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 cochairperson—

(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

under section 2009aa–12 of this title for programs and projects designed to serve the needs of distressed counties and isolated areas of distress in the region.

(2) Funding limitations

The funding limitations under section 2009aa–3(b) of this title shall not apply to a project providing transportation or basic public services to residents of one or more distressed counties or isolated areas of distress in the region.

(c) Nondistressed counties

(1) In general

Except as provided in this subsection, no funds shall be provided under this subchapter for a project located in a county designated as a nondistressed county under subsection (a)(2) of this section.

(2) Exceptions

(A) In general

The funding prohibition under paragraph (1) shall not apply to grants to fund the administrative expenses of local development districts under section 2009aa–4(b) of this title.

(B) Multicounty projects

The Authority may waive the application of the funding prohibition under paragraph (1) to—
(i) a multicounty project that includes participation by a nondistressed county; or
(ii) any other type of project;

if the Authority determines that the project could bring significant benefits to areas of the region outside a nondistressed county.

(C) Isolated areas of distress

For a designation of an isolated area of distress for assistance to be effective, the designation shall be supported—
(i) by the most recent Federal data available; or
(ii) if no recent Federal data are available, by the most recent data available through the government of the State in which the isolated area of distress is located.

(d) Transportation and basic public infrastructure

The Authority shall allocate at least 50 percent of any funds made available under section 2009aa–12 of this title for transportation and basic public infrastructure projects authorized under paragraphs (1) and (3) of section 2009aa–2(a) of this title.

(Pub. L. 87–128, title III, § 382F, as added Pub. L. 106–554, § 1(a)(4) [div. B, title V, § 503], Dec. 21, 2000, 114 Stat. 2763, 2763A–277.)

§ 2009aa–6. Development planning process

(a) State development plan

In accordance with policies established by the Authority, each State member shall submit a development plan for the area of the region represented by the State member.

(b) Content of plan

A State development plan submitted under subsection (a) of this section shall reflect the goals, objectives, and priorities identified in the regional development plan developed under section 2009aa–1(d)(2) of this title.

(c) Consultation with interested local parties

In carrying out the development planning process (including the selection of programs and projects for assistance), a State may—
(1) consult with—
(A) local development districts; and
(B) local units of government; and

(2) take into consideration the goals, objectives, priorities, and recommendations of the entities described in paragraph (1).

(d) Public participation

(1) In general

The Authority and applicable State and local development districts shall encourage and assist, to the maximum extent practicable, public participation in the development, revision, and implementation of all plans and programs under this subchapter.

(2) Regulations

The Authority shall develop guidelines for providing public participation described in paragraph (1), including public hearings.

(Pub. L. 87–128, title III, § 382G, as added Pub. L. 106–554, § 1(a)(4) [div. B, title V, § 503], Dec. 21, 2000, 114 Stat. 2763, 2763A–278.)

§ 2009aa–7. Program development criteria

(a) In general

In considering programs and projects to be provided assistance under this subchapter, and in establishing a priority ranking of the requests for assistance provided by the Authority, the Authority shall follow procedures that ensure, to the maximum extent practicable, consideration of—
(1) the relationship of the project or class of projects to overall regional development;
(2) the per capita income and poverty and unemployment rates in an area;
(3) the financial resources available to the applicants for assistance seeking to carry out the project, with emphasis on ensuring that projects are adequately financed to maximize the probability of successful economic development;
(4) the importance of the project or class of projects in relation to other projects or classes of projects that may be in competition for the same funds;
(5) the prospects that the project for which assistance is sought will improve, on a continuing rather than a temporary basis, the opportunities for employment, the average level of income, or the economic development of the area served by the project; and
(6) the extent to which the project design provides for detailed outcome measurements by which grant expenditures and the results of the expenditures may be evaluated.

(b) No relocation assistance

No financial assistance authorized by this subchapter shall be used to assist a person or entity in relocating from one area to another, except