

105TH CONGRESS  
1ST SESSION

# S. 300

To prohibit the use of certain assistance provided under the Housing and Community Development Act of 1974 to encourage plant closings and the resultant relocation of employment, and for other purposes.

---

## IN THE SENATE OF THE UNITED STATES

FEBRUARY 11, 1997

Mr. FEINGOLD (for himself and Mr. KOHL) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

---

## A BILL

To prohibit the use of certain assistance provided under the Housing and Community Development Act of 1974 to encourage plant closings and the resultant relocation of employment, 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,*

3 **SECTION 1. PROHIBITION OF USE OF CERTAIN ASSISTANCE**

4 **TO ENCOURAGE PLANT CLOSINGS AND RE-**  
5 **SULTANT RELOCATION OF EMPLOYMENT.**

6 (a) AUTHORIZATIONS.—Section 103 of the Housing  
7 and Community Development Act of 1974 (42 U.S.C.  
8 5303) is amended—

1 (1) by inserting “(a)” before “The Secretary”;

2 and

3 (2) by adding at the end the following new sub-

4 section:

5 “(b) PROHIBITION OF USE OF ASSISTANCE TO EN-

6 COURAGE PLANT CLOSINGS AND RESULTANT RELOCA-

7 TION OF EMPLOYMENT.—

8 “(1) IN GENERAL.—Notwithstanding any other  
9 provision of law, no amount from a grant made  
10 under section 106 shall be used for any activity that  
11 is intended or is likely to—

12 “(A) facilitate the closing of an industrial  
13 or commercial plant or the substantial reduc-  
14 tion of operations of a plant; and

15 “(B) result in the relocation or expansion  
16 of a plant from one area to another area.

17 “(2) NOTICE.—The Secretary shall, by notice  
18 published in the Federal Register, establish such re-  
19 quirements as may be necessary to implement this  
20 subsection. Such notice shall be published as a pro-  
21 posed regulation and take effect upon publication.  
22 The Secretary shall issue final regulations, taking  
23 into account public comments received by the Sec-  
24 retary.”.

1 (b) SPECIAL PURPOSE GRANTS.—Section 107 of the  
2 Housing and Community Development Act of 1974 (42  
3 U.S.C. 5307) is amended by adding at the end the follow-  
4 ing new subsection:

5 “(g) PROHIBITION OF USE OF ASSISTANCE TO EN-  
6 COURAGE PLANT CLOSINGS AND RESULTANT RELOCA-  
7 TION OF EMPLOYMENT.—

8 “(1) IN GENERAL.—Notwithstanding any other  
9 provision of law, no amount from a grant made  
10 under this section shall be used for any activity that  
11 is intended or is likely to—

12 “(A) facilitate the closing of an industrial  
13 or commercial plant or the substantial reduc-  
14 tion of operations of a plant; and

15 “(B) result in the relocation or expansion  
16 of a plant from one area to another area.

17 “(2) NOTICE.—The Secretary shall, by notice  
18 published in the Federal Register, establish such re-  
19 quirements as may be necessary to implement this  
20 subsection. Such notice shall be published as a pro-  
21 posed regulation and take effect upon publication.  
22 The Secretary shall issue final regulations, taking  
23 into account public comments received by the Sec-  
24 retary.”.

1           (c) ECONOMIC DEVELOPMENT GRANTS.—Section  
2 108(q) of the Housing and Community Development Act  
3 of 1974 (42 U.S.C. 5308(q)) is amended by adding at the  
4 end the following new paragraph:

5           “(5) PROHIBITION OF USE OF ASSISTANCE TO  
6 ENCOURAGE PLANT CLOSINGS AND RESULTANT RE-  
7 LOCATION OF EMPLOYMENT.—

8           “(A) IN GENERAL.—Notwithstanding any  
9 other provision of law, no amount from a grant  
10 made under this subsection shall be used for  
11 any activity that is intended or is likely to—

12           “(i) facilitate the closing of an indus-  
13 trial or commercial plant or the substantial  
14 reduction of operations of a plant; and

15           “(ii) result in the relocation or expan-  
16 sion of a plant from one area to another  
17 area.

18           “(B) NOTICE.—The Secretary shall, by no-  
19 tice published in the Federal Register, establish  
20 such requirements as may be necessary to im-  
21 plement this paragraph. Such notice shall be  
22 published as a proposed regulation and take ef-  
23 fect upon publication. The Secretary shall issue

1 final regulations, taking into account public  
2 comments received by the Secretary.”.

○