

**(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).

**(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) shall reflect the goals, objectives,