

111TH CONGRESS
2^D SESSION

H. R. 5897

To reauthorize and improve programs and activities carried out under the Public Works and Economic Development Act of 1965, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 28, 2010

Mr. OBERSTAR (for himself, Ms. NORTON, Mr. RAHALL, Mr. FILNER, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. CUMMINGS, Mr. BISHOP of New York, Mr. CARNAHAN, Ms. HIRONO, Mr. ARCURI, Mr. KAGEN, Ms. RICHARDSON, Mr. HARE, and Mr. JOHNSON of Georgia) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To reauthorize and improve programs and activities carried out under the Public Works and Economic Development Act of 1965, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Economic Revitalization and Innovation Act of 2010”.

6 (b) TABLE OF CONTENTS.—

- Sec. 1. Short title; table of contents.
- Sec. 2. Amendments to Public Works and Economic Development Act of 1965.
- Sec. 3. Findings and declarations.
- Sec. 4. Definitions.

TITLE I—ECONOMIC DEVELOPMENT PARTNERSHIPS
COOPERATION AND COORDINATION

- Sec. 101. Establishment of economic development partnerships.
- Sec. 102. Encouragement of certain coordination.
- Sec. 103. Coordination with respect to high-speed rail.

TITLE II—GRANTS FOR PUBLIC WORKS AND ECONOMIC
DEVELOPMENT

- Sec. 201. Grants for public works and economic development.
- Sec. 202. Grants for planning and grants for administrative expenses.
- Sec. 203. Cost sharing.
- Sec. 204. Grants for training, research, and technical assistance.
- Sec. 205. Financial assistance for business incubators and science and research parks.
- Sec. 206. Grants for economic adjustment.
- Sec. 207. Sustainable economic development demonstration program.
- Sec. 208. Job creation goals.
- Sec. 209. Prohibition with respect to use of assistance.

TITLE III—ELIGIBILITY; COMPREHENSIVE ECONOMIC
DEVELOPMENT STRATEGIES

- Sec. 301. Eligibility of areas.
- Sec. 302. Comprehensive economic development strategies.

TITLE IV—ECONOMIC DEVELOPMENT DISTRICTS

- Sec. 401. Designation of economic development districts.
- Sec. 402. Termination or modification of economic development districts.

TITLE V—ADMINISTRATION

- Sec. 501. Consultation with other persons and agencies.
- Sec. 502. Performance evaluations of grant recipients.
- Sec. 503. Economic development representatives.
- Sec. 504. Limitation on certain positions.

TITLE VI—MISCELLANEOUS

- Sec. 601. Annual report to Congress.
- Sec. 602. Maintenance of effort.

TITLE VII—FUNDING

- Sec. 701. General authorization of appropriations.
- Sec. 702. Funding for grants for planning and grants for administrative expenses.
- Sec. 703. Funding for financial assistance for business incubators and science and research parks.

Sec. 704. Funding for sustainable economic development demonstration program.

Sec. 705. Funding for grants for training, research, and technical assistance.

1 **SEC. 2. AMENDMENTS TO PUBLIC WORKS AND ECONOMIC**
2 **DEVELOPMENT ACT OF 1965.**

3 Except as otherwise expressly provided, whenever in
4 this Act an amendment or repeal is expressed in terms
5 of an amendment to, or a repeal of, a section or other
6 provision, the reference shall be considered to be made to
7 a section or other provision of the Public Works and Eco-
8 nomic Development Act of 1965 (42 U.S.C. 3121 et seq.).

9 **SEC. 3. FINDINGS AND DECLARATIONS.**

10 (a) FINDINGS.—Section 2(a) (42 U.S.C. 3121(a)) is
11 amended to read as follows:

12 “(a) FINDINGS.—Congress finds that—

13 “(1) sustainable economic growth in the 21st
14 century depends upon economic development strate-
15 gies that include investment in essential infrastruc-
16 ture that fosters innovation, entrepreneurship, and
17 competition in the global marketplace;

18 “(2) there continue to be areas of the United
19 States experiencing chronic high unemployment,
20 underemployment, outmigration, and low per capita
21 income, as well as areas facing sudden and severe
22 economic dislocations due to structural economic
23 changes, increasing international competition, cer-
24 tain Federal actions (including defense-related facil-

1 ity closures and realignment and actions required to
2 counteract the depletion of natural resources), and
3 natural disasters;

4 “(3) the goal of Federal economic development
5 programs is to raise the standard of living for all
6 citizens and increase the wealth and overall rate of
7 growth of the economy by encouraging regions and
8 communities to develop a more competitive and di-
9 versified economic base, including by—

10 “(A) expanding economic opportunities, in-
11 creasing international competitiveness, and cre-
12 ating a climate supportive of job creation and
13 business development;

14 “(B) creating an environment that pro-
15 motes public infrastructure investments that
16 maximize sustainable development practices;

17 “(C) promoting private sector job creation
18 through increased innovation, productivity, and
19 entrepreneurship; and

20 “(D) empowering local and regional com-
21 munities experiencing chronic high unemploy-
22 ment, underemployment, outmigration, and low
23 per capita income to develop private sector busi-
24 ness and attract increased domestic and foreign
25 private sector capital investment, including

1 through the location of information technology,
2 agribusiness, alternative energy, and manufac-
3 turing jobs in the United States and the reloca-
4 tion of such jobs to the United States;

5 “(4) economic growth in the States, including
6 in both cities and rural areas, can best be promoted
7 by helping communities invest in regional strategies
8 that build upon unique competitive advantages and
9 are designed to foster innovation and entrepreneur-
10 ship in all segments of the community’s economy;

11 “(5) while economic development is an inher-
12 ently local process, the Federal Government should
13 work in partnership with public and private organi-
14 zations at the State, regional, tribal, and local levels
15 to maximize the impact of existing resources and en-
16 able regions, communities, and citizens to participate
17 more fully in the American dream and national pros-
18 perity;

19 “(6) in order to avoid duplication of effort and
20 achieve meaningful, long-lasting results, Federal,
21 State, tribal, and local economic development activi-
22 ties should have a clear focus, improved coordina-
23 tion, a comprehensive approach, and simplified and
24 consistent requirements; and

1 “(7) Federal economic development efforts will
2 be more effective if the efforts are coordinated with,
3 and build upon, the trade, workforce investment,
4 higher education, transportation, energy, environ-
5 mental protection, and technology programs of the
6 United States.”.

7 (b) DECLARATIONS.—Section 2(b) (42 U.S.C.
8 3121(b)) is amended to read as follows:

9 “(b) DECLARATIONS.—In order to promote a strong
10 and growing economy throughout the United States, Con-
11 gress declares that—

12 “(1) assistance under this Act should be made
13 available to distressed communities in both rural and
14 urban areas;

15 “(2) local communities should work in partner-
16 ship with neighboring communities, economic devel-
17 opment districts, States, Indian tribes, institutions
18 of higher education, the private sector, and the Fed-
19 eral Government to increase the capacity of those
20 local communities to develop and implement com-
21 prehensive economic development strategies to allevi-
22 ate economic distress and enhance competitiveness
23 in the global economy;

24 “(3) whether suffering from long-term distress
25 or a sudden dislocation, distressed communities

1 should be encouraged to take affirmative steps to
2 promote innovation and entrepreneurship, including
3 through the formation of business incubators, to
4 help create higher skill, higher wage jobs and foster
5 the participation of those distressed communities in
6 the global marketplace;

7 “(4) assistance under this Act should be made
8 available to promote sustainable economic develop-
9 ment practices, to assist communities with the pro-
10 ductive reuse of abandoned industrial facilities and
11 the redevelopment of brownfields, and to leverage
12 significant Federal investments in high-speed rail
13 corridors and other transportation infrastructure;
14 and

15 “(5) research assistance under this Act should
16 help regions across the United States leverage the
17 economic assets of those regions in a comprehensive
18 manner and should enhance the Economic Develop-
19 ment Administration’s ability to provide an economic
20 development framework to assist distressed commu-
21 nities and regions, with particular emphasis on revi-
22 talizing the manufacturing and agribusiness indus-
23 tries and the linkages between urban and rural com-
24 munities.”.

1 **SEC. 4. DEFINITIONS.**

2 Section 3(8) (42 U.S.C. 3122(8)) is amended—

3 (1) in subparagraph (C) by striking “and” at
4 the end;

5 (2) in subparagraph (D) by striking the period
6 at the end and inserting a semicolon; and

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

8 “(E) the Southeast Crescent Regional
9 Commission established under section 15301(a)
10 of title 40, United States Code;

11 “(F) the Northern Border Regional Com-
12 mission established under section 15301(a) of
13 title 40, United States Code; and

14 “(G) the Southwest Border Regional Com-
15 mission established under section 15301(a) of
16 title 40, United States Code.”.

17 **TITLE I—ECONOMIC DEVELOP-**
18 **MENT PARTNERSHIPS CO-**
19 **OPERATION AND COORDINA-**
20 **TION**

21 **SEC. 101. ESTABLISHMENT OF ECONOMIC DEVELOPMENT**
22 **PARTNERSHIPS.**

23 (a) **TECHNICAL ASSISTANCE.**—Section 101(b) (42
24 U.S.C. 3131(b)) is amended—

25 (1) in the matter preceding paragraph (1) by
26 inserting after “nonprofit organizations” the fol-

1 lowing: “, including economic development districts
2 and university centers,”; and

3 (2) by striking paragraphs (2) and (3) and in-
4 serting the following:

5 “(2) encourage and support public-private part-
6 nerships for the formation and improvement of eco-
7 nomic development strategies, including regional
8 strategies, that sustain and promote innovation and
9 entrepreneurship that is critical to economic com-
10 petitiveness throughout the United States; and

11 “(3) promote investment in infrastructure, in-
12 novation, entrepreneurship, sustainable development,
13 and technological capacity (including with respect to
14 advanced technologies in all industry sectors) to
15 keep pace with the changing global economy.”.

16 (b) INTERGOVERNMENTAL REVIEW.—Section 101(c)
17 (42 U.S.C. 3131(c)) is amended by inserting after “gov-
18 ernment agencies” the following: “and appropriate eco-
19 nomic development districts”.

20 **SEC. 102. ENCOURAGEMENT OF CERTAIN COORDINATION.**

21 (a) IN GENERAL.—Title I (42 U.S.C. 3131 et seq.)
22 is amended by adding at the end the following:

23 **“SEC. 104. ENCOURAGEMENT OF CERTAIN COORDINATION.**

24 “In carrying out this Act, the Secretary is authorized
25 and encouraged to consult and cooperate with any Fed-

1 eral, State, or local government agency or consortium of
 2 governmental organizations that can assist in addressing
 3 challenges and capitalizing on opportunities that require
 4 coordination, including the Department of Labor with re-
 5 spect to supporting economic and workforce development
 6 strategies and promoting regional innovation clusters.”.

7 (b) CLERICAL AMENDMENT.—The table of contents
 8 in section 1(b) is amended by inserting after the item re-
 9 lating to section 103 the following:

“Sec. 104. Encouragement of certain coordination.”.

10 **SEC. 103. COORDINATION WITH RESPECT TO HIGH-SPEED**
 11 **RAIL.**

12 (a) IN GENERAL.—Title I (42 U.S.C. 3131 et seq.),
 13 as amended by this Act, is further amended by adding
 14 at the end the following:

15 **“SEC. 105. COORDINATION WITH RESPECT TO HIGH-SPEED**
 16 **RAIL.**

17 “The Secretary shall coordinate activities carried out
 18 under this Act, as appropriate, with the Department of
 19 Transportation and other relevant Federal agencies, State
 20 and local governments, economic development districts, In-
 21 dian tribes, and planning and development organizations
 22 to leverage and maximize the economic development poten-
 23 tial of Federal investments in high-speed rail projects. In
 24 carrying out this section, the Secretary shall conduct stud-

1 ies and disseminate reports, as appropriate, with respect
2 to high-speed rail projects.”.

3 (b) CLERICAL AMENDMENT.—The table of contents
4 in section 1(b), as amended by this Act, is further amend-
5 ed by inserting after the item relating to section 104 the
6 following:

“Sec. 105. Coordination with respect to high-speed rail.”.

7 **TITLE II—GRANTS FOR PUBLIC**
8 **WORKS AND ECONOMIC DE-**
9 **VELOPMENT**

10 **SEC. 201. GRANTS FOR PUBLIC WORKS AND ECONOMIC DE-**
11 **VELOPMENT.**

12 Section 201(a)(1) (42 U.S.C. 3141(a)(1)) is amended
13 by inserting after “development facility” the following:
14 “(including a facility of a business incubator or a science
15 and research park (as such terms are defined in section
16 208(a))”.

17 **SEC. 202. GRANTS FOR PLANNING AND GRANTS FOR AD-**
18 **MINISTRATIVE EXPENSES.**

19 (a) IN GENERAL.—Section 203(a) (42 U.S.C.
20 3143(a)) is amended by inserting after “administrative ex-
21 penses” the following: “(including indirect costs deter-
22 mined eligible in an applicable Office of Management and
23 Budget circular)”.

24 (b) PLANNING PROCESS.—Section 203(b) (42 U.S.C.
25 3143(b)) is amended—

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

3 (2) in paragraph (4) by striking “and increase
4 incomes.” and inserting “and systemic economic dis-
5 tress and increase incomes by fostering entrepre-
6 neurship and innovation across all regional industry
7 sectors; and”; and

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

9 “(5) fostering regional collaboration.”.

10 (c) STATE PLANS.—Section 203(d)(4) (42 U.S.C.
11 3143(d)(4)) is amended—

12 (1) in the matter preceding subparagraph (A)
13 by inserting after “public works” the following: “and
14 other types of assistance”;

15 (2) in subparagraph (C) by inserting after “en-
16 vironment” the following: “, including through effi-
17 cient energy production, utilization, and facility de-
18 velopment”;

19 (3) in subparagraph (E)—

20 (A) by inserting after “use” the following:
21 “and deployment”; and

22 (B) by striking “and” at the end;

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

25 (5) by adding at the end the following:

1 “(G) support sustainable development
2 practices and the efficient coordination and
3 leveraging of public and private investments.”.

4 **SEC. 203. COST SHARING.**

5 Section 204(c) (42 U.S.C. 3144(c)) is amended—

6 (1) in paragraph (2) by inserting after “State
7 or political subdivision” the following: “or that the
8 Secretary determines has been affected by substan-
9 tial declines in tax revenue”; and

10 (2) in paragraph (3)—

11 (A) in the heading by striking “TRAINING”
12 and inserting “PLANNING, TRAINING”;

13 (B) by striking “section 207” and insert-
14 ing “section 203 or 207”; and

15 (C) by inserting after “such an increase”
16 the following: “or if grant supported activities
17 will include regional planning to build on com-
18 petitive advantages available regionally”.

19 **SEC. 204. GRANTS FOR TRAINING, RESEARCH, AND TECH-**
20 **NICAL ASSISTANCE.**

21 (a) GRANTS.—Section 207(a)(1) (42 U.S.C.
22 3147(a)(1)) is amended by striking “or underemploy-
23 ment” and inserting “, underemployment, or outmigra-
24 tion”.

1 (b) TYPES OF ASSISTANCE.—Section 207(a)(2) (42
2 U.S.C. 3147(a)(2)) is amended—

3 (1) in subparagraph (D) by inserting after
4 “centers” the following: “, with the goal that at
5 least one university center is established in each
6 State”; and

7 (2) by striking subparagraphs (H) and (I) and
8 inserting the following:

9 “(H) studies that evaluate the effectiveness
10 of regional innovation clusters and determine
11 best practices with respect to the support pro-
12 vided by entrepreneurial infrastructure, includ-
13 ing business incubators;

14 “(I) a peer exchange program to promote
15 best practices and innovation with respect to
16 the organizational development, program deliv-
17 ery, and regional initiatives of economic devel-
18 opment districts;

19 “(J) development and promotion of per-
20 formance measures and best practices with re-
21 spect to commercialization and entrepreneur-
22 ship; and

23 “(K) other activities determined by the
24 Secretary to be appropriate.”.

1 (c) HIGH-SPEED RAIL.—Section 207(a) (42 U.S.C.
2 3147(a)) is amended by adding at the end the following:

3 “(4) HIGH-SPEED RAIL.—In making a grant
4 under this subsection for the establishment of a uni-
5 versity center, the Secretary shall ensure, if appro-
6 priate, that the activities of the center will include
7 conducting research and providing technical assist-
8 ance to leverage and maximize the economic develop-
9 ment potential of Federal investments in high-speed
10 rail projects.”.

11 **SEC. 205. FINANCIAL ASSISTANCE FOR BUSINESS INCUBA-**
12 **TORS AND SCIENCE AND RESEARCH PARKS.**

13 (a) IN GENERAL.—Title II (42 U.S.C. 3141 et seq.)
14 is amended by inserting after section 207 the following:

15 **“SEC. 208. FINANCIAL ASSISTANCE FOR BUSINESS INCUBA-**
16 **TORS AND SCIENCE AND RESEARCH PARKS.**

17 “(a) DEFINITIONS.—In this section, the following
18 definitions apply:

19 “(1) BUSINESS INCUBATOR.—The term ‘busi-
20 ness incubator’ means a program established to fos-
21 ter the creation of new businesses and accelerate the
22 growth of early-stage businesses by providing entre-
23 preneurs and early-stage businesses with the re-
24 sources and services to produce viable businesses

1 that can help create jobs in and restore vitality to
2 communities.

3 “(2) BUSINESS INCUBATOR DEVELOPMENT
4 PROJECT.—The term ‘business incubator develop-
5 ment project’ means a project to construct or alter
6 facilities for a business incubator, including the ac-
7 quisition of real property necessary to carry out the
8 construction or alteration.

9 “(3) SCIENCE AND RESEARCH PARK.—The
10 term ‘science and research park’ means a program
11 that—

12 “(A) includes property and buildings de-
13 signed primarily for—

14 “(i) research and development activi-
15 ties conducted by public-private partners;

16 “(ii) technology- and science-based
17 businesses; or

18 “(iii) research and development sup-
19 port services;

20 “(B) includes a contractual relationship
21 with one or more institutions of higher edu-
22 cation or government or nonprofit research lab-
23 oratories;

24 “(C) has a primary mission of—

1 “(i) promoting research and develop-
2 ment through industry partnerships, as-
3 sisting the growth of new ventures, and
4 promoting innovation-driven economic de-
5 velopment;

6 “(ii) facilitating the transfer of tech-
7 nology and business skills between re-
8 searchers and industry teams; and

9 “(iii) promoting technology-led eco-
10 nomic development for the community or
11 region in which the program is located;
12 and

13 “(D) is owned by a government or non-
14 profit entity (although the government or non-
15 profit entity may enter into partnerships or
16 joint ventures with for-profit entities to develop
17 or manage specific components of the program).

18 “(4) SCIENCE AND RESEARCH PARK DEVELOP-
19 MENT PROJECT.—The term ‘science and research
20 park development project’ means a project to con-
21 struct or alter facilities for a science and research
22 park, including the acquisition of real property nec-
23 essary to carry out the construction or alteration.

24 “(b) FINANCIAL ASSISTANCE.—On the application of
25 an eligible recipient, the Secretary may provide financial

1 assistance in accordance with this section to assist the de-
2 velopment of business incubators and science and research
3 parks.

4 “(c) GRANTS FOR PLANS FOR SCIENCE AND RE-
5 SEARCH PARKS.—

6 “(1) GRANT AUTHORITY.—In accordance with
7 this subsection, the Secretary may award a grant to
8 an eligible recipient for the development of a feasi-
9 bility study or development plan, or both, with re-
10 spect to a science and research park development
11 project.

12 “(2) AMOUNT OF A GRANT.—A grant awarded
13 under paragraph (1) may not be in an amount that
14 exceeds \$750,000.

15 “(3) SELECTION PROCESS.—

16 “(A) SELECTION CRITERIA.—Not later
17 than 180 days after the date of enactment of
18 the Economic Revitalization and Innovation Act
19 of 2010, the Secretary shall publish the criteria
20 to be utilized for the selection of grant recipi-
21 ents under paragraph (1).

22 “(B) COMPETITION REQUIRED.—The Sec-
23 retary shall award grants under paragraph (1)
24 pursuant to a full and open competition.

1 “(C) GEOGRAPHIC DIVERSITY.—In award-
2 ing grants under paragraph (1), the Secretary
3 shall ensure, to the extent practicable, that
4 grant recipients represent diverse geographic
5 areas of the United States, including rural and
6 urban areas.

7 “(4) PROGRAM LIMIT.—The Secretary may not
8 award, in the aggregate, more than \$7,500,000 in
9 grants under paragraph (1).

10 “(d) LOAN GUARANTEES FOR BUSINESS INCUBA-
11 TORS AND SCIENCE AND RESEARCH PARKS.—

12 “(1) GUARANTEE AUTHORITY.—In accordance
13 with this subsection, the Secretary may guarantee a
14 loan of an eligible recipient to assist the carrying out
15 of a business incubator development project or a
16 science and research park development project.

17 “(2) GUARANTEE PERCENTAGE.—In guaran-
18 teeing a loan under paragraph (1), the Secretary
19 may guarantee up to 80 percent of the principal
20 amount of the loan.

21 “(3) SELECTION OF GUARANTEE RECIPI-
22 ENTS.—

23 “(A) CREDITWORTHINESS.—The Secretary
24 may not guarantee a loan under paragraph (1)
25 unless the Secretary has determined that there

1 is a reasonable assurance of repayment with re-
2 spect to the loan.

3 “(B) GRANT RECIPIENTS.—A recipient of
4 a grant under subsection (c) for the develop-
5 ment of a feasibility study or development plan,
6 or both, is not eligible for a loan guarantee
7 under paragraph (1) until the recipient has
8 completed the study or plan, or both, for which
9 the grant was provided (as determined by the
10 Secretary).

11 “(4) TERM OF LOAN.—The term of a loan
12 guaranteed under paragraph (1) may not exceed the
13 lesser of—

14 “(A) 30 years; or

15 “(B) 90 percent of the useful life of any
16 physical asset to be financed by such loan.

17 “(5) SUBORDINATION.—An obligation relating
18 to a loan guarantee under paragraph (1) may not be
19 subordinated to another debt contracted by the bor-
20 rower or to any other claims against the borrower in
21 the case of default.

22 “(6) OTHER TERMS AND CONDITIONS.—Except
23 as otherwise specified in this subsection, a loan
24 guarantee under paragraph (1) shall be subject to

1 such terms and conditions as the Secretary may pre-
2 scribe.

3 “(7) REVIEW.—

4 “(A) IN GENERAL.—The Secretary shall
5 periodically assess the risks associated with
6 loans guaranteed under paragraph (1).

7 “(B) COMPTROLLER GENERAL REPORT.—
8 Not later than 2 years after the date of enact-
9 ment of the Economic Revitalization and Inno-
10 vation Act of 2010, the Comptroller General
11 shall—

12 “(i) conduct a comprehensive review
13 of the program under this subsection; and

14 “(ii) submit to Congress a report on
15 the results of the review.

16 “(8) PROGRAM LEVELS.—In carrying out para-
17 graph (1) during fiscal years 2011 through 2015,
18 the Secretary may not guarantee loans in an amount
19 that exceeds—

20 “(A) \$50,000,000 for a single project;

21 “(B) \$235,000,000 in a single fiscal year;

22 and

23 “(C) \$500,000,000 in the aggregate.”.

24 (b) CLERICAL AMENDMENT.—The table of contents
25 in section 1(b), as amended by this Act, is further amend-

1 ed by inserting after the item relating to section 207 the
2 following:

“Sec. 208. Financial assistance for business incubators and science and re-
search parks.”.

3 **SEC. 206. GRANTS FOR ECONOMIC ADJUSTMENT.**

4 (a) IN GENERAL.—Section 209(a) (42 U.S.C.
5 3149(a)) is amended—

6 (1) by inserting after “public facilities,” the fol-
7 lowing: “science and research park development
8 projects (as defined in section 208(a)),”; and

9 (2) by inserting after “revolving loan fund” the
10 following: “, a challenge grant, and operating sup-
11 port for business incubators (as defined in section
12 208(a))”.

13 (b) PARTICULAR COMMUNITY ASSISTANCE.—Section
14 209(c) (42 U.S.C. 3149(c)) is amended—

15 (1) in the matter preceding paragraph (1) by
16 striking “injured” and inserting “affected”;

17 (2) in paragraph (1)—

18 (A) by striking “or realignments,” and in-
19 serting “, realignments, or mission growth,”;
20 and

21 (B) by inserting after “their economies”
22 the following: “or supporting the economic ad-
23 justment activities of the Secretary of Defense”;

1 (3) in paragraph (4) by striking “or” at the
2 end;

3 (4) in paragraph (5)—

4 (A) by striking “manufacturing jobs” and
5 inserting “manufacturing, information tech-
6 nology, natural resource, agricultural, or service
7 sector jobs”; and

8 (B) by striking the period at the end and
9 inserting “; or”; and

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

11 “(6) a lack of technology infrastructure, includ-
12 ing inadequate access to broadband capacity suffi-
13 cient to support economic development objectives;

14 “(7) an inability to utilize alternative means of
15 energy production and distribution; or

16 “(8) insufficient access to capital and credit
17 necessary for business retention and expansion, en-
18 trepreneurship, and innovation.”.

19 (c) SPECIAL PROVISIONS RELATING TO REVOLVING
20 LOAN FUND GRANTS.—Section 209(d) (42 U.S.C.
21 3149(d)) is amended—

22 (1) in paragraph (2)—

23 (A) by redesignating subparagraphs (B)
24 and (C) as subparagraphs (C) and (D), respec-
25 tively; and

1 (B) by inserting after subparagraph (A)
2 the following:

3 “(B) at the request of a grantee, approve
4 the transfer of all or a portion of the assets of
5 a revolving loan fund of the grantee to another
6 eligible recipient to assist in establishing or
7 maintaining a multiregion or national revolving
8 loan fund;” and

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

10 “(5) CONVERSION OF REVOLVING LOAN FUND
11 ASSETS.—

12 “(A) AUTHORITY.—At the request of a
13 grant recipient, the Secretary may approve the
14 use of the assets of a revolving loan fund estab-
15 lished by the grant recipient with assistance
16 under this section for another project, if—

17 “(i) the project is eligible for assist-
18 ance under this Act; and

19 “(ii) the Secretary determines that
20 the revolving loan fund is no longer nec-
21 essary and the grant recipient, as a result
22 of changed economic development needs,
23 will make better use of the assets by car-
24 rying out the project.

1 “(B) METHODS OF CONVERSION.—If con-
2 version of a revolving loan fund is approved
3 under subparagraph (A), the applicable grant
4 recipient may convert the assets of the revolving
5 loan fund by—

6 “(i) selling to a third party any assets
7 of the revolving loan fund; or

8 “(ii) retaining repayments of principal
9 and interest amounts made on loans pro-
10 vided through the revolving loan fund.

11 “(C) TERMS AND CONDITIONS.—Except as
12 otherwise provided under this paragraph, the
13 Secretary may establish such terms and condi-
14 tions with respect to the conversion of a revolv-
15 ing loan fund under this paragraph as the Sec-
16 retary determines appropriate.

17 “(D) EXPEDIENCY REQUIREMENT.—The
18 Secretary shall ensure that any assets of a re-
19 volving loan fund converted under this para-
20 graph are used in an expeditious manner.

21 “(6) RELEASE.—The Secretary may release,
22 subject to terms and conditions the Secretary deter-
23 mines appropriate, the Federal Government’s inter-
24 est in a revolving loan fund established by a grant
25 recipient with assistance under this section on or

1 after the date that is 7 years after the date on which
2 the applicable grant was fully disbursed, if the Sec-
3 retary determines that—

4 “(A) the grant recipient has carried out
5 the terms of the grant in a satisfactory manner;

6 “(B) any proceeds realized after the re-
7 lease of the Federal Government’s interest will
8 be used for one or more activities that carry out
9 the economic development purposes of this Act;
10 and

11 “(C) the grant recipient will continue to
12 satisfy the requirements of section 602.

13 “(7) EQUITY INVESTMENT DEMONSTRATION
14 PROGRAM.—

15 “(A) AUTHORITY.—

16 “(i) IN GENERAL.—To determine the
17 feasibility and utility of providing equity
18 investments through revolving loan funds
19 established by grant recipients with assist-
20 ance under this section, the Secretary may
21 authorize, at the request of a grant recipi-
22 ent, the use of the capital base of a revolv-
23 ing loan fund for equity investments in
24 businesses in need of capital to start up

1 operations or expand operations beyond
2 the startup phase.

3 “(ii) DEMONSTRATED CAPACITY.—Be-
4 fore authorizing a grant recipient to make
5 equity investments under clause (i), the
6 Secretary shall determine that the grant
7 recipient has the demonstrated capacity for
8 engaging in equity investments or will con-
9 tract with another company or organiza-
10 tion with a proven track record with re-
11 spect to equity investments.

12 “(iii) PREFERENTIAL CONSIDER-
13 ATION.—In authorizing grant recipients to
14 make equity investments under clause (i),
15 the Secretary shall give preferential consid-
16 eration to requests from grant recipients
17 that intend to focus their investment ac-
18 tivities in support of business incubators
19 (as defined in section 208(a)), companies
20 commercializing technologies in conjunc-
21 tion with institutions of higher education,
22 science and research parks (as defined in
23 section 208(a)), or technology or manufac-
24 turing companies relocating to the United
25 States from outside the United States.

1 “(iv) GEOGRAPHIC DIVERSITY.—In
2 authorizing grant recipients to make equity
3 investments under clause (i), the Secretary
4 shall ensure, to the extent practicable, that
5 grant recipients authorized represent di-
6 verse geographic areas of the United
7 States, including rural and urban areas.

8 “(B) REQUIREMENTS.—In authorizing a
9 grant recipient to make equity investments
10 under subparagraph (A)(i), the Secretary shall
11 ensure that—

12 “(i) not more than 25 percent of the
13 capital base of the revolving loan fund of
14 the grant recipient will be used for equity
15 investments;

16 “(ii) the Federal share of the amount
17 used for an equity investment made by the
18 grant recipient will not exceed 50 percent;
19 and

20 “(iii) the total amount of the equity
21 investments made by the grant recipient in
22 any one business will not exceed \$250,000.

23 “(C) OTHER TERMS AND CONDITIONS.—
24 Except as otherwise provided in this paragraph,
25 the Secretary may authorize grant recipients to

1 make equity investments under subparagraph
2 (A)(i) subject to terms and conditions the Sec-
3 retary determines are appropriate.

4 “(D) DISPOSITION OF EQUITY SECURI-
5 TIES.—In the event that the Secretary acquires
6 equity securities as a result of a default by any
7 party under any agreement relating to the
8 terms of the Secretary’s extension of assistance
9 under this paragraph, the Secretary shall liq-
10 uidate the Federal interest in such securities as
11 soon as possible and for such consideration as
12 the Secretary determines appropriate. The Sec-
13 retary may assign or transfer the securities to
14 a third party for purposes of liquidation and
15 the third party may retain proceeds from the
16 disposition of the securities to defray costs re-
17 lated to the liquidation.

18 “(E) DEFINITIONS.—In this paragraph the
19 following definitions apply:

20 “(i) CAPITAL BASE.—The term ‘cap-
21 ital base’ means the amount of the fund-
22 ing, from a grant under this section and
23 from non-Federal sources, initially pro-
24 vided to establish a revolving loan fund
25 under this section.

1 “(ii) EQUITY INVESTMENT.—The
2 term ‘equity investment’ means an invest-
3 ment of funds in a business that results in
4 the acquisition of an equity security.

5 “(iii) EQUITY SECURITY.—The term
6 ‘equity security’ means an instrument that
7 signifies an ownership interest in a busi-
8 ness.”.

9 **SEC. 207. SUSTAINABLE ECONOMIC DEVELOPMENT DEM-**
10 **ONSTRATION PROGRAM.**

11 (a) IN GENERAL.—Section 218 (42 U.S.C. 3154d)
12 is amended to read as follows:

13 **“SEC. 218. SUSTAINABLE ECONOMIC DEVELOPMENT DEM-**
14 **ONSTRATION PROGRAM.**

15 “(a) IN GENERAL.—On the application of an eligible
16 recipient, the Secretary may provide technical assistance,
17 make grants, enter into contracts, or otherwise provide
18 funding for a project—

19 “(1) to promote energy efficiency to enhance
20 the economic competitiveness of an area;

21 “(2) to increase the use of renewable energy
22 technologies, including solar, wind, or geothermal
23 technologies, to support sustainable economic devel-
24 opment and job growth, with a priority given to
25 projects that incorporate photovoltaics or relate to

1 agribusiness, including in both urban and rural
2 areas;

3 “(3) to support energy efficiency or alternative
4 energy development plans, studies, or analysis (in-
5 cluding with respect to job training, attraction, or
6 retention) to enhance a comprehensive economic de-
7 velopment strategy with respect to which funding
8 has been provided under this Act;

9 “(4) to support the efforts of a community to
10 have a technology or manufacturing business located
11 outside the United States relocate to the United
12 States; and

13 “(5) to supplement another project funded by a
14 Federal grant, loan, or loan guarantee provided for
15 a purpose described in paragraphs (1) through (4).

16 “(b) FEDERAL SHARE.—Notwithstanding section
17 204, the Federal share of the cost of a project funded
18 under this section—

19 “(1) if described in paragraph (1), (2), (3), or
20 (4) of subsection (a), shall not exceed 80 percent;
21 and

22 “(2) if described in subsection (a)(5), shall not
23 exceed 100 percent.

24 “(c) SOLICITATION OF APPLICATIONS.—Not later
25 than 60 days after a date on which funds are made avail-

1 able to carry out this section, the Secretary shall solicit
2 applications for assistance under this section.”.

3 (b) CLERICAL AMENDMENT.—The table of contents
4 in section 1(b), as amended by this Act, is further amend-
5 ed by striking the item relating to section 218 and insert-
6 ing the following:

“Sec. 218. Sustainable economic development demonstration program.”.

7 **SEC. 208. JOB CREATION GOALS.**

8 (a) IN GENERAL.—Title II (42 U.S.C. 3141 et seq.),
9 as amended by this Act, is further amended by adding
10 at the end the following:

11 **“SEC. 219. JOB CREATION GOALS.**

12 “(a) IN GENERAL.—As a condition of the receipt of
13 a grant under section 201, 205, or 209 or a loan guar-
14 antee under section 208, the recipient of the grant or loan
15 guarantee shall enter into an agreement with the Sec-
16 retary that establishes goals for the number of jobs to be
17 created as a result of the projects and activities funded
18 by the grant or loan guarantee.

19 “(b) COMPLIANCE WITH GOALS.—The Secretary
20 may take appropriate action to penalize a grant recipient
21 who fails to satisfy job creation goals specified in an agree-
22 ment under subsection (a).”.

23 (b) CLERICAL AMENDMENT.—The table of contents
24 in section 1(b), as amended by this Act, is further amend-

1 ed by inserting after the item relating to section 218 the
2 following:

“Sec. 219. Job creation goals.”.

3 **SEC. 209. PROHIBITION WITH RESPECT TO USE OF ASSIST-**
4 **ANCE.**

5 (a) IN GENERAL.—Title II (42 U.S.C. 3141 et seq.),
6 as amended by this Act, is further amended by adding
7 at the end the following:

8 **“SEC. 220. PROHIBITION WITH RESPECT TO USE OF ASSIST-**
9 **ANCE.**

10 “The Secretary shall ensure that a recipient of assist-
11 ance under this Act does not utilize the assistance for ac-
12 tivities to intentionally attract, to the location of the re-
13 cipient, a business or other source of employment already
14 established elsewhere in the United States, if the reloca-
15 tion would adversely affect the location where the business
16 or other source of employment was previously located.”.

17 (b) CLERICAL AMENDMENT.—The table of contents
18 in section 1(b), as amended by this Act, is further amend-
19 ed by inserting after the item relating to section 219 the
20 following:

“Sec. 220. Prohibition with respect to use of assistance.”.

1 **TITLE III—ELIGIBILITY; COM-**
2 **PREHENSIVE ECONOMIC DE-**
3 **VELOPMENT STRATEGIES**

4 **SEC. 301. ELIGIBILITY OF AREAS.**

5 Section 301 (42 U.S.C. 3161) is amended by adding
6 at the end the following:

7 “(e) SPECIAL NEED.—In determining whether an
8 area has experienced or is about to experience a special
9 need for purposes of subsection (a)(3), the Secretary may
10 consider whether the area has been affected by—

11 “(1) the loss of a substantial employer;

12 “(2) substantial outmigration or population
13 loss;

14 “(3) substantial foreclosure rates;

15 “(4) substantial underemployment;

16 “(5) military base or defense installation clo-
17 sure, realignment, or mission growth;

18 “(6) a natural or other disaster or emergency;

19 “(7) substantial natural resource depletion;

20 “(8) substantial negative effects resulting from
21 changing trade patterns; or

22 “(9) other circumstances that the Secretary de-
23 termines are indicative of special or extraordinary
24 unemployment or economic adjustment problems.”.

1 **SEC. 302. COMPREHENSIVE ECONOMIC DEVELOPMENT**
2 **STRATEGIES.**

3 (a) IN GENERAL.—Section 302(a) (42 U.S.C.
4 3162(a)) is amended—

5 (1) in paragraph (1) by inserting after “prob-
6 lems” the following: “and opportunities”;

7 (2) in paragraph (2) by inserting after “pri-
8 vate” the following: “(including nonprofit organiza-
9 tion)”; and

10 (3) in paragraph (3)—

11 (A) in subparagraph (A)—

12 (i) by striking “economic problems”
13 and inserting “economic development prob-
14 lems and opportunities”;

15 (ii) by inserting after “strategy, pro-
16 motes the” the following: “effective”; and

17 (iii) by striking “balances” and insert-
18 ing “optimizes”; and

19 (B) in subparagraph (B) by inserting after
20 “the problems” the following: “and take advan-
21 tage of the opportunities”.

22 (b) APPROVAL OF OTHER PLAN.—Section 302(c) (42
23 U.S.C. 3162(c)) is amended—

24 (1) in paragraph (1) by inserting after “feder-
25 ally supported program” the following: “or under a
26 State, regionally, or locally supported program”; and

1 (2) in paragraph (2) by striking “paragraph”
2 and inserting “subsection”.

3 (c) NOTIFICATION OF APPROVAL OR DISAPPROVAL
4 OF COMPREHENSIVE ECONOMIC DEVELOPMENT STRAT-
5 EGY OR OTHER PLAN.—Section 302 (42 U.S.C. 3162) is
6 amended by adding at the end the following:

7 “(d) NOTIFICATION OF APPROVAL OR DISAPPROVAL
8 OF COMPREHENSIVE ECONOMIC DEVELOPMENT STRAT-
9 EGY OR OTHER PLAN.—

10 “(1) DEADLINE.—The Secretary shall notify an
11 eligible recipient of the approval or disapproval of a
12 comprehensive economic development strategy or
13 other plan submitted under this section not later
14 than 60 days after the date of receiving the strategy
15 or plan.

16 “(2) BASIS FOR DISAPPROVAL.—A notification
17 of disapproval under this subsection shall include a
18 description of the basis for the disapproval.”.

19 **TITLE IV—ECONOMIC**
20 **DEVELOPMENT DISTRICTS**

21 **SEC. 401. DESIGNATION OF ECONOMIC DEVELOPMENT DIS-**
22 **TRICTS.**

23 (a) IN GENERAL.—Section 401(a) (42 U.S.C.
24 3171(a)) is amended in the matter preceding paragraph

1 (1) by striking “broad geographic” and inserting “na-
2 tional and regional”.

3 (b) OPERATIONS.—Section 401 (42 U.S.C. 3171) is
4 amended by adding at the end the following:

5 “(c) OPERATIONS.—

6 “(1) IN GENERAL.—As a condition of maintain-
7 ing designation as an economic development district,
8 each district shall engage in the full range of eco-
9 nomic development activities in the comprehensive
10 economic development strategy of the district that
11 has been approved by the Secretary, which may in-
12 clude—

13 “(A) coordinating and implementing eco-
14 nomic development activities in the district;

15 “(B) carrying out economic development
16 research, planning, implementation, and advi-
17 sory functions identified in the comprehensive
18 economic development strategy; and

19 “(C) coordinating the development and im-
20 plementation of the comprehensive economic de-
21 velopment strategy with Federal, State, local,
22 and private organizations.

23 “(2) CONTRACTS.—An economic development
24 district may enter into contracts for services to carry
25 out the activities described in paragraph (1).”.

1 **SEC. 402. TERMINATION OR MODIFICATION OF ECONOMIC**
2 **DEVELOPMENT DISTRICTS.**

3 Section 402 (42 U.S.C. 3172) is amended by adding
4 at the end the following: “The standards shall include au-
5 thority for the Secretary to review, at the request of a
6 district, district designations to evaluate whether the des-
7 ignations meet economic development and labor force
8 needs and, when warranted, to approve the combination
9 of districts and adjust applicable assistance levels for the
10 resulting combination.”.

11 **TITLE V—ADMINISTRATION**

12 **SEC. 501. CONSULTATION WITH OTHER PERSONS AND**
13 **AGENCIES.**

14 Section 503(a) (42 U.S.C. 3193(a)) is amended by
15 striking “or underemployment” and inserting “, under-
16 employment, or outmigration”.

17 **SEC. 502. PERFORMANCE EVALUATIONS OF GRANT RECIPI-**
18 **ENTS.**

19 (a) **PURPOSE OF EVALUATIONS OF UNIVERSITY CEN-**
20 **TERS.**—Section 506(b) (42 U.S.C. 3196(b)) is amended
21 by striking “are worthy of” and all that follows through
22 the period at the end and inserting “maintain the capacity
23 to implement the priorities of the Secretary.”.

24 (b) **TIMING OF EVALUATIONS.**—Section 506(c) (42
25 U.S.C. 3196(c)) is amended to read as follows:

1 “(c) TIMING OF EVALUATIONS.—Evaluations under
2 subsection (a) shall be conducted on a continuing basis
3 so that—

4 “(1) with respect to economic development dis-
5 tricts, each grantee is evaluated within 3 years after
6 the first award of assistance to the grantee and at
7 least once every 3 years thereafter, so long as the
8 grantee receives the assistance; and

9 “(2) with respect to university centers, each
10 grantee is evaluated within 5 years after the first
11 award of assistance to the grantee and at least once
12 every 5 years thereafter, so long as the grantee re-
13 ceives the assistance.”.

14 (c) EVALUATION CRITERIA FOR UNIVERSITY CEN-
15 TERS.—Section 506(d)(2) (42 U.S.C. 3196(d)(2)) is
16 amended to read as follows:

17 “(2) EVALUATION CRITERIA FOR UNIVERSITY
18 CENTERS.—The criteria for evaluation of a univer-
19 sity center shall provide, at a minimum, for an as-
20 sessment of—

21 “(A) the center’s contribution to providing
22 technical assistance, conducting applied re-
23 search, and disseminating the results of the ac-
24 tivities of the center;

1 “(B) the center’s conformance with the ap-
2 proved program plan of the center and the
3 goals of the Secretary; and

4 “(C) if appropriate, the center’s activities
5 to leverage and maximize the economic develop-
6 ment potential of Federal investments in high-
7 speed rail projects, including activities—

8 “(i) to encourage collaboration across
9 regions; and

10 “(ii) to evaluate manufacturing and
11 economic development opportunities relat-
12 ing to the projects.”.

13 **SEC. 503. ECONOMIC DEVELOPMENT REPRESENTATIVES.**

14 (a) IN GENERAL.—Title V (42 U.S.C. 3191 et seq.)
15 is amended by adding at the end the following:

16 **“SEC. 508. ECONOMIC DEVELOPMENT REPRESENTATIVES.**

17 “The Secretary shall ensure that the Economic De-
18 velopment Administration maintains—

19 “(1) not less than 35 individuals in the position
20 of economic development representative during fiscal
21 year 2012; and

22 “(2) not less than 40 individuals in the position
23 of economic development representative during fiscal
24 year 2013 and each fiscal year thereafter.”.

1 (b) CLERICAL AMENDMENT.—The table of contents
 2 in section 1(b), as amended by this Act, is further amend-
 3 ed by inserting after the item relating to section 507 the
 4 following:

“Sec. 508. Economic development representatives.”.

5 **SEC. 504. LIMITATION ON CERTAIN POSITIONS.**

6 (a) IN GENERAL.—Title V (42 U.S.C. 3191 et seq.),
 7 as amended by this Act, is further amended by adding
 8 at the end the following:

9 **“SEC. 509. LIMITATION ON CERTAIN POSITIONS.**

10 “Beginning in fiscal year 2012, the number of posi-
 11 tions in the Economic Development Administration that,
 12 for purposes of title 5, United States Code, are general
 13 positions (as defined by section 3132(a)(9) of such title)
 14 which may be filled only by a noncareer appointee (as de-
 15 fined by section 3132(a)(7) of such title) shall be limited
 16 to 5.”.

17 (b) CLERICAL AMENDMENT.—The table of contents
 18 in section 1(b), as amended by this Act, is further amend-
 19 ed by inserting after the item relating to section 508 the
 20 following:

“Sec. 509. Limitation on certain positions.”.

21 **TITLE VI—MISCELLANEOUS**

22 **SEC. 601. ANNUAL REPORT TO CONGRESS.**

23 Section 603(b) (42 U.S.C. 3213(b)) is amended—

1 (1) in paragraph (2)(B) by striking “and” at
2 the end;

3 (2) in paragraph (3) by striking the period at
4 the end and inserting a semicolon; and

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

6 “(4) with respect to each university center as-
7 sisted with funding under this Act, include—

8 “(A) a specification of the activities of the
9 university center;

10 “(B) a specification of the recipients of
11 technical assistance from the university center;
12 and

13 “(C) a specification of the outcomes result-
14 ing from the job creation, research, and tech-
15 nical assistance activities of the university cen-
16 ter; and

17 “(5) specify the projects, and the funding pro-
18 vided for the projects, that were funded in conjunc-
19 tion with one or more of the regional commissions.”.

20 **SEC. 602. MAINTENANCE OF EFFORT.**

21 (a) IN GENERAL.—Title VI (42 U.S.C. 3211 et seq.)
22 is amended by adding at the end the following:

23 **“SEC. 613. MAINTENANCE OF EFFORT.**

24 “(a) EXPECTED PERIOD OF BEST EFFORTS.—

1 “(1) ESTABLISHMENT.—To carry out the pur-
2 poses of this Act, before providing investment assist-
3 ance for a construction project under this Act, the
4 Secretary shall establish the expected period during
5 which the recipient of the assistance shall make best
6 efforts to achieve the economic development objec-
7 tives of the assistance.

8 “(2) TREATMENT OF PROPERTY.—To obtain
9 the best efforts of a recipient during the period es-
10 tablished under paragraph (1), during that period—

11 “(A) any property that is acquired or im-
12 proved, in whole or in part, using investment
13 assistance under this Act shall be held in trust
14 by the recipient for the benefit of the project;
15 and

16 “(B) the Secretary shall retain an undi-
17 vided equitable reversionary interest in the
18 property.

19 “(3) TERMINATION OF FEDERAL INTEREST.—

20 “(A) IN GENERAL.—Beginning on the date
21 on which the Secretary determines that a recipi-
22 ent has fulfilled the obligations of the recipient
23 for the applicable period under paragraph (1),
24 taking into consideration the economic condi-
25 tions existing during that period, the Secretary

1 may terminate the reversionary interest of the
2 Secretary in any applicable property under
3 paragraph (2)(B).

4 “(B) ALTERNATIVE METHOD OF TERMI-
5 NATION.—

6 “(i) IN GENERAL.—On a determina-
7 tion by a recipient that the economic devel-
8 opment needs of the recipient have
9 changed during the period beginning on
10 the date on which investment assistance
11 for a construction project is provided
12 under this Act and ending on the expira-
13 tion of the expected period established for
14 the project under paragraph (1), the re-
15 cipient may submit to the Secretary a re-
16 quest to terminate the reversionary inter-
17 est of the Secretary in property of the
18 project under paragraph (2)(B) before the
19 date described in subparagraph (A).

20 “(ii) APPROVAL.—The Secretary may
21 approve a request of a recipient under
22 clause (i) if—

23 “(I) in any case in which the re-
24 quest is submitted during the 10-year
25 period beginning on the date on which

1 assistance is initially provided under
2 this Act for the applicable project, the
3 recipient repays to the Secretary an
4 amount equal to 100 percent of the
5 fair market value of the pro rata Fed-
6 eral share of the project; or

7 “(II) in any case in which the re-
8 quest is submitted after the expiration
9 of the 10-year period described in sub-
10 clause (I), the recipient repays to the
11 Secretary an amount equal to the fair
12 market value of the pro rata Federal
13 share of the project as if that value
14 had been amortized over the period
15 established under paragraph (1),
16 based on a straight-line depreciation
17 of the project throughout the esti-
18 mated useful life of the project.

19 “(b) TERMS AND CONDITIONS.—

20 “(1) IN GENERAL.—The Secretary may estab-
21 lish such terms and conditions under this section as
22 the Secretary determines to be appropriate, includ-
23 ing by extending the period of a reversionary inter-
24 est of the Secretary under subsection (a)(2)(B) in

1 any case in which the Secretary determines that the
2 performance of a recipient is unsatisfactory.

3 “(2) MAINTENANCE OF STANDARDS.—The Sec-
4 retary may not terminate a reversionary interest of
5 the Secretary under subsection (a)(2)(B) if the Sec-
6 retary has not received adequate assurances that the
7 applicable recipient will continue to satisfy the re-
8 quirements of section 602 after the termination.

9 “(c) PREVIOUSLY EXTENDED ASSISTANCE.—With
10 respect to any recipient to which the term of provision of
11 assistance was extended under this Act before the date
12 of enactment of this section, the Secretary may approve
13 a request of the recipient under subsection (a) in accord-
14 ance with the requirements of this section to ensure uni-
15 form administration of this Act, notwithstanding any esti-
16 mated useful life period that otherwise relates to the as-
17 sistance.

18 “(d) CONVERSION OF USE.—If a recipient of assist-
19 ance under this Act demonstrates to the Secretary that
20 the intended use of the project for which assistance was
21 provided under this Act no longer represents the best use
22 of the property used for the project, the Secretary may
23 approve a request by the recipient to convert the property
24 to a different use for the remainder of the term of the
25 Federal interest in the property, subject to the condition

1 that the new use shall be consistent with the purposes of
2 this Act.

3 “(e) STATUS OF AUTHORITY.—The authority of the
4 Secretary under this section is in addition to any authority
5 of the Secretary pursuant to any law or grant agreement
6 in effect on the date of enactment of this section.”.

7 (b) CLERICAL AMENDMENT.—The table of contents
8 in section 1(b), as amended by this Act, is further amend-
9 ed by inserting after the item relating to section 612 the
10 following:

“Sec. 613. Maintenance of effort.”.

11 **TITLE VII—FUNDING**

12 **SEC. 701. GENERAL AUTHORIZATION OF APPROPRIATIONS.**

13 (a) ECONOMIC DEVELOPMENT ASSISTANCE PRO-
14 GRAMS.—Section 701(a) (42 U.S.C. 3231(a)) is amended
15 by striking “until expended” and all that follows through
16 the period at the end and inserting the following: “until
17 expended, \$500,000,000 for each of fiscal years 2011
18 through 2015.”.

19 (b) SALARIES AND EXPENSES.—Section 701(b) (42
20 U.S.C. 3231(b)) is amended by striking paragraphs (1)
21 and (2) and inserting the following:

22 “(1) \$42,000,000 for fiscal year 2011; and

23 “(2) such sums as are necessary for each fiscal
24 year thereafter.”.

1 **SEC. 702. FUNDING FOR GRANTS FOR PLANNING AND**
2 **GRANTS FOR ADMINISTRATIVE EXPENSES.**

3 Section 704 (42 U.S.C. 3234) is amended—

4 (1) by striking “\$27,000,000” and inserting
5 “\$36,000,000”; and

6 (2) by inserting after “under section 203” the
7 following: “and, of that amount, not less than
8 \$500,000 shall be made available for grants under
9 section 203 for planning relating to high-speed rail”.

10 **SEC. 703. FUNDING FOR FINANCIAL ASSISTANCE FOR BUSI-**
11 **NESS INCUBATORS AND SCIENCE AND RE-**
12 **SEARCH PARKS.**

13 (a) IN GENERAL.—Title VII (42 U.S.C. 3231 et seq.)
14 is amended by adding at the end the following:

15 **“SEC. 705. FUNDING FOR FINANCIAL ASSISTANCE FOR**
16 **BUSINESS INCUBATORS AND SCIENCE AND**
17 **RESEARCH PARKS.**

18 “(a) GRANTS.—In addition to amounts made avail-
19 able under section 701, there is authorized to be appro-
20 priated \$7,500,000 to carry out section 208(c).

21 “(b) LOAN GUARANTEES.—In addition to amounts
22 made available under section 701, there are authorized to
23 be appropriated such sums as may be necessary to carry
24 out section 208(d), including the cost (as defined in sec-
25 tion 502 of the Federal Credit Reform Act of 1990 (2
26 U.S.C. 661a)) of guaranteeing loans under that section.”.

1 (b) CLERICAL AMENDMENT.—The table of contents
 2 in section 1(b), as amended by this Act, is further amend-
 3 ed by inserting after the item relating to section 704 the
 4 following:

“Sec. 705. Funding for financial assistance for business incubators and science
 and research parks.”.

5 **SEC. 704. FUNDING FOR SUSTAINABLE ECONOMIC DEVEL-**
 6 **OPMENT DEMONSTRATION PROGRAM.**

7 (a) IN GENERAL.—Title VII (42 U.S.C. 3231 et
 8 seq.), as amended by this Act, is further amended by add-
 9 ing at the end the following:

10 **“SEC. 706. FUNDING FOR SUSTAINABLE ECONOMIC DEVEL-**
 11 **OPMENT DEMONSTRATION PROGRAM.**

12 “Of the amounts made available under section 701
 13 for each fiscal year, not less than \$25,000,000 shall be
 14 made available to carry out section 218.”.

15 (b) CLERICAL AMENDMENT.—The table of contents
 16 in section 1(b), as amended by this Act, is further amend-
 17 ed by inserting after the item relating to section 705 the
 18 following:

“Sec. 706. Funding for sustainable economic development demon-
 stration program.”.

19 **SEC. 705. FUNDING FOR GRANTS FOR TRAINING, RE-**
 20 **SEARCH, AND TECHNICAL ASSISTANCE.**

21 (a) IN GENERAL.—Title VII (42 U.S.C. 3231 et
 22 seq.), as amended by this Act, is further amended by add-
 23 ing at the end the following:

1 **“SEC. 707. FUNDING FOR GRANTS FOR TRAINING, RE-**
2 **SEARCH, AND TECHNICAL ASSISTANCE.**

3 “Of the amounts made available under section 701
4 for each fiscal year, not less than \$10,000,000 shall be
5 made available for grants provided under section 207 and,
6 of that amount, not less than \$1,125,000 shall be made
7 available for grants under section 207 to establish univer-
8 sity centers in States that do not have a university cen-
9 ter.”.

10 (b) CLERICAL AMENDMENT.—The table of contents
11 in section 1(b), as amended by this Act, is further amend-
12 ed by inserting after the item relating to section 706 the
13 following:

“Sec. 707. Funding for grants for training, research, and technical assist-
ance.”.

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