

Stat. 294, as amended. For classification of this Act to the Code, see Short Title note set out under section 1911 of this title and Tables. However, the reference was probably intended to be “this title” meaning the Consolidated Farm and Rural Development Act, title III of Pub. L. 87-128, as amended, which is classified principally to this chapter. For classification of this title to the Code, see Short Title note set out under section 1921 of this title and Tables.

AMENDMENTS

2002—Pub. L. 107-171 reenacted section catchline without change and amended text generally to clarify provisions relating to supplements to Federal grant programs.

**§ 2009aa-4. Local development districts; certification and administrative expenses**

**(a) Definition of local development district**

In this section, the term “local development district” means an entity that—

(1) is—

(A) a planning district in existence on December 21, 2000, that is recognized by the Economic Development Administration of the Department of Commerce; or

(B) where an entity described in subparagraph (A) does not exist—

(i) organized and operated in a manner that ensures broad-based community participation and an effective opportunity for other nonprofit groups to contribute to the development and implementation of programs in the region;

(ii) governed by a policy board with at least a simple majority of members consisting of elected officials or employees of a general purpose unit of local government who have been appointed to represent the government;

(iii) certified to the Authority as having a charter or authority that includes the economic development of counties or parts of counties or other political subdivisions within the region—

(I) by the Governor of each State in which the entity is located; or

(II) by the State officer designated by the appropriate State law to make the certification; and

(iv)(I) a nonprofit incorporated body organized or chartered under the law of the State in which the entity is located;

(II) a nonprofit agency or instrumentality of a State or local government;

(III) a public organization established before December 21, 2000, under State law for creation of multi-jurisdictional, area-wide planning organizations; or

(IV) a nonprofit association or combination of bodies, agencies, and instrumentalities described in subclauses (I) through (III); and

(2) has not, as certified by the Federal co-chairperson—

(A) inappropriately used Federal grant funds from any Federal source; or

(B) appointed an officer who, during the period in which another entity inappropriately used Federal grant funds from any Federal source, was an officer of the other entity.

**(b) Grants to local development districts**

**(1) In general**

The Authority shall make grants for administrative expenses under this section.

**(2) Conditions for grants**

**(A) Maximum amount**

The amount of any grant awarded under paragraph (1) shall not exceed 80 percent of the administrative expenses of the local development district receiving the grant.

**(B) Maximum period**

No grant described in paragraph (1) shall be awarded to a State agency certified as a local development district for a period greater than 3 years.

**(C) Local share**

The contributions of a local development district for administrative expenses may be in cash or in kind, fairly evaluated, including space, equipment, and services.

**(c) Duties of local development districts**

A local development district shall—

(1) operate as a lead organization serving multicounty areas in the region at the local level; and

(2) serve as a liaison between State and local governments, nonprofit organizations (including community-based groups and educational institutions), the business community, and citizens that—

(A) are involved in multijurisdictional planning;

(B) provide technical assistance to local jurisdictions and potential grantees; and

(C) provide leadership and civic development assistance.

(Pub. L. 87-128, title III, § 382E, as added Pub. L. 106-554, § 1(a)(4) [div. B, title V, § 503], Dec. 21, 2000, 114 Stat. 2763, 2763A-276; amended Pub. L. 107-171, title VI, § 6027(e), May 13, 2002, 116 Stat. 374.)

AMENDMENTS

2002—Subsec. (b)(1). Pub. L. 107-171 substituted “Authority shall” for “Authority may”.

**§ 2009aa-5. Distressed counties and areas and nondistressed counties**

**(a) Designations**

Not later than 90 days after December 21, 2000, and annually thereafter, the Authority, in accordance with such criteria as the Authority may establish, shall designate—

(1) as distressed counties, counties in the region that are the most severely and persistently distressed and underdeveloped and have high rates of poverty or unemployment;

(2) as nondistressed counties, counties in the region that are not designated as distressed counties under paragraph (1); and

(3) as isolated areas of distress, areas located in nondistressed counties (as designated under paragraph (2)) that have high rates of poverty or unemployment.

**(b) Distressed counties**

**(1) In general**

The Authority shall allocate at least 75 percent of the appropriations made available