the President, shall maintain accurate and complete records of transactions and activities financed with federal amounts and report to the President on the transactions and activities. The records of the Commission with respect to grants are available for audit by the President and the Comptroller General.

(2) RECIPIENTS OF FEDERAL ASSISTANCE.—Recipients of federal assistance under this section, as required by the Commission, shall maintain accurate and complete records of transactions and activities financed with federal amounts and report to the Commission on the transactions and activities. The records are be available for audit by the President, the Comptroller General, and the Commission.

(Pub. L. 107–217, Aug. 21, 2002, 116 Stat. 1262; Pub. L. 110–371, § 2(a), Oct. 8, 2008, 122 Stat. 4037.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
14321(a)(1) ..	40 App.:302(a)(1)(A)–(C) (1st sentence).	Pub. L. 89–4, title III, § 302, Mar. 9, 1965, 79 Stat. 19; Pub. L. 90–103, title I, § 120, Oct. 11, 1967, 81 Stat. 264; Pub. L. 91–123, title I, § 108, Nov. 25, 1969, 83 Stat. 215; Pub. L. 92–65, title II, § 211, Aug. 5, 1971, 85 Stat. 172; Pub. L. 94–188, title I, § 119, Dec. 31, 1975, 89 Stat. 1085; Pub. L. 105–393, title II, §§ 218(d), 220(a)–(c)(1), Nov. 13, 1998, 112 Stat. 3623, 3624; Pub. L. 107–149, §§ 9, 13(c), Mar. 12, 2002, 116 Stat. 70, 71.
14321(a)(2) ..	40 App.:302(a)(2).	
14321(a)(3) ..	40 App.:302(a)(1)(C) (2d sentence).	
14321(a)(4) ..	40 App.:302(a)(1)(C) (last sentence).	
14321(b)	40 App.:302(b).	
14321(c)	40 App.:302(c).	

In subsection (a)(2)(A), the words ''after September 30, 1998'' are omitted as obsolete.

In subsection (b)(2), the words ''including section 2(b)'' are omitted as unnecessary.

In subsection (c)(1), the words ''or their duly authorized representatives'' are omitted because of 3:301 and 31:711(2).

In subsection (c)(2), the words ''or their duly authorized representatives'' are omitted because of 3:301 and 31:711(2) and because of the inferred authority of the Commission to delegate in the absence of a prohibition. See section 14301(d) of the revised title.

REFERENCES IN TEXT

The Public Works and Economic Development Act of 1965, referred to in subsec. (a)(1)(B), is Pub. L. 89–136, Aug. 26, 1965, 79 Stat. 552, as amended, which is classified generally to chapter 38 (§ 3121 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 3121 of Title 42 and Tables.

AMENDMENTS

2008—Subsec. (a)(1)(A)(i). Pub. L. 110–371, § 2(a)(1), added cl. (i) and struck out former cl. (i) which read as follows: ''the amount of a grant shall not exceed 50 percent of administrative expenses or, at the discretion of the Commission, 75 percent of administrative expenses if the grant is to a local development district that has a charter or authority that includes the economic development of a county or part of a county for which a distressed county designation is in effect under section 14526 of this title;''.

Subsec. (a)(2)(A). Pub. L. 110–371, § 2(a)(2), added subpar. (A) and struck out heading and text of former sub-

par. (A). Text read as follows: ''Except as provided in subparagraph (B), not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 14526 of this title) of the cost of any activity eligible for financial assistance under this section may be provided from amounts appropriated to carry out this subtitle.''

§ 14322. Approval of development plans, strategy statements, and projects

(a) ANNUAL REVIEW AND APPROVAL REQUIRED.—The Appalachian Regional Commission annually shall review and approve, in accordance with section 14302 of this title, state and regional development plans and strategy statements, and any multistate subregional plans which may be developed.

(b) APPLICATION PROCESS.—An application for a grant or for other assistance for a specific project under this subtitle shall be made through the state member of the Commission representing the applicant. The state member shall evaluate the application for approval. To be approved, the state member must certify, and the Federal Cochairman must determine, that the application—

(1) implements the Commission-approved state development plan;

(2) is included in the Commission-approved strategy statement;

(3) adequately ensures that the project will be properly administered, operated, and maintained; and

(4) otherwise meets the requirements for assistance under this subtitle.

(c) AFFIRMATIVE VOTE REQUIREMENT DEEMED MET.—After the appropriate state development plan and strategy statement are approved, certification by a state member, when joined by an affirmative vote of the Federal Cochairman, is deemed to satisfy the requirements for affirmative votes for decisions under section 14302(a) of this title.

(Pub. L. 107–217, Aug. 21, 2002, 116 Stat. 1264.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
14322(a)	40 App.:303 (1st sentence).	Pub. L. 89–4, title III, § 303, Mar. 9, 1965, 79 Stat. 20; Pub. L. 90–103, title I, § 121, Oct. 11, 1967, 81 Stat. 265; Pub. L. 94–188, title I, § 120, Dec. 31, 1975, 89 Stat. 1086; Pub. L. 107–149, § 13(i), Mar. 12, 2002, 116 Stat. 72.
14322(b)	40 App.:303 (2d, 3d sentences).	
14322(c)	40 App.:303 (last sentence).	

CHAPTER 145—SPECIAL APPALACHIAN PROGRAMS

SUBCHAPTER I—PROGRAMS

Sec.
14501. Appalachian development highway system.
14502. Demonstration health projects.
14503. Assistance for proposed low- and middle-income housing projects.
14504. Telecommunications and technology initiative.
14505. Entrepreneurship initiative.
14506. Regional skills partnerships.
14507. Supplements to federal grant programs.
14508. Economic and energy development initiative.

SUBCHAPTER II—ADMINISTRATIVE

14521. Required level of expenditure.
14522. Consent of States.
14523. Program implementation.
14524. Program development criteria.
14525. State development planning process.
14526. Distressed, at-risk, and economically strong counties.

AMENDMENTS

2008—Pub. L. 110–371, §§ 3(b), 4(b), Oct. 8, 2008, 122 Stat. 4041, added items 14508 and 14526 and struck out former item 14526 ''Distressed and economically strong counties''.

SUBCHAPTER I—PROGRAMS

§ 14501. Appalachian development highway system

(a) PURPOSE.—To provide a highway system which, in conjunction with the Interstate System and other Federal-aid highways in the Appalachian region, will open up an area with a developmental potential where commerce and communication have been inhibited by lack of adequate access, the Secretary of Transportation may assist in the construction of an Appalachian development highway system and local access roads serving the Appalachian region. Construction on the development highway system shall not be more than three thousand and ninety miles. There shall not be more than 1,400 miles of local access roads that serve specific recreational, residential, educational, commercial, industrial, or similar facilities or facilitate a school consolidation program.

(b) COMMISSION DESIGNATIONS.—

(1) WHAT IS TO BE DESIGNATED.—The Appalachian Regional Commission shall transmit to the Secretary its designations of—

(A) the general corridor location and termini of the development highways;

(B) local access roads to be constructed;

(C) priorities for the construction of segments of the development highways; and

(D) other criteria for the program authorized by this section.

(2) STATE TRANSPORTATION DEPARTMENT RECOMMENDATION REQUIRED.—Before a state member participates in or votes on designations, the member must obtain the recommendations of the state transportation department of the State which the member represents.

(c) ADDITION TO FEDERAL-AID PRIMARY SYSTEM.—When completed, each development highway not already on the Federal-aid primary system shall be added to the system.

(d) USE OF SPECIFIC MATERIALS AND PRODUCTS.—

(1) INDIGENOUS MATERIALS AND PRODUCTS.—In the construction of highways and roads authorized under this section, a State may give special preference to the use of materials and products indigenous to the Appalachian region.

(2) COAL DERIVATIVES.—For research and development in the use of coal and coal products in highway construction and maintenance, the