

Calendar No. 38

112TH CONGRESS
1ST SESSION**S. 782****[Report No. 112–15]**

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

IN THE SENATE OF THE UNITED STATES

APRIL 8, 2011

Mrs. BOXER (for herself, Mr. INHOFE, Mr. BAUCUS, Mr. MERKLEY, and Mrs.
GILLIBRAND) introduced the following bill; which was read twice and re-
ferred to the Committee on Environment and Public Works

MAY 2, 2011

Reported by Mrs. BOXER, with an amendment

[Insert the part printed in *italic*]

A BILL

To amend the Public Works and Economic Development
Act of 1965 to reauthorize that Act, 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. SHORT TITLE.**

4 This Act may be cited as the “Economic Development
5 Revitalization Act of 2011”.

1 **SEC. 2. FINDINGS AND DECLARATIONS.**

2 Section 2 of the Public Works and Economic Devel-
3 opment Act of 1965 (42 U.S.C. 3121) is amended—

4 (1) in subsection (a)(3)(C), by inserting “, in-
5 cluding the location of information technology and
6 manufacturing jobs in the United States” after “in-
7 vestment”; and

8 (2) in subsection (b), by striking paragraph (3)
9 and inserting the following:

10 “(3) whether suffering from long-term distress
11 or a sudden economic dislocation, distressed commu-
12 nities should be encouraged to promote innovation
13 and entrepreneurship, including, as appropriate, the
14 support of the formation of business incubators in
15 economically distressed areas, so as to help regions
16 to create higher-skill, higher-wage jobs and foster
17 the participation of those regions in the global mar-
18 ketplace; and”.

19 **SEC. 3. DEFINITIONS.**

20 Section 3(8) of the Public Works and Economic De-
21 velopment Act of 1965 (42 U.S.C. 3122(8)) is amended—

22 (1) in subparagraph (C), by striking “and” at
23 the end;

24 (2) in subparagraph (D), by striking the period
25 at the end and inserting “; and”; and

26 (3) by adding at the end the following:

1 “(E) the Southeast Crescent Regional
2 Commission established by section 15301(a)(1)
3 of title 40, United States Code;

4 “(F) the Northern Border Regional Com-
5 mission established by section 15301(a)(3) of
6 title 40, United States Code; and

7 “(G) the Southwest Border Regional Com-
8 mission established by section 15301(a)(2) of
9 title 40, United States Code.”.

10 **SEC. 4. ECONOMIC DEVELOPMENT PARTNERSHIPS.**

11 Section 101 of the Public Works and Economic De-
12 velopment Act of 1965 (42 U.S.C. 3131) is amended—

13 (1) in subsection (b)—

14 (A) in the matter preceding paragraph (1),
15 by inserting “economic development districts,
16 university centers,” after “multi-State regional
17 organizations,”;

18 (B) by striking paragraph (2) and insert-
19 ing the following:

20 “(2) encourage and support public-private part-
21 nerships for the formation and improvement of re-
22 gional economic development strategies that sustain
23 and promote innovation and entrepreneurship that is
24 critical to economic competitiveness across the
25 United States; and”; and

1 (C) in paragraph (3), by inserting “, inno-
 2 vation, entrepreneurship, beneficial develop-
 3 ment,” after “infrastructure”; and

4 (2) in subsection (c), by inserting “(including
 5 economic development districts)” after “local govern-
 6 ment agencies”.

7 **SEC. 5. ENCOURAGEMENT OF CERTAIN COORDINATION.**

8 Section 102 of the Public Works and Economic De-
 9 velopment Act of 1965 (42 U.S.C. 3132) is amended—

10 (1) by striking “In accordance with” and in-
 11 serting the following:

12 “(a) IN GENERAL.—In accordance with”; and

13 (2) by adding at the end the following:

14 “(b) GOVERNMENTAL COOPERATION.—

15 “(1) IN GENERAL.—The Secretary is authorized
 16 and encouraged to consult and cooperate with other
 17 agencies, including representatives of the Federal
 18 Government, State and local governments, and con-
 19 sortia of governmental organizations, that can assist
 20 in addressing challenges and capitalize on opportuni-
 21 ties that require intergovernmental coordination.

22 “(2) LABOR.—In carrying out paragraph (1),
 23 the Secretary shall cooperate with the Secretary of
 24 Labor to support economic and workforce develop-

1 ment strategies and the promotion of regional inno-
2 vation clusters.”.

3 **SEC. 6. ADDITIONAL SUPPORT FOR ENTERPRISE DEVELOP-**
4 **MENT ORGANIZATIONS WITHIN THE PUBLIC**
5 **WORKS PROGRAM.**

6 Section 201(a) of the Public Works and Economic
7 Development Act of 1965 (42 U.S.C. 3141) is amended—

8 (1) in paragraph (1), by striking “and” at the
9 end;

10 (2) in paragraph (2), by striking the period at
11 the end and inserting “; and”; and

12 (3) by adding at the end the following:

13 “(3) other activities the conduct of which the
14 Secretary determines would be necessary or useful to
15 support the establishment and operation of those fa-
16 cilities on an ongoing basis, including—

17 “(A) related planning, technical assistance,
18 and business development assistance to enable
19 the recipient to bring together regional assets
20 and encourage entrepreneurial development;
21 and

22 “(B) to the extent needed to support entre-
23 preneurial development, revolving loan funds
24 pursuant to section 209.”.

1 **SEC. 7. GRANTS FOR PLANNING AND GRANTS FOR ADMIN-**
 2 **ISTRATIVE EXPENSES.**

3 Section 203 of the Public Works and Economic De-
 4 velopment Act of 1965 (42 U.S.C. 3143) is amended—

5 (1) in subsection (b)—

6 (A) in paragraph (3), by striking “and” at
 7 the end; and

8 (B) by striking paragraph (4) and insert-
 9 ing the following:

10 “(4) formulating and implementing an economic
 11 development program that includes systematic ef-
 12 forts to reduce unemployment and increase incomes
 13 by fostering innovation and entrepreneurship;

14 “(5) fostering regional collaboration among
 15 local jurisdictions and organizations; and

16 “(6) facilitating a stakeholder process that as-
 17 sists the community or region in creating an eco-
 18 nomic development vision that takes into account
 19 local and regional assets (including natural, social,
 20 community, and geographical resources) and global
 21 economic change.”;

22 (2) in subsection (d)—

23 (A) in paragraph (4)—

24 (i) in subparagraph (E), by striking
 25 “and” at the end;

1 (ii) in subparagraph (F), by striking
 2 the period at the end and inserting “;
 3 and”; and

4 (iii) by adding at the end the fol-
 5 lowing:

6 “(G) support development practices that—

7 “(i) enhance energy and water effi-
 8 ciency;

9 “(ii) reduce the dependence of the
 10 United States on foreign oil; and

11 “(iii) encourage efficient coordination
 12 and leveraging of public and private invest-
 13 ments.”; and

14 (B) in paragraph (5), by striking “sub-
 15 section shall” and all that follows through the
 16 end of the paragraph and inserting the fol-
 17 lowing: “subsection shall—

18 “(A) submit to the Secretary an annual re-
 19 port on the planning process assisted under this
 20 subsection; and

21 “(B) provide a copy of each annual report
 22 to each economic development district within
 23 the State.”; and

24 (3) by adding at the end the following:

1 “(e) ADDITIONAL AMOUNTS TO ADDRESS SEVERE
 2 NEED.—In determining the amount of funds to provide
 3 a recipient for planning assistance under this section, the
 4 Secretary shall take into account those recipients located
 5 in regions that are—

6 “(1) eligible for an investment rate of 80 per-
 7 cent or higher; or

8 “(2) experiencing severe need due to long-term
 9 economic deterioration or sudden and severe eco-
 10 nomic distress.

11 “(f) ENCOURAGING PLANNING ASSISTANCE ON A
 12 BROADER REGIONAL SCALE.—In order to encourage dis-
 13 trict organizations to develop regional economic competi-
 14 tiveness strategies on a broader basis in collaboration with
 15 other district organizations and entities outside the con-
 16 fines of a single economic development district, the Sec-
 17 retary may increase—

18 “(1) the Federal share otherwise applicable to
 19 the recipients; or

20 “(2) the amount of Federal assistance to the
 21 recipients.”.

22 **SEC. 8. COST SHARING.**

23 (a) FEDERAL SHARE.—Section 204(a) of the Public
 24 Works and Economic Development Act of 1965 (42
 25 U.S.C. 3144(a)) is amended by striking “shall not ex-

1 ceed—” and all that follows through the end of the sub-
 2 section and inserting “shall not exceed 50 percent, except
 3 as otherwise expressly provided in this Act.”.

4 (b) INCREASE IN FEDERAL SHARE.—Section 204(c)
 5 of the Public Works and Economic Development Act of
 6 1965 (42 U.S.C. 3144(c)) is amended—

7 (1) by redesignating paragraphs (1) through
 8 (3) as paragraphs (2) through (4), respectively;

9 (2) by inserting before paragraph (2) (as redес-
 10 ignated by paragraph (1)) the following:

11 “(1) RELATIVE NEEDS OF AN AREA.—

12 “(A) 150-PERCENT HIGHER UNEMPLOY-
 13 MENT RATE.—In the case of a grant made in
 14 an area for which the 24-month unemployment
 15 rate is at least 150 percent of the national aver-
 16 age or the per capita income is not more than
 17 70 percent of the national average, the Sec-
 18 retary may increase the Federal share above the
 19 percentage specified in subsection (a) up to 60
 20 percent of the cost of the project.

21 “(B) 175-PERCENT HIGHER UNEMPLOY-
 22 MENT RATE.—In the case of a grant made in
 23 an area for which the 24-month unemployment
 24 rate is at least 175 percent of the national aver-
 25 age or the per capita income is not more than

1 60 percent of the national average, the Sec-
 2 retary may increase the Federal share above the
 3 percentage specified in subsection (a) up to 70
 4 percent of the cost of the project.

5 “(C) 200-PERCENT HIGHER UNEMPLOY-
 6 MENT RATE.—In the case of a grant made in
 7 an area for which the 24-month unemployment
 8 rate is at least 200 percent of the national aver-
 9 age or the per capita income is not more than
 10 50 percent of the national average, the Sec-
 11 retary may increase the Federal share above the
 12 percentage specified in subsection (a) up to 80
 13 percent of the cost of the project.

14 “(D) ADDITIONAL CRITERIA.—The Sec-
 15 retary may establish eligibility criteria in addi-
 16 tion to the criteria described in this paragraph
 17 to address areas impacted by severe outmigra-
 18 tion, sudden and severe economic dislocations,
 19 and other economic circumstances, on the con-
 20 dition that a Federal share established for such
 21 eligibility criteria shall not exceed 80 percent.”;
 22 (3) in paragraph (2) (as redesignated by para-
 23 graph (1))—

24 (A) by striking “may” and inserting
 25 “shall”; and

1 (B) by inserting “to 75 percent of the cost
 2 of the project, and may increase” after “sub-
 3 section (a)”;

4 (4) by adding at the end the following:

5 “(5) FEDERALLY DECLARED DISASTER
 6 AREAS.—In the case of a grant for an area with re-
 7 spect to which a major disaster or emergency has
 8 been declared under the Robert T. Stafford Disaster
 9 Relief and Emergency Assistance Act (42 U.S.C.
 10 5121 et seq.) during the 18-month period ending on
 11 the date on which the Federal share is determined,
 12 the Secretary may increase the Federal share above
 13 the percentage specified in subsection (a) up to 100
 14 percent of the cost of the project.”.

15 **SEC. 9. GRANTS FOR TRAINING, RESEARCH, AND TECH-**
 16 **NICAL ASSISTANCE.**

17 Section 207(a) of the Public Works and Economic
 18 Development Act of 1965 (42 U.S.C. 3147(a)) is amend-
 19 ed—

20 (1) in paragraph (1), by striking “or under-
 21 employment” and inserting “, outmigration, or
 22 underemployment, or in assisting in the location of
 23 information technology and manufacturing jobs in
 24 the United States”;

25 (2) in paragraph (2)—

1 (A) in subparagraph (H), by striking
2 “and” at the end;

3 (B) by redesignating subparagraph (I) as
4 subparagraph (J); and

5 (C) by inserting after subparagraph (H)
6 the following:

7 “(I) a peer exchange program to promote
8 industry-leading practices and innovations relat-
9 ing to the organizational development, program
10 delivery, and regional initiatives of economic de-
11 velopment districts; and”.

12 **SEC. 10. ENHANCEMENT OF RECIPIENT FLEXIBILITY TO**
13 **DEAL WITH PROJECT ASSETS.**

14 (a) PARTICULAR COMMUNITY ASSISTANCE.—Section
15 209(c) of the Public Works and Economic Development
16 Act of 1965 (42 U.S.C. 3149(c)) is amended—

17 (1) in the matter preceding paragraph (1), by
18 striking “injured” and inserting “impacted”;

19 (2) by striking paragraph (1) and inserting the
20 following:

21 “(1) military base closures, realignments, or
22 mission growth, defense contractor reductions in
23 force, or Department of Energy defense-related
24 funding reductions, for help in—

1 “(A) diversifying the economies of the
2 communities; or

3 “(B) otherwise supporting the economic
4 adjustment activities of the Secretary of De-
5 fense through projects to be carried out on Fed-
6 eral Government installations or elsewhere in
7 the communities;” and

8 (3) by striking paragraph (5) and inserting the
9 following:

10 “(5) the loss of information technology, manu-
11 facturing, natural resource-based, agricultural, or
12 service sector jobs, for reinvesting in and diversi-
13 fying the economies of the communities.”.

14 (b) REVOLVING LOAN FUND PROGRAM FLEXI-
15 BILITY.—Section 209(d) of the Public Works and Eco-
16 nomic Development Act of 1965 (42 U.S.C. 3149(d)) is
17 amended—

18 (1) by redesignating paragraphs (2) through
19 (4) as paragraphs (3) through (5), respectively;

20 (2) by inserting after paragraph (1) the fol-
21 lowing:

22 “(2) COMMENTS.—

23 “(A) IN GENERAL.—The Secretary shall
24 periodically solicit from the individuals and en-
25 tities described in subparagraph (B)—

1 “(i) comments regarding the guide-
 2 lines and performance requirements for the
 3 revolving loan fund program; and

4 “(ii) recommendations for improving
 5 the performance of the program and grant-
 6 ees under the program.

7 “(B) DESCRIPTION OF INDIVIDUALS AND
 8 ENTITIES.—The individuals and entities re-
 9 ferred to in subparagraph (A) are—

10 “(i) the public; and

11 “(ii) in particular, revolving loan fund
 12 grantees, national experts, and employees
 13 of Federal agencies with knowledge of
 14 international, national, regional, and state-
 15 wide trends, innovations, and noteworthy
 16 practices relating to business development
 17 finance, including public and private lend-
 18 ing and technical assistance inter-
 19 mediaries.”;

20 (3) in subparagraph (A) of paragraph (5) (as
 21 redesignated by paragraph (1)), by striking “para-
 22 graph (2)(C)” and inserting “paragraph (3)(C)”;
 23 and

24 (4) by adding at the end the following:

25 “(6) CONVERSION OF PROJECT ASSETS.—

“(A) REQUEST.—If a recipient determines that a revolving loan fund established using assistance provided under this section is no longer needed, or that the recipient could make better use of the assistance in light of the current economic development needs of the recipient if the assistance was made available to carry out any other project that meets the requirements of this Act, the recipient may submit to the Secretary a request to approve the conversion of the assistance.

“(B) METHODS OF CONVERSION.—A recipient request to convert assistance that is approved under subparagraph (A) may accomplish the conversion by—

“(i) selling to a third party any assets of the applicable revolving loan fund; or

“(ii) retaining repayments of principal and interest amounts on loans provided through the applicable revolving loan fund.

“(C) REQUIREMENTS.—

“(i) SALE.—

“(I) IN GENERAL.—Subject to subclause (II), a recipient shall use the net proceeds from a sale of assets

1 under subparagraph (B)(i) to pay any
2 portion of the costs of 1 or more
3 projects that meet the requirements of
4 this Act.

5 “(II) TREATMENT.—For pur-
6 poses of subclause (I), a project de-
7 scribed in that subclause shall be con-
8 sidered to be eligible under section
9 301.

10 “(ii) RETENTION OF REPAYMENTS.—
11 Retention by a recipient of any repayment
12 under subparagraph (B)(ii) shall be carried
13 out in accordance with a strategic reuse
14 plan approved by the Secretary that pro-
15 vides for the increase of capital over time
16 until sufficient amounts (including interest
17 earned on the amounts) are accumulated
18 to fund other projects that meet the re-
19 quirements of this Act.

20 “(D) TERMS AND CONDITIONS.—The Sec-
21 retary may require such terms and conditions
22 regarding a proposed conversion of the use of
23 assistance under this paragraph as the Sec-
24 retary determines to be appropriate.

1 “(E) EXPEDIENCY REQUIREMENT.—The
 2 Secretary shall ensure that any assistance in-
 3 tended to be converted for use pursuant to this
 4 paragraph is used in an expeditious manner.

5 “(7) PROGRAM ADMINISTRATION.—The Sec-
 6 retary may allocate not more than 2 percent of the
 7 amounts made available for grants under this sec-
 8 tion for the development and maintenance of an
 9 automated tracking and monitoring system to ensure
 10 the proper operation and financial integrity of the
 11 revolving loan program established under this sec-
 12 tion.”.

13 **SEC. 11. RENEWABLE ENERGY PROGRAM.**

14 Section 218 of the Public Works and Economic De-
 15 velopment Act of 1965 (42 U.S.C. 3154d) is amended—

16 (1) by striking subsection (a) and inserting the
 17 following:

18 “(a) DEFINITION OF RENEWABLE ENERGY SITE.—
 19 In this section, the term ‘renewable energy site’ means a
 20 brownfield site that is redeveloped through the incorpora-
 21 tion of 1 or more renewable energy technologies, including,
 22 but not limited to, solar, wind, and geothermal tech-
 23 nologies.”;

24 (2) in subsection (b)—

1 (A) in the matter preceding paragraph (1),
 2 by striking “brightfield” and inserting “renew-
 3 able energy”; and

4 (B) in paragraph (1), by striking “solar
 5 energy technologies” and inserting “renewable
 6 energy technologies, including, but not limited
 7 to, solar, wind, and geothermal technologies”;
 8 and

9 (3) in subsection (d), by striking “2004 through
 10 2008” and inserting “2011 through 2015”.

11 **SEC. 12. ENERGY EFFICIENCY AND ECONOMIC DEVELOP-**
 12 **MENT.**

13 (a) AMENDMENT.—Title II of the Public Works and
 14 Economic Development Act of 1965 (42 U.S.C. 3141 et
 15 seq.) is amended by adding at the end the following:

16 **“SEC. 219. ENERGY EFFICIENCY AND ECONOMIC DEVELOP-**
 17 **MENT.**

18 “In administering programs under this Act, the Sec-
 19 retary shall support activities that employ economic devel-
 20 opment practices that—

21 “(1) enhance energy and water efficiency; and

22 “(2) reduce the dependence of the United
 23 States on foreign oil.”.

24 (b) TECHNICAL AMENDMENT.—The table of contents
 25 of the Public Works and Economic Development Act of

1 1965 (42 U.S.C. 3121 et seq.) is amended by adding after
 2 section 218 the following:

“Sec. 219. Energy efficiency and economic development.”.

3 **SEC. 13. COMPREHENSIVE ECONOMIC DEVELOPMENT**
 4 **STRATEGIES IMPROVEMENTS.**

5 Section 302 of the Public Works and Economic De-
 6 velopment Act of 1965 (42 U.S.C. 3162) is amended—

7 (1) in subsection (a)—

8 (A) in paragraph (1), by inserting “and
 9 opportunities” after “problems”;

10 (B) in paragraph (2), by striking “and pri-
 11 vate” and inserting “, private, and nonprofit”;

12 and

13 (C) in paragraph (3)—

14 (i) in subparagraph (A)—

15 (I) by inserting “and opportuni-
 16 ties” after “economic problems”;

17 (II) by striking “promotes the
 18 use” and inserting “promotes the ef-
 19 fective use”; and

20 (III) by striking “balances” and
 21 inserting “optimizes”; and

22 (ii) in subparagraph (B), by inserting
 23 “and take advantage of the opportunities”

24 before the period at the end; and

1 (2) in subsection (c)(1), by inserting “, State,
2 or locally” after “federally”.

3 **SEC. 14. DESIGNATION OF ECONOMIC DEVELOPMENT DIS-**
4 **TRICTS.**

5 Section 401 of the Public Works and Economic De-
6 velopment Act of 1965 (42 U.S.C. 3171) is amended by
7 adding at the end the following:

8 “(c) OPERATIONS.—

9 “(1) IN GENERAL.—Each economic develop-
10 ment district shall engage in the full range of eco-
11 nomic development activities included in the list con-
12 tained in the comprehensive economic development
13 strategy of the economic development district that
14 has been approved by the Economic Development
15 Administration, including—

16 “(A) coordinating and implementing eco-
17 nomic development activities in the economic
18 development district;

19 “(B) carrying out economic development
20 research, planning, implementation, and advi-
21 sory functions identified in the comprehensive
22 economic development strategy; and

23 “(C) coordinating the development and im-
24 plementation of the comprehensive economic de-

1 velopment strategy with other Federal, State,
2 local, and private organizations.

3 “(2) CONTRACTS.—An economic development
4 district may elect to enter into contracts for services
5 to accomplish the activities described in paragraph
6 (1).”.

7 **SEC. 15. CONSULTATION WITH OTHER PERSONS AND AGEN-**
8 **CIES.**

9 Section 503(a) of the Public Works and Economic
10 Development Act of 1965 (42 U.S.C. 3193(a)) is amended
11 by inserting “, outmigration,” after “regional unemploy-
12 ment”.

13 **SEC. 16. NOTIFICATION OF REORGANIZATION.**

14 Section 507 of the Public Works and Economic De-
15 velopment Act of 1965 (42 U.S.C. 3197) is amended—

16 (1) by striking “Not later than” and inserting
17 the following:

18 “(a) NOTIFICATION.—Not later than”; and

19 (2) by adding at the end the following:

20 “(b) STATE OF MONTANA.—The State of Montana
21 shall be served by the Seattle office of the Economic De-
22 velopment Administration.”.

1 **SEC. 17. ADMINISTRATIVE EXPENSES.**

2 Section 604(c)(2) of the Public Works and Economic
3 Development Act of 1965 (42 U.S.C. 3214(c)(2)) is
4 amended—

5 (1) in subparagraph (A), by striking “and” at
6 the end;

7 (2) by redesignating subparagraph (B) as sub-
8 paragraph (C); and

9 (3) by inserting after subparagraph (A) the fol-
10 lowing:

11 “(B) may be used for administrative ex-
12 penses incident to the projects associated with
13 the transfers to the extent that the expenses do
14 not exceed—

15 “(i) 3 percent, in the case of projects
16 not involving construction; and

17 “(ii) 5 percent, in the case of projects
18 involving construction; and”.

19 **SEC. 18. MAINTENANCE OF EFFORT.**

20 Title VI of the Public Works and Economic Develop-
21 ment Act of 1965 (42 U.S.C. 3211 et seq.) is amended
22 by adding at the end the following:

23 **“SEC. 613. MAINTENANCE OF EFFORT.**

24 “(a) EXPECTED PERIOD OF BEST EFFORTS.—

25 “(1) ESTABLISHMENT.—To carry out the pur-
26 poses of this Act, before providing investment assist-

1 ance for a construction project under this Act, the
2 Secretary shall establish the expected period during
3 which the recipient of the assistance shall make best
4 efforts to achieve the economic development objec-
5 tives of the assistance.

6 “(2) TREATMENT OF PROPERTY.—To obtain
7 the best efforts of a recipient during the period es-
8 tablished under paragraph (1), during that period—

9 “(A) any property that is acquired or im-
10 proved, in whole or in part, using investment
11 assistance under this Act shall be held in trust
12 by the recipient for the benefit of the project;
13 and

14 “(B) the Secretary shall retain an undi-
15 vided equitable reversionary interest in the
16 property.

17 “(3) TERMINATION OF FEDERAL INTEREST.—

18 “(A) IN GENERAL.—Beginning on the date
19 on which the Secretary determines that a recipi-
20 ent has fulfilled the obligations of the recipient
21 for the applicable period under paragraph (1),
22 taking into consideration the economic condi-
23 tions existing during that period, the Secretary
24 may terminate the reversionary interest of the

1 Secretary in any applicable property under
2 paragraph (2)(B).

3 “(B) ALTERNATIVE METHOD OF TERMI-
4 NATION.—

5 “(i) IN GENERAL.—On a determina-
6 tion by a recipient that the economic devel-
7 opment needs of the recipient have
8 changed during the period beginning on
9 the date on which investment assistance
10 for a construction project is provided
11 under this Act and ending on the expira-
12 tion of the expected period established for
13 the project under paragraph (1), the re-
14 cipient may submit to the Secretary a re-
15 quest to terminate the reversionary inter-
16 est of the Secretary in property of the
17 project under paragraph (2)(B) before the
18 date described in subparagraph (A).

19 “(ii) APPROVAL.—The Secretary may
20 approve a request of a recipient under
21 clause (i) if—

22 “(I) in any case in which the re-
23 quest is submitted during the 10-year
24 period beginning on the date on which
25 assistance is initially provided under

1 this Act for the applicable project, the
2 recipient repays to the Secretary an
3 amount equal to 100 percent of the
4 fair market value of the pro rata Fed-
5 eral share of the project; or

6 “(II) in any case in which the re-
7 quest is submitted after the expiration
8 of the 10-year period described in sub-
9 clause (I), the recipient repays to the
10 Secretary an amount equal to the fair
11 market value of the pro rata Federal
12 share of the project as if that value
13 had been amortized over the period
14 established under paragraph (1),
15 based on a straight-line depreciation
16 of the project throughout the esti-
17 mated useful life of the project.

18 “(b) TERMS AND CONDITIONS.—The Secretary may
19 establish such terms and conditions under this section as
20 the Secretary determines to be appropriate, including by
21 extending the period of a reversionary interest of the Sec-
22 retary under subsection (a)(2)(B) in any case in which the
23 Secretary determines that the performance of a recipient
24 is unsatisfactory.

1 “(c) PREVIOUSLY EXTENDED ASSISTANCE.—With
2 respect to any recipient to which the term of provision of
3 assistance was extended under this Act before the date
4 of enactment of this section, the Secretary may approve
5 a request of the recipient under subsection (a) in accord-
6 ance with the requirements of this section to ensure uni-
7 form administration of this Act, notwithstanding any esti-
8 mated useful life period that otherwise relates to the as-
9 sistance.

10 “(d) CONVERSION OF USE.—If a recipient of assist-
11 ance under this Act demonstrates to the Secretary that
12 the intended use of the project for which assistance was
13 provided under this Act no longer represents the best use
14 of the property used for the project, the Secretary may
15 approve a request by the recipient to convert the property
16 to a different use for the remainder of the term of the
17 Federal interest in the property, subject to the condition
18 that the new use shall be consistent with the purposes of
19 this Act.

20 “(e) STATUS OF AUTHORITY.—The authority of the
21 Secretary under this section is in addition to any authority
22 of the Secretary pursuant to any law or grant agreement
23 in effect on the date of enactment of this section.”.

1 **SEC. 19. EXTENSION OF AUTHORIZATION OF APPROPRIA-**
 2 **TIONS.**

3 Section 701(a) of the Public Works and Economic
 4 Development Act of 1965 (42 U.S.C. 3231(a)) is amended
 5 by striking “expended—” and all that follows through
 6 paragraph (5) and inserting “expended, \$500,000,000 for
 7 each of fiscal years 2011 through 2015.”.

8 **SEC. 20. FUNDING FOR GRANTS FOR PLANNING AND**
 9 **GRANTS FOR ADMINISTRATIVE EXPENSES.**

10 Section 704 of the Public Works and Economic De-
 11 velopment Act of 1965 (42 U.S.C. 3234) is amended to
 12 read as follows:

13 **“SEC. 704. FUNDING FOR GRANTS FOR PLANNING AND**
 14 **GRANTS FOR ADMINISTRATIVE EXPENSES.**

15 “(a) IN GENERAL.—Subject to subsection (b), of the
 16 amounts made available under section 701 for each fiscal
 17 year, there shall be made available to provide grants under
 18 section 203 an amount equal to not less than the lesser
 19 of—

20 “(1) 12 percent; and

21 “(2) \$31,000,000.

22 “(b) SUBJECT TO TOTAL APPROPRIATIONS.—For
 23 any fiscal year, the amount made available pursuant to
 24 subsection (a) shall be increased to—

25 “(1) if the total amount made available under
 26 section 701(a) for the fiscal year is equal to or

1 greater than \$291,000,000, an amount equal to the
2 greater of—

3 “(A) \$32,000,000; and

4 “(B) 11 percent of the total amount made
5 available under section 701(a) for the fiscal
6 year;

7 “(2) if the total amount made available under
8 section 701(a) for the fiscal year is equal to or
9 greater than \$330,000,000, an amount equal to the
10 greater of—

11 “(A) \$33,000,000; and

12 “(B) 10 percent of the total amount made
13 available under section 701(a) for the fiscal
14 year;

15 “(3) if the total amount made available under
16 section 701(a) for the fiscal year is equal to or
17 greater than \$340,000,000, an amount equal to the
18 greater of—

19 “(A) \$34,000,000; and

20 “(B) 10 percent of the total amount made
21 available under section 701(a) for the fiscal
22 year; or

23 “(4) if the total amount made available under
24 section 701(a) for the fiscal year is equal to or

1 greater than \$350,000,000, an amount equal to the
 2 greater of—

3 “(A) \$35,000,000; and

4 “(B) 10 percent of the total amount made
 5 available under section 701(a) for the fiscal
 6 year.”.

7 **SEC. 21. REPORT ON DUPLICATIVE PROGRAMS.**

8 *Not later than 90 days after the date of enactment of*
 9 *this Act, the Government Accountability Office shall submit*
 10 *to the Committee on Environment and Public Works of the*
 11 *Senate a report that describes a list of the specific programs*
 12 *and portions of specific programs of other Federal agencies*
 13 *that are duplicative of programs or portions of programs*
 14 *administered by the Economic Development Administra-*
 15 *tion, including the programs or portions of programs car-*
 16 *ried out by—*

17 *(1) the Department of Housing and Urban De-*
 18 *velopment;*

19 *(2) the Department of Agriculture; and*

20 *(3) the Small Business Administration.*

Calendar No. 38

112TH CONGRESS
1ST Session

S. 782

[Report No. 112-15]

A BILL

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

MAY 2, 2011

Reported with an amendment