

"maximizes effective development and use of the workforce consistent with any applicable State or local workforce investment strategy," after "access."

(b) APPROVAL OF OTHER PLAN.—Section 302(c) (42 U.S.C. 3162(c)) is amended by adding at the end the following: "To the maximum extent practicable, a plan submitted under this paragraph shall be consistent and coordinated with any existing comprehensive economic development strategy for the area."

TITLE IV—ECONOMIC DEVELOPMENT DISTRICTS

SEC. 401. INCENTIVES.

Section 403 (42 U.S.C. 3173), and the item relating to section 403 in the table of contents contained in section 1(b), are repealed.

SEC. 402. PROVISION OF COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES TO REGIONAL COMMISSIONS.

(a) IN GENERAL.—Section 404 (42 U.S.C. 3174) is amended to read as follows:

"SEC. 404. PROVISION OF COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES TO REGIONAL COMMISSIONS.

"If any part of an economic development district is in a region covered by one or more of the Regional Commissions (as defined in section 3), 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."

(b) CONFORMING AMENDMENT.—The table of contents contained in section 1(b) is amended by striking the item relating to section 404 and inserting the following:

"Sec. 404. Provision of comprehensive economic development strategies to Regional Commissions."

TITLE V—ADMINISTRATION

SEC. 501. ECONOMIC DEVELOPMENT INFORMATION CLEARINGHOUSE.

Section 502 (42 U.S.C. 3192) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) maintain a central information clearinghouse on the Internet with—

"(A) information on economic development, economic adjustment, disaster recovery, defense conversion, and trade adjustment programs and activities of the Federal Government;

"(B) links to State economic development organizations; and

"(C) links to other appropriate economic development resources;"

(2) by striking paragraph (2) and inserting the following:

"(2) assist potential and actual applicants for economic development, economic adjustment, disaster recovery, defense conversion, and trade adjustment assistance under Federal and State laws in locating and applying for the assistance;"

(3) by striking the period at the end of paragraph (3) and inserting ";" and"; and

(4) by adding at the end the following:

"(4) obtain appropriate information from other Federal agencies needed to carry out the duties under this Act."

SEC. 502. BUSINESSES DESIRING FEDERAL CONTRACTS.

Section 505 (42 U.S.C. 3195), and the item relating to section 505 in the table of contents contained in section 1(b), are repealed.

SEC. 503. PERFORMANCE EVALUATIONS OF GRANT RECIPIENTS.

Section 506(c) (42 U.S.C. 3196(c)) is amended by striking "after the effective date of the Economic Development Administration Reform Act of 1998".

SEC. 504. CONFORMING AMENDMENTS.

(a) STANDARDS.—Section 602 (42 U.S.C. 3212) is amended—

(1) in the first sentence by striking "in accordance with" and all that follows before the period at the end and inserting "in accordance

with subchapter IV of chapter 31 of title 40, United States Code"; and

(2) in the third sentence by striking "section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c)" and inserting "section 3145 of title 40, United States Code".

(b) EVALUATION CRITERIA.—Section 506(d)(2) (42 U.S.C. 3196(d)(2)) is amended by inserting "program performance," after "applied research,".

TITLE VI—MISCELLANEOUS

SEC. 601. RELATIONSHIP TO ASSISTANCE UNDER OTHER LAW.

Section 609 (42 U.S.C. 3219) is amended—

(1) by striking subsection (a); and

(2) by striking "(b) ASSISTANCE UNDER OTHER ACTS.—".

SEC. 602. SENSE OF CONGRESS REGARDING ECONOMIC DEVELOPMENT REPRESENTATIVES.

(a) FINDINGS.—Congress finds the following:

(1) Planning and coordination among Federal agencies, State and local governments, Indian tribes, and economic development districts is vital to the success of an economic development program.

(2) Economic Development Representatives of the Economic Development Administration provide distressed communities with the technical assistance necessary to foster this planning and coordination.

(3) In the past five years, the number of Economic Development Representatives has declined by almost 25 percent.

(b) SENSE OF CONGRESS.—It is 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. AUTHORIZATION OF APPROPRIATIONS.

Section 701 (42 U.S.C. 3231) is amended to read as follows:

"SEC. 701. GENERAL AUTHORIZATION OF APPROPRIATIONS.

"(a) ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS.—There are authorized to be appropriated for economic development assistance programs to carry out this Act—

"(1) \$400,000,000 for fiscal year 2004;

"(2) \$425,000,000 for fiscal year 2005;

"(3) \$450,000,000 for fiscal year 2006;

"(4) \$475,000,000 for fiscal year 2007; and

"(5) \$500,000,000 for fiscal year 2008.

Such sums shall remain available until expended.

"(b) SALARIES AND EXPENSES.—There are authorized to be appropriated for salaries and expenses of administering this Act \$33,377,000 for fiscal year 2004 and such sums as may be necessary for each fiscal year thereafter. Such sums shall remain available until expended."

TITLE VIII—APPALACHIAN REGIONAL DEVELOPMENT

SEC. 801. ADDITIONS TO APPALACHIAN REGION.

(a) KENTUCKY.—Section 14102(a)(1)(C) of title 40, United States Code, is amended—

(1) by inserting "Nicholas," after "Morgan,"; and

(2) by inserting "Robertson," after "Pulaski,".

(b) OHIO.—Section 14102(a)(1)(H) of such title is amended—

(1) by inserting "Ashtabula," after "Adams,";

(2) by inserting "Fayette," after "Coshocton,";

(3) by inserting "Mahoning," after "Lawrence,"; and

(c) TENNESSEE.—Section 14102(a)(1)(K) of such title is amended—

(1) by inserting "Giles," after "Franklin,"; and

(2) by inserting "Lawrence, Lewis, Lincoln," after "Knox,".

(d) VIRGINIA.—Section 14102(a)(1)(L) of such title is amended—

(1) by inserting "Henry," after "Grayson,"; and

(2) by inserting "Patrick," after "Montgomery,".

SEC. 802. AUTHORIZATION OF APPROPRIATIONS.

Section 14703(a) of title 40, United States Code, is amended by striking paragraphs (1) through (3) and inserting the following:

"(1) \$88,000,000 for each of fiscal years 2002 and 2003.

"(2) \$91,000,000 for fiscal year 2004.

"(3) \$93,000,000 for fiscal year 2005.

"(4) \$95,000,000 for fiscal year 2006."

The SPEAKER pro tempore. The gentleman from Ohio (Mr. LATOURETTE) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. LATOURETTE).

Mr. LATOURETTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2535, the Economic Development Administration Reauthorization Act, continues the work of the EDA by reauthorizing the agency for 5 years, updates the statute to reflect a changing economy, promotes the efficient use of resources, eliminates unnecessary and outdated provisions, and gives the Secretary flexibility to assist particularly hard-hit parts of the country. This reauthorization also includes several new provisions that will be important additions to the work of the EDA.

This legislation creates a performance-based incentive program in which eligible recipients are eligible for a bonus of up to 10 percent of the project cost by meeting criteria established in regulation; allows for the improved management and operation of revolving loan funds by amending loan areas and consolidating overlapping loans with the operator's consent and by crafting regulations that would allow for the securitization of loans consistent with security laws; and creates a planning performance award that awards up to 5 percent of a grant amount if a recipient meets several mandated criteria. By adding these provisions, EDA can better serve its constituents and do more to improve the economic future of America.

This legislation was developed through an intense process of hearings and markups. It was an open process that allowed for the input of all Members and groups with an interest in the legislation. This process has resulted in legislation that has broad bipartisan support, the support of the administration, and the support of such important partners as the National Association of Development Organizations, International Economic Development Council, National League of Cities, National Association of Counties, and the United States Conference of Mayors. This is a well-crafted piece of legislation. I want to thank the chairman of our full committee the gentleman from Alaska (Mr. YOUNG); the ranking member of the full committee the gentleman from Minnesota (Mr. OBERSTAR); and my distinguished ranking

member on the subcommittee the gentlewoman from the District of Columbia (Ms. NORTON) for helping us put this legislation together.

I urge my colleagues to join me in supporting it.

Mr. Speaker, I reserve the balance of my time.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first I want to commend the chair of the subcommittee for the several hearings he had with great profit on the bill before us today and with the way he conducted those hearings so as to bring out many new ideas that have improved this bill. I rise, therefore, in support of H.R. 2535 as amended by the manager's amendment, a bill to reauthorize the program authorized by the Public Works and Economic Development Act of 1965.

This bill will reauthorize the Economic Development Administration for 5 years and provide authorization for sufficient funding levels to carry out its statutory obligations to provide economic opportunities in distressed areas of our country. This bill is of great importance to many struggling rural communities in our country and has very strong bipartisan support in this body.

The bill being considered this morning authorizes some new concepts, such as performance grants, and reinforces some tried and true approaches, such as ensuring economic development proceeds with close cooperation between local governments and Federal partners. One of the new concepts is the authorization of a performance grant program. Under this new program, grantees that meet or exceed goals for projects scheduled, jobs creation and financial leverage will be eligible for a performance grant of up to 10 percent of the project grant.

Further, for purposes of this act, the grantee can consider the proceeds as local funds to meet the non-Federal share requirements of this or other economic development acts. This is a new and innovative approach to rewarding high performance and provides the grantees with a tangible asset for future use. This will, we think, bring important new efficiencies to a program where there was already great efficiency according to many who testified.

The bill also authorizes the Secretary to make grants for projects to expand, redevelop or reuse brownfields sites. This is a much needed authority for major industrial sites.

I also appreciate the consideration the committee gave to my own interest in university centers and the expertise and resources they can bring to small and disadvantaged communities, just as they are well known to bring such advantages to big cities. Report language will highlight the committee's intent that the EDA should consider increasing the number of university centers. With the increase in authorized sums, I hope new university centers will become a reality.

Most of the districts that will benefit from this bill are rural communities, some of them very small, some of them larger communities. Many communities wanted to be a part of this bill because of its long history of promoting economic development and leveraging private resources, where otherwise that would be very difficult. Although, I represent a highly-urbanized district, I certainly know firsthand the singular importance of economic development, the benefits associated with economic opportunities that are created with a strong, vibrant economic development program and, of course, the persistent need for funding to transform ideas into reality.

At the April hearing on economic development, I mentioned the recent opening of the new Washington Convention Center and the immediate economic effect that it is having on my community and on the residents and community at large, including the entire region. I want to especially thank Chairman YOUNG and Ranking Member OBERSTAR for their constant and beneficial leadership on this bill. I also extend my personal thanks and congratulations to the gentleman from Ohio (Mr. LATOURETTE) for the interest and attention and expertise in committee he brought to reauthorizing this agency which is so vital to so many rural Americans. I strongly support H.R. 2535 and urge its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. LATOURETTE. Mr. Speaker, it is my pleasure to yield 3 minutes to the gentleman from Pennsylvania (Mr. PETERSON).

Mr. PETERSON of Pennsylvania. Mr. Speaker, I want to commend the gentleman from Ohio (Mr. LATOURETTE) and the gentlewoman from the District of Columbia (Ms. NORTON) for their good work on the reauthorization of EDA. I, as the cochairman of the Congressional Rural Caucus, rise today in strong support of this reauthorization for the Economic Development Agency. The programs under the EDA are tremendously vital to rural areas. Without Federal economic development investment in rural economies, many of these communities would lack the resources to attract the next generation of manufacturing jobs and they would wither and dry up.

The reauthorization passed in the 105th Congress focused these programs toward serving the most needy, and I am pleased this reauthorization will continue to build upon those achievements. I have seen firsthand how the past reauthorization has focused Federal dollars to target communities that lack the resources.

I want to give my colleagues a few examples. When Knox Glass closed in Clarion County, it was EDA who stepped up to the plate with a grant that allowed them to build a new industrial park there on 80 and replace many of those jobs. When Franklin Steel closed, it was an EDA grant that

allowed Franklin Industries to reopen that factory and have several hundred people working there. When Kendall Refining closed in McKean County, and now we reopened American Refineries, it was an EDA grant that allowed that to happen. When the Stackpole Corporation closed and thousands of jobs left Elk County in Pennsylvania, it was an EDA grant through the North Central Planning Commission that now has 200 and 300 people working in different companies within that complex. And when the Cyclops Steel Plant closed 5 miles from my home and 1,000 good jobs went down the drain, it was an EDA grant that allowed that facility to be taken over by a local development agency, and there are several hundred jobs and about 20 companies providing employment there today.

Do we need it in the future? Yes, we do. In my 16-county rural district in Pennsylvania, we have lost 17,000 manufacturing jobs in the year 2001 and 2002. So I stand here today saying we need an expanded EDA. We need an EDA with more money, with a bigger budget. And I am here today on behalf of the reauthorization of this agency because their structure allows them to go into a rural community that has been devastated by losing their major employer and give that grant that is the glue that will put an economic opportunity back there in those communities.

Rural America is in trouble. We need a bigger, stronger EDA to help us. They have an agency with a good track record. I want to commend Secretary David Sampson for his strong leadership there, and I want to commend the committee for their good work in bringing forth this reauthorization.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

I want to thank the gentleman who has just spoken. I want him to know that I think I would speak for the chair, as well as myself, when I say it was heartbreaking not to have more money for this bill because of the way in which communities came forward and wanted to be included. But we thought that pretty soon you are going to have every community from a rural area in the United States included in this bill, and for good reason. What made it heartbreaking, of course, is that we are not just talking about another bill that will throw some money out here for communities, even hard-pressed communities. What was really so rewarding was to hear experts who had looked at the program testify as to its benefits and its efficiency.

There came a time in the hearings when I wondered if I was hearing a discussion of a Federal program when its efficiencies were being touted the way they were. What the chairman and I did was to work on making these efficiencies even more widespread with new ways to not only measure performance but to reward performance. I do want to say a word about rewarding performance. The incentive portion of

this bill will also mean that the private sector, whose resources get leveraged as well, will understand why this bill is important for their participation, because they understand incentives. The joining of the performance with incentives, which means that some of that actually comes back to you to use, is a model I would like to see in other Federal legislation as well. I regret that there was not more money. I applaud the fact that there is a greater amount than before. I thank the gentleman from Ohio (Mr. LATOURETTE) for his hard work on this bill.

Mr. Speaker, I yield back the balance of my time.

Mr. LATOURETTE. Mr. Speaker, I yield myself such time as I may consume to make a couple of observations. One, to thank the gentleman from Pennsylvania for his eloquent statement. I think as he recited those communities that have been helped by the EDA, that was the only commercial that we needed for the reauthorization of this valuable program. In the exhaustive hearings that we had on this issue where the gentlewoman from the District and I had the opportunity to listen to economic development experts from around the country, they talked about the fact that the average size of EDA grant is \$600,000. So we are not talking about hundreds of millions, we are not talking about billions, but that \$600,000 when then translated into the local community and what it meant, as recounted by the gentleman from Pennsylvania, I think was truly remarkable. It really is life-changing and community-changing money, and the work that they do is certainly not only well-spent but it is productive.

The second piece, the amendment that was self-executed by the agreement of the House of yesterday, I think, is important in that we have added 12 counties to the Appalachian Regional Commission. Some people expressed concern about that, particularly those communities that are already located within the ARC. I want to highlight and commend the distinguished work of one of our committee members, the gentlewoman from West Virginia (Mrs. CAPITO) that was concerned about the fact that that might stress the resources. She made sure that an amendment was included therein that also made sure that there were sufficient funds so that that fine organization could continue its work and continue its work at a fiscally responsible level.

□ 1230

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Michigan (Mr. HOEKSTRA).

Mr. HOEKSTRA. Mr. Speaker, I thank my colleague for yielding me this time and allowing me the opportunity to speak on this bill.

I am enthusiastic about this bill. It has bipartisan support, supported by development organizations. It is supported by the U.S. Conference of May-

ors, the Education Association of the University Centers. So it has clearly met the needs of a number of folks. But as we take a look at what the bill does specifically, it creates a new program that allows for the designation of special impact areas which allows the Secretary to waive certain planning requirements to help isolated areas in distressed communities.

This designation, I think, really will enable the Secretary to respond more quickly to get help to those areas, to get economic help to those communities that need it; and when they need it, they need it quickly. It creates a performance-based incentive program that rewards high performance, as determined by criteria established in regulation, with a bonus of up to 10 percent of the project cost that can be used on other eligible activities.

Again, these reforms focus on getting better results. It creates a planning performance award equal to 5 percent of the grant amount, which may be awarded prior to closeout of a grant if the recipient satisfies four mandated criteria. And as with any program or any reform, it removes outdated and burdensome administrative procedures. It updates several citations and allows for subgranting of assistance to eligible recipients. It also authorizes the issuance of grants for brownfields redevelopment. Again, important in many communities because if we want to revitalize a community, what we want to do is we want to revitalize those areas that we classify as brownfields. It also allows the EDA to explore the use of photovoltaic technology in brownfield redevelopment on a limited basis, again, enabling us to use perhaps break-through technology in cleaning up the brownfields. So I rise in strong support of H.R. 2535, the Economic Development Administration Reauthorization bill, and I thank my colleague.

Mr. LATOURETTE. Mr. Speaker, we have had a couple of additional speakers show up here, and I am not sure whether the gentlewoman from the District of Columbia was expecting that. So I would ask unanimous consent that the time that she has yielded back be restored to her in case she wants to make some observations.

The SPEAKER pro tempore (Mr. SHAW). Without objection, the gentlewoman from the District of Columbia's (Ms. NORTON) time is restored.

There was no objection.

Mr. LATOURETTE. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. HAYES).

Mr. HAYES. Mr. Speaker, I thank the gentleman from Ohio (Mr. LATOURETTE) for his hard work and dedication in increasing economic opportunities through the reauthorization of the Economic Development Administration.

I strongly support this legislation. Established in 1965, the ADA was created in an effort to improve conditions of substantial and persistent economic distress throughout the United States.

I am fortunate to have been able to work with the EDA, and specifically Dr. David Sampson, on economic development issues that are vitally important to the future and the people of the eighth district of North Carolina.

H.R. 2535 requires Federal agencies to coordinate their economic development initiatives, including a requirement for comprehensive economic development strategies, CEDS, to maximize the effective use of workforce investment strategies. Our CEDS committee is a local initiative led by Chairwoman Judy Stevens and comprised of local economic development, education, and chamber officials. With the hard work of Dr. Sampson and his staff at EDA, our CEDS committee is coming closer to a final recommendation to present to EDA which will serve as a blueprint for regional economic development for the eighth district of North Carolina.

With relatively small investments of Federal funds, the EDA has been able to achieve remarkable successes and change the economic outlook for many citizens. As an example, since 1965, the Appalachian Regional Commission has invested over \$400 million toward transportation, business development, education, health care, and community projects in North Carolina. As a direct result of this investment, poverty rates in the commission region have been cut almost in half.

These are real results for real people, and I look forward to continuing to work with Dr. Sampson and the EDA as we continue to address economic development and jobs in areas such as the eighth district of North Carolina. I am hopeful that the 108th Congress will authorize the Southeast Crescent Authority, or SECA, which will provide 428 counties in the southeastern United States access to Federal funds and expertise that will support increased economic opportunity, prosperity, and jobs for our citizens.

I again thank the gentleman from Ohio (Mr. LATOURETTE) for his service and leadership on his issue, and I support the bill strongly.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

I thank the gentleman for moving to restore my time by unanimous consent. And since we do have the time, I want to note how long-lasting this bill has been. I mentioned that it was first authorized in 1965 when the President was Lyndon Johnson. It was a bipartisan bill then, and it remains bipartisan today. And it comes at a time of special need for such a bill.

Since January, 2001, if we look nationwide, the number of unemployed have increased by 50 percent. We know what that means in big cities because of the media in big cities. The effect on small communities is far more serious because they do not have the economic development vehicles in the first place and because those areas by definition have found it harder to attract the vehicles on their own.

The importance of this bill is that it has given the signal to the private sector to come on in, and the bill is so successful because that is exactly what the private sector has done in rural communities where they would not have thought of coming without the Economic Development Act. So these grants are critical to economic development in good times and in poor times. They keep economic development alive very often. And what kind of money are we talking about? The chairman indicated the size of the average grant. When we come on the floor with a bill that authorizes \$400 million for fiscal year 2004 and \$500 million by the year 2008, we are really talking pocket change for bills that come before this body. And look at what it does. Hundreds of millions more is leveraged from private resources because of this bill.

I am very proud of the work the committee has done, but I am prouder still of what came before us in the form of benefits to rural communities and efficiencies that they had incorporated into their own economic development work.

Mr. Speaker, I reserve the balance of my time.

Mr. LATOURETTE. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado (Mr. BEAUPREZ).

Mr. BEAUPREZ. Mr. Speaker, I thank the gentleman for yielding me this time, and I congratulate him and the ranking member on bringing this important legislation to the floor. And I am rising in strong support of passage of H.R. 2535.

I would like to share a very personal story. Sometimes we talk in grand pictures and sometimes abstract pictures about our impact of legislation. I want to cite for the Members of this body a very specific example. In 1995 with the BRAC closures, the Base Realignment and Closure Act, the Fitzsimmons Army Medical Hospital in Aurora, just on the edge of Denver, found itself on that list. And one can imagine the impact on a community when it finds out that about 4,500 jobs, both direct and indirect, are going to be lost from that community, a tremendous financial and economic impact to a relatively small neighborhood and a community. To make lemonade out of lemons, the EDA came in with some assistance, provided assistance in the form of an infrastructure grant to provide basic infrastructure needs, transportation needs for this old Army base. That Army base now is going to be home for a health sciences center, a collaborative health sciences center, involving the University of Colorado Health Sciences. We hope the Veterans Hospital will move there. We have an cancer center there, an eye center there. A bioethics clinic is locating there.

A long story made short, 35,000 jobs, 35,000 jobs are expected to be on that site by the year 2010, 35,000 high-paying jobs. And indirectly we estimate 66,000 jobs will come to Colorado in large part

because of the EDA's willingness to step up to the plate, be a partner with the community in redeveloping a site and creating a huge opportunity.

Net gains in Colorado for a \$5.1 million grant by the EDA to provide this basic infrastructure, as the ranking member just cited a minute ago, so as to attract private industry, it is estimated that by 2010, \$3.1 billion will be generated for the Colorado economy and \$6.3 billion once the site is fully developed in about another 10 years.

So it is with great pride that I again compliment the chairman and the ranking member on bringing this legislation to the floor and with great comfort that I can strongly support this legislation.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

To close, I just want to remind Members of what the mission is of this bill that was declared in 1965, to enhance community success in attracting private capital investment and lucrative job opportunities. This is not a classic public works program. What we are providing, Mr. Speaker, is seed money. And the indication of that is worth putting on the record. The average project, EDA project, leverages \$10 million in private sector investment for every \$1 million in Federal assistance. And I spoke earlier of the efficiency of this program that was presented at hearings. Here is an indication of that: 99 percent, that is 99 percent, which is a rare number on this floor, of EDA infrastructure projects are completed as planned and 91 percent of projects are completed on time. Would that we could say that about some other projects I can think of. I will not even mention the Visitors Center.

Mr. Speaker, I yield back the balance of my time.

Mr. LATOURETTE. Mr. Speaker, I yield myself such time as I may consume.

I again thank the gentlewoman from the District of Columbia, who has truly been a wonderful cooperative partner during this first year of the 108th Congress, and I look forward to a good number of legislative successes with her in the coming year.

Mr. OXLEY. Mr. Speaker, I rise in strong support of H.R. 2535, the Economic Development Administration Reauthorization Act, offered by my colleague from the great state of Ohio, Mr. LATOURETTE, and urge its immediate passage. As you know, the Committee on Financial Services has jurisdiction over aid to commerce and industry, and based on that jurisdiction received an additional referral of the bill.

Mr. Speaker, while the country experienced record growth during the 1990s, there continued to be pockets of the country that did not enjoy that bounty. An economic downturn of the sort we have had over the past couple of years hits these area especially hard. Now, as the economy is turning up again, even as we tend to the economic wounds suffered by the rest of the country, we must remember that these areas were even harder-hit, and for this reason I salute Mr. LATOURETTE's diligent work on this matter.

Operating out of six regional offices as widely spread as Seattle and Philadelphia, the EDA provides community and regional grants on a cost-share basis for economic adjustment assistance, public works, development facilities, and planning and technical assistance, all aimed at leveraging public and private sector investments, creating or retaining long-term private-sector jobs and generating industrial and commercial development in both urban and rural areas.

Importantly, Mr. Speaker, the EDA is focused not only on reversing or mitigating the effects of long-term economic distress, but also on dealing with sudden economic impact brought on by the closing of, say, a military base or a large manufacturer or group of manufacturers in a particular industry. As the United States economy experiences the loss of some manufacturing jobs due to increased foreign competition, it is imperative for us to find or stimulate new jobs for displaced workers, and the EDA is an important tool in this effort.

David A. Sampson, Assistant Secretary of Commerce for Economic Development, is fond of saying that President Bush is committed to increasing the productivity and wealth of the American economy, and then noting that the President is firmly committed to ensuring that "all regions, States and communities share in economic opportunity." Mr. Speaker, I echo the President and Secretary Sampson. I am sure that the President's goal is the goal of each and every one of us, regardless of which state or which party we represent.

I commend Mr. LATOURETTE for his creativity in this area, and note that the reauthorization of the EDA contains a number of new and exciting programs, including the securitization of some economic development loans in a way that will give us even more bang for our economic buck in these areas. This is a forward-looking bill that seeks to help some of America's hardest-hit economic areas. I commend it, and seek its immediate passage.

Mrs. MYRICK. Mr. Speaker, I come here today in support of the reauthorization of the Economic Development Administration at Commerce. We in the Ninth District of North Carolina have had great success with the programs from EDA. Most importantly, EDA helped my district come together and formulate a comprehensive economic development plan for the next decade. This was the first time all of the economic development officials, business leaders, and community developers came to one place and really discussed where they saw our counties going and what was needed to ensure economic success.

Our area has been hit extremely hard by job losses, particularly in the manufacturing and textile sectors. The help that the EDA has provided and will continue to provide has given my district a vision for the future and a way for each citizen to become involved in its community. I thank the EDA for their help and assistance and commend them for the important work they do in districts like mine all around the country.

If the EDA is given the resources provided in this bill, it will result in the creation of approximately 623,314 jobs and the leveraging of \$46.4 billion in private-sector investments over 5 years. With job challenges facing all of our districts every day, how can we not support a bill that will result in this many jobs being created?

I support this bill and I urge my colleagues to support it.

Mr. OBERSTAR. Mr. Speaker, I rise in support of H.R. 2535, as amended by the manager's amendment, a bill to reauthorize the Economic Development Administration (EDA). In 1965, I was present when President Lyndon Johnson signed the Public Works and Economic Development Act creating EDA. In fact, I still have the pen he used at the signing ceremony. Since its inception, I have been a strong supporter of EDA and now, nearly 40 years later, I continue to believe in EDA's core mission—to create economic opportunity for those living and working in economically distressed communities.

EDA's mission—to create economic opportunities for all—remains as vital and necessary today as it was four decades ago. As our economy continues to struggle, the importance of EDA becomes even more apparent. Since January 2001, the national unemployment rate has risen to 6.1 percent, the highest level in 9 years. Further, in that time, the number of unemployed workers has increased from 5.9 million people to almost 9 million—an increase of more than 3 million unemployed workers, or 50 percent. Moreover, workers who have lost their jobs are having more trouble finding new jobs. The average length of unemployment is now almost 20 weeks, the longest it has been in nearly two decades. Within the last 2 weeks, the number of workers who have been unemployed for longer than 6 months has increased by more than 1.5 million to more than 2.1 million—an increase of 218 percent. One-half of the unemployed are out of work for more than 9 weeks and more than one in five have been out of work for more than 6 months. As in every recession, it is the people living in our Nation's economically distressed communities—the very people who are served by EDA—that are hardest hit by the economic downturn.

Mr. Speaker, EDA works. I know it works because I've seen it work—providing jobs, job training, and real economic opportunities in distressed communities across the country. A recent series of Rutgers University studies found that every \$1 million in EDA public work funding creates 325 jobs; leverages \$10 million in private sector investment; and increases the local tax base by \$10 million.

EDA grants are particularly vital for many smaller, rural communities where deterioration of infrastructure facilities is especially prevalent. Deterioration in infrastructure is often part of a downward cycle that contributes to erosion of human and financial resources. For these rural communities, EDA grants are critical to improve their economic condition.

This bill enhances the agency's ability to deliver economic development services to those who need it most. The bill authorizes EDA for 5 years and provides the agency with the financing levels necessary to affect real growth and development in economically distressed communities. To that end, the bill authorizes \$400 million for the agency in fiscal year 2004, increasing to \$500 million in fiscal year 2008. Further, the bill moves the agency forward by building on a solid base of good administrative practices. It requires comprehensive economic development planning at the State and local level. Such planning is essential for state and local governments to tackle effectively the tremendous economic development challenges

they face and to take full advantage of EDA's program. EDA planning grants, which are reauthorized under the bill, provide a vital tool for state and local governments to undertake this important planning.

There are also many new, innovative programs in the bill. For example, the bill authorizes EDA to award performance incentive awards to high performing grantees. Grantees can use their performance award money in any manner consistent with the Act. The bill also authorizes an EDA brownfields program and establishes a demonstration program for brightfields, which are brownfields developed through the use of photovoltaic solar energy systems. The ability to invest in these areas and technologies provides communities with the tools needed to reap further benefits.

When EDA was last reauthorized in 1998, this House and the Transportation and Infrastructure Committee took the lead in enacting that legislation. I am proud that we are again leading the efforts to reauthorize EDA with this bill. It is a true bipartisan product, and I extend my thanks to Chairman YOUNG, Subcommittee Chairman LATOURETTE, and Subcommittee Ranking Member NORTON for their hard work and diligence on this bill. I urge its passage.

Mr. COSTELLO. Mr. Speaker, I rise today in support of H.R. 2535, legislation to reauthorize the Economic Development Agency for an additional 5 years.

Since its inception in 1965, the EDA has been successful. Positive changes have occurred in every State of this Nation. More than \$18 billion in Federal money has been invested in rural and urban communities, which has leveraged more than \$74 billion in private sector investments. More than 2.8 million jobs have been created. In my congressional district, the EDA has provided assistance for a variety of economic development projects—ranging from ports to business parts—to improve the region's economy.

The bill we have before us today will continue the success of the EDA by providing the agency with \$2.25 billion over a 5-year period for economic development assistance. These resources will result in the creation of almost 625,000 jobs and leverage \$46.4 billion in private sector investments.

Mr. Speaker, the bill we have before us today is a good bill. It builds on the success of the EDA, and will improve the responsiveness and flexibility of the EDA, while improving coordination with other Federal agencies.

I urge my colleagues to join me in supporting this bill.

Mr. HINOJOSA. Mr. Speaker, I rise in strong support for H.R. 2535, the Economic Development Administration Reauthorization. In my congressional district, under the leadership of Pedro Garza, the Austin regional director, EDA has been a strong partner in helping my rural and urban communities in a variety of ways.

EDA grants have helped my small rural towns build wastewater facilities and other infrastructure projects. With EDA grants, South Texas Community College has built an allied health center that is training hundreds of new nurses and health professionals. These students will have the opportunity to work in a

high-paying career and alleviate the nursing shortage that is plaguing the entire State of Texas. EDA funding helped us complete a new pediatric speciality clinic in one of the poorest counties in the nation. An EDA planning grant is currently helping the Delta Region of Hidalgo County develop an economic development plan that will lead the region into a new era of economic growth. Whenever we have called on Mr. Garza, he has been there to help us to the best of his ability. I want to thank him for all he has done for the 15th Congressional District of Texas.

The EDA model of leveraging public and private sector investment is a proven success. Every \$1 million in EDA investment helps rural and urban communities leverage \$10.8 million in private-sector investments. We need to encourage this type of success in other Federal programs. I urge my colleagues to vote in favor of H.R. 2535 and allow EDA to continue its mission of helping our rural and urban communities grow.

Mr. RAHALL. Mr. Speaker, I want to express my strong support for the reauthorization of the Economic Development Administration (EDA).

The EDA enhances regional competitiveness and provides critical long-term support for regional economies. In my own district of southern West Virginia, the EDA has been an important catalyst that has created or saved an estimated 2,240 jobs just since 1993. Similarly, over \$31 million in federal funding has enabled 78 projects in southern West Virginia to leverage more than \$50 million in private sector funding as well as approximately \$24 million in state and local funding. In 2003, alone, EDA programs have provided much-needed funding for projects as diverse as University Center funding at several of West Virginia's institutions of higher education, an airport business park in Raleigh County, and engineering for building construction in Hinton, WV.

But in some regions of our Nation, EDA cannot complete its mission without additional help. For example, the Appalachian Regional Commission (ARC) works in coordination with EDA to serve America's Appalachian region. Historically, the Appalachian region has faced levels of poverty and economic distress higher than national averages as a result of its geographic isolation and inadequate infrastructure. My home State of West Virginia lies entirely in the Appalachian region. Mr. Speaker, neither of these two important programs can sufficiently serve the area without the other.

For over 30 years, the ARC has provided for development and jobs for more than 22 million people. The ARC's assistance to West Virginia, and to my constituents in the southern part of the state, through the West Virginia Infrastructure and Jobs Development Council has been critical. It has aided the West Virginia Department of Health and Human Resources to develop educational funding, training and job opportunities for local health care. In my district, the ARC made \$1 million available to the Mingo County Redevelopment Authority to provide water service, and to create 130 jobs by processing West Virginia timber into hardwood flooring and related projects. Similarly, the ARC provided water service to 312 new customers in Crum, West Virginia, and it helped to improve the quality of mathematics and science education in Bluefield, WV.

Tragically, however, the Bush administration proposed decreased funding levels for the ARC's nonhighway program by more than 50 percent. Of course, President Bush's friends in the Republican-led House followed through with his wishes by imposing the cuts in appropriations for next year. Now, the administration and the House Republicans say that they want to shift the ARC's nonhighway responsibilities to EDA for larger multijurisdictional projects, diluting the unique attention ARC provides this region of vast potential to serve our Nation.

Mr. Speaker, I am glad to have to be able to express my strong support for the EDA, and I support reauthorization of this vital agency. But, on behalf of West Virginians and all those throughout the Appalachian region, I mourn for the cuts to the ARC.

Mr. LATOURETTE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to the order of the House of Monday, October 20, 2003, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LATOURETTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2535, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

GENERAL LEAVE

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and that I may include tabular and extraneous material on the motion to go to conference on H.R. 3289.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR DEFENSE AND FOR THE RECONSTRUCTION OF IRAQ AND AFGHANISTAN, 2004

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3289) making emergency supplemental appropriations for defense and for the reconstruction of Iraq and Afghanistan for the fiscal year ending September 30, 2004, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

□ 1245

MOTION TO INSTRUCT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. OBEY moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H.R. 3289 making emergency supplemental appropriations for defense and for the reconstruction of Iraq and Afghanistan for the fiscal year ending September 30, 2004, be instructed to insist on the provisions of the Senate bill:

Regarding medical screening for members of the Ready Reserve of the Armed Forces (Section 317).

Regarding transitional health care and benefits for 180 days from separation for members of the Armed Forces (Sec. 321)

Regarding the provision that \$10,000,000,000 of the amounts provided for the reconstruction of Iraq be in the form of loans, subject to certain conditions (Sec. 2319), and

Regarding the provision of \$1,300,000,000 to the Veterans Health Administration for medical care for Veterans (Title IV).

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from Wisconsin (Mr. OBEY) and the gentleman from Florida (Mr. YOUNG) will each control 30 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I yield myself 9½ minutes.

Mr. Speaker, we are about to go to conference on a bill which spends \$87 billion. It is the second installment of what will be many installment payments to deal with the consequences of the war in Iraq. This motion to instruct attempts to put the House on record in favor of three provisions which the Senate passed earlier last week.

First, with respect to the issue of loans versus grants, this motion would provide that after \$5.1 billion is set aside for military and security operations, and after \$5.1 billion is set aside for Ambassador Bremer to deal with other costs associated with the effort in Iraq, that the remaining \$10 billion of the reconstruction portion of the package be provided in the form of a loan, unless the President certifies that 90 percent of the bilateral debt owed by Iraq to other countries is forgiven.

The purpose of this first provision is to recognize that, over the next 5 years, the per capita foreign debt of the United States will be larger than is the per capita debt of Iraq, and since foreign debts can only be paid off by a country running trade surpluses, that means that, in effect, over the next 5 years Iraq will be in a better position to repay their foreign debts than we will be.

Secondly, we ask the House to go on record in support of two provisions that relate to quality-of-life measures for our troops. The first is to provide

medical screening and dental screening for Guard and Reserve personnel prior to their being mobilized; and, second, to extend the transitional health care coverage to servicemembers who have been on active duty in Iraq and are now returning home, to extend that transitional health care coverage from the existing 60 days to 180 days. Certainly, that is the least we can do for these returning servicemen and women.

Thirdly, we ask the House to go on record in support of \$1.3 billion in additional funds for veterans health care so that Priority 7 and Priority 8 veterans can make better use of veterans health care facilities without having to pay a \$250 deductible and without seeing the cost of their prescriptions virtually doubled. This is, in essence, the content of the Bond-Mikulski amendment adopted in the other body.

That is what this does, and I would ask Members to support it.

I would also ask that if they do support it, they recognize that they have an obligation to then insist that these provisions be contained in the conference report, because they are already in the Senate bill. As Members know, conference committees are supposed to deal only with those matters which are in dispute between the two bodies. So I would urge any veteran or any other interested American citizen watching this debate to keep close track of how Members vote today, and compare that vote with how they vote when this conference report comes back. I think in that way it will in effect mean that they will be acting as a "hypocrisy detector," which is always good for this body, when someone is looking over our shoulders.

I want to say one other thing. I know that the President of the United States is a powerful man. I know that in this town he is probably the biggest man on campus that you can find. But the fact is that I have never yet met a White House who did not think that Article I of the Constitution was a drafting error by the Founding Fathers. And I think that we need to remind all Presidents that we represent the same citizens that they do. We owe every President our respect, we owe every President a respectful hearing, but he also owes us the same thing, and that means that we need to work with each other.

Checks and balances: Mr. Speaker, in my view checks and balances is not simply an ornamental concept of democracy; it is a core element. It is the heart of our democratic system, and we have a right to expect the same respectful hearing from the President if we have an opinion that differs from his, as we have an obligation to give his views a respectful hearing.

But I note in today's article by E.J. Dionne in the Washington Post that the President, in a meeting last week, appears to have provided something other than that respectful hearing to Members of Congress.