

(2) the Secretary designates as eligible for an allocation of funds under this section; and
 (3) assists projects that are—

- (A) eligible for assistance under this subchapter; and
- (B) consistent with a comprehensive economic development strategy.

(b) Supplementary grants

Subject to subsection (c), in order to assist eligible recipients in taking advantage of designated Federal grant programs, on the application of an eligible recipient, the Secretary may make a supplementary grant for a project for which the recipient is eligible but for which the recipient cannot provide the required non-Federal share because of the economic situation of the recipient.

(c) Requirements applicable to supplementary grants

(1) Amount of supplementary grants

The share of the project cost supported by a supplementary grant under this section may not exceed the applicable Federal share under section 3144 of this title.

(2) Form of supplementary grants

The Secretary shall make supplementary grants by—

- (A) the payment of funds made available under this chapter to the heads of the Federal agencies responsible for carrying out the applicable Federal programs; or
- (B) the award of funds under this chapter, which will be combined with funds transferred from other Federal agencies in projects administered by the Secretary.

(3) Federal share limitations specified in other laws

Notwithstanding any requirement as to the amount or source of non-Federal funds that may be applicable to a Federal program, funds provided under this section may be used to increase the Federal share for specific projects under the program that are carried out in areas described in section 3161(a) of this title above the Federal share of the cost of the project authorized by the law governing the program.

(Pub. L. 89-136, title II, §205, as added Pub. L. 105-393, title I, §102(a), Nov. 13, 1998, 112 Stat. 3603; amended Pub. L. 108-373, title II, §203, Oct. 27, 2004, 118 Stat. 1760.)

Editorial Notes

AMENDMENTS

2004—Subsec. (b). Pub. L. 108-373, §203(a), added subsec. (b) and struck out heading and text of former subsec. (b). Text read as follows:

“(1) IN GENERAL.—On the application of an eligible recipient, the Secretary may make a supplementary grant for a project for which the eligible recipient is eligible but, because of the eligible recipient’s economic situation, for which the eligible recipient cannot provide the required non-Federal share.

“(2) PURPOSES OF GRANTS.—Supplementary grants under paragraph (1) may be made for purposes that shall include enabling eligible recipients to use—

- “(A) designated Federal grant programs; and
- “(B) direct grants authorized under this subchapter.”

Subsec. (c)(1), (2). Pub. L. 108-373, §203(b)(1), added pars. (1) and (2) and struck out former pars. (1) and (2), which read as follows:

“(1) AMOUNT OF SUPPLEMENTARY GRANTS.—Subject to paragraph (4), the amount of a supplementary grant under this subchapter for a project shall not exceed the applicable percentage of the cost of the project established by regulations promulgated by the Secretary, except that the non-Federal share of the cost of a project (including assumptions of debt) shall not be less than 20 percent.

“(2) FORM OF SUPPLEMENTARY GRANTS.—In accordance with such regulations as the Secretary may promulgate, the Secretary shall make supplementary grants by increasing the amounts of grants authorized under this subchapter or by the payment of funds made available under this chapter to the heads of the Federal agencies responsible for carrying out the applicable Federal programs.”

Subsec. (c)(4). Pub. L. 108-373, §203(b)(2), struck out heading and text of par. (4). Text read as follows:

“(A) INDIAN TRIBES.—In the case of a grant to an Indian tribe, the Secretary may reduce the non-Federal share below the percentage specified in paragraph (1) or may waive the non-Federal share.

“(B) CERTAIN STATES, POLITICAL SUBDIVISIONS, AND NONPROFIT ORGANIZATIONS.—In the case of a grant to a State, or a political subdivision of a State, that the Secretary determines has exhausted its effective taxing and borrowing capacity, or in the case of a grant to a nonprofit organization that the Secretary determines has exhausted its effective borrowing capacity, the Secretary may reduce the non-Federal share below the percentage specified in paragraph (1).”

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105-393, set out as a note under section 3121 of this title.

§3146. Regulations on relative needs and allocations

In promulgating rules, regulations, and procedures for assistance under this subchapter, the Secretary shall ensure that—

(1) the relative needs of eligible areas are given adequate consideration by the Secretary, as determined based on, among other relevant factors—

(A) the severity of the rates of unemployment in the eligible areas and the duration of the unemployment;

(B) the income levels and the extent of underemployment in eligible areas; and

(C) the outmigration of population from eligible areas and the extent to which the outmigration is causing economic injury in the eligible areas;

(2) allocations of assistance under this subchapter are prioritized to ensure that the level of economic distress of an area, rather than a preference for a geographic area or a specific type of economic distress, is the primary factor in allocating the assistance;

(3)(A) rural and urban economically distressed areas are not harmed by the establishment or implementation by the Secretary of a private sector leveraging goal for a project under this subchapter;

(B) any private sector leveraging goal established by the Secretary does not prohibit or discourage grant applicants under this sub-

chapter from public works in, or economic development of, rural or urban economically distressed areas; and

(C) the relevant Committees of Congress are notified prior to making any changes to any private sector leveraging goal; and

(4) grants made under this subchapter promote job creation and will have a high probability of meeting or exceeding applicable performance requirements established in connection with the grants.

(Pub. L. 89-136, title II, §206, as added Pub. L. 105-393, title I, §102(a), Nov. 13, 1998, 112 Stat. 3604; amended Pub. L. 108-373, title II, §204, Oct. 27, 2004, 118 Stat. 1761.)

Editorial Notes

AMENDMENTS

2004—Pars. (3), (4). Pub. L. 108-373 added pars. (3) and (4).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105-393, set out as a note under section 3121 of this title.

§ 3147. Grants for training, research, and technical assistance

(a) In general

(1) Grants

On the application of an eligible recipient, the Secretary may make grants for training, research, and technical assistance, including grants for program evaluation and economic impact analyses, that would be useful in alleviating or preventing conditions of excessive unemployment or underemployment.

(2) Types of assistance

Grants under paragraph (1) may be used for—

(A) project planning and feasibility studies;

(B) demonstrations of innovative activities or strategic economic development investments;

(C) management and operational assistance;

(D) establishment of university centers;

(E) establishment of business outreach centers;

(F) studies evaluating the needs of, and development potential for, economic growth of areas that the Secretary determines have substantial need for the assistance;

(G) studies that evaluate the effectiveness of coordinating projects funded under this chapter with projects funded under other Acts;

(H) assessment, marketing, and establishment of business clusters; and

(I) other activities determined by the Secretary to be appropriate.

(3) Cooperation requirement

In the case of a project assisted under this section that is national or regional in scope, the Secretary may waive the provision in sec-

tion 3122(4)(A)(vi) of this title requiring a non-profit organization or association to act in cooperation with officials of a political subdivision of a State.

(b) Methods of provision of assistance

In providing research and technical assistance under this section, the Secretary, in addition to making grants under subsection (a), may—

(1) provide research and technical assistance through officers or employees of the Department;

(2) pay funds made available to carry out this section to Federal agencies; or

(3) employ private individuals, partnerships, businesses, corporations, or appropriate institutions under contracts entered into for that purpose.

(Pub. L. 89-136, title II, §207, as added Pub. L. 105-393, title I, §102(a), Nov. 13, 1998, 112 Stat. 3604; amended Pub. L. 108-373, title II, §205, Oct. 27, 2004, 118 Stat. 1761.)

Editorial Notes

AMENDMENTS

2004—Subsec. (a)(2)(G) to (I). Pub. L. 108-373, §205(a), added subpars. (G) and (H) and redesignated former subpar. (G) as (I).

Subsec. (a)(3). Pub. L. 108-373, §205(b), added par. (3) and struck out heading and text of former par. (3). Text read as follows: “In the case of a project assisted under this section, the Secretary may reduce or waive the non-Federal share, without regard to section 3144 or 3145 of this title, if the Secretary finds that the project is not feasible without, and merits, such a reduction or waiver.”

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105-393, set out as a note under section 3121 of this title.

§ 3148. Repealed. Pub. L. 108-373, title II, § 206(a), Oct. 27, 2004, 118 Stat. 1761

Section, Pub. L. 89-136, title II, §208, as added Pub. L. 105-393, title I, §102(a), Nov. 13, 1998, 112 Stat. 3605, related to prevention of unfair competition.

§ 3149. Grants for economic adjustment

(a) In general

On the application of an eligible recipient, the Secretary may make grants for development of public facilities, public services, business development (including funding of a revolving loan fund), planning, technical assistance, training, and any other assistance to alleviate long-term economic deterioration and sudden and severe economic dislocation and further the economic adjustment objectives of this subchapter.

(b) Criteria for assistance

The Secretary may provide assistance under this section only if the Secretary determines that—

(1) the project will help the area to meet a special need arising from—

(A) actual or threatened severe unemployment; or

(B) economic adjustment problems resulting from severe changes in economic conditions; and