

112TH CONGRESS  
1ST SESSION

# S. 782

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

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IN THE SENATE OF THE UNITED STATES

APRIL 8, 2011

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

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## 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”.

6       **SEC. 2. FINDINGS AND DECLARATIONS.**

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

9               (1) in subsection (a)(3)(C), by inserting “, in-  
10       cluding the location of information technology and

1 manufacturing jobs in the United States” after “in-  
2 vestment”; and

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

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

14 **SEC. 3. DEFINITIONS.**

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

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

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

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

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

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

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

7   **SEC. 4. ECONOMIC DEVELOPMENT PARTNERSHIPS.**

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

10           (1) in subsection (b)—

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

15                   (B) by striking paragraph (2) and insert-  
16                   ing the following:

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

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

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

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

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

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

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

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

11          “(b) GOVERNMENTAL COOPERATION.—

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

19                 “(2) LABOR.—In carrying out paragraph (1),  
20                 the Secretary shall cooperate with the Secretary of  
21                 Labor to support economic and workforce develop-  
22                 ment strategies and the promotion of regional inno-  
23                 vation clusters.”.

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

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

6 (1) in paragraph (1), by striking “and” at the  
7 end;

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

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

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

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

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

23 **SEC. 7. GRANTS FOR PLANNING AND GRANTS FOR ADMIN-**  
24 **ISTRATIVE EXPENSES.**

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

1 (1) in subsection (b)—

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

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

6 “(4) formulating and implementing an economic  
7 development program that includes systematic ef-  
8 forts to reduce unemployment and increase incomes  
9 by fostering innovation and entrepreneurship;

10 “(5) fostering regional collaboration among  
11 local jurisdictions and organizations; and

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

18 (2) in subsection (d)—

19 (A) in paragraph (4)—

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

22 (ii) in subparagraph (F), by striking  
23 the period at the end and inserting “;  
24 and”; and

1 (iii) by adding at the end the fol-  
2 lowing:

3 “(G) support development practices that—

4 “(i) enhance energy and water effi-  
5 ciency;

6 “(ii) reduce the dependence of the  
7 United States on foreign oil; and

8 “(iii) encourage efficient coordination  
9 and leveraging of public and private invest-  
10 ments.”; and

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

15 “(A) submit to the Secretary an annual re-  
16 port on the planning process assisted under this  
17 subsection; and

18 “(B) provide a copy of each annual report  
19 to each economic development district within  
20 the State.”; and

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

22 “(e) ADDITIONAL AMOUNTS TO ADDRESS SEVERE  
23 NEED.—In determining the amount of funds to provide  
24 a recipient for planning assistance under this section, the

1 Secretary shall take into account those recipients located  
2 in regions that are—

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

5 “(2) experiencing severe need due to long-term  
6 economic deterioration or sudden and severe eco-  
7 nomic distress.

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

15 “(1) the Federal share otherwise applicable to  
16 the recipients; or

17 “(2) the amount of Federal assistance to the  
18 recipients.”.

19 **SEC. 8. COST SHARING.**

20 (a) FEDERAL SHARE.—Section 204(a) of the Public  
21 Works and Economic Development Act of 1965 (42  
22 U.S.C. 3144(a)) is amended by striking “shall not ex-  
23 ceed—” and all that follows through the end of the sub-  
24 section and inserting “shall not exceed 50 percent, except  
25 as otherwise expressly provided in this Act.”.



1 (b) INCREASE IN FEDERAL SHARE.—Section 204(c)  
2 of the Public Works and Economic Development Act of  
3 1965 (42 U.S.C. 3144(c)) is amended—

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

6 (2) by inserting before paragraph (2) (as reded-  
7 ignated by paragraph (1)) the following:

8 “(1) RELATIVE NEEDS OF AN AREA.—

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

18 “(B) 175-PERCENT HIGHER UNEMPLOY-  
19 MENT RATE.—In the case of a grant made in  
20 an area for which the 24-month unemployment  
21 rate is at least 175 percent of the national aver-  
22 age or the per capita income is not more than  
23 60 percent of the national average, the Sec-  
24 retary may increase the Federal share above the

1 percentage specified in subsection (a) up to 70  
2 percent of the cost of the project.

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

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

20 (3) in paragraph (2) (as redesignated by para-  
21 graph (1))—

22 (A) by striking “may” and inserting  
23 “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.—

1           “(A) REQUEST.—If a recipient determines  
2           that a revolving loan fund established using as-  
3           sistance provided under this section is no longer  
4           needed, or that the recipient could make better  
5           use of the assistance in light of the current eco-  
6           nomic development needs of the recipient if the  
7           assistance was made available to carry out any  
8           other project that meets the requirements of  
9           this Act, the recipient may submit to the Sec-  
10          retary a request to approve the conversion of  
11          the assistance.

12          “(B) METHODS OF CONVERSION.—A re-  
13          cipient request to convert assistance that is ap-  
14          proved under subparagraph (A) may accomplish  
15          the conversion by—

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

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

21          “(C) REQUIREMENTS.—

22                 “(i) SALE.—

23                         “(I) IN GENERAL.—Subject to  
24                         subclause (II), a recipient shall use  
25                         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.”.

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