

Calendar No. 703

103D CONGRESS
2D SESSION

S. 2257

[Report No. 103-391]

A BILL

To amend the Public Works and Economic Development Act of 1965 to reauthorize economic development programs, and for other purposes.

SEPTEMBER 30 (legislative day, SEPTEMBER 12), 1994

Reported with an amendment

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To amend the Public Works and Economic Development Act of 1965 to reauthorize economic development programs, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 30 (legislative day, JUNE 7), 1994

Mr. BAUCUS (for himself, Mr. DURENBERGER, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MATHEWS, Mr. COHEN, Mr. PRYOR, Mr. BINGAMAN, Mrs. BOXER, Mr. DORGAN, Ms. MIKULSKI, Mr. BOREN, Mr. REID, Mr. JOHNSTON, Mr. DASCHLE, Mr. LUGAR, Mr. BUMPERS, Mr. HARKIN, Mr. WOFFORD, Mr. COCHRAN, and Mr. FORD) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

SEPTEMBER 30 (legislative day, SEPTEMBER 12), 1994

Reported by Mr. BAUCUS, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To amend the Public Works and Economic Development Act of 1965 to reauthorize economic development programs, 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,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Economic Development Reauthorization Act of 1994”.

4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Direct and supplementary grants.
- Sec. 3. Grants for public works facilities.
- Sec. 4. Repeal of financial assistance for sewer facilities.
- Sec. 5. Relationship of overall economic development plan to public works and development facility loans.
- Sec. 6. Elimination of overall economic development program.
- Sec. 7. Redevelopment area loan program.
- Sec. 8. Technical assistance, research, and information.
- Sec. 9. Business outreach center demonstration project.
- Sec. 10. Office of Strategic Economic Development Planning and Policy.
- Sec. 11. Authorization of appropriations for technical assistance, research, and information.
- Sec. 12. Redevelopment areas.
- Sec. 13. Annual review.
- Sec. 14. Economic development districts.
- Sec. 15. Applications for assistance.
- Sec. 16. Performance evaluations of grant recipients.
- Sec. 17. Transfer of funds.
- Sec. 18. Extension of benefits.
- Sec. 19. Supervision of Regional Counsels.
- Sec. 20. Purpose.
- Sec. 21. Base closings and realignments.
- Sec. 22. Outreach to communities adversely affected by closures and realignments of military installations.
- Sec. 23. Treatment of revolving loan funds.
- Sec. 24. Sale of financial instruments in revolving loan funds.
- Sec. 25. Special economic development and adjustment assistance.
- Sec. 26. Compliance with Buy American Act.

6 **SEC. 2. DIRECT AND SUPPLEMENTARY GRANTS.**

7 (a) DIRECT GRANTS.—Section 101(a)(1) of the Pub-
8 lie Works and Economic Development Act of 1965 (42
9 U.S.C. 3131(a)(1)) is amended—

10 (1) in the matter preceding subparagraph (A),
11 by striking “acquisition, construction” and inserting
12 “acquisition, design, engineering, construction”;

1 (2) by striking subparagraph (C) and inserting
2 the following new subparagraph:

3 “(C) the area for which the project is to be
4 undertaken has an approved overall economic
5 development plan as provided in section 402
6 and such project is consistent with such plan;
7 and”;

8 (3) in subparagraph (D)—

9 (A) by striking “so designated under sec-
10 tion 401(a)(6),” and inserting “described in
11 section 401(a)(7),”; and

12 (B) by striking “area.” and inserting
13 “area; and”.

14 (b) CONSIDERATIONS FOR SUPPLEMENTARY
15 GRANTS.—Section 101(c) of such Act is amended—

16 (1) in the second and third sentences, by strik-
17 ing “designated as such under section 401(a)(6) of
18 this Act.” and inserting “described in section
19 401(a)(7).”; and

20 (2) in the last sentence—

21 (A) by striking “the area, the” and insert-
22 ing “the area and the”; and

23 (B) by striking “, and the amount of such”
24 and all that follows and inserting a period.

1 **SEC. 3. GRANTS FOR PUBLIC WORKS FACILITIES.**

2 Section 105 of the Public Works and Economic De-
3 velopment Act of 1965 (42 U.S.C. 3135) is amended to
4 read as follows:

5 **“SEC. 105. AUTHORIZATION OF APPROPRIATIONS.**

6 “There are authorized to be appropriated to carry out
7 this title \$175,000,000 for each of fiscal years 1995
8 through 1997. Such sums shall remain available until ex-
9 pended. Not less than 15 percent and not more than 35
10 percent of the amounts appropriated for any of fiscal years
11 1995 through 1997 under this section shall be expended
12 in redevelopment areas described in section 401(a)(7).”.

13 **SEC. 4. REPEAL OF FINANCIAL ASSISTANCE FOR SEWER**
14 **FACILITIES.**

15 (a) IN GENERAL.—Title I of the Public Works and
16 Economic Development Act of 1965 (42 U.S.C. 3131–
17 3137) is amended—

18 (1) by repealing section 106;

19 (2) by redesignating section 107 as section 104;

20 and

21 (3) by moving such section 104 to appear after
22 section 103.

23 (b) CONFORMING AMENDMENT.—Section 211(b)(3)
24 of the Appalachian Regional Development Act of 1965 (40
25 U.S.C. App. 211(b)(3)) is amended in the last sentence
26 by striking “Notwithstanding” and all that follows

1 through “education-related” and inserting “An education-
2 related”.

3 **SEC. 5. RELATIONSHIP OF OVERALL ECONOMIC DEVELOP-**
4 **MENT PLAN TO PUBLIC WORKS AND DEVEL-**
5 **OPMENT FACILITY LOANS.**

6 Section 201(a) of the Public Works and Economic
7 Development Act of 1965 (42 U.S.C. 3141(a)) is amended
8 by striking paragraph (5) and inserting the following new
9 paragraph:

10 “(5) such area has an approved overall eco-
11 nomic development plan as provided in section 402
12 and the project for which financial assistance is
13 sought is consistent with such plan.”.

14 **SEC. 6. ELIMINATION OF OVERALL ECONOMIC DEVELOP-**
15 **MENT PROGRAM.**

16 Section 202(b) of the Public Works and Economic
17 Development Act of 1965 (42 U.S.C. 3142(b)) is amend-
18 ed—

19 (1) in paragraph (1), by striking “Such finan-
20 cial assistance shall not be extended” and inserting
21 “The applicant for such financial assistance shall in-
22 clude, in the application of the applicant for such as-
23 sistance, an assurance that the assistance will not be
24 used”; and

1 (2) in paragraph (10), by striking “there shall
 2 be submitted to and approval of the Secretary an
 3 overall program for the economic development of the
 4 area and” and inserting “the applicant shall submit
 5 to the Secretary under section 402, and obtain ap-
 6 proval of, an overall economic development plan and
 7 there is”.

8 **SEC. 7. REDEVELOPMENT AREA LOAN PROGRAM.**

9 (a) **IN GENERAL.**—Section 204(a) of the Public
 10 Works and Economic Development Act of 1965 (42
 11 U.S.C. 3144(a)) is amended by striking the last two sen-
 12 tences.

13 (b) **CONFORMING AMENDMENTS.**—

14 (1) Section 2 of the Act entitled “An Act to
 15 amend the Public Works and Economic Development
 16 Act of 1965 to extend the authorizations for title I
 17 through IV through fiscal year 1971”, approved
 18 July 6, 1970 (42 U.S.C. 3162 note) is repealed.

19 (2) Section 6 of the Act entitled “An Act to
 20 amend the Public Works and Economic Development
 21 Act of 1965 to extend the authorizations for a one-
 22 year period”, approved June 18, 1973 (42 U.S.C.
 23 3162 note) is amended—

24 (A) in subsection (a), by striking “(a)”;
 25 and

1 (B) by striking subsection (b).

2 **SEC. 8. TECHNICAL ASSISTANCE, RESEARCH, AND INFOR-**
 3 **MATION.**

4 Section 301(a)(1) of the Public Works and Economic
 5 Development Act of 1965 (42 U.S.C. 3151(a)(1)) is
 6 amended by striking “areas which he has designated as
 7 redevelopment areas under this Act,” and inserting “rede-
 8 velopment areas,”.

9 **SEC. 9. BUSINESS OUTREACH CENTER DEMONSTRATION**
 10 **PROJECT.**

11 Section 303 of the Public Works and Economic De-
 12 velopment Act of 1965 (42 U.S.C. 3152) is amended to
 13 read as follows:

14 **“SEC. 303. BUSINESS OUTREACH CENTER DEMONSTRATION**
 15 **PROJECT.**

16 “(a) DEFINITION.—As used in this section, the term
 17 ‘isolated small business’ means a small business that is
 18 unable to effectively access small business services pro-
 19 vided by a Federal, State, or local government due to lin-
 20 guistic, cultural, or geographic barriers, as determined by
 21 the Secretary.

22 “(b) DEMONSTRATION PROJECT.—Using funds made
 23 available under this title, the Secretary shall conduct a
 24 demonstration project in each of fiscal years 1994 through
 25 1996 for the purpose of demonstrating methods of assist-

1 ing isolated small businesses to access small business serv-
 2 ices provided by Federal, State, and local governments.

3 “(c) ESTABLISHMENT OF CENTERS.—In conducting
 4 the demonstration project under this section, the Sec-
 5 retary shall establish 3 business outreach centers. At least
 6 1 of the centers shall be located in a rural area.

7 “(d) DUTIES OF CENTERS.—Each business outreach
 8 center established under this section shall—

9 “(1) provide a one-stop clearinghouse to assist
 10 isolated small businesses in accessing small business
 11 services provided by Federal, State, and local gov-
 12 ernments; and

13 “(2) improve efficiency in the delivery of such
 14 services.

15 “(e) SERVICES TO BE PROVIDED.—Each business
 16 outreach center established under this section shall pro-
 17 vide each of the following services:

18 “(1) Outreach to isolated small businesses.

19 “(2) Assessment of the need of isolated small
 20 businesses for assistance services.

21 “(3) Referral of isolated small businesses to
 22 small business assistance agencies.

23 “(4) Preparation of materials required by iso-
 24 lated small businesses for participation in small
 25 business assistance programs.

1 ~~“(5) Case management to ensure follow-up and~~
2 ~~quality control of business services.~~

3 ~~“(6) Coordination of networking among isolated~~
4 ~~small businesses.~~

5 ~~“(7) Quality control of small business assist-~~
6 ~~ance services.”.~~

7 **SEC. 10. OFFICE OF STRATEGIC ECONOMIC DEVELOPMENT**
8 **PLANNING AND POLICY.**

9 Title III of the Public Works and Economic Develop-
10 ment Act of 1965 (42 U.S.C. 3151–3153) is amended by
11 adding at the end the following new section:

12 ~~“SEC. 305. OFFICE OF STRATEGIC ECONOMIC DEVELOP-~~
13 ~~MENT PLANNING AND POLICY.~~

14 ~~“(a) ESTABLISHMENT.—The Secretary shall estab-~~
15 ~~lish in the Economic Development Administration an Of-~~
16 ~~fice of Strategic Economic Development Planning and Pol-~~
17 ~~icy (referred to in this section as the ‘Office’).~~

18 ~~“(b) DIRECTOR.—The Office shall be headed by a Di-~~
19 ~~rector, who shall be appointed by the Secretary and who~~
20 ~~shall report to the Assistant Secretary for Economic De-~~
21 ~~velopment.~~

22 ~~“(c) DUTIES.—The duties of the Director are as fol-~~
23 ~~lows:~~

24 ~~“(1) RESEARCH, EVALUATION, AND DEM-~~
25 ~~ONSTRATION PROJECTS.—The Director shall support~~

1 research, evaluation, and demonstration projects to
2 study and assess best practices in economic develop-
3 ment and to examine trends and changes in eco-
4 nomic conditions that affect regional development.
5 The Director shall conduct a study of innovative eco-
6 nomic development financing tools that may be em-
7 ployed to further economic development of States,
8 regions, and localities.

9 “(2) POLICY DEVELOPMENT.—The Director
10 shall develop and submit to the Secretary rec-
11 ommendations on both short- and long-term policies
12 regarding economic development issues and pro-
13 grams, to help foster the diffusion of innovative, best
14 practices in economic development throughout the
15 Department of Commerce.

16 “(d) FEDERAL COORDINATING COUNCIL FOR ECO-
17 NOMIC DEVELOPMENT.—

18 “(1) IN GENERAL.—There is established a Fed-
19 eral Coordinating Council for Economic Develop-
20 ment (referred to in this subsection as the ‘Coun-
21 cil’).

22 “(2) COMPOSITION OF THE COUNCIL.—

23 “(A) IN GENERAL.—The Council shall be
24 composed of representatives from Federal agen-
25 cies, appointed by the heads of the agencies, in-

1 volved in matters that affect regional economic
2 development. The Secretary shall determine the
3 Federal agencies that are involved in matters
4 that affect regional economic development.

5 “(B) VACANCIES.—Any vacancy in the
6 Council shall not affect the powers of the Coun-
7 cil, but shall be filled in the same manner as
8 the original appointment.

9 “(3) DUTIES.—The Council shall assist the
10 Secretary in providing a unifying framework for eco-
11 nomic development efforts and shall develop a gov-
12 ernmentwide strategic plan for economic develop-
13 ment. The Council shall work to improve coordina-
14 tion of Federal economic development efforts to
15 eliminate duplication and to direct Federal resources
16 to improve economic conditions.

17 “(4) TRAVEL EXPENSES.—The members of the
18 Council shall not receive compensation for service on
19 the Council but shall be allowed travel expenses, in-
20 cluding per diem in lieu of subsistence, at rates au-
21 thorized for employees of agencies under subchapter
22 I of chapter 57 of title 5, United States Code, while
23 away from the homes or regular places of business
24 of the members in the performance of services for
25 the Council.

1 ~~“(5) FACILITIES, SUPPLIES, AND PERSON-~~
2 ~~NEL.—~~

3 ~~“(A) IN GENERAL.—~~Upon the request of
4 the Council, the Secretary shall provide to the
5 Council any facilities, supplies, and personnel
6 necessary for the Council to carry out the re-
7 sponsibilities of the Council under this sub-
8 section.

9 ~~“(B) DETAILS.—~~In the case of a detail of
10 a Federal Government employee under para-
11 graph (1), the employee may be detailed to the
12 Council without reimbursement. The detail shall
13 be without interruption or loss of civil service
14 status or privilege.

15 ~~“(6) HEARINGS.—~~The Council may hold such
16 hearings, sit and act at such times and places, take
17 such testimony, and receive such evidence as the
18 Council considers advisable to carry out this sub-
19 section.

20 ~~“(7) INFORMATION FROM FEDERAL AGEN-~~
21 ~~CIES.—~~The Council may secure directly from any
22 Federal department or agency such information as
23 the Council considers necessary to carry out this
24 subsection. Upon request of the Council, the head of

1 such department or agency shall furnish such infor-
 2 mation to the Council.

3 ~~“(8) POSTAL SERVICES.—The Council may use~~
 4 ~~the United States mails in the same manner and~~
 5 ~~under the same conditions as other departments and~~
 6 ~~agencies of the Federal Government.~~

7 ~~“(9) TERMINATION.—The Council shall termi-~~
 8 ~~nate 1 year after the date of the establishment of~~
 9 ~~the Council.”.~~

10 **SEC. 11. AUTHORIZATION OF APPROPRIATIONS FOR TECH-**
 11 **NICAL ASSISTANCE, RESEARCH, AND INFOR-**
 12 **MATION.**

13 Title III of the Public Works and Economic Develop-
 14 ment Act of 1965 (42 U.S.C. 3151–3153) (as amended
 15 by section 10) is further amended by adding at the end
 16 the following new section:

17 **“SEC. 306. AUTHORIZATION OF APPROPRIATIONS.**

18 ~~“There are authorized to be appropriated to carry out~~
 19 ~~this title \$50,000,000 for each of fiscal years 1995~~
 20 ~~through 1997. Such sums shall remain available until ex-~~
 21 ~~ended.”.~~

22 **SEC. 12. REDEVELOPMENT AREAS.**

23 Section 401 of the Public Works and Economic De-
 24 velopment Act of 1965 (42 U.S.C. 3161) is amended to
 25 read as follows:

1 ~~“SEC. 401. AREA ELIGIBILITY.~~

2 ~~“(a) CERTIFICATION.—An applicant seeking assist-~~
3 ~~ance under this Act to undertake a project for an area~~
4 ~~shall certify, as part of an application for such assistance,~~
5 ~~that the area on the date of submission of such application~~
6 ~~meets 1 or more of the following criteria:~~

7 ~~“(1) The per capita income of the area is~~
8 ~~80 percent or less of the per capita income of the~~
9 ~~United States.~~

10 ~~“(2) The average rate of unemployment in the~~
11 ~~area (seasonally adjusted), as determined by the~~
12 ~~Secretary of Labor for the most recent 24-month pe-~~
13 ~~riod for which statistics are available, minus the na-~~
14 ~~tional average rate of unemployment (seasonally ad-~~
15 ~~justed), as so determined, is equal to or exceeds 1~~
16 ~~percent.~~

17 ~~“(3) The average rate of unemployment in the~~
18 ~~area (seasonally adjusted), as determined by the~~
19 ~~Secretary of Labor for the most recent 12-month pe-~~
20 ~~riod for which statistics are available, minus the na-~~
21 ~~tional average rate of unemployment (seasonally ad-~~
22 ~~justed), as so determined, is equal to or exceeds 2~~
23 ~~percent.~~

24 ~~“(4) The area has experienced or is about to~~
25 ~~experience a sudden economic dislocation resulting~~
26 ~~in job loss that is significant both in terms of the~~

1 number of jobs eliminated and the effect on the rate
2 of unemployment in the area (if information on such
3 rate is available), as such rate is determined by the
4 Secretary of Labor.

5 “(5) The population growth rate of the United
6 States, as determined by the Secretary of Commerce
7 for an appropriate period, minus the population
8 growth rate of the area, as so determined, is equal
9 to or exceeds 3 percent.

10 “(6) The area has experienced a decline in total
11 employment that is equal to or exceeds 2 percent
12 over the most recent 5-year period for which statis-
13 tics are available, as such employment is determined
14 by the Secretary of Labor, acting through the Com-
15 missioner of Labor Statistics.

16 “(7) The area is a community or neighborhood
17 (defined without regard to political or other subdivi-
18 sions or boundaries) that the Secretary determines
19 has 1 or more of the following conditions:

20 “(A) A large concentration of low-income
21 persons.

22 “(B) A rural area having substantial out-
23 migration or substantial economic deterioration
24 and unemployment.

25 “(C) Substantial unemployment.

1 ~~“(b) DOCUMENTATION.—~~

2 ~~“(1) DATA AND STATISTICS.—A certification~~
3 ~~made under subsection (a) shall be supported by~~
4 ~~Federal data, if available, and in other cases by data~~
5 ~~available through the appropriate State government.~~
6 ~~The applicant shall use the most recent statistics~~
7 ~~available to support the certification.~~

8 ~~“(2) ACCEPTANCE OF DATA.—The Secretary~~
9 ~~shall accept the data unless the Secretary deter-~~
10 ~~mines that the data are inaccurate.~~

11 ~~“(c) SPECIAL RULE.—With respect to a redevelop-~~
12 ~~ment area described in subsection (a)(7)—~~

13 ~~“(1) the project to be carried out in the area~~
14 ~~shall not be subject to section 101(a)(1)(A);~~

15 ~~“(2) the area shall not be subject to section~~
16 ~~101(a)(1)(C); and~~

17 ~~“(3) the area shall not be considered to be a re-~~
18 ~~development area for purposes of section~~
19 ~~403(a)(1)(B).~~

20 ~~“(d) PRIOR DESIGNATION.—Any designation of a re-~~
21 ~~development area for the purposes of this Act that was~~
22 ~~made before the date of enactment of the Economic Devel-~~
23 ~~opment Reauthorization Act of 1994 shall not be effective~~
24 ~~after such date.~~

1 “(e) DEFINITION.—As used in this Act, the term ‘re-
2 development area’ means an area that is the subject of
3 a certification that is—

4 “(1) described in subsection (a); and

5 “(2) submitted by an applicant as part of an
6 application for assistance—

7 “(A) that is described in subsection (a);

8 and

9 “(B) for which the applicant obtains the
10 approval of the Secretary.”.

11 **SEC. 13. ANNUAL REVIEW.**

12 (a) IN GENERAL.—Section 402 of the Public Works
13 and Economic Development Act of 1965 (42 U.S.C. 3162)
14 is amended to read as follows:

15 **“SEC. 402. OVERALL ECONOMIC DEVELOPMENT PLAN AND**
16 **INVESTMENT STRATEGY.**

17 “(a) OVERALL ECONOMIC DEVELOPMENT PLAN AND
18 INVESTMENT STRATEGY.—The Secretary may provide as-
19 sistance under this Act to an applicant for a project to
20 be undertaken in an area only if the applicant has pre-
21 pared and submitted to the Secretary, and obtained ap-
22 proval of, an overall economic development plan or an in-
23 vestment strategy. Such an overall economic development
24 plan or investment strategy shall—

1 ~~“(1) identify the economic development prob-~~
2 ~~lems to be addressed using such assistance;~~

3 ~~“(2) identify past, present, and projected fur-~~
4 ~~ther economic development investments in such area~~
5 ~~and public and private participants and sources of~~
6 ~~funding for such investments; and~~

7 ~~“(3) set forth a strategy for addressing the eco-~~
8 ~~nomie development problems identified pursuant to~~
9 ~~paragraph (1) and describe how the strategy will~~
10 ~~solve such problems.~~

11 ~~“(b) APPLICATION REQUIREMENTS.—In submitting~~
12 ~~an application for assistance under title I or II, an appli-~~
13 ~~cant shall describe how the proposed project implements~~
14 ~~the plan or strategy, provide estimates of costs and time-~~
15 ~~tables for completion for the project, and provide a sum-~~
16 ~~mary of public and private resources expected to be avail-~~
17 ~~able for the project.~~

18 ~~“(c) EXISTING PLANS AND INVESTMENT STRATE-~~
19 ~~GIES.—To the maximum extent practicable, the Secretary~~
20 ~~shall approve under subsection (a) overall economic devel-~~
21 ~~opment plans, and overall economic development pro-~~
22 ~~grams, that were approved by the Secretary under this~~
23 ~~Act before the date of enactment of the Economic Devel-~~
24 ~~opment Reauthorization Act of 1994 and that substan-~~
25 ~~tially meet the requirements of this section.~~

1 “(d) DEFINITION.—As used in this Act, the term
2 ‘economic development plan’ includes—

3 ~~“(1) a plan or program described in subsection
4 (c) and submitted for approval under subsection (a);
5 and~~

6 ~~“(2) an investment strategy submitted for ap-
7 proval under subsection (a) in lieu of such a plan.”.~~

8 (b) CONFORMING AMENDMENTS.—

9 (1) TRADE ACT OF 1974.—Section 273(c)(2) of
10 the Trade Act of 1974 (19 U.S.C. 2373(c)(2)) is
11 amended—

12 (A) by striking “overall economic develop-
13 ment program” and inserting “overall economic
14 development plan or investment strategy”; and

15 (B) by striking “section 202(b)(10)” and
16 inserting “section 402”.

17 (2) COMMUNITY ECONOMIC DEVELOPMENT ACT
18 OF 1981.—Section 626(b)(1) of the Community Eco-
19 nomic Development Act of 1981 (42 U.S.C.
20 9815(b)(1)) is amended—

21 (A) by striking “Public” and inserting
22 “Public”;

23 (B) by striking “overall economic develop-
24 ment program” and inserting “overall economic
25 development plan or investment strategy”; and

1 (C) by striking “section 202(b)(10)” and
2 inserting “section 402”.

3 **SEC. 14. ECONOMIC DEVELOPMENT DISTRICTS.**

4 (a) ~~RELATIONSHIP TO OVERALL ECONOMIC DEVELOPMENT PLANS.~~—Section 403 of the Public Works and
5 Economic Development Act of 1965 (42 U.S.C. 3171) is
6 amended—
7 amended—

8 (1) in subsections (a)(1)(C), (a)(1)(D),
9 (a)(2)(A), (a)(3)(A), (a)(4)(B), (e), and (i) by striking
10 “overall economic development program” and inserting
11 “overall economic development plan”;

12 (2) in subsection (a)(1)(D), by striking “program” the second place the term appears and inserting
13 “plan”; and
14 (3) in subsections (b) and (b)(2)(B), by striking

15 “overall economic development programs” and inserting
16 “overall economic development plans”.

17 (b) ~~RELATIONSHIP TO REDEVELOPMENT AREA.~~—
18 Section 403(a)(4) of such Act is amended by striking
19 “(designated under section 401)”.

20 (c) ~~ECONOMIC DEVELOPMENT DISTRICT DEFINED.~~—Section 403(d) of such Act is amended by adding
21 at the end the following new sentence: “Such term includes any economic development district designated by
22 the Secretary under this section before the date of enactment—
23 at the end the following new sentence: “Such term includes any economic development district designated by
24 the Secretary under this section before the date of enactment—
25 the Secretary under this section before the date of enactment—

1 ment of the Economic Development Reauthorization Act
2 of 1994, unless the Secretary terminates the designa-
3 tion.”.

4 (d) FUNDING.—Section 403 of such Act is amend-
5 ed—

6 (1) by striking subsection (g) and inserting the
7 following new subsection:

8 “(g) Amounts authorized to be appropriated under
9 other sections of this Act shall be available for purposes
10 of carrying out paragraphs (3) and (4) of subsection (a).”;

11 (2) by striking subsection (h); and

12 (3) by redesignating subsections (i) and (j) as
13 subsections (h) and (i), respectively.

14 **SEC. 15. APPLICATIONS FOR ASSISTANCE.**

15 (a) EXPEDITED PROCESSING.—Title VI of the Public
16 Works and Economic Development Act of 1965 (42
17 U.S.C. 3201–3204) is amended by adding at the end the
18 following new section:

19 **“SEC. 605. EXPEDITED PROCESSING OF APPLICATIONS.**

20 “(a) GUIDELINES.—Not later than 60 days after the
21 date of enactment of this section, the Assistant Secretary
22 for Economic Development shall—

23 “(1) develop and publish in the Federal Reg-
24 ister guidelines that establish procedures to expedite

1 the processing of applications for assistance under
2 this Act; and

3 ~~“(2) transmit to the Committee on Public
4 Works and Transportation of the House of Rep-
5 resentatives and the Committee on Environment and
6 Public Works of the Senate a report containing such
7 guidelines.~~

8 ~~“(b) CONTENTS.—Guidelines to be developed and
9 published under subsection (a) shall, at a minimum, pro-
10 vide for—~~

11 ~~“(1) increased reliance on self-certification by
12 applicants for such assistance to establish compli-
13 ance with other Federal laws;~~

14 ~~“(2) greater use of uniform application forms
15 and procedures;~~

16 ~~“(3) delegation of decisionmaking authority to
17 regional offices of the Economic Development Ad-
18 ministration; and~~

19 ~~“(4) reduction in the time and number of re-
20 views conducted by offices of the Department of
21 Commerce other than the Economic Development
22 Administration.”.~~

23 (b) UNIFORM APPLICATION FORM.—Title VI of such
24 Act (as amended by subsection (a)) is further amended
25 by adding at the end the following new section:

1 **“SEC. 606. UNIFORM APPLICATION FORM.**

2 “(a) DEVELOPMENT.—The Secretary shall, in co-
3 operation with the heads of appropriate Federal depart-
4 ments and agencies, develop a general, simplified applica-
5 tion form for grant assistance under this Act that may
6 be used by all Federal departments and agencies that pro-
7 vide grant assistance.

8 “(b) REPORT.—Not later than 180 days after the
9 date of enactment of this section, the Secretary shall
10 transmit to Congress a report on use of the form devel-
11 oped pursuant to subsection (a) by Federal departments
12 and agencies.”.

13 **SEC. 16. PERFORMANCE EVALUATIONS OF GRANT RECIPI-**
14 **ENTS.**

15 Title VI of the Public Works and Economic Develop-
16 ment Act of 1965 (42 U.S.C. 3201–3204) (as amended
17 by subsections (a) and (b) of section 15) is further amend-
18 ed by adding at the end the following new section:

19 **“SEC. 607. PERFORMANCE EVALUATIONS OF GRANT RE-**
20 **CIPIENTS.**

21 “(a) IN GENERAL.—At least once every 2 years, the
22 Secretary shall conduct an evaluation of each university
23 center receiving assistance under title III (referred to in
24 this section as a ‘university center’) and economic develop-
25 ment district receiving grant assistance under this Act to

1 assess the performance and contribution toward job cre-
2 ation of the recipient.

3 ~~“(b) CRITERIA.—~~

4 ~~“(1) ESTABLISHMENT.—The Secretary shall es-~~
5 ~~tablish criteria for use in conducting evaluations~~
6 ~~under subsection (a).~~

7 ~~“(2) CRITERIA FOR UNIVERSITY CENTERS.—~~

8 ~~The criteria for evaluation of a university center~~
9 ~~shall, at a minimum, provide for an assessment of~~
10 ~~the contribution of the center to providing technical~~
11 ~~assistance, conducting applied research, and dissemi-~~
12 ~~nating results of the activities of the center.~~

13 ~~“(3) CRITERIA FOR ECONOMIC DEVELOPMENT~~

14 ~~DISTRICTS.—The criteria for evaluation of an eco-~~
15 ~~nomic development district shall, at a minimum, pro-~~
16 ~~vide for an assessment of management standards, fi-~~
17 ~~nancial accountability, and program performance.~~

18 ~~“(c) PEER REVIEW.—In conducting an evaluation of~~

19 ~~a university center under subsection (a), the Secretary~~
20 ~~shall provide for the participation in the evaluation of at~~
21 ~~least 1 other university center on a cost-reimbursement~~
22 ~~basis.”.~~

1 **SEC. 17. TRANSFER OF FUNDS.**

2 Section 708 of the Public Works and Economic De-
3 velopment Act of 1965 (42 U.S.C. 3218) is amended by
4 adding at the end the following new subsection:

5 “(d) Notwithstanding any other provision of law, the
6 Secretary may accept such transfers of funds from other
7 departments and agencies of the Federal Government as
8 the Secretary determines to be appropriate and use such
9 funds to carry out objectives of this Act, if the Secretary
10 uses the funds to carry out objectives for which (and in
11 accordance with the terms under which) the funds are spe-
12 cifically authorized and appropriated. Not more than 5
13 percent of such funds may be transferred to the account
14 relating to salaries and expenses of the Economic Develop-
15 ment Administration.”.

16 **SEC. 18. EXTENSION OF BENEFITS.**

17 Section 715 of the Public Works and Economic De-
18 velopment Act of 1965 (42 U.S.C. 3225) is amended by
19 striking “such areas as may be designated as ‘redevelop-
20 ment areas’ or ‘economic development centers’ under the
21 authority of section 401 or 403 of this Act:” and inserting
22 “redevelopment areas and such areas as may be des-
23 igned as ‘economic development centers’ under section
24 403:”.

1 **SEC. 19. SUPERVISION OF REGIONAL COUNSELS.**

2 Title VII of the Public Works and Economic Develop-
3 ment Act of 1965 (42 U.S.C. 3211–3226) is amended by
4 adding at the end the following new section:

5 **“SEC. 717. SUPERVISION OF REGIONAL COUNSELS.**

6 “The Secretary shall take such actions as may be
7 necessary to ensure that individuals serving as Regional
8 Counsels of the Economic Development Administration re-
9 port directly to their respective Regional Directors.”.

10 **SEC. 20. PURPOSE.**

11 The first sentence of section 901 of the Public Works
12 and Economic Development Act of 1965 (42 U.S.C. 3241)
13 is amended by striking “It is the purpose of this title”
14 and inserting “The purposes of title I and of this title
15 are”.

16 **SEC. 21. BASE CLOSINGS AND REALIGNMENTS.**

17 Section 903 of the Public Works and Economic De-
18 velopment Act of 1965 (42 U.S.C. 3243) is amended by
19 adding at the end the following new subsection:

20 “(e)(1) In any case in which the Secretary determines
21 that a need exists for assistance under subsection (a) due
22 to the closure or realignment of a military installation, the
23 Secretary may make such assistance available to an eligi-
24 ble recipient for a project to be carried out on the military
25 installation or for a project to be carried out in a commu-
26 nity adversely affected by the closure or realignment.

1 “(2) Notwithstanding any other provision of law, the
 2 Secretary may provide to an eligible recipient any assist-
 3 ance available under this title for a project to be carried
 4 out on a military installation that is closed or scheduled
 5 for closure or realignment, without requiring that the eli-
 6 gible recipient have title to the property on which the in-
 7 stallation is located, or a leasehold interest in the property,
 8 for any specified term.”.

9 **SEC. 22. OUTREACH TO COMMUNITIES ADVERSELY AF-**
 10 **FFECTED BY CLOSURES AND REALIGNMENTS**
 11 **OF MILITARY INSTALLATIONS.**

12 Title IX of the Public Works and Economic Develop-
 13 ment Act of 1965 (42 U.S.C. 3241–3245) is amended—

14 (1) by redesignating section 905 as section 908;
 15 and

16 (2) by inserting after section 904 the following
 17 new section:

18 **“SEC. 905. OUTREACH TO COMMUNITIES ADVERSELY AF-**
 19 **FFECTED BY CLOSURES AND REALIGNMENTS**
 20 **OF MILITARY INSTALLATIONS.**

21 “(a) DESIGNATION OF AGENCY REPRESENTA-
 22 TIVES.—The Assistant Secretary for Economic Develop-
 23 ment shall designate for each State in which communities
 24 are adversely affected by closures and realignments of
 25 military installations, an individual to serve as a rep-

1 representative of the Economic Development Administration.
2 Such individual may be the State Economic Development
3 Agency Representative or another qualified individual.

4 “(b) RESPONSIBILITIES.—Individuals appointed as
5 agency representatives under subsection (a) shall provide
6 outreach and technical assistance, to communities ad-
7 versely affected by closures and realignments of military
8 installations, on obtaining assistance from the Economic
9 Development Administration.”.

10 **SEC. 23. TREATMENT OF REVOLVING LOAN FUNDS.**

11 Title IX of the Public Works and Economic Develop-
12 ment Act of 1965 (42 U.S.C. 3241–3245) (as amended
13 by section 22) is further amended by inserting after sec-
14 tion 905 the following new section:

15 **“SEC. 906. TREATMENT OF REVOLVING LOAN FUNDS.**

16 “(a) IN GENERAL.—An amount made available
17 through a grant made under this title that is used by an
18 eligible recipient to establish a revolving loan fund shall
19 not be treated, except as provided by subsection (b), as
20 an amount derived from Federal funds for the purposes
21 of any Federal law after such amount is loaned from the
22 fund to a borrower and repaid to the fund.

23 “(b) EXCEPTIONS.—An amount described in sub-
24 section (a) that is loaned from a revolving loan fund to
25 a borrower and repaid to the fund—

1 ~~“SEC. 907. SALE OF FINANCIAL INSTRUMENTS IN REVOLV-~~
 2 ~~ING LOAN FUNDS.~~

3 “Any loan, loan guarantee, or other financial instru-
 4 ment in the portfolio of a revolving loan fund described
 5 in section 906 may be sold, at the discretion of the grant
 6 recipient that established the fund, to a third party. The
 7 proceeds of the sale—

8 “(1) shall be deposited in the fund and only
 9 used for projects that are consistent with the pur-
 10 poses of this title; and

11 “(2) shall be subject to the financial manage-
 12 ment, accounting, reporting, and auditing standards
 13 that were originally applicable to the financial in-
 14 strument on the date on which the financial instru-
 15 ment was entered into.”

16 ~~SEC. 25. SPECIAL ECONOMIC DEVELOPMENT AND ADJUST-~~
 17 ~~MENT ASSISTANCE.~~

18 Section 908 of the Public Works and Economic De-
 19 velopment Act of 1965 (42 U.S.C. 3245) (as redesignated
 20 by section 22(1)) is amended to read as follows:

21 ~~“SEC. 908. AUTHORIZATION OF APPROPRIATIONS.~~

22 “(a) IN GENERAL.—There are authorized to be ap-
 23 propriated to carry out this title \$124,800,000 for fiscal
 24 year 1995 and \$81,000,000 for each of fiscal years 1996
 25 and 1997. Such sums shall remain available until ex-
 26 pended.

1 “(b) SET-ASIDE FOR ACTIVITIES RELATED TO CLO-
2 SURES AND REALIGNMENTS OF MILITARY INSTALLA-
3 TIONS.—Of the amounts appropriated pursuant to sub-
4 section (a) for fiscal year 1995, not less than \$80,000,000
5 shall be available for purposes of assisting eligible recipi-
6 ents in carrying out activities related to closures and
7 realignments of military installations.

8 “(c) ADDITIONAL AMOUNTS.—In addition to the ap-
9 propriations authorized by subsection (a), there are au-
10 thorized to be appropriated to carry out this title such
11 sums as may be necessary to provide assistance for activi-
12 ties related to closures and realignments of military instal-
13 lations and to provide assistance in the case of a natural
14 disaster for each of fiscal years 1995, 1996, and 1997.
15 Such sums shall remain available until expended.”.

16 **SEC. 26. COMPLIANCE WITH BUY AMERICAN ACT.**

17 None of the funds made available under this title, or
18 any amendment made by this title, may be expended to
19 acquire articles, materials, or supplies, or to procure serv-
20 ices, in violation of the applicable provisions of sections
21 2 through 4 of title III of the Act of March 3, 1933 (com-
22 monly known as the “Buy American Act”) (41 U.S.C.
23 10a–10b–1).

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) *SHORT TITLE.*—This Act may be cited as the
3 “Economic Development Reauthorization Act of 1994”.

4 (b) *TABLE OF CONTENTS.*—The table of contents for
5 this Act is as follows:

- Sec. 1. Short title; table of contents.*
- Sec. 2. Direct and supplementary grants.*
- Sec. 3. Grants for public works facilities.*
- Sec. 4. Repeal of financial assistance for sewer facilities.*
- Sec. 5. Relationship of overall economic development plan to public works and development facility loans.*
- Sec. 6. Elimination of overall economic development program.*
- Sec. 7. Redevelopment area loan program.*
- Sec. 8. Technical assistance, research, and information.*
- Sec. 9. Business outreach center demonstration project.*
- Sec. 10. Office of Strategic Economic Development Planning and Policy.*
- Sec. 11. Office of Economic Development Information.*
- Sec. 12. Authorization of appropriations for technical assistance, research, and information.*
- Sec. 13. Redevelopment areas.*
- Sec. 14. Annual review.*
- Sec. 15. Economic development districts.*
- Sec. 16. Equity between rural and urban areas.*
- Sec. 17. Applications for assistance.*
- Sec. 18. Performance evaluations of grant recipients.*
- Sec. 19. Transfer of funds.*
- Sec. 20. Extension of benefits.*
- Sec. 21. Supervision of Regional Counsels.*
- Sec. 22. Purpose.*
- Sec. 23. Definition of eligible recipient.*
- Sec. 24. Base closings and realignments.*
- Sec. 25. Outreach to communities adversely affected by closures and realignments of military installations.*
- Sec. 26. Treatment of revolving loan funds.*
- Sec. 27. Sale of financial instruments in revolving loan funds.*
- Sec. 28. Competitive communities pilot program.*
- Sec. 29. Special economic development and adjustment assistance.*
- Sec. 30. Compliance with Buy American Act.*
- Sec. 31. Regulatory relief.*

6 **SEC. 2. DIRECT AND SUPPLEMENTARY GRANTS.**

7 (a) *GRANTS.*—Section 101(a) of the Public Works and
8 Economic Development Act of 1965 (42 U.S.C. 3131(a)) is
9 amended—

1 (1) *in the matter preceding paragraph (1), by*
 2 *striking “representing any redevelopment area or*
 3 *part thereof” and inserting “acting in cooperation*
 4 *with an official of a local government”; and*

5 (2) *in paragraph (1)—*

6 (A) *in the matter preceding subparagraph*
 7 *(A), by striking “acquisition, construction” and*
 8 *inserting “acquisition, design, engineering, con-*
 9 *struction”;*

10 (B) *by striking subparagraph (C) and in-*
 11 *serting the following new subparagraph:*

12 *“(C) the area for which the project is to be*
 13 *undertaken has an approved overall economic de-*
 14 *velopment plan as provided in section 402 and*
 15 *such project is consistent with such plan; and”;*
 16 *and*

17 (C) *in subparagraph (D)—*

18 (i) *by striking “so designated under*
 19 *section 401(a)(6),” and inserting “described*
 20 *in section 401(a)(7),”;* and

21 (ii) *by striking “area.” and inserting*
 22 *“area; and”.*

23 (b) *CONSIDERATIONS FOR SUPPLEMENTARY*
 24 *GRANTS.—Section 101(c) of such Act is amended—*

1 (1) *in the second and third sentences, by striking*
2 *“designated as such under section 401(a)(6) of this*
3 *Act.” and inserting “described in section 401(a)(7).”;*
4 *and*

5 (2) *in the last sentence—*

6 (A) *by striking “the area, the” and insert-*
7 *ing “the area and the”; and*

8 (B) *by striking “; and the amount of such”*
9 *and all that follows and inserting a period.*

10 ***SEC. 3. GRANTS FOR PUBLIC WORKS FACILITIES.***

11 *Section 105 of the Public Works and Economic Devel-*
12 *opment Act of 1965 (42 U.S.C. 3135) is amended to read*
13 *as follows:*

14 ***“SEC. 105. AUTHORIZATION OF APPROPRIATIONS.***

15 *“There are authorized to be appropriated to carry out*
16 *this title \$195,000,000 for each of fiscal years 1995 through*
17 *1997. Such sums shall remain available until expended. Not*
18 *less than 15 percent and not more than 35 percent of the*
19 *amounts appropriated for any of fiscal years 1995 through*
20 *1997 under this section shall be expended in redevelopment*
21 *areas described in section 401(a)(7).”.*

1 **SEC. 4. REPEAL OF FINANCIAL ASSISTANCE FOR SEWER FA-**
 2 **CILITIES.**

3 (a) *IN GENERAL.*—Title I of the Public Works and
 4 Economic Development Act of 1965 (42 U.S.C. 3131–3137)
 5 is amended—

6 (1) by repealing section 106;

7 (2) by redesignating section 107 as section 104;

8 and

9 (3) by moving such section 104 to appear after
 10 section 103.

11 (b) *CONFORMING AMENDMENT.*—Section 211(b)(3) of
 12 the Appalachian Regional Development Act of 1965 (40
 13 U.S.C. App. 211(b)(3)) is amended in the last sentence by
 14 striking “Notwithstanding” and all that follows through
 15 “education-related” and inserting “An education-related”.

16 **SEC. 5. RELATIONSHIP OF OVERALL ECONOMIC DEVELOP-**
 17 **MENT PLAN TO PUBLIC WORKS AND DEVEL-**
 18 **OPMENT FACILITY LOANS.**

19 Section 201(a) of the Public Works and Economic De-
 20 velopment Act of 1965 (42 U.S.C. 3141(a)) is amended—

21 (1) in the matter preceding paragraph (1), by
 22 striking “representing any redevelopment area there-
 23 of” and inserting “acting in cooperation with an offi-
 24 cial of a local government”; and

25 (2) by striking paragraph (5) and inserting the
 26 following new paragraph:

1 “(5) such area has an approved overall economic
2 development plan as provided in section 402 and the
3 project for which financial assistance is sought is con-
4 sistent with such plan.”.

5 **SEC. 6. ELIMINATION OF OVERALL ECONOMIC DEVELOP-**
6 **MENT PROGRAM.**

7 Section 202(b) of the Public Works and Economic De-
8 velopment Act of 1965 (42 U.S.C. 3142(b)) is amended—

9 (1) in paragraph (1), by striking “Such finan-
10 cial assistance shall not be extended” and inserting
11 “The applicant for such financial assistance shall in-
12 clude, in the application of the applicant for such as-
13 sistance, an assurance that the assistance will not be
14 used”; and

15 (2) in paragraph (10), by striking “there shall be
16 submitted to and approval of the Secretary an overall
17 program for the economic development of the area
18 and” and inserting “the applicant shall submit to the
19 Secretary under section 402, and obtain approval of,
20 an overall economic development plan and there is”.

21 **SEC. 7. REDEVELOPMENT AREA LOAN PROGRAM.**

22 (a) *IN GENERAL.*—Section 204(a) of the Public Works
23 and Economic Development Act of 1965 (42 U.S.C.
24 3144(a)) is amended by striking the last two sentences.

25 (b) *CONFORMING AMENDMENTS.*—

1 (1) *Section 2 of the Act entitled “An Act to*
2 *amend the Public Works and Economic Development*
3 *Act of 1965 to extend the authorizations for title I*
4 *through IV through fiscal year 1971”, approved July*
5 *6, 1970 (42 U.S.C. 3162 note) is repealed.*

6 (2) *Section 6 of the Act entitled “An Act to*
7 *amend the Public Works and Economic Development*
8 *Act of 1965 to extend the authorizations for a one-*
9 *year period”, approved June 18, 1973 (42 U.S.C.*
10 *3162 note) is amended—*

11 *(A) in subsection (a), by striking “(a)”;* and
12 *(B) by striking subsection (b).*

13 **SEC. 8. TECHNICAL ASSISTANCE, RESEARCH, AND INFOR-**
14 **MATION.**

15 *Section 301(a)(1) of the Public Works and Economic*
16 *Development Act of 1965 (42 U.S.C. 3151(a)(1)) is amend-*
17 *ed by striking “areas which he has designated as redevelop-*
18 *ment areas under this Act,” and inserting “redevelopment*
19 *areas.”*

20 **SEC. 9. BUSINESS OUTREACH CENTER DEMONSTRATION**
21 **PROJECT.**

22 *Section 303 of the Public Works and Economic Devel-*
23 *opment Act of 1965 (42 U.S.C. 3152) is amended to read*
24 *as follows:*

1 **“SEC. 303. BUSINESS OUTREACH CENTER DEMONSTRATION**
2 **PROJECT.**

3 “(a) *DEFINITION.*—As used in this section, the term
4 ‘isolated small business’ means a small business that is un-
5 able to effectively access small business services provided by
6 a Federal, State, or local government due to linguistic, cul-
7 tural, or geographic barriers, as determined by the Sec-
8 retary.

9 “(b) *DEMONSTRATION PROJECT.*—Using funds made
10 available under this title, the Secretary shall conduct a
11 demonstration project in each of fiscal years 1995 through
12 1997 for the purpose of demonstrating methods of assisting
13 isolated small businesses to access small business services
14 provided by Federal, State, and local governments.

15 “(c) *ESTABLISHMENT OF CENTERS.*—In conducting
16 the demonstration project under this section, the Secretary
17 shall establish 3 business outreach centers. At least 1 of the
18 centers shall be located in a rural area.

19 “(d) *DUTIES OF CENTERS.*—Each business outreach
20 center established under this section shall—

21 “(1) provide a one-stop clearinghouse to assist
22 isolated small businesses in accessing small business
23 services provided by Federal, State, and local govern-
24 ments; and

25 “(2) improve efficiency in the delivery of such
26 services.

1 “(e) *SERVICES TO BE PROVIDED.*—Each business out-
2 reach center established under this section shall provide
3 each of the following services:

4 “(1) Outreach to isolated small businesses.

5 “(2) Assessment of the need of isolated small
6 businesses for assistance services.

7 “(3) Referral of isolated small businesses to small
8 business assistance agencies.

9 “(4) Preparation of materials required by iso-
10 lated small businesses for participation in small busi-
11 ness assistance programs.

12 “(5) Case management to ensure follow-up and
13 quality control of business services.

14 “(6) Coordination of networking among isolated
15 small businesses.

16 “(7) Quality control of small business assistance
17 services.”.

18 **SEC. 10. OFFICE OF STRATEGIC ECONOMIC DEVELOPMENT**

19 **PLANNING AND POLICY.**

20 Title III of the Public Works and Economic Develop-
21 ment Act of 1965 (42 U.S.C. 3151–3153) is amended by
22 adding at the end the following new section:

1 **“SEC. 305. OFFICE OF STRATEGIC ECONOMIC DEVELOP-**
2 **MENT PLANNING AND POLICY.**

3 “(a) *ESTABLISHMENT.*—*The Secretary shall establish*
4 *in the Economic Development Administration an Office of*
5 *Strategic Economic Development Planning and Policy (re-*
6 *ferred to in this section as the ‘Office’).*

7 “(b) *DIRECTOR.*—*The Office shall be headed by a Di-*
8 *rector, who shall be appointed by the Secretary and who*
9 *shall report to the Assistant Secretary for Economic Devel-*
10 *opment.*

11 “(c) *DUTIES.*—*The duties of the Director are as fol-*
12 *lows:*

13 “(1) *RESEARCH, EVALUATION, AND DEMONSTRA-*
14 *TION PROJECTS.*—*The Director shall support research,*
15 *evaluation, and demonstration projects to study and*
16 *assess best practices in economic development and to*
17 *examine trends and changes in economic conditions*
18 *that affect regional development. The Director shall*
19 *conduct a study of innovative economic development*
20 *financing tools, including loan guarantees, rural de-*
21 *velopment investment zones, and other measures, that*
22 *may be employed to further economic development of*
23 *States, regions, and localities.*

24 “(2) *POLICY DEVELOPMENT.*—*The Director shall*
25 *develop and submit to the Secretary recommendations*
26 *on both short- and long-term policies regarding eco-*

1 *conomic development issues and programs, to help foster*
2 *the diffusion of innovative, best practices in economic*
3 *development throughout the Department of Commerce.*

4 “(3) *INFORMATION AND COORDINATION.*—*The*
5 *Director shall establish procedures to ensure that the*
6 *Economic Development Administration assumes a*
7 *central role in developing and promoting means of*
8 *greater coordination among States, regions, and local*
9 *communities in the design and implementation of*
10 *Federal economic development programs, and to foster*
11 *coordination among Federal economic development*
12 *programs, to reduce duplication and fragmentation of*
13 *Federal economic development efforts.*

14 “(d) *FEDERAL COORDINATING COUNCIL FOR ECO-*
15 *NOMIC DEVELOPMENT.*—

16 “(1) *IN GENERAL.*—*There is established a Fed-*
17 *eral Coordinating Council for Economic Development*
18 *(referred to in this subsection as the ‘Council’).*

19 “(2) *COMPOSITION OF THE COUNCIL.*—

20 “(A) *IN GENERAL.*—*The Council shall be*
21 *composed of representatives from Federal agen-*
22 *cies, appointed by the heads of the agencies, in-*
23 *involved in matters that affect regional economic*
24 *development. The Secretary shall determine the*

1 *Federal agencies that are involved in matters*
2 *that affect regional economic development.*

3 “(B) *VACANCIES.*—*Any vacancy in the*
4 *Council shall not affect the powers of the Coun-*
5 *cil, but shall be filled in the same manner as the*
6 *original appointment.*

7 “(3) *DUTIES.*—*The Council shall assist the Sec-*
8 *retary in providing a unifying framework for eco-*
9 *nomi c development efforts and shall develop a govern-*
10 *mentwide strategic plan for economic development.*
11 *The Council shall work to improve coordination of*
12 *Federal economic development efforts to eliminate du-*
13 *plication and to direct Federal resources to improve*
14 *economic conditions.*

15 “(4) *TRAVEL EXPENSES.*—*The members of the*
16 *Council shall not receive compensation for service on*
17 *the Council but shall be allowed travel expenses, in-*
18 *cluding per diem in lieu of subsistence, at rates au-*
19 *thorized for employees of agencies under subchapter I*
20 *of chapter 57 of title 5, United States Code, while*
21 *away from the homes or regular places of business of*
22 *the members in the performance of services for the*
23 *Council.*

24 “(5) *FACILITIES, SUPPLIES, AND PERSONNEL.*—

1 “(A) *IN GENERAL.*—Upon the request of the
2 Council, the Secretary shall provide to the Coun-
3 cil any facilities, supplies, and personnel nec-
4 essary for the Council to carry out the respon-
5 sibilities of the Council under this subsection.

6 “(B) *DETAILS.*—In the case of a detail of a
7 Federal Government employee under paragraph
8 (1), the employee may be detailed to the Council
9 without reimbursement. The detail shall be with-
10 out interruption or loss of civil service status or
11 privilege.

12 “(6) *HEARINGS.*—The Council may hold such
13 hearings, sit and act at such times and places, take
14 such testimony, and receive such evidence as the
15 Council considers advisable to carry out this sub-
16 section.

17 “(7) *INFORMATION FROM FEDERAL AGENCIES.*—
18 The Council may secure directly from any Federal de-
19 partment or agency such information as the Council
20 considers necessary to carry out this subsection. Upon
21 request of the Council, the head of such department or
22 agency shall furnish such information to the Council.

23 “(8) *POSTAL SERVICES.*—The Council may use
24 the United States mails in the same manner and

1 *under the same conditions as other departments and*
2 *agencies of the Federal Government.*

3 *“(9) TERMINATION.—The Council shall termi-*
4 *nate 1 year after the date of the establishment of the*
5 *Council.”.*

6 **SEC. 11. OFFICE OF ECONOMIC DEVELOPMENT INFORMA-**
7 **TION.**

8 *Title III of the Public Works and Economic Develop-*
9 *ment Act of 1965 (42 U.S.C. 3151–3153) (as amended by*
10 *section 10) is further amended by adding at the end the*
11 *following new section:*

12 **“SEC. 306. OFFICE OF ECONOMIC DEVELOPMENT INFORMA-**
13 **TION.**

14 *“(a) ESTABLISHMENT.—The Secretary shall establish*
15 *an Office of Economic Development Information (referred*
16 *to in this section as the ‘Office’) within the Office of Strate-*
17 *gic Economic Development Planning and Policy.*

18 *“(b) RESPONSIBILITIES.—The Office shall—*

19 *“(1) serve as a central information clearinghouse*
20 *on matters relating to economic development, eco-*
21 *nomic adjustment, disaster recovery, industrial reten-*
22 *tion, and defense reinvestment programs and activi-*
23 *ties of the Federal and State governments, including*
24 *political subdivisions of the States; and*

1 “(2) *help potential and actual applicants for*
2 *economic development, economic adjustment, disaster*
3 *recovery, industrial retention, and defense reinvest-*
4 *ment assistance under Federal, State, and local laws*
5 *in locating and applying for such assistance, includ-*
6 *ing financial and technical assistance.*

7 “(c) *INFORMATION DATA BASES.—*

8 “(1) *USES.—The Office shall develop informa-*
9 *tion data bases for use by Federal departments and*
10 *agencies, State and local governmental agencies, pub-*
11 *lic and private entities, and individuals to assist such*
12 *agencies, entities, and individuals in the process of*
13 *identifying and applying for assistance and resources*
14 *under economic development, economic*
15 *adjustment, disaster recovery, industrial retention,*
16 *and defense reinvestment programs and activities of*
17 *the Federal, State, and local governments.*

18 “(2) *SPECIFIC KINDS OF INFORMATION RE-*
19 *QUIRED TO BE INCLUDED.—The data bases shall in-*
20 *clude each of the following kinds of information:*

21 “(A) *A comprehensive compilation of all*
22 *relevant information concerning available eco-*
23 *nomics development, economic adjustment, disas-*
24 *ter recovery, industrial retention, and defense re-*
25 *investment programs of the Federal Government,*

1 *including key contact personnel, descriptions of*
2 *the application process, eligibility requirements*
3 *and criteria, selection and followup procedures,*
4 *and other such relevant information.*

5 “(B) A compilation of major State and
6 local governmental economic development, eco-
7 nomic adjustment, disaster recovery, industrial
8 retention, and defense reinvestment assistance
9 programs, including lists of appropriate offices,
10 officers, and contact personnel connected with, or
11 involved in, such programs.

12 “(C) A compilation of relevant and avail-
13 able economic data and trends, including infor-
14 mation about the national, regional, and local
15 impacts of trade agreements, defense spending
16 and downsizing, technological change, and other
17 sources of substantial economic dislocation.

18 “(D) A compilation of case studies and best
19 practices in economic development, adjustment,
20 and reinvestment.

21 “(E) A compilation of technology utiliza-
22 tion programs, assistance, and resources.

23 “(F) A compilation of published works
24 (books, reports, articles, videos, and tapes), and
25 selected texts of such works, related to all facets

1 *of economic development, economic adjustment,*
2 *and defense reinvestment.*

3 “(G) *A compilation of information on case*
4 *studies on early warning and intervention ef-*
5 *forts.*

6 “(3) *POINTS OF PUBLIC ACCESS.—*

7 “(A) *IN GENERAL.—The Office shall estab-*
8 *lish several means to ensure easy access by the*
9 *public and others to such data bases, and to en-*
10 *sure that the data bases be as accessible, user-*
11 *friendly, culturally neutral, and affordable as*
12 *possible.*

13 “(B) *MEANS OF ACCESS.—Access to the*
14 *data services of the Office shall include each of*
15 *the following means:*

16 “(i) *A toll-free nationwide telephone*
17 *number to provide direct phone access to the*
18 *public.*

19 “(ii) *On-line electronic access through*
20 *existing computer network services and pub-*
21 *licly available computer data base access fa-*
22 *ilities, such as at repository libraries and*
23 *by direct call-in via modem.*

24 “(iii) *Printed manuals and orientation*
25 *materials.*

1 “(iv) *Periodic orientation workshops*
2 *available to the public.*

3 “(v) *On-call information specialists to*
4 *address special problems requiring person-*
5 *to-person assistance.*

6 “(d) *INTERAGENCY COORDINATION.—The Secretary*
7 *shall enter into such agreements and understandings as*
8 *may be necessary with other Federal departments and agen-*
9 *cies to coordinate the accomplishment of the objectives of*
10 *this section.”.*

11 **SEC. 12. AUTHORIZATION OF APPROPRIATIONS FOR TECH-**
12 **NICAL ASSISTANCE, RESEARCH, AND INFOR-**
13 **MATION.**

14 *Title III of the Public Works and Economic Develop-*
15 *ment Act of 1965 (42 U.S.C. 3151–3153) (as amended by*
16 *section 11) is further amended by adding at the end the*
17 *following new section:*

18 **“SEC. 307. AUTHORIZATION OF APPROPRIATIONS.**

19 *“There are authorized to be appropriated to carry out*
20 *this title \$50,000,000 for each of fiscal years 1995 through*
21 *1997. Such sums shall remain available until expended.”.*

22 **SEC. 13. REDEVELOPMENT AREAS.**

23 *Section 401 of the Public Works and Economic Devel-*
24 *opment Act of 1965 (42 U.S.C. 3161) is amended to read*
25 *as follows:*

1 **“SEC. 401. AREA ELIGIBILITY.**

2 “(a) *CERTIFICATION.*—An applicant seeking assist-
3 *ance under title I or II to undertake a project for an area*
4 *shall certify, as part of an application for such assistance,*
5 *that the area on the date of submission of such application*
6 *meets 1 or more of the following criteria:*

7 “(1) *The per capita income of the area is*
8 *80 percent or less of the per capita income of the*
9 *United States.*

10 “(2) *The average rate of unemployment in the*
11 *area (seasonally adjusted), as determined by the Sec-*
12 *retary of Labor for the most recent 24-month period*
13 *for which statistics are available, minus the national*
14 *average rate of unemployment (seasonally adjusted),*
15 *as so determined, is equal to or exceeds 1 percent.*

16 “(3) *The average rate of unemployment in the*
17 *area (seasonally adjusted), as determined by the Sec-*
18 *retary of Labor for the most recent 12-month period*
19 *for which statistics are available, minus the national*
20 *average rate of unemployment (seasonally adjusted),*
21 *as so determined, is equal to or exceeds 2 percent.*

22 “(4) *The area has experienced or is about to ex-*
23 *perience a sudden economic dislocation resulting in*
24 *job loss that is significant both in terms of the num-*
25 *ber of jobs eliminated and the effect on the rate of un-*
26 *employment in the area (if information on such rate*

1 *is available), as such rate is determined by the Sec-*
2 *retary of Labor.*

3 *“(5) The population growth rate of the United*
4 *States, as determined by the Secretary of Commerce*
5 *for an appropriate period, minus the population*
6 *growth rate of the area, as so determined, is equal to*
7 *or exceeds 3 percent.*

8 *“(6) The area has experienced a decline in total*
9 *employment that is equal to or exceeds 2 percent over*
10 *the most recent 5-year period for which statistics are*
11 *available, as such employment is determined by the*
12 *Secretary of Labor, acting through the Commissioner*
13 *of Labor Statistics.*

14 *“(7) The area is a community or neighborhood*
15 *(defined without regard to political or other subdivi-*
16 *sions or boundaries) that the Secretary determines*
17 *has 1 or more of the following conditions:*

18 *“(A) A large concentration of low-income*
19 *persons.*

20 *“(B) A rural or urban area having substan-*
21 *tial outmigration or substantial economic dete-*
22 *rioration and unemployment.*

23 *“(C) Substantial unemployment.*

24 *“(b) DOCUMENTATION.—*

1 “(1) *DATA AND STATISTICS.*—A certification
2 made under subsection (a) shall be supported by Fed-
3 eral data, if available, and in other cases by data
4 available through the appropriate State government.
5 The applicant shall use the most recent statistics
6 available to support the certification.

7 “(2) *ACCEPTANCE OF DATA.*—The Secretary
8 shall accept the data unless the Secretary determines
9 that the data are inaccurate.

10 “(c) *SPECIAL RULE.*—With respect to a redevelopment
11 area described in subsection (a)(7)—

12 “(1) the project to be carried out in the area
13 shall not be subject to section 101(a)(1)(A);

14 “(2) the area shall not be subject to section
15 101(a)(1)(C); and

16 “(3) the area shall not be considered to be a rede-
17 velopment area for purposes of section 403(a)(1)(B).

18 “(d) *PRIOR DESIGNATION.*—Any designation of a re-
19 development area for the purposes of this Act that was made
20 before the date of enactment of the Economic Development
21 Reauthorization Act of 1994 shall not be effective after such
22 date.

23 “(e) *DEFINITION.*—As used in this Act, the term ‘rede-
24 velopment area’ means an area that is the subject of a cer-
25 tification that is—

1 “(1) described in subsection (a); and

2 “(2) submitted by an applicant as part of an
3 application for assistance—

4 “(A) that is described in subsection (a); and

5 “(B) for which the applicant obtains the
6 approval of the Secretary.”.

7 **SEC. 14. ANNUAL REVIEW.**

8 (a) *IN GENERAL.*—Section 402 of the Public Works
9 and Economic Development Act of 1965 (42 U.S.C. 3162)
10 is amended to read as follows:

11 **“SEC. 402. OVERALL ECONOMIC DEVELOPMENT PLAN AND**
12 **INVESTMENT STRATEGY.**

13 “(a) *OVERALL ECONOMIC DEVELOPMENT PLAN AND*
14 *INVESTMENT STRATEGY.*—The Secretary may provide as-
15 sistance under title I or II to an applicant for a project
16 to be undertaken in an area only if the applicant has pre-
17 pared and submitted to the Secretary, and obtained ap-
18 proval of, an overall economic development plan or an in-
19 vestment strategy. Such an overall economic development
20 plan or investment strategy shall—

21 “(1) identify the economic development problems
22 to be addressed using such assistance;

23 “(2) identify past, present, and projected further
24 economic development investments in such area and

1 *public and private participants and sources of fund-*
2 *ing for such investments; and*

3 *“(3) set forth a strategy for addressing the eco-*
4 *nomic development problems identified pursuant to*
5 *paragraph (1) and describe how the strategy will*
6 *solve such problems.*

7 *“(b) APPLICATION REQUIREMENTS.—In submitting an*
8 *application for assistance under title I or II, an applicant*
9 *shall describe how the proposed project implements the plan*
10 *or strategy, provide estimates of costs and timetables for*
11 *completion for the project, and provide a summary of public*
12 *and private resources expected to be available for the*
13 *project.*

14 *“(c) EXISTING PLANS AND INVESTMENT STRATE-*
15 *GIES.—To the maximum extent practicable, the Secretary*
16 *shall approve under subsection (a) overall economic develop-*
17 *ment plans, and overall economic development programs,*
18 *that were approved by the Secretary under this Act before*
19 *the date of enactment of the Economic Development Reau-*
20 *thorization Act of 1994 and that substantially meet the re-*
21 *quirements of this section.*

22 *“(d) DEFINITION.—As used in this Act, the term ‘eco-*
23 *nomic development plan’ includes—*

1 “(1) a plan or program described in subsection
2 (c) and submitted for approval under subsection (a);
3 and

4 “(2) an investment strategy submitted for ap-
5 proval under subsection (a) in lieu of such a plan.”.

6 (b) CONFORMING AMENDMENTS.—

7 (1) TRADE ACT OF 1974.—Section 273(c)(2) of
8 the Trade Act of 1974 (19 U.S.C. 2373(c)(2)) is
9 amended—

10 (A) by striking “overall economic develop-
11 ment program” and inserting “overall economic
12 development plan or investment strategy”; and

13 (B) by striking “section 202(b)(10)” and
14 inserting “section 402”.

15 (2) COMMUNITY ECONOMIC DEVELOPMENT ACT
16 OF 1981.—Section 626(b)(1) of the Community Eco-
17 nomic Development Act of 1981 (42 U.S.C.
18 9815(b)(1)) is amended—

19 (A) by striking “Publ” and inserting
20 “Public”;

21 (B) by striking “overall economic develop-
22 ment program” and inserting “overall economic
23 development plan or investment strategy”; and

24 (C) by striking “section 202(b)(10)” and in-
25 serting “section 402”.

1 **SEC. 15. ECONOMIC DEVELOPMENT DISTRICTS.**

2 (a) *RELATIONSHIP TO OVERALL ECONOMIC DEVELOP-*
3 *MENT PLANS.*—Section 403 of the Public Works and Eco-
4 *nomic Development Act of 1965 (42 U.S.C. 3171) is amend-*
5 *ed—*

6 (1) *in subsections (a)(1)(C), (a)(1)(D), (a)(2)(A),*
7 *(a)(3)(A), (a)(4)(B), (e), and (i) by striking “overall*
8 *economic development program” and inserting “over-*
9 *all economic development plan”;*

10 (2) *in subsection (a)(1)(D), by striking “pro-*
11 *gram” the second place the term appears and insert-*
12 *ing “plan”;* and

13 (3) *in subsections (b) and (b)(2)(B), by striking*
14 *“overall economic development programs” and insert-*
15 *ing “overall economic development plans”.*

16 (b) *RELATIONSHIP TO REDEVELOPMENT AREA.*—Sec-
17 *tion 403(a)(4) of such Act is amended by striking “(des-*
18 *ignated under section 401)”.*

19 (c) *ECONOMIC DEVELOPMENT DISTRICT DEFINED.*—
20 *Section 403(d) of such Act is amended by adding at the*
21 *end the following new sentence: “Such term includes any*
22 *economic development district designated by the Secretary*
23 *under this section before the date of enactment of the Eco-*
24 *nomic Development Reauthorization Act of 1994, unless the*
25 *Secretary terminates the designation.”.*

26 (d) *FUNDING.*—Section 403 of such Act is amended—

1 *the area receives an allocation of Federal assistance under*
2 *this Act.”.*

3 **SEC. 17. APPLICATIONS FOR ASSISTANCE.**

4 (a) *EXPEDITED PROCESSING.*—*Title VI of the Public*
5 *Works and Economic Development Act of 1965 (42 U.S.C.*
6 *3201–3204) is amended by adding at the end the following*
7 *new section:*

8 **“SEC. 605. EXPEDITED PROCESSING OF APPLICATIONS.**

9 “(a) *GUIDELINES.*—*Not later than 60 days after the*
10 *date of enactment of this section, the Assistant Secretary*
11 *for Economic Development shall—*

12 “(1) *develop and publish in the Federal Register*
13 *guidelines that establish procedures to expedite the*
14 *processing of applications for assistance under this*
15 *Act; and*

16 “(2) *transmit to the Committee on Public Works*
17 *and Transportation of the House of Representatives*
18 *and the Committee on Environment and Public*
19 *Works of the Senate a report containing such guide-*
20 *lines.*

21 “(b) *CONTENTS.*—*Guidelines to be developed and pub-*
22 *lished under subsection (a) shall, at a minimum, provide*
23 *for—*

1 “(1) increased reliance on self-certification by
2 applicants for such assistance to establish compliance
3 with other Federal laws;

4 “(2) greater use of uniform application forms
5 and procedures;

6 “(3) delegation of decisionmaking authority to
7 regional offices of the Economic Development Admin-
8 istration; and

9 “(4) reduction in the time and number of re-
10 views conducted by offices of the Department of
11 Commerce other than the Economic Development Ad-
12 ministration.”.

13 (b) *UNIFORM APPLICATION FORM.*—Title VI of such
14 Act (as amended by subsection (a)) is further amended by
15 adding at the end the following new section:

16 **“SEC. 606. UNIFORM APPLICATION FORM.**

17 “(a) *DEVELOPMENT.*—The Secretary shall, in coopera-
18 tion with the heads of appropriate Federal departments and
19 agencies, develop a general, simplified application form for
20 grant assistance under this Act that may be used by all
21 Federal departments and agencies that provide grant
22 assistance.

23 “(b) *REPORT.*—Not later than 180 days after the date
24 of enactment of this section, the Secretary shall transmit

1 to Congress a report on use of the form developed pursuant
2 to subsection (a) by Federal departments and agencies.”.

3 **SEC. 18. PERFORMANCE EVALUATIONS OF GRANT RECIPI-**
4 **ENTS.**

5 Title VI of the Public Works and Economic Develop-
6 ment Act of 1965 (42 U.S.C. 3201–3204) (as amended by
7 subsections (a) and (b) of section 17) is further amended
8 by adding at the end the following new section:

9 **“SEC. 607. PERFORMANCE EVALUATIONS OF GRANT RECIPI-**
10 **ENTS.**

11 “(a) *IN GENERAL.*—At least once every 2 years, the
12 Secretary shall conduct an evaluation of each university
13 center receiving assistance under title III (referred to in this
14 section as a ‘university center’) and economic development
15 district receiving grant assistance under this Act to assess
16 the performance and contribution toward job creation of the
17 recipient.

18 “(b) *CRITERIA.*—

19 “(1) *ESTABLISHMENT.*—The Secretary shall es-
20 tablish criteria for use in conducting evaluations
21 under subsection (a).

22 “(2) *CRITERIA FOR UNIVERSITY CENTERS.*—The
23 criteria for evaluation of a university center shall, at
24 a minimum, provide for an assessment of the con-
25 tribution of the center to providing technical assist-

1 *ance, conducting applied research, and disseminating*
2 *results of the activities of the center.*

3 “(3) *CRITERIA FOR ECONOMIC DEVELOPMENT*
4 *DISTRICTS.—The criteria for evaluation of an eco-*
5 *nomic development district shall, at a minimum, pro-*
6 *vide for an assessment of management standards, fi-*
7 *nanacial accountability, and program performance.*

8 “(c) *PEER REVIEW.—In conducting an evaluation of*
9 *a university center under subsection (a), the Secretary shall*
10 *provide for the participation in the evaluation of at least*
11 *1 other university center on a cost-reimbursement basis.”.*

12 **SEC. 19. TRANSFER OF FUNDS.**

13 *Section 708 of the Public Works and Economic Devel-*
14 *opment Act of 1965 (42 U.S.C. 3218) is amended by adding*
15 *at the end the following new subsection:*

16 “(d) *Notwithstanding any other provision of law, the*
17 *Secretary may accept such transfers of funds from other de-*
18 *partments and agencies of the Federal Government as the*
19 *Secretary determines to be appropriate and use such funds*
20 *to carry out objectives of this Act, if the Secretary uses the*
21 *funds to carry out objectives for which (and in accordance*
22 *with the terms under which) the funds are specifically au-*
23 *thorized and appropriated. Not more than 5 percent of such*
24 *funds may be transferred to the account relating to salaries*

1 *and expenses of the Economic Development Administra-*
2 *tion.”.*

3 **SEC. 20. EXTENSION OF BENEFITS.**

4 *Section 715 of the Public Works and Economic Devel-*
5 *opment Act of 1965 (42 U.S.C. 3225) is amended by strik-*
6 *ing “such areas as may be designated as ‘redevelopment*
7 *areas’ or ‘economic development centers’ under the author-*
8 *ity of section 401 or 403 of this Act:” and inserting “rede-*
9 *velopment areas and such areas as may be designated as*
10 *‘economic development centers’ under section 403:”.*

11 **SEC. 21. SUPERVISION OF REGIONAL COUNSELS.**

12 *Title VII of the Public Works and Economic Develop-*
13 *ment Act of 1965 (42 U.S.C. 3211–3226) is amended by*
14 *adding at the end the following new section:*

15 **“SEC. 717. SUPERVISION OF REGIONAL COUNSELS.**

16 *“The Secretary shall take such actions as may be nec-*
17 *essary to ensure that individuals serving as Regional Coun-*
18 *sels of the Economic Development Administration report*
19 *directly to their respective Regional Directors, except that*
20 *the General Counsel shall have authority to make deter-*
21 *minations relating to the technical legal ability of the indi-*
22 *viduals.”.*

23 **SEC. 22. PURPOSE.**

24 *The first sentence of section 901 of the Public Works*
25 *and Economic Development Act of 1965 (42 U.S.C. 3241)*

1 *is amended by striking “It is the purpose of this title” and*
2 *inserting “The purposes of title I and of this title are”.*

3 **SEC. 23. DEFINITION OF ELIGIBLE RECIPIENT.**

4 *Section 902 of the Public Works and Economic Devel-*
5 *opment Act of 1965 (42 U.S.C. 3242) is amended to read*
6 *as follows:*

7 **“SEC. 902. DEFINITION.**

8 *“As used in this title, the term ‘eligible recipient’*
9 *means a redevelopment area, an economic development dis-*
10 *trict, an Indian tribe, a State, a city or other political sub-*
11 *division of a State, a consortium of such political subdivi-*
12 *sions, a public or private nonprofit organization, or a pub-*
13 *lic or private nonprofit association.”.*

14 **SEC. 24. BASE CLOSINGS AND REALIGNMENTS.**

15 *Section 903 of the Public Works and Economic Devel-*
16 *opment Act of 1965 (42 U.S.C. 3243) is amended—*

17 *(1) in the matter following subparagraph (B) of*
18 *subsection (a)(1), by striking “unemployment com-*
19 *pensation (in accordance with subsection (d) of this*
20 *section), rent supplements, mortgage payment assist-*
21 *ance, research,” and inserting “administrative ex-*
22 *penses, industrial retention,”; and*

23 *(2) by adding at the end the following new sub-*
24 *section:*

1 “(e)(1) In any case in which the Secretary determines
2 that a need exists for assistance under subsection (a) due
3 to the closure or realignment of a military installation, or
4 for an industrial, a community, or a workforce adjustment
5 due to a reduction in amounts made available under or ter-
6 mination of a defense contract, the Secretary may make
7 such assistance available to an eligible recipient for a
8 project to be carried out on the military installation, for
9 a project to be carried out in a community adversely af-
10 fected by the closure or realignment, or for defense conver-
11 sion activities.

12 “(2) Notwithstanding any other provision of law, the
13 Secretary may provide to an eligible recipient any assist-
14 ance available under this title for a project to be carried
15 out on a military installation that is closed or scheduled
16 for closure or realignment, or for defense conversion activi-
17 ties, without requiring that the eligible recipient have title
18 to the property on which the installation is located or the
19 activities will be carried out, or a leasehold interest in the
20 property, for any specified term.”.

21 **SEC. 25. OUTREACH TO COMMUNITIES ADVERSELY AF-**
22 **FFECTED BY CLOSURES AND REALIGNMENTS**
23 **OF MILITARY INSTALLATIONS.**

24 Title IX of the Public Works and Economic Develop-
25 ment Act of 1965 (42 U.S.C. 3241–3245) is amended—

1 (1) by redesignating section 905 as section 909;

2 and

3 (2) by inserting after section 904 the following

4 new section:

5 **“SEC. 905. OUTREACH TO COMMUNITIES ADVERSELY AF-**

6 **FFECTED BY CLOSURES AND REALIGNMENTS**

7 **OF MILITARY INSTALLATIONS.**

8 “(a) *DESIGNATION OF AGENCY REPRESENTATIVES.*—

9 *The Assistant Secretary for Economic Development shall*

10 *designate for each State in which communities are ad-*

11 *versely affected by closures and realignments of military in-*

12 *stallations, an individual to serve as a representative of the*

13 *Economic Development Administration. Such individual*

14 *may be the State Economic Development Agency Represent-*

15 *ative or another qualified individual.*

16 “(b) *RESPONSIBILITIES.*—*Individuals appointed as*

17 *agency representatives under subsection (a) shall provide*

18 *outreach and technical assistance, to communities adversely*

19 *affected by closures and realignments of military installa-*

20 *tions, on obtaining assistance from the Economic Develop-*

21 *ment Administration.”.*

22 **SEC. 26. TREATMENT OF REVOLVING LOAN FUNDS.**

23 *Title IX of the Public Works and Economic Develop-*

24 *ment Act of 1965 (42 U.S.C. 3241–3245) (as amended by*

1 section 25) is further amended by inserting after section
2 905 the following new section:

3 **“SEC. 906. TREATMENT OF REVOLVING LOAN FUNDS.**

4 “(a) *IN GENERAL.*—An amount made available
5 through a grant made under this title that is used by an
6 eligible recipient to establish a revolving loan fund shall
7 not be treated, except as provided by subsection (b), as an
8 amount derived from Federal funds for the purposes of any
9 Federal law after such amount is loaned from the fund to
10 a borrower and repaid to the fund.

11 “(b) *EXCEPTIONS.*—An amount described in sub-
12 section (a) that is loaned from a revolving loan fund to
13 a borrower and repaid to the fund—

14 “(1) may be used only for a project that is con-
15 sistent with the purposes of this title; and

16 “(2) shall be subject to the financial manage-
17 ment, accounting, reporting, and auditing require-
18 ments that were originally applicable to such amount
19 on the date on which the Secretary made the amount
20 available to the recipient through a grant described in
21 subsection (a).

22 “(c) *REGULATIONS.*—Not later than 30 days after the
23 date of enactment of this section, the Secretary shall issue
24 regulations to carry out subsection (a).

1 “(d) *PUBLIC REVIEW AND COMMENT.*—Before issuing
 2 any final guidelines or administrative manuals governing
 3 the operation of revolving loan funds established using
 4 amounts from grants made under this title, the Secretary
 5 shall provide reasonable opportunity for public review of
 6 and comment on such guidelines and administrative manu-
 7 als.”

8 **SEC. 27. SALE OF FINANCIAL INSTRUMENTS IN REVOLVING**
 9 **LOAN FUNDS.**

10 Title IX of the Public Works and Economic Develop-
 11 ment Act of 1965 (42 U.S.C. 3241–3245) (as amended by
 12 section 26) is further amended by inserting after section
 13 906 the following new section:

14 **“SEC. 907. SALE OF FINANCIAL INSTRUMENTS IN REVOLV-**
 15 **ING LOAN FUNDS.**

16 “Any loan, loan guarantee, or other financial instru-
 17 ment in the portfolio of a revolving loan fund described in
 18 section 906 may be sold, at the discretion of the grant recip-
 19 ient that established the fund, to a third party. The proceeds
 20 of the sale—

21 “(1) shall be deposited in the fund and only used
 22 for projects that are consistent with the purposes of
 23 this title; and

24 “(2) shall be subject to the financial manage-
 25 ment, accounting, reporting, and auditing require-

1 *ments that were originally applicable to the financial*
2 *instrument on the date on which the financial instru-*
3 *ment was entered into.”.*

4 **SEC. 28. COMPETITIVE COMMUNITIES PILOT PROGRAM.**

5 *Title IX of the Public Works and Economic Develop-*
6 *ment Act of 1965 (42 U.S.C. 3241–3245) (as amended by*
7 *section 27) is further amended by inserting after section*
8 *907 the following new section:*

9 **“SEC. 908. COMPETITIVE COMMUNITIES PILOT PROGRAM.**

10 *“(a) DEFINITION.—As used in this section, the term*
11 *‘eligible intermediary recipient’ means—*

12 *“(1) a redevelopment area or an economic devel-*
13 *opment district established under title IV;*

14 *“(2) an Indian tribe;*

15 *“(3) a public-private entity sponsored by a State*
16 *or other political subdivision of a State, or by a com-*
17 *munity division of a State;*

18 *“(4) a community development corporation;*

19 *“(5) a public or private not-for-profit corpora-*
20 *tion; and*

21 *“(6) a consortium of recipients described in any*
22 *of paragraphs (1) through (5);*

23 *that demonstrates the financial expertise, ability, and legal*
24 *authority to provide the investment for a transaction, as*

1 *well as the ability to develop and implement an overall eco-*
2 *nomie development plan as provided in section 402.*

3 “(b) *PROGRAM.*—*The Secretary may establish a com-*
4 *petitive communities pilot program and, in carrying out*
5 *the program, may make grants, loans, or loan guarantees*
6 *directly to or for the benefit of any eligible recipients (in-*
7 *cluding eligible intermediary recipients) for the purpose of*
8 *investing in identified business transactions that will create*
9 *opportunities for long-term employment in economically*
10 *distressed communities.*

11 “(c) *APPLICATIONS.*—*To be eligible to receive financial*
12 *assistance under this section, a person or an entity shall*
13 *submit an application to the Secretary at such time, in*
14 *such manner, and containing such information as the Sec-*
15 *retary may require.*

16 “(d) *PANEL OF EXPERTS.*—*The Secretary shall estab-*
17 *lish a panel of experts to review applications submitted to*
18 *the Secretary under subsection (c). The panel shall consist*
19 *of 7 members as follows:*

20 “(1) *The Secretary (or the designee of the Sec-*
21 *retary).*

22 “(2) *The Assistant Secretary for Economic De-*
23 *velopment.*

24 “(3) *1 Regional Director of the Economic Devel-*
25 *opment Administration, appointed by the Secretary.*

1 “(4) 1 State Economic Development Representa-
2 tive, appointed by the Secretary.

3 “(5) 3 private citizens with economic develop-
4 ment and business expertise, appointed by the Sec-
5 retary.

6 “(e) CRITERIA FOR SELECTION.—The Secretary shall
7 select recipients to receive financial assistance under this
8 section, based on the quality of the applications submitted
9 and the extent to which the applications describe activities
10 to encompass investment initiatives that promote public
11 and private sector partnerships to advance the competitive-
12 ness of the economy of local communities through the cre-
13 ation of long-term sustainable employment opportunities.

14 “(f) DEADLINES.—

15 “(1) ACTION ON APPLICATIONS.—In the case of
16 each application submitted under subsection (c) that
17 is received by a deadline established and published in
18 the Federal Register, the Secretary shall approve or
19 disapprove the application on or before the 60th day
20 after the deadline.

21 “(2) USE OF ASSISTANCE.—Any agreement relat-
22 ing to an amount of financial assistance under this
23 section that is entered into by the Secretary and an
24 eligible recipient under the program shall require that
25 the eligible recipient provide assistance to businesses

1 subsections (a) and (b), not more than \$40,000,000 shall
2 be available for fiscal year 1995 to carry out section 908,
3 of which not more than \$15,000,000 shall be available from
4 amounts appropriated under subsection (a) and not more
5 than \$25,000,000 shall be available from amounts appro-
6 priated under subsection (b).”.

7 **SEC. 30. COMPLIANCE WITH BUY AMERICAN ACT.**

8 None of the funds made available under this title, or
9 any amendment made by this title, may be expended to ac-
10 quire articles, materials, or supplies, or to procure services,
11 in violation of the applicable provisions of sections 2
12 through 4 of title III of the Act of March 3, 1933 (commonly
13 known as the “Buy American Act”) (41 U.S.C. 10a-
14 10b-1).

15 **SEC. 31. REGULATORY RELIEF.**

16 The Assistant Secretary for Economic Development,
17 acting on a petition from an entity impacted adversely by
18 a Federal regulation on a matter of economic development
19 described in the Public Works and Economic Development
20 Act of 1965 (42 U.S.C. 3121 et seq.), shall notify the officer
21 who is the head of the department or agency that issued
22 and administers the regulation and suggest that the officer
23 waive regulations that interfere with economic development.
24 Nothing in this section shall be construed to preempt the
25 authority of the head of a department or agency to waive

1 *regulations. Nothing in this section shall be construed to*
2 *affect the ability of the Assistant Secretary for Economic*
3 *Development to carry out the duties of the Assistant Sec-*
4 *retary, as otherwise provided by law.*

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