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Series: Saunders, G. Timothy (Tim) - Bill Files

Folder Title: 03/12/2002 [S. 1206][771143]

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DOCUMENT NO.	FORM	SUBJECT/TITLE	PAGES	DATE	CLASSIFICATION	RESTRICTION(S)
001	Press Release	[Draft re: S. 1206]	1	03/12/2002		P5;
002	Statement	[Attachment re: draft of proposed signing statement] - To: Jeffrey Weinberg - From: Jesse L. White Jr., Appalachian Regional Commission	1	03/04/2002		P5;
003	Routing Memo	[Re: S. 1206]	1	03/11/2002		P5;
004	Routing Memo	[Re: S. 1206]	1	03/11/2002		P5;
005	Memorandum	Small Business Initiatives [Misfiled] - To: POTUS - From: Philippa Malmgren	4	03/12/2002		P5;

COLLECTION TITLE:

Executive Clerk, Office Of the

SERIES:

Saunders, G. Timothy (Tim) - Bill Files

FOLDER TITLE:

03/12/2002 [S. 1206] [771143]

FRC ID:

6358

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
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LAW_M

771143

FG006-01

Barcode Scanning Sheet



Collection Code: **SECLOG**

Staff Name:

Document Date:

Correspondent: **TIM SAUNDERS**

Subject/Description: **OVERSIZE ATTACHMENT # 9465 NARA # 9356 BOX 1
FOLDER 8 BILL FILL RECEIVED FROM THE OFFICE OF
THE EXECUTIVE CLERK - MAR 12 02 ENROLLED BILL S.
1206 - APPALACHIAN REGIONAL DEVELOPMENT ACT
AMENDMENTS OF 2002**

WHITE HOUSE STAFFING MEMORANDUM

Date: 3-8-02 ACTION / CONCURRENCE / COMMENT DUE BY: 3-11-02, 10:00 AM

Subject: ENROLLED BILL S. 1206, APPALACHIAN REGIONAL DEVELOPMENT ACT
AMENDMENTS OF 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☐	☐
CARD	☒	☐	HUGHES	☒	☐
BARTLETT	☒	☐	IRASTORZA	☐	☐
BLAKEMAN	☐	☐	JOHNSON	☐	☐
BOLTEN	☒	☐	LINDSEY	☒	☐
BRIDGELAND	☒	☐	MARBURGER	☐	☐
CALIO	☒	☐	MIERS	☒	☐
CONNAUGHTON	☒	☐	RICE	☐	☐
DANIELS	☐	☒	RIDGE	☐	☐
FLEISCHER	☐	☒	ROVE	☒	☐
GERSON	☐	☐	SPELLINGS	☒	☐
GONZALES	☒	☐	CLERK	☒	☒
HAGIN	☐	☐		☐	☐
HAWKINS	☒	☐		☐	☐

REMARKS:

PLEASE SEND REMARKS TO JIM JUKES, EXT. 53458, FAX 56148, NO LATER THAN 10:00 AM MONDAY, 3-11-02, WITH COPY TO STAFF SECRETARY. THANK YOU.

RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

APPROVED
MAR 12 2002

THE DIRECTOR

March 8, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 1206 - Appalachian Regional Development Act Amendments of 2002
Sponsors - Sen. Voinovich (R) Ohio and 8 cosponsors

Last Day for Action

March 15, 2002 - Friday

Purpose

Reauthorizes and amends programs of the Appalachian Regional Commission.

Agency Recommendations

Office of Management and Budget	Approval
Appalachian Regional Commission (ARC)	Approval (Signing statement attached)
Small Business Administration (SBA)	Approval
Department of Commerce	No objection (Informally)
Department of Justice	No objection (Informally)
Department of Transportation	No objection (Informally)
Department of Education	No comment (Informally)
Department of Labor	No comment (Informally)
Department of the Treasury	No comment (Informally)
Environmental Protection Agency	No comment (Informally)
Department of Energy	Defers to ARC (Informally)
Department of Health and Human Services	Defers to ARC (Informally)
Department of Housing and Urban Development	Defers to ARC (Informally)
Department of the Interior	Defers to ARC (Informally)
Federal Emergency Management Agency	Defers to ARC (Informally)

Discussion

The Appalachian Region, as defined in the statute authorizing the ARC, includes all of West Virginia and parts of 12 other States stretching from Southern New York to Northern Mississippi. The ARC provides assistance to the 13 States for the Appalachian development highway system and for area development projects. These projects promote skills development, physical infrastructure, building self-sustaining local economies, and improving access to health care. S. 1206 would reauthorize and amend ARC programs as described below.

Authorization of Appropriations

The enrolled bill would extend the ARC's statutory authorities and appropriations authorizations by five years, through FY 2006. Specifically, S. 1206 would authorize appropriations to the ARC (in addition to amounts authorized or made available for the Appalachian development highway system program) of \$88 million for each of FYs 2002 through 2004, \$90 million for FY 2005, and \$92 million for FY 2006. The authorizations are above the appropriations requested for the ARC in the President's Budget for FY 2003 (\$66 million) and the outyear projections for FYs 2004 (\$67 million), 2005 (\$69 million), and 2006 (\$70 million). For FY 2002, the President's Budget requested \$66 million and the ARC received appropriations of \$71 million.

As suggested by the Administration, S. 1206 would require that, for FY 2003 and thereafter, not less than 50 percent of the annual amount of grant expenditures approved by the ARC support activities or projects that benefit severely and persistently distressed counties and areas.

New Program Authorities

The enrolled bill would give the ARC three new statutory program authorities. The ARC could use available funds to make grants, enter into contracts, or otherwise provide funds or technical assistance for projects under these programs. The ARC already conducts many of these activities under its existing authority.

The Telecommunications and Technology Initiative would fund projects to: (1) increase affordable access to advanced telecommunications, entrepreneurship, and management technologies or applications in the region; (2) provide education and training in the use of telecommunications and technology; (3) develop programs to increase the readiness of industry groups and businesses in the region to engage in electronic commerce; and (4) support entrepreneurial opportunities for businesses in the information technology sector. Of the amounts authorized by S. 1206, \$10 million could be made available for this program in FY 2002, \$8 million in FY 2003, and \$5 million in each of FYs 2004-2006.

Regional Skills Partnerships would provide funding to eligible entities in the region for projects to improve the job skills of workers for a specified industry, including projects for: (1) the assessment of training and job skill needs for the industry; (2) the development of curricula and training methods, including, in appropriate cases, electronic learning or technology-based training; (3) the development of partnerships between the industry and educational institutions, including community colleges; and (4) the development of apprenticeship programs, training programs for workers (including dislocated workers), and training plans for businesses. "Eligible entity" would be defined as a consortium that is established to serve one or more industries in a specified geographic area and consists of representatives of businesses (or a nonprofit organization that represents businesses), labor organizations, State and local governments, or educational institutions.

The Entrepreneurship Initiative would fund projects to: (1) support the advancement of, and provide, entrepreneurial training and education for youths, students, and businesspersons; (2) improve access to debt and equity capital by such means as facilitating the establishment of development venture capital funds; (3) aid communities in identifying, developing, and implementing development strategies for various sectors of the economy; (4) develop a working network of business incubators; and (5) support entities that provide business incubator services. "Business incubator services" would be defined as professional or technical services necessary for the initiation and initial sustainment of the operations of a newly established business.

The ARC notes in its views letter that this provision of S. 1206 codifies an existing ARC program for fostering entrepreneurship. SBA notes in its views letter that it "offers similar assistance through several well established programs" and "would be pleased to work with [ARC] to ensure there is no duplication of programs."

Cost Sharing. For each of the three new programs described above, funding could be used to increase the Federal share, as the ARC determines to be appropriate, notwithstanding any provision of law limiting the Federal share under any other Federal program. Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect) of the costs of any activity eligible for a grant could be provided from funds appropriated to carry out these activities. An eligible entity could use up to 10 percent of the total funds made available to pay administrative costs associated with the projects.

Miscellaneous Provisions

Other provisions of S. 1206 would:

- Require the President to establish an Interagency Coordinating Council on Appalachia composed of representatives of Federal agencies that carry out economic development programs in the region. The Council would be chaired by the ARC's Federal Co-Chairman.

- Add to the list of the ARC's statutory functions: (1) supporting local development districts; (2) encouraging the use of "eco-industrial development technologies and approaches;" and (3) seeking to coordinate the economic development activities of, and the use of economic development resources by, Federal agencies in the region.
- Add four counties to the Appalachian Region, two in Kentucky (Edmonson and Hart Counties) and two in Mississippi (Montgomery and Panola Counties). Under current law, the Region includes 406 counties in 13 States. Particularly in Mississippi, these additions are at the margin of the region commonly considered to be "Appalachia."
- Repeal a requirement that the ARC, in considering programs and projects to be given assistance, consider location in an area determined by the State to have a significant potential for growth.
- Allow a grant of up to 75 percent of administrative expenses in the case of a local development district that has a charter or authority that includes the economic development of a county or part of a county for which a distressed county designation is in effect. Under current law, a grant to a local development district for administrative expenses cannot exceed 50 percent of the administrative expenses of the district.

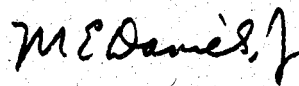
Agency Views

The Appalachian Regional Commission strongly recommends approval of S. 1206, stating that the bill "renews the nation's commitment to ensure that the people of Appalachia have the ability and tools to participate fully in the American economy and that the region becomes a contributor to, rather than a drain on, national wealth." Attached to the ARC views letter is a draft signing statement that states that the enrolled bill "represents an important part of my Administration's efforts to see that this nation's economy remains vibrant and strong."

The Small Business Administration also recommends approval of the enrolled bill in order "to promote entrepreneurship and economic development in Appalachia."

Conclusion and Recommendations

We join ARC and SBA in recommending approval of S. 1206, which passed the Senate by unanimous consent and the House by voice vote. We recommend that no written signing statement be issued.



Mitchell E. Daniels, Jr.
Director

Enclosures

One Hundred Seventh Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the twenty-third day of January, two thousand and two*

An Act

To reauthorize the Appalachian Regional Development Act of 1965, and for other purposes.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Appalachian Regional Development Act Amendments of 2002".

SEC. 2. PURPOSES.

(a) THIS ACT.—The purposes of this Act are—

(1) to reauthorize the Appalachian Regional Development Act of 1965 (40 U.S.C. App.); and

(2) to ensure that the people and businesses of the Appalachian region have the knowledge, skills, and access to telecommunication and technology services necessary to compete in the knowledge-based economy of the United States.

(b) APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965.—Section 2 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in subsection (b), by inserting after the third sentence the following: "Consistent with the goal described in the preceding sentence, the Appalachian region should be able to take advantage of eco-industrial development, which promotes both employment and economic growth and the preservation of natural resources."; and

(2) in subsection (c)(2)(B)(ii), by inserting ", including eco-industrial development technologies" before the semicolon.

SEC. 3. FUNCTIONS OF THE COMMISSION.

Section 102(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in paragraph (5), by inserting ", and support," after "formation of";

(2) in paragraph (7), by striking "and" at the end;

(3) in paragraph (8), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

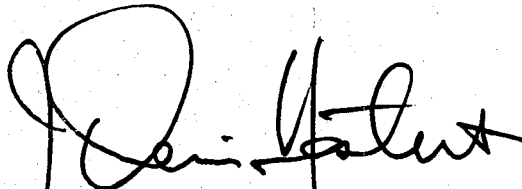
"(9) encourage the use of eco-industrial development technologies and approaches; and

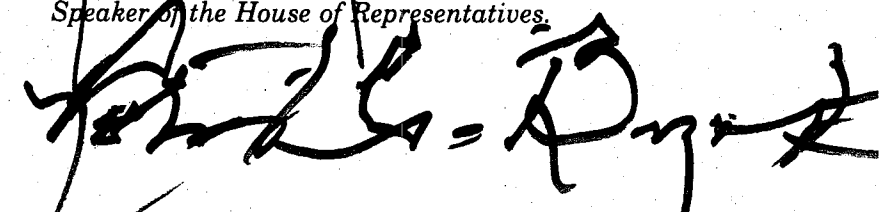
"(10) seek to coordinate the economic development activities of, and the use of economic development resources by, Federal agencies in the region."

MAR 4 2002
THE WHITE HOUSE

S. 1206—8

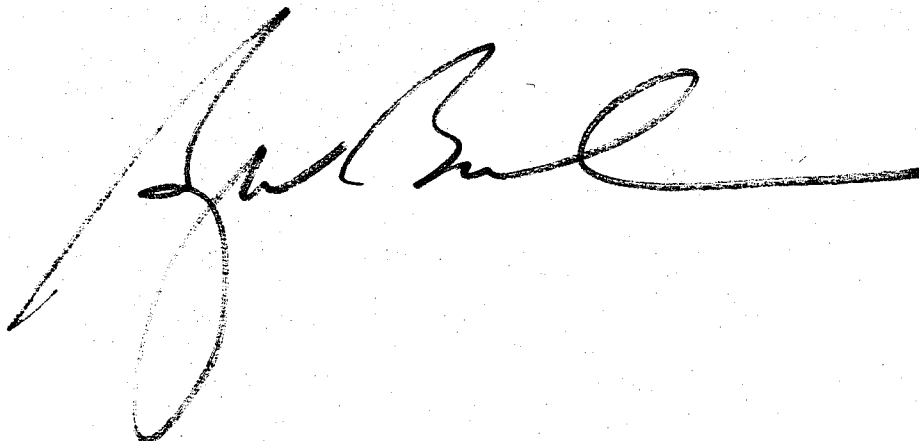
(j) Section 403 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the next-to-last undesignated paragraph by striking "Committee on Public Works and Transportation" and inserting "Committee on Transportation and Infrastructure".


Speaker of the House of Representatives.


*Vice President of the United States and
President of the Senate Pro Tempore.*

APPROVED

MAR 1 2 2002



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OA Num.:

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9356

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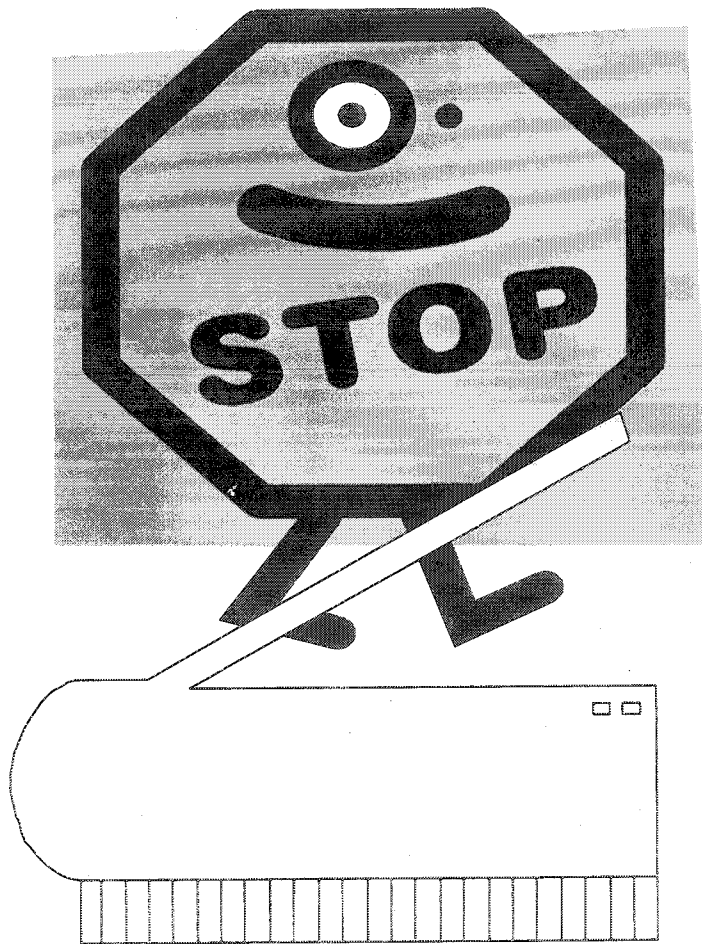
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Scanning insert sheet



Remainder of case not scanned



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D. C. 20503

02 MAR 8 PM 3:35

THE DIRECTOR

March 8, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 1206 - Appalachian Regional Development Act Amendments of 2002

Sponsors - Sen. Voinovich (R) Ohio and 8 cosponsors

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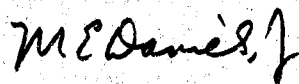
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Mitchell E. Daniels, Jr.
Director

Enclosures



APPALACHIAN
REGIONAL
COMMISSION

*A Proud Past,
A New Vision*

Office of the Federal Co-Chairman

MEMORANDUM

TO: Jeffrey Weinberg

FROM: Jesse L. White, Jr.
Federal Co-Chairman 

SUBJECT: Enrolled Bill S. 1206

DATE: March 4, 2002

The Appalachian Regional Commission strongly recommends that the President sign enrolled bill S. 1206, the Appalachian Regional Development Act Amendments of 2002.

The legislation provides a five-year reauthorization of the Appalachian Regional Commission (ARC). The measure renews the nation's commitment to ensure that the people of Appalachia have the ability and tools to participate fully in the American economy and that the region becomes a contributor to, rather than a drain on, national wealth. It provides resources to help Appalachia respond to a variety of economic challenges, and it reflects the Administration's commitment to partnerships with the private sector in creating vibrant local economies.

The legislation continues ARC's traditional work in providing basic infrastructure, health care, and local leadership development for the region, and it strengthens the Commission's existing policy of targeting resources to the areas of greatest need in the region. It fully reflects the Administration's proposal that at least 50% of the Commission's grant funds go for projects and activities that benefit the region's economically distressed counties and areas.

S. 1206 contains new authority for the Commission to address the telecommunications and technology needs of the region, a challenge the Commission unanimously embraced a year ago. The bill also codifies the Commission's existing program for fostering entrepreneurship and small business creation and expansion, and it authorizes new regional skills partnerships to improve the job skills of workers in industries in the region.

Passed with strong bipartisan backing, the legislation preserves the unique federal-state partnership structure that stands at the heart of ARC's success, and it maintains the critical role of local development districts—whose boards are composed of local elected officials and business and community leaders—in crafting regional strategies for economic growth.

Attached is a proposed signing statement for S. 1206.

Withdrawal Marker

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- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

Deed of Gift Restrictions

- A. Closed by Executive Order 13526 governing access to national security information.
- B. Closed by statute or by the agency which originated the document.
- C. Closed in accordance with restrictions contained in donor's deed of gift.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

OFFICE OF THE ADMINISTRATOR

MAR - 4 2002

The Honorable Mitch Daniels
Director
Office of Management and Budget
Washington, DC 20503

Dear Mr. Daniels:

The following is our response to your request for the U.S. Small Business Administration's (SBA) views on the enrolled bill, S. 1206, Appalachian Regional Development Act Amendments of 2002.

Section 204 of S.1206 provides for an entrepreneurship initiative that includes a business incubator. The incubator would offer technical assistance, among other services, to newly established businesses. Since the SBA offers similar assistance through several well established programs, the Agency would be pleased to work together with the Appalachian Regional Commission to ensure there is no duplication of programs.

The SBA recommends that the President sign S. 1206, to promote entrepreneurship and economic development in Appalachia.

Sincerely,

Hector V. Barreto
Administrator



One Hundred Seventh Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the twenty-third day of January, two thousand and two*

An Act

To reauthorize the Appalachian Regional Development Act of 1965, and for other purposes.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Appalachian Regional Development Act Amendments of 2002".

SEC. 2. PURPOSES.

(a) THIS ACT.—The purposes of this Act are—

(1) to reauthorize the Appalachian Regional Development Act of 1965 (40 U.S.C. App.); and

(2) to ensure that the people and businesses of the Appalachian region have the knowledge, skills, and access to telecommunication and technology services necessary to compete in the knowledge-based economy of the United States.

(b) APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965.—Section 2 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in subsection (b), by inserting after the third sentence the following: "Consistent with the goal described in the preceding sentence, the Appalachian region should be able to take advantage of eco-industrial development, which promotes both employment and economic growth and the preservation of natural resources."; and

(2) in subsection (c)(2)(B)(ii), by inserting ", including eco-industrial development technologies" before the semicolon.

SEC. 3. FUNCTIONS OF THE COMMISSION.

Section 102(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in paragraph (5), by inserting ", and support," after "formation of";

(2) in paragraph (7), by striking "and" at the end;

(3) in paragraph (8), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

"(9) encourage the use of eco-industrial development technologies and approaches; and

"(10) seek to coordinate the economic development activities of, and the use of economic development resources by, Federal agencies in the region."

SEC. 4. INTERAGENCY COORDINATING COUNCIL ON APPALACHIA.

Section 104 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) by striking "The President" and inserting "(a) IN GENERAL.—The President"; and

(2) by adding at the end the following:

"(b) INTERAGENCY COORDINATING COUNCIL ON APPALACHIA.—

"(1) ESTABLISHMENT.—In carrying out subsection (a), the President shall establish an interagency council to be known as the 'Interagency Coordinating Council on Appalachia'.

"(2) MEMBERSHIP.—The Council shall be composed of—

"(A) the Federal Cochairman, who shall serve as Chairperson of the Council; and

"(B) representatives of Federal agencies that carry out economic development programs in the region."

SEC. 5. TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.

Title II of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting after section 202 the following:

"SEC. 203. TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.

"(a) IN GENERAL.—The Commission may provide technical assistance, make grants, enter into contracts, or otherwise provide funds to persons or entities in the region for projects—

"(1) to increase affordable access to advanced telecommunications, entrepreneurship, and management technologies or applications in the region;

"(2) to provide education and training in the use of telecommunications and technology;

"(3) to develop programs to increase the readiness of industry groups and businesses in the region to engage in electronic commerce; or

"(4) to support entrepreneurial opportunities for businesses in the information technology sector.

"(b) SOURCE OF FUNDING.—

"(1) IN GENERAL.—Assistance under this section may be provided—

"(A) exclusively from amounts made available to carry out this section; or

"(B) from amounts made available to carry out this section in combination with amounts made available under any other Federal program or from any other source.

"(2) FEDERAL SHARE REQUIREMENTS SPECIFIED IN OTHER LAWS.—Notwithstanding any provision of law limiting the Federal share under any other Federal program, amounts made available to carry out this section may be used to increase that Federal share, as the Commission determines to be appropriate.

"(c) COST SHARING FOR GRANTS.—Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 226) of the costs of any activity eligible for a grant under this section may be provided from funds appropriated to carry out this section."

SEC. 6. ENTREPRENEURSHIP INITIATIVE.

Title II of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting after section 203 (as added by section 5) the following:

“SEC. 204. ENTREPRENEURSHIP INITIATIVE.

“(a) DEFINITION OF BUSINESS INCUBATOR SERVICE.—In this section, the term ‘business incubator service’ means a professional or technical service necessary for the initiation and initial sustainment of the operations of a newly established business, including a service such as—

“(1) a legal service, including aid in preparing a corporate charter, partnership agreement, or basic contract;

“(2) a service in support of the protection of intellectual property through a patent, a trademark, or any other means;

“(3) a service in support of the acquisition and use of advanced technology, including the use of Internet services and Web-based services; and

“(4) consultation on strategic planning, marketing, or advertising.

“(b) PROJECTS TO BE ASSISTED.—The Commission may provide technical assistance, make grants, enter into contracts, or otherwise provide funds to persons or entities in the region for projects—

“(1) to support the advancement of, and provide, entrepreneurial training and education for youths, students, and businesspersons;

“(2) to improve access to debt and equity capital by such means as facilitating the establishment of development venture capital funds;

“(3) to aid communities in identifying, developing, and implementing development strategies for various sectors of the economy; and

“(4)(A) to develop a working network of business incubators; and

“(B) to support entities that provide business incubator services.

“(c) SOURCE OF FUNDING.—

“(1) **IN GENERAL.**—Assistance under this section may be provided—

“(A) exclusively from amounts made available to carry out this section; or

“(B) from amounts made available to carry out this section in combination with amounts made available under any other Federal program or from any other source.

“(2) **FEDERAL SHARE REQUIREMENTS SPECIFIED IN OTHER LAWS.**—Notwithstanding any provision of law limiting the Federal share under any other Federal program, amounts made available to carry out this section may be used to increase that Federal share, as the Commission determines to be appropriate.

“(d) COST SHARING FOR GRANTS.—Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 226) of the costs of any activity eligible for a grant under this section may be provided from funds appropriated to carry out this section.”.

SEC. 7. REGIONAL SKILLS PARTNERSHIPS.

Title II of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting after section 204 (as added by section 6) the following:

“SEC. 205. REGIONAL SKILLS PARTNERSHIPS.

“(a) **DEFINITION OF ELIGIBLE ENTITY.**—In this section, the term ‘eligible entity’ means a consortium that—

“(1) is established to serve 1 or more industries in a specified geographic area; and

“(2) consists of representatives of—

“(A) businesses (or a nonprofit organization that represents businesses);

“(B) labor organizations;

“(C) State and local governments; or

“(D) educational institutions.

“(b) **PROJECTS TO BE ASSISTED.**—The Commission may provide technical assistance, make grants, enter into contracts, or otherwise provide funds to eligible entities in the region for projects to improve the job skills of workers for a specified industry, including projects for—

“(1) the assessment of training and job skill needs for the industry;

“(2) the development of curricula and training methods, including, in appropriate cases, electronic learning or technology-based training;

“(3)(A) the identification of training providers; and

“(B) the development of partnerships between the industry and educational institutions, including community colleges;

“(4) the development of apprenticeship programs;

“(5) the development of training programs for workers, including dislocated workers; and

“(6) the development of training plans for businesses.

“(c) **ADMINISTRATIVE COSTS.**—An eligible entity may use not more than 10 percent of the funds made available to the eligible entity under subsection (b) to pay administrative costs associated with the projects described in subsection (b).

“(d) **SOURCE OF FUNDING.**—

“(1) **IN GENERAL.**—Assistance under this section may be provided—

“(A) exclusively from amounts made available to carry out this section; or

“(B) from amounts made available to carry out this section in combination with amounts made available under any other Federal program or from any other source.

“(2) **FEDERAL SHARE REQUIREMENTS SPECIFIED IN OTHER LAWS.**—Notwithstanding any provision of law limiting the Federal share under any other Federal program, amounts made available to carry out this section may be used to increase that Federal share, as the Commission determines to be appropriate.

“(e) **COST SHARING FOR GRANTS.**—Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 226) of the costs of any activity eligible for a grant under this section may be provided from funds appropriated to carry out this section.”

SEC. 8. PROGRAM DEVELOPMENT CRITERIA.

(a) **ELIMINATION OF GROWTH CENTER CRITERIA.**—Section 224(a)(1) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking “in an area determined by the State have a significant potential for growth or”.

(b) **ASSISTANCE TO DISTRESSED COUNTIES AND AREAS.**—Section 224 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by adding at the end the following:

“(d) **ASSISTANCE TO DISTRESSED COUNTIES AND AREAS.**—For fiscal year 2003 and each fiscal year thereafter, not less than 50 percent of the amount of grant expenditures approved by the Commission shall support activities or projects that benefit severely and persistently distressed counties and areas.”.

SEC. 9. GRANTS FOR ADMINISTRATIVE EXPENSES OF LOCAL DEVELOPMENT DISTRICTS.

Section 302(a)(1)(A)(i) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting “(or, at the discretion of the Commission, 75 percent of such expenses in the case of a local development district that has a charter or authority that includes the economic development of a county or part of a county for which a distressed county designation is in effect under section 226)” after “such expenses”.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

Section 401 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended to read as follows:

“SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

“(a) **IN GENERAL.**—In addition to amounts authorized by section 201 and other amounts made available for the Appalachian development highway system program, there are authorized to be appropriated to the Commission to carry out this Act—

“(1) \$88,000,000 for each of fiscal years 2002 through 2004;

“(2) \$90,000,000 for fiscal year 2005; and

“(3) \$92,000,000 for fiscal year 2006.

“(b) **TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.**—Of the amounts made available under subsection (a), the following amounts may be made available to carry out section 203:

“(1) \$10,000,000 for fiscal year 2002.

“(2) \$8,000,000 for fiscal year 2003.

“(3) \$5,000,000 for each of fiscal years 2004 through 2006.

“(c) **AVAILABILITY.**—Sums made available under subsection (a) shall remain available until expended.”.

SEC. 11. ADDITION OF COUNTIES TO APPALACHIAN REGION.

Section 403 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the third undesignated paragraph (relating to Kentucky)—

(A) by inserting “Edmonson,” after “Cumberland,”;

(B) by inserting “Hart,” after “Harlan,”; and

(C) by striking “Montgomery,” and inserting “Montgomery,”; and

(2) in the fifth undesignated paragraph (relating to Mississippi)—

(A) by inserting “Montgomery,” after “Monroe,”; and

(B) by inserting “Panola,” after “Oktibbeha,”.

SEC. 12. TERMINATION.

Section 405 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "2001" and inserting "2006".

SEC. 13. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Section 101(b) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the third sentence by striking "implementing investment program" and inserting "strategy statement".

(b) Section 106(7) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "expiring no later than September 30, 2001".

(c) Sections 202, 214, and 302(a)(1)(C) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) are amended by striking "grant-in-aid programs" each place it appears and inserting "grant programs".

(d) Section 202(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the second sentence by striking "title VI of the Public Health Service Act (42 U.S.C. 291–291o), the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (77 Stat. 282)," and inserting "title VI of the Public Health Service Act (42 U.S.C. 291 et seq.), the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15001 et seq.),".

(e) Section 207(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "section 221 of the National Housing Act, section 8 of the United States Housing Act of 1937, section 515 of the Housing Act of 1949," and inserting "section 221 of the National Housing Act (12 U.S.C. 1715l), section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), section 515 of the Housing Act of 1949 (42 U.S.C. 1485),".

(f) Section 214 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the section heading, by striking "GRANT-IN-AID" and inserting "GRANT";

(2) in subsection (a)—

(A) by striking "grant-in-aid Act" each place it appears and inserting "Act";

(B) in the first sentence, by striking "grant-in-aid Acts" and inserting "Acts";

(C) by striking "grant-in-aid program" each place it appears and inserting "grant program"; and

(D) by striking the third sentence;

(3) by striking subsection (c) and inserting the following:

"(c) DEFINITION OF FEDERAL GRANT PROGRAM.—

"(1) IN GENERAL.—In this section, the term 'Federal grant program' means any Federal grant program authorized by this Act or any other Act that provides assistance for—

"(A) the acquisition or development of land;

"(B) the construction or equipment of facilities; or

"(C) any other community or economic development or economic adjustment activity.

"(2) INCLUSIONS.—In this section, the term 'Federal grant program' includes a Federal grant program such as a Federal grant program authorized by—

“(A) the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.);

“(B) the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–4 et seq.);

“(C) the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.);

“(D) the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.);

“(E) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

“(F) title VI of the Public Health Service Act (42 U.S.C. 291 et seq.);

“(G) sections 201 and 209 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141, 3149);

“(H) title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.); or

“(I) part IV of title III of the Communications Act of 1934 (47 U.S.C. 390 et seq.).

“(3) EXCLUSIONS.—In this section, the term ‘Federal grant program’ does not include—

“(A) the program for construction of the Appalachian development highway system authorized by section 201;

“(B) any program relating to highway or road construction authorized by title 23, United States Code; or

“(C) any other program under this Act or any other Act to the extent that a form of financial assistance other than a grant is authorized.”; and

(4) by striking subsection (d).

(g) Section 224(a)(2) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking “relative per capita income” and inserting “per capita market income”.

(h) Section 225 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.)—

(1) in subsection (a)(3), by striking “development program” and inserting “development strategies”; and

(2) in subsection (c)(2), by striking “development programs” and inserting “development strategies”.

(i) Section 303 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the section heading, by striking “INVESTMENT PROGRAMS” and inserting “STRATEGY STATEMENTS”;

(2) in the first sentence, by striking “implementing investments programs” and inserting “strategy statements”; and

(3) by striking “implementing investment program” each place it appears and inserting “strategy statement”.

S. 1206—8

(j) Section 403 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the next-to-last undesignated paragraph by striking “Committee on Public Works and Transportation” and inserting “Committee on Transportation and Infrastructure”.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

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to check.

Document Originally
Attached to
Following Page

WHITE HOUSE STAFFING MEMORANDUM

Date: 3-8-02 ACTION / CONCURRENCE / COMMENT DUE BY: 3-11-02, 10:00 AMENROLLED BILL S. 1206, APPALACHIAN REGIONAL DEVELOPMENT ACT
Subject: AMENDMENTS OF 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT <i>nk</i>	☒	☐	HUBBARD	☐	☐
CARD <i>ok</i>	☒	☐	HUGHES	☒	☐
BARTLETT	☒	☐	IRASTORZA	☐	☐
BLAKEMAN	☐	☐	JOHNSON	☐	☐
BOLTEN <i>ok</i>	☒	☐	LINDSEY <i>OK</i>	☒	☐
BRIDGELAND	☒	☐	MARBURGER	☐	☐
CALIO <i>comments</i>	☒	☐	MIERS	☒	☐
CONNAUGHTON <i>n/c</i>	☒	☐	RICE	☐	☐
DANIELS	☐	☒	RIDGE	☐	☐
FLEISCHER	☐	☒	ROVE <i>n/c</i>	☒	☐
GERSON	☐	☐	SPELLINGS <i>ok</i>	☒	☐
GONZALES <i>comments</i>	☒	☐	CLERK	☐	☒
HAGIN	☐	☐		☐	☐
HAWKINS	☒	☐		☐	☐

REMARKS:

PLEASE SEND REMARKS TO JIM JUKES, EXT. 53458, FAX 56148, NO LATER THAN 10:00 AM MONDAY, 3-11-02, WITH COPY TO STAFF SECRETARY. THANK YOU.

RESPONSE:

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

02 APR 11 11:25

THE DIRECTOR

March 8, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 1206 - Appalachian Regional Development Act Amendments of
2002
Sponsors - Sen. Voinovich (R) Ohio and 8 cosponsors

Last Day for Action

March 15, 2002 - Friday

Purpose

Reauthorizes and amends programs of the Appalachian Regional Commission.

Agency Recommendations

Office of Management and Budget

Approval

Appalachian Regional Commission (ARC)

Approval (Signing statement
attached)

Small Business Administration (SBA)

Approval

Department of Commerce

No objection (Informally)

Department of Justice

No objection (Informally)

Department of Transportation

No objection (Informally)

Department of Education

No comment (Informally)

Department of Labor

No comment (Informally)

Department of the Treasury

No comment (Informally)

Environmental Protection Agency

No comment (Informally)

Department of Energy

Defers to ARC (Informally)

Department of Health and Human Services

Defers to ARC (Informally)

Department of Housing and Urban Development

Defers to ARC (Informally)

Department of the Interior

Defers to ARC (Informally)

Federal Emergency Management Agency

Defers to ARC (Informally)

Discussion

The Appalachian Region, as defined in the statute authorizing the ARC, includes all of West Virginia and parts of 12 other States stretching from Southern New York to Northern Mississippi. The ARC provides assistance to the 13 States for the Appalachian development highway system and for area development projects. These projects promote skills development, physical infrastructure, building self-sustaining local economies, and improving access to health care. S. 1206 would reauthorize and amend ARC programs as described below.

Authorization of Appropriations

The enrolled bill would extend the ARC's statutory authorities and appropriations authorizations by five years, through FY 2006. Specifically, S. 1206 would authorize appropriations to the ARC (in addition to amounts authorized or made available for the Appalachian development highway system program) of \$88 million for each of FYs 2002 through 2004, \$90 million for FY 2005, and \$92 million for FY 2006. The authorizations are above the appropriations requested for the ARC in the President's Budget for FY 2003 (\$66 million) and the outyear projections for FYs 2004 (\$67 million), 2005 (\$69 million), and 2006 (\$70 million). For FY 2002, the President's Budget requested \$66 million and the ARC received appropriations of \$71 million.

As suggested by the Administration, S. 1206 would require that, for FY 2003 and thereafter, not less than 50 percent of the annual amount of grant expenditures approved by the ARC support activities or projects that benefit severely and persistently distressed counties and areas.

New Program Authorities

The enrolled bill would give the ARC three new statutory program authorities. The ARC could use available funds to make grants, enter into contracts, or otherwise provide funds or technical assistance for projects under these programs. The ARC already conducts many of these activities under its existing authority.

The Telecommunications and Technology Initiative would fund projects to: (1) increase affordable access to advanced telecommunications, entrepreneurship, and management technologies or applications in the region; (2) provide education and training in the use of telecommunications and technology; (3) develop programs to increase the readiness of industry groups and businesses in the region to engage in electronic commerce; and (4) support entrepreneurial opportunities for businesses in the information technology sector. Of the amounts authorized by S. 1206, \$10 million could be made available for this program in FY 2002, \$8 million in FY 2003, and \$5 million in each of FYs 2004-2006.

Regional Skills Partnerships would provide funding to eligible entities in the region for projects to improve the job skills of workers for a specified industry, including projects for: (1) the assessment of training and job skill needs for the industry; (2) the development of curricula and training methods, including, in appropriate cases, electronic learning or technology-based training; (3) the development of partnerships between the industry and educational institutions, including community colleges; and (4) the development of apprenticeship programs, training programs for workers (including dislocated workers), and training plans for businesses. "Eligible entity" would be defined as a consortium that is established to serve one or more industries in a specified geographic area and consists of representatives of businesses (or a nonprofit organization that represents businesses), labor organizations, State and local governments, or educational institutions.

The Entrepreneurship Initiative would fund projects to: (1) support the advancement of, and provide, entrepreneurial training and education for youths, students, and businesspersons; (2) improve access to debt and equity capital by such means as facilitating the establishment of development venture capital funds; (3) aid communities in identifying, developing, and implementing development strategies for various sectors of the economy; (4) develop a working network of business incubators; and (5) support entities that provide business incubator services. "Business incubator services" would be defined as professional or technical services necessary for the initiation and initial sustainment of the operations of a newly established business.

The ARC notes in its views letter that this provision of S. 1206 codifies an existing ARC program for fostering entrepreneurship. SBA notes in its views letter that it "offers similar assistance through several well established programs" and "would be pleased to work with [ARC] to ensure there is no duplication of programs."

Cost Sharing. For each of the three new programs described above, funding could be used to increase the Federal share, as the ARC determines to be appropriate, notwithstanding any provision of law limiting the Federal share under any other Federal program. Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect) of the costs of any activity eligible for a grant could be provided from funds appropriated to carry out these activities. An eligible entity could use up to 10 percent of the total funds made available to pay administrative costs associated with the projects.

Miscellaneous Provisions

Other provisions of S. 1206 would:

- Require the President to establish an Interagency Coordinating Council on Appalachia composed of representatives of Federal agencies that carry out economic development programs in the region. The Council would be chaired by the ARC's Federal Co-Chairman.

- Add to the list of the ARC's statutory functions: (1) supporting local development districts; (2) encouraging the use of "eco-industrial development technologies and approaches;" and (3) seeking to coordinate the economic development activities of, and the use of economic development resources by, Federal agencies in the region.
- Add four counties to the Appalachian Region, two in Kentucky (Edmonson and Hart Counties) and two in Mississippi (Montgomery and Panola Counties). Under current law, the Region includes 406 counties in 13 States. Particularly in Mississippi, these additions are at the margin of the region commonly considered to be "Appalachia."
- Repeal a requirement that the ARC, in considering programs and projects to be given assistance, consider location in an area determined by the State to have a significant potential for growth.
- Allow a grant of up to 75 percent of administrative expenses in the case of a local development district that has a charter or authority that includes the economic development of a county or part of a county for which a distressed county designation is in effect. Under current law, a grant to a local development district for administrative expenses cannot exceed 50 percent of the administrative expenses of the district.

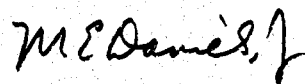
Agency Views

The Appalachian Regional Commission strongly recommends approval of S. 1206, stating that the bill "renews the nation's commitment to ensure that the people of Appalachia have the ability and tools to participate fully in the American economy and that the region becomes a contributor to, rather than a drain on, national wealth." Attached to the ARC views letter is a draft signing statement that states that the enrolled bill "represents an important part of my Administration's efforts to see that this nation's economy remains vibrant and strong."

The Small Business Administration also recommends approval of the enrolled bill in order "to promote entrepreneurship and economic development in Appalachia."

Conclusion and Recommendations

We join ARC and SBA in recommending approval of S. 1206, which passed the Senate by unanimous consent and the House by voice vote. We recommend that no written signing statement be issued.



Mitchell E. Daniels, Jr.
Director

Enclosures

WHITE HOUSE STAFFING MEMORANDUM

Date: 3-8-02 ACTION / CONCURRENCE / COMMENT DUE BY: 3-11-02, 10:00 AM

Subject: ENROLLED BILL S. 1206, APPALACHIAN REGIONAL DEVELOPMENT ACT
AMENDMENTS OF 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☐	☐
CARD	☒	☐	HUGHES	☒	☐
BARTLETT	☒	☐	IRASTORZA	☐	☐
BLAKEMAN	☐	☐	JOHNSON	☐	☐
BOLTEN	☒	☐	LINDSEY	☒	☐
BRIDGELAND	☒	☐	MARBURGER	☐	☐
CALIO	☒	☐	MIERS	☒	☐
CONNAUGHTON	☒	☐	RICE	☐	☐
DANIELS	☐	☒	RIDGE	☐	☐
FLEISCHER	☐	☒	ROVE	☒	☐
GERSON	☐	☐	SPELLINGS	☒	☐
GONZALES	☒	☐	CLERK	☐	☒
HAGIN	☐	☐	_____	☐	☐
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE SEND REMARKS TO JIM JUKES, EXT. 53458, FAX 56148, NO LATER THAN 10:00 AM MONDAY, 3-11-02, WITH COPY TO STAFF SECRETARY. THANK YOU.

RESPONSE:

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

March 8, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 1206 - Appalachian Regional Development Act Amendments of 2002
Sponsors - Sen. Voinovich (R) Ohio and 8 cosponsors

Last Day for Action

March 15, 2002 - Friday

Purpose

Reauthorizes and amends programs of the Appalachian Regional Commission.

Agency Recommendations

Office of Management and Budget	Approval
Appalachian Regional Commission (ARC)	Approval (Signing statement attached)
Small Business Administration (SBA)	Approval
Department of Commerce	No objection (Informally)
Department of Justice	No objection (Informally)
Department of Transportation	No objection (Informally)
Department of Education	No comment (Informally)
Department of Labor	No comment (Informally)
Department of the Treasury	No comment (Informally)
Environmental Protection Agency	No comment (Informally)
Department of Energy	Defers to ARC (Informally)
Department of Health and Human Services	Defers to ARC (Informally)
Department of Housing and Urban Development	Defers to ARC (Informally)
Department of the Interior	Defers to ARC (Informally)
Federal Emergency Management Agency	Defers to ARC (Informally)

Discussion

The Appalachian Region, as defined in the statute authorizing the ARC, includes all of West Virginia and parts of 12 other States stretching from Southern New York to Northern Mississippi. The ARC provides assistance to the 13 States for the Appalachian development highway system and for area development projects. These projects promote skills development, physical infrastructure, building self-sustaining local economies, and improving access to health care. S. 1206 would reauthorize and amend ARC programs as described below.

Authorization of Appropriations

The enrolled bill would extend the ARC's statutory authorities and appropriations authorizations by five years, through FY 2006. Specifically, S. 1206 would authorize appropriations to the ARC (in addition to amounts authorized or made available for the Appalachian development highway system program) of \$88 million for each of FYs 2002 through 2004, \$90 million for FY 2005, and \$92 million for FY 2006. The authorizations are above the appropriations requested for the ARC in the President's Budget for FY 2003 (\$66 million) and the outyear projections for FYs 2004 (\$67 million), 2005 (\$69 million), and 2006 (\$70 million). For FY 2002, the President's Budget requested \$66 million and the ARC received appropriations of \$71 million.

As suggested by the Administration, S. 1206 would require that, for FY 2003 and thereafter, not less than 50 percent of the annual amount of grant expenditures approved by the ARC support activities or projects that benefit severely and persistently distressed counties and areas.

New Program Authorities

The enrolled bill would give the ARC three new statutory program authorities. The ARC could use available funds to make grants, enter into contracts, or otherwise provide funds or technical assistance for projects under these programs. The ARC already conducts many of these activities under its existing authority.

The Telecommunications and Technology Initiative would fund projects to: (1) increase affordable access to advanced telecommunications, entrepreneurship, and management technologies or applications in the region; (2) provide education and training in the use of telecommunications and technology; (3) develop programs to increase the readiness of industry groups and businesses in the region to engage in electronic commerce; and (4) support entrepreneurial opportunities for businesses in the information technology sector. Of the amounts authorized by S. 1206, \$10 million could be made available for this program in FY 2002, \$8 million in FY 2003, and \$5 million in each of FYs 2004-2006.

Regional Skills Partnerships would provide funding to eligible entities in the region for projects to improve the job skills of workers for a specified industry, including projects for: (1) the assessment of training and job skill needs for the industry; (2) the development of curricula and training methods, including, in appropriate cases, electronic learning or technology-based training; (3) the development of partnerships between the industry and educational institutions, including community colleges; and (4) the development of apprenticeship programs, training programs for workers (including dislocated workers), and training plans for businesses. "Eligible entity" would be defined as a consortium that is established to serve one or more industries in a specified geographic area and consists of representatives of businesses (or a nonprofit organization that represents businesses), labor organizations, State and local governments, or educational institutions.

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The ARC notes in its views letter that this provision of S. 1206 codifies an existing ARC program for fostering entrepreneurship. SBA notes in its views letter that it "offers similar assistance through several well established programs" and "would be pleased to work with [ARC] to ensure there is no duplication of programs."

Cost Sharing. For each of the three new programs described above, funding could be used to increase the Federal share, as the ARC determines to be appropriate, notwithstanding any provision of law limiting the Federal share under any other Federal program. Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect) of the costs of any activity eligible for a grant could be provided from funds appropriated to carry out these activities. An eligible entity could use up to 10 percent of the total funds made available to pay administrative costs associated with the projects.

Miscellaneous Provisions

Other provisions of S. 1206 would:

- Require the President to establish an Interagency Coordinating Council on Appalachia composed of representatives of Federal agencies that carry out economic development programs in the region. The Council would be chaired by the ARC's Federal Co-Chairman.

- Add to the list of the ARC's statutory functions: (1) supporting local development districts; (2) encouraging the use of "eco-industrial development technologies and approaches;" and (3) seeking to coordinate the economic development activities of, and the use of economic development resources by, Federal agencies in the region.
- Add four counties to the Appalachian Region, two in Kentucky (Edmonson and Hart Counties) and two in Mississippi (Montgomery and Panola Counties). Under current law, the Region includes 406 counties in 13 States. Particularly in Mississippi, these additions are at the margin of the region commonly considered to be "Appalachia."
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- Allow a grant of up to 75 percent of administrative expenses in the case of a local development district that has a charter or authority that includes the economic development of a county or part of a county for which a distressed county designation is in effect. Under current law, a grant to a local development district for administrative expenses cannot exceed 50 percent of the administrative expenses of the district.

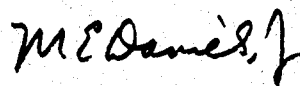
Agency Views

The Appalachian Regional Commission strongly recommends approval of S. 1206, stating that the bill "renews the nation's commitment to ensure that the people of Appalachia have the ability and tools to participate fully in the American economy and that the region becomes a contributor to, rather than a drain on, national wealth." Attached to the ARC views letter is a draft signing statement that states that the enrolled bill "represents an important part of my Administration's efforts to see that this nation's economy remains vibrant and strong."

The Small Business Administration also recommends approval of the enrolled bill in order "to promote entrepreneurship and economic development in Appalachia."

Conclusion and Recommendations

We join ARC and SBA in recommending approval of S. 1206, which passed the Senate by unanimous consent and the House by voice vote. We recommend that no written signing statement be issued.



Mitchell E. Daniels, Jr.
Director

Enclosures

WHITE HOUSE STAFFING MEMORANDUMDate: 3-8-02 ACTION / CONCURRENCE / COMMENT DUE BY: 3-11-02, 10:00 AMSubject: **ENROLLED BILL S. 1206, APPALACHIAN REGIONAL DEVELOPMENT ACT
AMENDMENTS OF 2002**

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☐	☐
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Ext. 62702



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March 8, 2002

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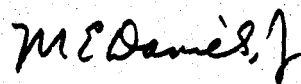
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Conclusion and Recommendations

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Mitchell E. Daniels, Jr.
Director

Enclosures

 *** TX REPORT ***

TRANSMISSION OK

TX/RX NO	2537	
CONNECTION TEL		62710
CONNECTION ID	CEQ	
ST. TIME	03/09 01:15	
USAGE T	01'46	
PGS. SENT	5	
RESULT	OK	

SS/ RM NO. 505665

WHITE HOUSE STAFFING MEMORANDUM

Date: 3-8-02 ACTION / CONCURRENCE / COMMENT DUE BY: 3-11-02, 10:00 AM

ENROLLED BILL S. 1206, APPALACHIAN REGIONAL DEVELOPMENT ACT
 Subject: AMENDMENTS OF 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☐	☐
CARD	☒	☐	HUGHES	☒	☐
BARTLETT	☒	☐	IRASTORZA	☐	☐
BLAKEMAN	☐	☐	JOHNSON	☐	☐
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FLEISCHER	☐	☒	ROVE	☒	☐
GERSON	☐	☐	SPELLINGS	☒	☐
GONZALES	☒	☐	CLERK	☐	☒
HAGIN	☐	☐		☐	☐
HAWKINS	☒	☐		☐	☐

REMARKS:

PLEASE SEND REMARKS TO JIM JUKES. EXT. 53458. FAX 56148, NO LATER THAN 10:00 AM

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RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702

 *** TX REPORT ***

TRANSMISSION OK

TX/RX NO	2536	
CONNECTION TEL		69720
CONNECTION ID		
ST. TIME	03/09 01:13	
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PGS. SENT	5	
RESULT	OK	

SS/ RM NO. 505665**WHITE HOUSE STAFFING MEMORANDUM**Date: 3-8-02 ACTION / CONCURRENCE / COMMENT DUE BY: 3-11-02, 10:00 AM

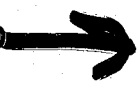
ENROLLED BILL S. 1206, APPALACHIAN REGIONAL DEVELOPMENT ACT
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	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☐	☐
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RESPONSE:

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 *** TX REPORT ***

TRANSMISSION OK

TX/RX NO 2535
 CONNECTION TEL 66212
 CONNECTION ID
 ST. TIME 03/09 01:10
 USAGE T 01'48
 PGS. SENT 5
 RESULT OK

SS/ RM NO. 505665

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TRANSMISSION OK

TX/RX NO 2534
 CONNECTION TEL 51005
 CONNECTION ID
 ST. TIME 03/09 01:06
 USAGE T 01'48
 PGS. SENT 5
 RESULT OK

SS/ RM NO. 505665

WHITE HOUSE STAFFING MEMORANDUM

Date: 3-8-02 ACTION / CONCURRENCE / COMMENT DUE BY: 3-11-02, 10:00 AM

ENROLLED BILL S. 1206, APPALACHIAN REGIONAL DEVELOPMENT ACT

Subject: AMENDMENTS OF 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☐	☐
CARD	☒	☐	HUGHES	☒	☐
BARTLETT	☒	☐	IRASTORZA	☐	☐
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BOLTEN	☒	☐	LINDSEY	☒	☐
BRIDGELAND	☒	☐	MARBURGER	☐	☐
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DANIELS	☐	☒	RIDGE	☐	☐
FLEISCHER	☐	☒	ROVE	☒	☐
GERSON	☐	☐	SPELLINGS	☒	☐
GONZALES	☒	☐	CLERK	☐	☒
HAGIN	☐	☐		☐	☐
HAWKINS	☒	☐		☐	☐

REMARKS:

PLEASE SEND REMARKS TO JIM JUKES, EXT. 53458, FAX 56148, NO LATER THAN 10:00 AM

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RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

March 8, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 1206 - Appalachian Regional Development Act Amendments of
2002
Sponsors - Sen. Voinovich (R) Ohio and 8 cosponsors

Last Day for Action

March 15, 2002 - Friday

Purpose

Reauthorizes and amends programs of the Appalachian Regional Commission.

Agency Recommendations

Office of Management and Budget	Approval
Appalachian Regional Commission (ARC)	Approval (Signing statement attached)
Small Business Administration (SBA)	Approval
Department of Commerce	No objection (Informally)
Department of Justice	No objection (Informally)
Department of Transportation	No objection (Informally)
Department of Education	No comment (Informally)
Department of Labor	No comment (Informally)
Department of the Treasury	No comment (Informally)
Environmental Protection Agency	No comment (Informally)
Department of Energy	Defers to ARC (Informally)
Department of Health and Human Services	Defers to ARC (Informally)
Department of Housing and Urban Development	Defers to ARC (Informally)
Department of the Interior	Defers to ARC (Informally)
Federal Emergency Management Agency	Defers to ARC (Informally)

Discussion

The Appalachian Region, as defined in the statute authorizing the ARC, includes all of West Virginia and parts of 12 other States stretching from Southern New York to Northern Mississippi. The ARC provides assistance to the 13 States for the Appalachian development highway system and for area development projects. These projects promote skills development, physical infrastructure, building self-sustaining local economies, and improving access to health care. S. 1206 would reauthorize and amend ARC programs as described below.

Authorization of Appropriations

The enrolled bill would extend the ARC's statutory authorities and appropriations authorizations by five years, through FY 2006. Specifically, S. 1206 would authorize appropriations to the ARC (in addition to amounts authorized or made available for the Appalachian development highway system program) of \$88 million for each of FYs 2002 through 2004, \$90 million for FY 2005, and \$92 million for FY 2006. The authorizations are above the appropriations requested for the ARC in the President's Budget for FY 2003 (\$66 million) and the outyear projections for FYs 2004 (\$67 million), 2005 (\$69 million), and 2006 (\$70 million). For FY 2002, the President's Budget requested \$66 million and the ARC received appropriations of \$71 million.

As suggested by the Administration, S. 1206 would require that, for FY 2003 and thereafter, not less than 50 percent of the annual amount of grant expenditures approved by the ARC support activities or projects that benefit severely and persistently distressed counties and areas.

New Program Authorities

The enrolled bill would give the ARC three new statutory program authorities. The ARC could use available funds to make grants, enter into contracts, or otherwise provide funds or technical assistance for projects under these programs. The ARC already conducts many of these activities under its existing authority.

The Telecommunications and Technology Initiative would fund projects to: (1) increase affordable access to advanced telecommunications, entrepreneurship, and management technologies or applications in the region; (2) provide education and training in the use of telecommunications and technology; (3) develop programs to increase the readiness of industry groups and businesses in the region to engage in electronic commerce; and (4) support entrepreneurial opportunities for businesses in the information technology sector. Of the amounts authorized by S. 1206, \$10 million could be made available for this program in FY 2002, \$8 million in FY 2003, and \$5 million in each of FYs 2004-2006.

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The Entrepreneurship Initiative would fund projects to: (1) support the advancement of, and provide, entrepreneurial training and education for youths, students, and businesspersons; (2) improve access to debt and equity capital by such means as facilitating the establishment of development venture capital funds; (3) aid communities in identifying, developing, and implementing development strategies for various sectors of the economy; (4) develop a working network of business incubators; and (5) support entities that provide business incubator services. "Business incubator services" would be defined as professional or technical services necessary for the initiation and initial sustainment of the operations of a newly established business.

The ARC notes in its views letter that this provision of S. 1206 codifies an existing ARC program for fostering entrepreneurship. SBA notes in its views letter that it "offers similar assistance through several well established programs" and "would be pleased to work with [ARC] to ensure there is no duplication of programs."

Cost Sharing. For each of the three new programs described above, funding could be used to increase the Federal share, as the ARC determines to be appropriate, notwithstanding any provision of law limiting the Federal share under any other Federal program. Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect) of the costs of any activity eligible for a grant could be provided from funds appropriated to carry out these activities. An eligible entity could use up to 10 percent of the total funds made available to pay administrative costs associated with the projects.

Miscellaneous Provisions

Other provisions of S. 1206 would:

- Require the President to establish an Interagency Coordinating Council on Appalachia composed of representatives of Federal agencies that carry out economic development programs in the region. The Council would be chaired by the ARC's Federal Co-Chairman.

- Add to the list of the ARC's statutory functions: (1) supporting local development districts; (2) encouraging the use of "eco-industrial development technologies and approaches;" and (3) seeking to coordinate the economic development activities of, and the use of economic development resources by, Federal agencies in the region.
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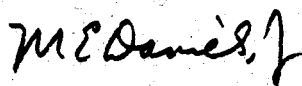
Agency Views

The Appalachian Regional Commission strongly recommends approval of S. 1206, stating that the bill "renews the nation's commitment to ensure that the people of Appalachia have the ability and tools to participate fully in the American economy and that the region becomes a contributor to, rather than a drain on, national wealth." Attached to the ARC views letter is a draft signing statement that states that the enrolled bill "represents an important part of my Administration's efforts to see that this nation's economy remains vibrant and strong."

The Small Business Administration also recommends approval of the enrolled bill in order "to promote entrepreneurship and economic development in Appalachia."

Conclusion and Recommendations

We join ARC and SBA in recommending approval of S. 1206, which passed the Senate by unanimous consent and the House by voice vote. We recommend that no written signing statement be issued.



Mitchell E. Daniels, Jr.
Director

Enclosures

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02 MAR 10 PM 5:51

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Handwritten initials: JC and HHC

Harriet E. Miers
Assistant to the President
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Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
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THE DIRECTOR

March 8, 2002

MEMORANDUM FOR THE PRESIDENT

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Sponsors - Sen. Voinovich (R) Ohio and 8 cosponsors

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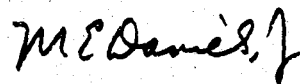
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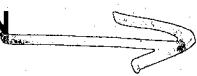
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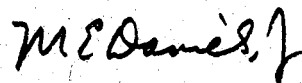
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WHITE HOUSE STAFFING MEMORANDUM

Date: 3-8-02 ACTION / CONCURRENCE / COMMENT DUE BY: 3-11-02, 10:00 AM

Subject: ENROLLED BILL S. 1206, APPALACHIAN REGIONAL DEVELOPMENT ACT
AMENDMENTS OF 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☐	☐
CARD	☒	☐	HUGHES	☒	☐
BARTLETT	☒	☐	IRASTORZA	☐	☐
BLAKEMAN	☐	☐	JOHNSON	☐	☐
BOLTEN	☒	☐	LINDSEY	☒	☐
BRIDGELAND	☒	☐	MARBURGER	☐	☐
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GONZALES	☒	☐	CLERK	☐	☒
HAGIN	☐	☐		☐	☐
HAWKINS	☒	☐		☐	☐

REMARKS:

PLEASE SEND REMARKS TO JIM JUKES, EXT. 53458, FAX 56148, NO LATER THAN 10:00 AM MONDAY, 3-11-02, WITH COPY TO STAFF SECRETARY. THANK YOU.

NO COMMENT

RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702

Withdrawal Marker

The George W. Bush Library

FORM	SUBJECT/TITLE	PAGES	DATE	RESTRICTION(S)
Routing Memo	[Re: S. 1206]	1	03/11/2002	P5;

**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

COLLECTION:

Executive Clerk, Office Of the

SERIES:

Saunders, G. Timothy (Tim) - Bill Files

FOLDER TITLE:

03/12/2002 [S. 1206] [771143]

FRC ID:

6358

OA Num.:

9465

NARA Num.:

9356

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

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- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
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PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

March 8, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 1206 - Appalachian Regional Development Act Amendments of
2002
Sponsors - Sen. Voinovich (R) Ohio and 8 cosponsors

Last Day for Action

March 15, 2002 - Friday

Purpose

Reauthorizes and amends programs of the Appalachian Regional Commission.

Agency Recommendations

Office of Management and Budget	Approval
Appalachian Regional Commission (ARC)	Approval (Signing statement attached)
Small Business Administration (SBA)	Approval
Department of Commerce	No objection (Informally)
Department of Justice	No objection (Informally)
Department of Transportation	No objection (Informally)
Department of Education	No comment (Informally)
Department of Labor	No comment (Informally)
Department of the Treasury	No comment (Informally)
Environmental Protection Agency	No comment (Informally)
Department of Energy	Defers to ARC (Informally)
Department of Health and Human Services	Defers to ARC (Informally)
Department of Housing and Urban Development	Defers to ARC (Informally)
Department of the Interior	Defers to ARC (Informally)
Federal Emergency Management Agency	Defers to ARC (Informally)

Discussion

The Appalachian Region, as defined in the statute authorizing the ARC, includes all of West Virginia and parts of 12 other States stretching from Southern New York to Northern Mississippi. The ARC provides assistance to the 13 States for the Appalachian development highway system and for area development projects. These projects promote skills development, physical infrastructure, building self-sustaining local economies, and improving access to health care. S. 1206 would reauthorize and amend ARC programs as described below.

Authorization of Appropriations

The enrolled bill would extend the ARC's statutory authorities and appropriations authorizations by five years, through FY 2006. Specifically, S. 1206 would authorize appropriations to the ARC (in addition to amounts authorized or made available for the Appalachian development highway system program) of \$88 million for each of FYs 2002 through 2004, \$90 million for FY 2005, and \$92 million for FY 2006. The authorizations are above the appropriations requested for the ARC in the President's Budget for FY 2003 (\$66 million) and the outyear projections for FYs 2004 (\$67 million), 2005 (\$69 million), and 2006 (\$70 million). For FY 2002, the President's Budget requested \$66 million and the ARC received appropriations of \$71 million.

As suggested by the Administration, S. 1206 would require that, for FY 2003 and thereafter, not less than 50 percent of the annual amount of grant expenditures approved by the ARC support activities or projects that benefit severely and persistently distressed counties and areas.

New Program Authorities

The enrolled bill would give the ARC three new statutory program authorities. The ARC could use available funds to make grants, enter into contracts, or otherwise provide funds or technical assistance for projects under these programs. The ARC already conducts many of these activities under its existing authority.

The Telecommunications and Technology Initiative would fund projects to: (1) increase affordable access to advanced telecommunications, entrepreneurship, and management technologies or applications in the region; (2) provide education and training in the use of telecommunications and technology; (3) develop programs to increase the readiness of industry groups and businesses in the region to engage in electronic commerce; and (4) support entrepreneurial opportunities for businesses in the information technology sector. Of the amounts authorized by S. 1206, \$10 million could be made available for this program in FY 2002, \$8 million in FY 2003, and \$5 million in each of FYs 2004-2006.

Regional Skills Partnerships would provide funding to eligible entities in the region for projects to improve the job skills of workers for a specified industry, including projects for: (1) the assessment of training and job skill needs for the industry; (2) the development of curricula and training methods, including, in appropriate cases, electronic learning or technology-based training; (3) the development of partnerships between the industry and educational institutions, including community colleges; and (4) the development of apprenticeship programs, training programs for workers (including dislocated workers), and training plans for businesses. "Eligible entity" would be defined as a consortium that is established to serve one or more industries in a specified geographic area and consists of representatives of businesses (or a nonprofit organization that represents businesses), labor organizations, State and local governments, or educational institutions.

The Entrepreneurship Initiative would fund projects to: (1) support the advancement of, and provide, entrepreneurial training and education for youths, students, and businesspersons; (2) improve access to debt and equity capital by such means as facilitating the establishment of development venture capital funds; (3) aid communities in identifying, developing, and implementing development strategies for various sectors of the economy; (4) develop a working network of business incubators; and (5) support entities that provide business incubator services. "Business incubator services" would be defined as professional or technical services necessary for the initiation and initial sustainment of the operations of a newly established business.

The ARC notes in its views letter that this provision of S. 1206 codifies an existing ARC program for fostering entrepreneurship. SBA notes in its views letter that it "offers similar assistance through several well established programs" and "would be pleased to work with [ARC] to ensure there is no duplication of programs."

Cost Sharing. For each of the three new programs described above, funding could be used to increase the Federal share, as the ARC determines to be appropriate, notwithstanding any provision of law limiting the Federal share under any other Federal program. Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect) of the costs of any activity eligible for a grant could be provided from funds appropriated to carry out these activities. An eligible entity could use up to 10 percent of the total funds made available to pay administrative costs associated with the projects.

Miscellaneous Provisions

Other provisions of S. 1206 would:

- Require the President to establish an Interagency Coordinating Council on Appalachia composed of representatives of Federal agencies that carry out economic development programs in the region. The Council would be chaired by the ARC's Federal Co-Chairman.

- Add to the list of the ARC's statutory functions: (1) supporting local development districts; (2) encouraging the use of "eco-industrial development technologies and approaches;" and (3) seeking to coordinate the economic development activities of, and the use of economic development resources by, Federal agencies in the region.
- Add four counties to the Appalachian Region, two in Kentucky (Edmonson and Hart Counties) and two in Mississippi (Montgomery and Panola Counties). Under current law, the Region includes 406 counties in 13 States. Particularly in Mississippi, these additions are at the margin of the region commonly considered to be "Appalachia."
- Repeal a requirement that the ARC, in considering programs and projects to be given assistance, consider location in an area determined by the State to have a significant potential for growth.
- Allow a grant of up to 75 percent of administrative expenses in the case of a local development district that has a charter or authority that includes the economic development of a county or part of a county for which a distressed county designation is in effect. Under current law, a grant to a local development district for administrative expenses cannot exceed 50 percent of the administrative expenses of the district.

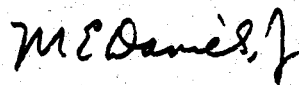
Agency Views

The Appalachian Regional Commission strongly recommends approval of S. 1206, stating that the bill "renews the nation's commitment to ensure that the people of Appalachia have the ability and tools to participate fully in the American economy and that the region becomes a contributor to, rather than a drain on, national wealth." Attached to the ARC views letter is a draft signing statement that states that the enrolled bill "represents an important part of my Administration's efforts to see that this nation's economy remains vibrant and strong."

The Small Business Administration also recommends approval of the enrolled bill in order "to promote entrepreneurship and economic development in Appalachia."

Conclusion and Recommendations

We join ARC and SBA in recommending approval of S. 1206, which passed the Senate by unanimous consent and the House by voice vote. We recommend that no written signing statement be issued.



Mitchell E. Daniels, Jr.
Director

Enclosures

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RESPONSE:

OK-NEC

Harriet E. Miers
Assistant to the President
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Ext. 62702

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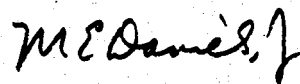
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Mitchell E. Daniels, Jr.
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SERIES:

Saunders, G. Timothy (Tim) - Bill Files

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SS/ RM NO. _____

WHITE HOUSE STAFFING MEMORANDUM

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HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE FORWARD COMMENTS DIRECTLY TO PIPPA MALMGREN, X65366, FAX X62223, BY 10:00 AM, MONDAY, MARCH 11, 2002, WITH A CC TO THE STAFF SECRETARY. THANK YOU.

62215

RESPONSE:

cc Jany
Anne P
Viana

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702

Withdrawal Marker

The George W. Bush Library

FORM	SUBJECT/TITLE	PAGES	DATE	RESTRICTION(S)
Memorandum	Small Business Initiatives [Misfiled] - To: POTUS - From: Philippa Malmgren	4	03/12/2002	P5;

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WHITE HOUSE STAFFING MEMORANDUMDate: 3-8-02 ACTION / CONCURRENCE / COMMENT DUE BY: 3-11-02, 10:00 AMSubject: ENROLLED BILL S. 1206, APPALACHIAN REGIONAL DEVELOPMENT ACT
AMENDMENTS OF 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☐	☐
CARD	☒	☐	HUGHES	☒	☐
BARTLETT	☒	☐	IRASTORZA	☐	☐
BLAKEMAN	☐	☐	JOHNSON	☐	☐
BOLTEN	☒	☐	LINDSEY	☒	☐
BRIDGELAND	☒	☐	MARBURGER	☐	☐
CALIO	☒	☐	MIERS 	☒	☐
CONNAUGHTON	☒	☐	RICE	☐	☐
DANIELS	☐	☒	RIDGE	☐	☐
FLEISCHER	☐	☒	ROVE	☒	☐
GERSON	☐	☐	SPELLINGS	☒	☐
GONZALES	☒	☐	CLERK	☐	☒
HAGIN	☐	☐	_____	☐	☐
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE SEND REMARKS TO JIM JUKES, EXT. 53458, FAX 56148, NO LATER THAN 10:00 AM MONDAY, 3-11-02, WITH COPY TO STAFF SECRETARY. THANK YOU.

RESPONSE:

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

March 8, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 1206 - Appalachian Regional Development Act Amendments of 2002
Sponsors - Sen. Voinovich (R) Ohio and 8 cosponsors

Last Day for Action

March 15, 2002 - Friday

Purpose

Reauthorizes and amends programs of the Appalachian Regional Commission.

Agency Recommendations

Office of Management and Budget

Approval

Appalachian Regional Commission (ARC)

Approval (Signing statement attached)

Small Business Administration (SBA)

Approval

Department of Commerce

No objection (Informally)

Department of Justice

No objection (Informally)

Department of Transportation

No objection (Informally)

Department of Education

No comment (Informally)

Department of Labor

No comment (Informally)

Department of the Treasury

No comment (Informally)

Environmental Protection Agency

No comment (Informally)

Department of Energy

Defers to ARC (Informally)

Department of Health and Human Services

Defers to ARC (Informally)

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Defers to ARC (Informally)

Federal Emergency Management Agency

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Discussion

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The enrolled bill would give the ARC three new statutory program authorities. The ARC could use available funds to make grants, enter into contracts, or otherwise provide funds or technical assistance for projects under these programs. The ARC already conducts many of these activities under its existing authority.

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The ARC notes in its views letter that this provision of S. 1206 codifies an existing ARC program for fostering entrepreneurship. SBA notes in its views letter that it "offers similar assistance through several well established programs" and "would be pleased to work with [ARC] to ensure there is no duplication of programs."

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Miscellaneous Provisions

Other provisions of S. 1206 would:

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- Add to the list of the ARC's statutory functions: (1) supporting local development districts; (2) encouraging the use of "eco-industrial development technologies and approaches;" and (3) seeking to coordinate the economic development activities of, and the use of economic development resources by, Federal agencies in the region.
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Agency Views

The Appalachian Regional Commission strongly recommends approval of S. 1206, stating that the bill "renews the nation's commitment to ensure that the people of Appalachia have the ability and tools to participate fully in the American economy and that the region becomes a contributor to, rather than a drain on, national wealth." Attached to the ARC views letter is a draft signing statement that states that the enrolled bill "represents an important part of my Administration's efforts to see that this nation's economy remains vibrant and strong."

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M E Daniels, Jr.

Mitchell E. Daniels, Jr.
Director

Enclosures

For the President

ACTION

Return to the Staff Secretary

Preservation Copy



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

505665
02 MAR 2002

THE DIRECTOR

March 8, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 1206 - Appalachian Regional Development Act Amendments of
2002
Sponsors - Sen. Voinovich (R) Ohio and 8 cosponsors

Last Day for Action

March 15, 2002 - Friday

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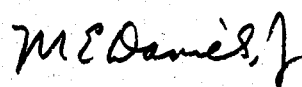
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Mitchell E. Daniels, Jr.
Director

Enclosures



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

02 MAR 8 PM 3:55

THE DIRECTOR

March 8, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 1206 - Appalachian Regional Development Act Amendments of 2002
Sponsors - Sen. Voinovich (R) Ohio and 8 cosponsors

Last Day for Action

March 15, 2002 - Friday

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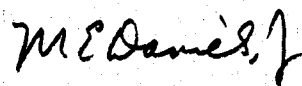
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Mitchell E. Daniels, Jr.
Director

Enclosures



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

02 MAR 8 PM 3:35

THE DIRECTOR

March 8, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 1206 - Appalachian Regional Development Act Amendments of
2002
Sponsors - Sen. Voinovich (R) Ohio and 8 cosponsors

Last Day for Action

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Other provisions of S. 1206 would:

- Require the President to establish an Interagency Coordinating Council on Appalachia composed of representatives of Federal agencies that carry out economic development programs in the region. The Council would be chaired by the ARC's Federal Co-Chairman.

- Add to the list of the ARC's statutory functions: (1) supporting local development districts; (2) encouraging the use of "eco-industrial development technologies and approaches;" and (3) seeking to coordinate the economic development activities of, and the use of economic development resources by, Federal agencies in the region.
- Add four counties to the Appalachian Region, two in Kentucky (Edmonson and Hart Counties) and two in Mississippi (Montgomery and Panola Counties). Under current law, the Region includes 406 counties in 13 States. Particularly in Mississippi, these additions are at the margin of the region commonly considered to be "Appalachia."
- Repeal a requirement that the ARC, in considering programs and projects to be given assistance, consider location in an area determined by the State to have a significant potential for growth.
- Allow a grant of up to 75 percent of administrative expenses in the case of a local development district that has a charter or authority that includes the economic development of a county or part of a county for which a distressed county designation is in effect. Under current law, a grant to a local development district for administrative expenses cannot exceed 50 percent of the administrative expenses of the district.

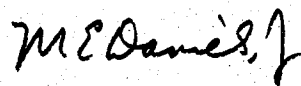
Agency Views

The Appalachian Regional Commission strongly recommends approval of S. 1206, stating that the bill "renews the nation's commitment to ensure that the people of Appalachia have the ability and tools to participate fully in the American economy and that the region becomes a contributor to, rather than a drain on, national wealth." Attached to the ARC views letter is a draft signing statement that states that the enrolled bill "represents an important part of my Administration's efforts to see that this nation's economy remains vibrant and strong."

The Small Business Administration also recommends approval of the enrolled bill in order "to promote entrepreneurship and economic development in Appalachia."

Conclusion and Recommendations

We join ARC and SBA in recommending approval of S. 1206, which passed the Senate by unanimous consent and the House by voice vote. We recommend that no written signing statement be issued.



Mitchell E. Daniels, Jr.
Director

Enclosures



OFFICE OF THE VICE PRESIDENT
WASHINGTON

02 MAR 11 AM 11:45

March 11, 2002

MEMORANDUM FOR JAMES JUKES

FROM: JONATHAN BURKS
DEPUTY STAFF SECRETARY TO THE VICE PRESIDENT

**SUBJECT: Enrolled Bill s. 1206, Appalachian Regional
Development Act Amendments of 2002**

The Office of the Vice President has reviewed the above-referenced draft and has no comments.

cc: Harriet Miers
Staff Secretary

SS/ RM NO. 505665

WHITE HOUSE STAFFING MEMORANDUM

Date: 3-8-02

ACTION / CONCURRENCE / COMMENT DUE BY: 3-11-02, 10:00 AM

ENROLLED BILL S. 1206, APPALACHIAN REGIONAL DEVELOPMENT ACT

Subject: AMENDMENTS OF 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☐	☐
CARD	☒	☐	HUGHES	☒	☐
BARTLETT	☒	☐	IRASTORZA	☐	☐
BLAKEMAN	☐	☐	JOHNSON	☐	☐
BOLTEN	☒	☐	LINDSEY	☒	☐
BRIDGELAND	☒	☐	MARBURGER	☐	☐
CALIO	☒	☐	MIERS	☒	☐
CONNAUGHTON →	☒	☐	RICE	☐	☐
DANIELS	☐	☒	RIDGE	☐	☐
FLEISCHER	☐	☒	ROVE	☒	☐
GERSON	☐	☐	SPELLINGS	☒	☐
GONZALES	☒	☐	CLERK	☐	☒
HAGIN	☐	☐	_____	☐	☐
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE SEND REMARKS TO JIM JUKES, EXT. 53458, FAX 56148, NO LATER THAN 10:00 AM
MONDAY, 3-11-02, WITH COPY TO STAFF SECRETARY. THANK YOU.

no comments called in.

RESPONSE:

*PA Crony
3/11/02*

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702