

HR 2535

Economic Development Administration Reauthorization Act of 2003

**Congress:** 108 (2003–2005, Ended)

**Chamber:** House

**Policy Area:** Economics and Public Finance

**Introduced:** Jun 19, 2003

**Current Status:** Received in the Senate and Read twice and referred to the Committee on Environment and Public Works.

**Latest Action:** Received in the Senate and Read twice and referred to the Committee on Environment and Public Works. (Oct 21, 2003)

**Official Text:** <https://www.congress.gov/bill/108th-congress/house-bill/2535>

Sponsor

**Name:** Rep. LaTourette, Steven C. [R-OH-14]

**Party:** Republican • **State:** OH • **Chamber:** House

Cosponsors (6 total)

Cosponsor	Party / State	Role	Date Joined
Del. Norton, Eleanor Holmes [D-DC-At Large]	D · DC		Jun 19, 2003
Rep. Oberstar, James L. [D-MN-8]	D · MN		Jun 19, 2003
Rep. Young, Don [R-AK-At Large]	R · AK		Jun 19, 2003
Rep. Hall, Ralph M. [D-TX-4]	D · TX		Jul 23, 2003
Rep. McHugh, John M. [R-NY-23]	R · NY		Jul 23, 2003
Resident Commissioner Acevedo-Vila, Anibal [D-PR-At Large]	D · PR		Jul 23, 2003

Committee Activity

Committee	Chamber	Activity	Date
Environment and Public Works Committee	Senate	Referred To	Oct 21, 2003
Financial Services Committee	House	Referred to	Jul 7, 2003
Transportation and Infrastructure Committee	House	Reported By	Jul 25, 2003

Subjects & Policy Tags

Policy Area:

Economics and Public Finance

Related Bills

Bill	Relationship	Last Action
108 S 1134	Related bill	Oct 27, 2004: Became Public Law No: 108-373.
108 HR 587	Related bill	Nov 6, 2003: Placed on the Union Calendar, Calendar No. 207.

Economic Development Administration Reauthorization Act of 2003 - **Title I: General Provisions** - (Sec. 102) Amends the Public Works and Economic Development Act of 1965 to revise the definition of an eligible recipient to: (1) remove reference to the meaning of an eligible recipient as an area having a low per capita income, an unemployment rate that is above the national average, or actual or threatened severe unemployment or economic adjustment problems; and (2) include a special purpose unit of a State or local government engaged in economic or infrastructure development activities under the meaning of a city or other political subdivision of a State.

Defines the term "Regional Commissions" to mean the following entities: (1) the Appalachian Regional Commission; (2) the Delta Regional Authority; (3) the Denali Commission; and (4) the Northern Great Plains Regional Authority.

Defines the term "university centers" to mean an institution of higher education or a consortium of institutions of higher education established as a University Center for Economic Development under the Act.

(Sec. 103) Authorizes the Secretary of Commerce to provide technical assistance for economic development activities and partnerships to nonprofit entities. Removes reference to adjoining States with respect to authorizing the Secretary to enter into a cooperative agreement with any two or more States, or an organization of any two or more States, in support of effective economic development.

(Sec. 104) Provides for the Secretary to: (1) coordinate with Indian tribes on activities related to the preparation and implementation of comprehensive economic development strategies; and (2) convene meetings with Federal agencies, State and local governments, economic development districts, Indian tribes, and other appropriate planning and development organizations to improve coordination between Federal agencies.

**Title II: Grants for Public Works and Economic Development** - (Sec. 201) Requires State plans developed with grants for planning to be developed, to the maximum extent practicable, cooperatively by the State's political subdivisions and economic development districts. Repeals requirements for certification of State plans by the Secretary and replaces them with a requirement instructing the Secretary, before providing assistance for a State plan, to consider the extent to which the State will consider local and economic district plans. Requires any overall State economic development planning assisted as part of a comprehensive planning process to include considering the provision of public works to assist in carrying out a State's workforce investment strategy.

(Sec. 202) Revises Federal and non-Federal cost sharing requirements to: (1) direct the Secretary to issue regulations to establish the Federal share of the costs of projects based on the relative needs of the areas in which such projects will be located; (2) limit the Federal share of the cost of any project to 80 percent; (3) allow the Secretary to increase the Federal cost share up to 100 percent for projects for Indian tribes and certain States, political subdivisions, and nonprofit organizations; and (4) limit the Federal share of the costs of planning activities to at least 65 percent and not more than 80 percent.

(Sec. 203) Disallows the share of the project cost supported by a supplementary grant from exceeding the applicable Federal share under this Act. Revises requirements regarding the forms in which the Secretary may make supplementary grants.

(Sec. 204) Directs the Secretary, in promulgating rules, regulations, and procedures for assistance, to ensure that grants under the Act will promote job creation and will have a high probability of meeting or exceeding applicable performance requirements.

(Sec. 205) Authorizes the Secretary to make training, research, and technical assistance grants for studies to evaluate the effectiveness of coordinating funded projects with projects funded under other acts. Permits, for an assisted project that is national or regional in scope, the waiver of the provision requiring a nonprofit organization or association to act in cooperation with officials of a political subdivision of a State.

(Sec. 206) Repeals current provisions concerning the prevention of unfair competition.

(Sec. 207) Directs the Secretary to issue regulations to maintain the proper operation and financial integrity of revolving loan funds established by assistance recipients. Authorizes the Secretary: (1) at a grantee's request, to amend and consolidate grant agreements governing revolving loan funds to provide flexibility with respect to lending areas and borrower criteria; (2) assign or transfer assets of a revolving loan fund to a third party for the purpose of liquidation; and (3) take appropriate actions to enable revolving loan fund operators to sell or securitize loans, except that the actions may not include issuance of a Federal guaranty. Prohibits any securities issued pursuant to such actions from being treated as exempted securities for purposes of the Securities Act of 1933 and the Securities Exchange Act of 1934, unless exempted by rule or regulation of the Securities and Exchange Commission.

(Sec. 208) Revises provisions concerning the use of funds in projects constructed under projected cost to authorize the Secretary to: (1) approve the use of excess funds to increase the Federal share of a project's cost to the maximum percentage allowable or to improve the project; and (2) use any funds remaining following such increase for providing assistance under the Act.

(Sec. 209) Authorizes the Secretary to determine that a grant recipient is unable to comply with comprehensive economic development strategy requirements and designate the area represented by the recipient as a special impact area. Permits the waiver of such requirements with respect to such a special impact area if the Secretary determines that the waiver will carry out the Act's purposes. Requires the Secretary, before issuing a waiver, to transmit a written notice of the waiver, including a justification for it, to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate (the congressional committees).

(Sec. 210) Authorizes the Secretary to make performance incentive grants and establish performance measures in connection with project grants. Limits the amount of a performance incentive grant to ten percent of the project grant amount. Permits: (1) a recipient to use a performance incentive grant for any eligible purpose under the Act; and (2) a grant to be used for up to 100 percent of the cost of an eligible project or activity.

Instructs the Secretary to include information regarding performance incentive grants in annual reports to Congress required by the Act.

Requires the Comptroller General to review and transmit annual reports to the congressional committees on the implementation of such performance incentive program each fiscal year.

(Sec. 211) Authorizes the Secretary to make planning performance awards in connection with grants made to eligible recipients for projects located in economic development districts. Allows the Secretary to make an award to a recipient for a project if, before closeout of the project, the Secretary has determined that: (1) the recipient actively participated in the economic development activities of the economic development district in which the project is located; (2) the project is consistent with the district's comprehensive economic development strategy; (3) the recipient worked with Federal, State, and local economic development entities throughout the development of the project; and (4) the project was completed in accordance with the district's strategy. Prohibits the amount of a performance planning award from exceeding five percent of the grant amount. Allows an award recipient to use the award to increase the Federal cost share of a project.

Permits the amounts of an award to be used for up to 100 percent of a project's cost.

(Sec. 212) Allows a grant recipient to directly expend grant funds or redistribute them as subgrants to other eligible recipients, with the exception of for-profit entities, to fund required components of the scope of work approved for the project.

(Sec. 213) Authorizes the Secretary to make grants to qualified eligible recipients for projects to expand, redevelop, or reuse brownfield sites. Subjects projects to the limitations on the use of grants and loans for brownfields revitalization under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, except that recipients may use grant funds awarded for the administrative costs of economic development activities.

(Sec. 214) Authorizes the Secretary to make grants to qualified eligible recipients for a project for the development of brightfield sites if the project will: (1) utilize solar energy technologies to develop abandoned or contaminated sites for commercial use; and (2) improve the commercial and economic opportunities in the area in which the project is located. Authorizes appropriations. Subjects projects to the limitations on the use of grants and loans for brownfields revitalization under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, except that recipients may use grant funds awarded for the administrative costs of economic development activities.

**Title III: Comprehensive Economic Development Strategies** - (Sec. 301) Requires: (1) a comprehensive economic development strategy to address economic problems in an area receiving assistance under the Act in a manner that maximizes effective development and use of the workforce consistent with any applicable State and or local workforce investment strategy; and (2) a comprehensive economic development strategy developed under another federally supported program that the Secretary has accepted for such an area, to the maximum extent practicable, to be consistent and coordinated with any such existing strategy for such area.

**Title IV: Economic Development Districts** - (Sec. 402) Requires that if any economic development district is in a region covered by one or more of the Regional Commissions, the economic development district shall ensure that a copy of the comprehensive economic development strategy of the district is provided to the affected Regional Commission. (Currently, this requirement is applicable only to the Appalachian Regional Commission.)

**Title V: Administration** - (Sec. 501) Modifies provisions concerning the operation of the economic development information clearinghouse, including specifying that the clearinghouse will be maintained on the Internet and deleting references to political subdivisions and local laws.

(Sec. 502) Repeals provisions authorizing providing Federal agency procurement divisions with a list of the names and addresses of businesses that are located in economic distress areas and that seek to obtain Government contracts.

(Sec. 504) Requires the criteria for evaluation of a university center to include providing for an assessment of the center's program performance.

**Title VI: Miscellaneous** - (Sec. 602) Expresses the sense of Congress that the Secretary should maintain a sufficient number of Economic Development Representatives to ensure that the Economic Development Administration is able to provide effective assistance to distressed communities and foster economic growth and development among the States.

**Title VII: Funding** - (Sec. 701) Authorizes appropriations for: (1) economic development assistance programs for carrying out the Act for FY 2004 through 2008; and (2) for salaries and expenses for administering such Act.

**Title VIII: Appalachian Regional Development** - (Sec. 801) Amends Federal provisions concerning Appalachian

regional development to revise the definition of "Appalachian region" to include: (1) Nicholas and Robertson Counties in Kentucky; (2) Ashtabula, Fayette, Mahoning, and Trumbull Counties in Ohio; (3) Giles, Lawrence, Lewis, and Lincoln Counties in Tennessee; and (4) Henry and Patrick Counties in Virginia.

(Sec. 802) Increases the authorizations of appropriations to the Appalachian Regional Commission to carry out such regional development.

### Actions Timeline

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- **Oct 21, 2003:** Consideration initiated pursuant to a previous order. (consideration: CR H9759-9770; text of measure as reported in House: CR H9759-9762)
- **Oct 21, 2003:** Considered pursuant to a previous order.
- **Oct 21, 2003:** DEBATE - Pursuant to a previous order, the House proceeded with one hour of debate on H.R. 2535, as amended.
- **Oct 21, 2003:** The previous question was ordered pursuant to a previous order of the House.
- **Oct 21, 2003:** Passed/agreed to in House: On passage Passed by voice vote.
- **Oct 21, 2003:** On passage Passed by voice vote.
- **Oct 21, 2003:** Motion to reconsider laid on the table Agreed to without objection.
- **Oct 21, 2003:** Received in the Senate and Read twice and referred to the Committee on Environment and Public Works.
- **Oct 20, 2003:** Mrs. Blackburn asked unanimous consent That it shall be in order any time without intervention of any point of order to consider in the House H.R. 2535; the bill shall be considered as read for amendment; the amendment in the nature of a substitute recommended by the Committee on Transportation and Infrastructure now printed in the bill, modified by the amendment placed at the desk, shall be considered as adopted; all points of order against the bill, as amended, shall be waived; the previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled; (2) one motion to recommit with or without instructions. Agreed to without objection.
- **Sep 2, 2003:** Committee on Financial Services discharged.
- **Sep 2, 2003:** Committee on Financial Services discharged.
- **Sep 2, 2003:** Placed on the Union Calendar, Calendar No. 137.
- **Jul 25, 2003:** Reported (Amended) by the Committee on Transportation. H. Rept. 108-242, Part I.
- **Jul 25, 2003:** Reported (Amended) by the Committee on Transportation. H. Rept. 108-242, Part I.
- **Jul 25, 2003:** House Committee on Financial Services Granted an extension for further consideration ending not later than Sept. 2, 2003.
- **Jul 7, 2003:** Referred to the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology.
- **Jun 25, 2003:** Committee Consideration and Mark-up Session Held.
- **Jun 25, 2003:** Ordered to be Reported (Amended) by Voice Vote.
- **Jun 19, 2003:** Introduced in House
- **Jun 19, 2003:** Introduced in House
- **Jun 19, 2003:** Referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
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