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89TH CONGRESS
1ST SESSION

S. 3

IN THE SENATE OF THE UNITED STATES

JANUARY 6, 1965

Mr. RANDOLPH (for himself, Mr. COOPER, Mr. ANDERSON, Mr. BARTLETT, Mr. BASS, Mr. BAYH, Mr. BREWSTER, Mr. BURDICK, Mr. BYRD of West Virginia, Mr. CLARK, Mr. DODD, Mr. DOUGLAS, Mr. GORE, Mr. GRUENING, Mr. HART, Mr. HARTKE, Mr. INOUE, Mr. JOHNSTON, Mr. KENNEDY of Massachusetts, Mr. MAGNUSON, Mr. MCCARTHY, Mr. MCGOVERN, Mr. McNAMARA, Mr. METCALF, Mr. MONDALE, Mr. MORSE, Mr. MORTON, Mr. MOSS, Mr. NELSON, Mrs. NEUBERGER, Mr. PELL, Mr. RIBICOFF, Mr. SCOTT, Mr. TYDINGS, Mr. WILLIAMS of New Jersey, Mr. YARBOROUGH, and Mr. YOUNG of Ohio) introduced the following bill; which was read twice and referred to the Committee on Public Works

A BILL

To provide public works and economic development programs and the planning and coordination needed to assist in development of the Appalachian region.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That this Act may be cited as the "Appalachian Regional
- 4 Development Act of 1965".

5 FINDINGS AND STATEMENT OF PURPOSE

6 SEC. 2. The Congress hereby finds and declares that the

1 Appalachian region of the United States, while abundant in
 2 natural resources and rich in potential, lags behind the rest
 3 of the Nation in its economic growth and that its people
 4 have not shared properly in the Nation's prosperity. The
 5 region's uneven past development, with its historical reliance
 6 on a few basic industries and a marginal agriculture, has
 7 failed to provide the economic base that is a vital prerequi-
 8 site for vigorous, self-sustaining growth. The State and
 9 local governments and the people of the region understand
 10 their problems and have been working and will continue to
 11 work purposefully toward their solution. The Congress
 12 recognizes the comprehensive report of the President's Appa-
 13 lachian Regional Commission documenting these findings and
 14 concludes that regionwide development is feasible, desirable,
 15 and urgently needed. It is, therefore, the purpose of this
 16 Act to assist the region in meeting its special problems, to
 17 promote its economic development, and to establish a frame-
 18 work for joint Federal and State efforts toward providing the
 19 basic facilities essential to its growth and attacking its com-
 20 mon problems and meeting its common needs on a coordi-
 21 nated and concerted regional basis. The public investments
 22 made in the region under this Act shall be concentrated in
 23 areas where there is the greatest potential for future growth,
 24 and where the expected return on public dollars invested
 25 will be the greatest. The States will be responsible for rec-

1 commending local and State projects, within their borders,
 2 which will receive assistance under this Act. As the region
 3 obtains the needed physical and transportation facilities and
 4 develops its human resources, the Congress expects that the
 5 region will generate a diversified industry, and that the
 6 region will then be able to support itself, through the work-
 7 ings of a strengthened free enterprise economy.

8 TITLE I—THE APPALACHIAN REGIONAL

9 COMMISSION

10 MEMBERSHIP AND VOTING

11 SEC. 101. (a) There is hereby established an Appa-
 12 lachian Regional Commission (hereinafter referred to as
 13 the "Commission") which shall be composed of one Fed-
 14 eral member, hereinafter referred to as the "Federal Co-
 15 chairman", appointed by the President by and with the
 16 advice and consent of the Senate, and one member from each
 17 participating State in the Appalachian region. The Federal
 18 Cochairman shall be one of the two Cochairmen of the Com-
 19 mission. Each State member may be the Governor, or his
 20 designee, or such other person as may be provided by the
 21 law of the State which he represents. The State members of
 22 the Commission shall elect a Cochairman of the Commission
 23 from among their number.

24 (b) Except as provided in section 105, decisions by the
 25 Commission shall require the affirmative vote of the Federal

1 Cochairman and of a majority of the State members (exclu-
2 sive of members representing States delinquent under sec-
3 tion 105). In matters coming before the Commission, the
4 Federal Cochairman shall, to the extent practicable, con-
5 sult with the Federal departments and agencies having an
6 interest in the subject matter.

7 (c) Each State member shall have an alternate, ap-
8 pointed by the Governor or as otherwise may be provided
9 by the law of the State which he represents. The President,
10 by and with the advice and consent of the Senate, shall ap-
11 point an alternate for the Federal Cochairman. An alter-
12 nate shall vote in the event of the absence, death, disability,
13 removal, or resignation of the State or Federal representa-
14 tive for which he is an alternate.

15 (d) The Federal Cochairman shall be compensated by
16 the Federal Government at level IV of the Federal Execu-
17 tive Salary Schedule of the Federal Executive Salary Act
18 of 1964. His alternate shall be compensated by the Federal
19 Government at not to exceed the maximum scheduled rate for
20 grade GS-18 of the Classification Act of 1949, as amended,
21 and when not actively serving as an alternate for the Federal
22 Cochairman shall perform such functions and duties as are
23 delegated to him by the Federal Cochairman. Each State
24 member and his alternate shall be compensated by the State

1 which they represent at the rate established by the law of
2 such State.

3 FUNCTIONS OF THE COMMISSION

4 SEC. 102. In carrying out the purposes of this Act,
5 the Commission shall—

6 (1) develop, on a continuing basis, comprehensive
7 and coordinated plans and programs and establish pri-
8 orities thereunder, giving due consideration to other
9 Federal, State, and local planning in the region;

10 (2) conduct and sponsor investigations, research,
11 and studies, including an inventory and analysis of the
12 resources of the region, and, in cooperation with Federal,
13 State, and local agencies, sponsor demonstration projects
14 designed to foster regional productivity and growth;

15 (3) review and study, in cooperation with the
16 agency involved, Federal, State, and local public and
17 private programs and, where appropriate, recommend
18 modifications or additions which will increase their effec-
19 tiveness in the region;

20 (4) formulate and recommend, where appropriate,
21 interstate compacts and other forms of interstate coop-
22 eration, and work with State and local agencies in de-
23 veloping appropriate model legislation;

1 (5) encourage the formation of local development
2 districts;

3 (6) encourage private investment in industrial,
4 commercial, and recreational projects;

5 (7) serve as a focal point and coordinating unit for
6 Appalachian programs;

7 (8) provide a forum for consideration of problems
8 of the region and proposed solutions and establish and
9 utilize, as appropriate, citizens and special advisory
10 councils and public conferences; and

11 (9) advise the Secretary of Commerce on appli-
12 cations for grants for administrative expenses to local
13 development districts.

14 RECOMMENDATIONS

15 SEC. 103. The Commission may, from time to time,
16 make recommendations to the President and to the State
17 Governors and appropriate local officials with respect to—

18 (1) the expenditure of funds by Federal, State,
19 and local departments and agencies in the region in
20 the fields of natural resources, agriculture, education,
21 training, health and welfare, and other fields related
22 to the purposes of this Act; and

23 (2) such additional Federal, State, and local legis-
24 lation or administrative actions as the Commission
25 deems necessary to further the purposes of this Act.

1 LIAISON BETWEEN FEDERAL GOVERNMENT AND THE 2 COMMISSION

3 SEC. 104. The President shall provide effective and con-
4 tinuing liaison between the Federal Government and the
5 Commission and a coordinated review within the Federal
6 Government of the plans and recommendations submitted
7 by the Commission pursuant to sections 102 and 103.

8 ADMINISTRATIVE EXPENSES OF THE COMMISSION

9 SEC. 105. (a) For the period ending on June 30 of
10 the second full Federal fiscal year following the date of
11 enactment of this Act, the administrative expenses of the
12 Commission shall be paid by the Federal Government.
13 Thereafter, such expenses shall be paid equally by the Fed-
14 eral Government and the States in the region. The share
15 to be paid by each State shall be determined by the Com-
16 mission. The Federal Cochairman shall not participate or
17 vote in such determination. No assistance authorized by
18 this Act shall be furnished to any State or to any political
19 subdivision or any resident of any State, nor shall the State
20 member of the Commission participate or vote in any deter-
21 mination by the Commission while such State is delinquent
22 in payment of its share of such expenses.

23 (b) Not to exceed \$2,200,000 of the funds authorized
24 in section 401 of this Act shall be available to carry out
25 this section.

1 ADMINISTRATIVE POWERS OF COMMISSION

2 SEC. 106. To carry out its duties under this Act, the
3 Commission is authorized to—

4 (1) adopt, amend, and repeal bylaws, rules, and
5 regulations governing the conduct of its business and
6 the performance of its functions.

7 (2) appoint and fix the compensation of an execu-
8 tive director and such other personnel as may be neces-
9 sary to enable the Commission to carry out its func-
10 tions, except that such compensation shall not exceed
11 the salary of the alternate to the Federal Cochair-
12 man on the Commission as provided in section 101.
13 No member, alternate, officer, or employee of the Com-
14 mission, other than the Federal Cochairman on the
15 Commission and his alternate and Federal employees
16 detailed to the Commission under paragraph (3) shall
17 be deemed a Federal employee for any purpose.

18 (3) request the head of any Federal department or
19 agency (who is hereby so authorized) to detail to
20 temporary duty with the Commission such personnel
21 within his administrative jurisdiction as the Commission
22 may need for carrying out its functions, each such detail
23 to be without loss of seniority, pay, or other employee
24 status.

1 (4) arrange for the services of personnel from any
2 State or local government or any subdivision or agency
3 thereof, or any intergovernmental agency.

4 (5) make arrangements, including contracts, with
5 any participating State government for inclusion in a
6 suitable retirement and employee benefit system of such
7 of its personnel as may not be eligible for, or continue in,
8 another governmental retirement or employee benefit
9 system, or otherwise provide for such coverage of its
10 personnel. The Civil Service Commission of the United
11 States is authorized to contract with the Commission for
12 continued coverage of Commission employees, who at
13 date of Commission employment are Federal employees,
14 in the retirement program and other employee benefit
15 programs of the Federal Government.

16 (6) accept, use, and dispose of gifts or donations
17 of services or property, real, personal, or mixed, tangible
18 or intangible.

19 (7) enter into and perform such contracts, leases,
20 cooperative agreements, or other transactions as may be
21 necessary in carrying out its functions and on such
22 terms as it may deem appropriate, with any department,
23 agency, or instrumentality of the United States or with

1 any State, or any political subdivision, agency, or in-
 2 strumentality thereof, or with any person, firm, asso-
 3 ciation, or corporation.

4 (8) maintain a temporary office in the District of
 5 Columbia and establish a permanent office at such loca-
 6 tion as it may select and field offices at such other places
 7 as it may deem appropriate.

8 (9) take such other actions and incur such other
 9 expenses as may be necessary or appropriate.

10 INFORMATION

11 SEC. 107. In order to obtain information needed to
 12 carry out its duties, the Commission shall—

13 (1) hold such hearings, sit and act at such times
 14 and places, take such testimony, receive such evidence,
 15 and print or otherwise reproduce and distribute so much
 16 of its proceedings and reports thereon as it may deem
 17 advisable, a Cochairman of the Commission, or any
 18 member of the Commission designated by the Commis-
 19 sion for the purpose, being hereby authorized to admin-
 20 ister oaths when it is determined by the Commission
 21 that testimony shall be taken or evidence received under
 22 oath;

23 (2) arrange for the head of any Federal, State, or
 24 local department or agency (who is hereby so authorized
 25 to the extent not otherwise prohibited by law) to furnish

1 to the Commission such information as may be available
 2 to or procurable by such department or agency; and

3 (3) keep accurate and complete records of its doings
 4 and transactions which shall be made available for public
 5 inspection.

6 PERSONAL FINANCIAL INTERESTS

7 SEC. 108. (a) Except as permitted by subsection (b)
 8 hereof, no State member or alternate and no officer or em-
 9 ployee of the Commission shall participate personally and
 10 substantially as member, alternate, officer, or employee,
 11 through decision, approval, disapproval, recommendation,
 12 the rendering of advice, investigation, or otherwise, in any
 13 proceeding, application, request for a ruling or other determi-
 14 nation, contract, claim, controversy, or other particular
 15 matter in which, to his knowledge, he, his spouse, minor
 16 child, partner, organization (other than a State or political
 17 subdivision thereof) in which he is serving as officer, director,
 18 trustee, partner, or employee, or any person or organization
 19 with whom he is serving as officer, director, trustee, partner,
 20 or employee, or any person or organization with whom he
 21 is negotiating or has any arrangement concerning prospective
 22 employment, has a financial interest. Any person who shall
 23 violate the provisions of this subsection shall be fined not
 24 more than \$10,000, or imprisoned not more than two years,
 25 or both.

1 (b) Subsection (a) hereof shall not apply if the State
 2 member, alternate, officer, or employee first advises the
 3 Commission of the nature and circumstances of the proceed-
 4 ing, application, request for a ruling or other determination,
 5 contract, claim, controversy, or other particular matter and
 6 makes full disclosure of the financial interest and receives
 7 in advance a written determination made by the Commis-
 8 sion that the interest is not so substantial as to be deemed
 9 likely to affect the integrity of the services which the Com-
 10 mission may expect from such State member, alternate,
 11 officer, or employee.

12 (c) No State member or alternate shall receive any
 13 salary, or any contribution to or supplementation of salary
 14 for his services on the Commission from any source other
 15 than his State. No person detailed to serve the Commission
 16 under authority of paragraph (4) of section 106 shall
 17 receive any salary or any contribution to or supplementation
 18 of salary for his services on the Commission from any source
 19 other than the State, local, or intergovernmental department
 20 or agency from which he was detailed or from the Commis-
 21 sion. Any person who shall violate the provisions of this
 22 subsection shall be fined not more than \$5,000, or impris-
 23 oned not more than one year, or both.

24 (d) Notwithstanding any other subsection of this sec-
 25 tion, the Federal Cochairman and his alternate on the Com-

1 mission and any Federal officers or employees detailed to
 2 duty with it pursuant to paragraph (3) of section 106 shall
 3 not be subject to any such subsection but shall remain sub-
 4 ject to sections 202 through 209 of title 18, United States
 5 Code.

6 (e) The Commission may, in its discretion, declare void
 7 and rescind any contract, loan, or grant of or by the Com-
 8 mission in relation to which it finds that there has been a
 9 violation of subsection (a) or (c) of this section, or any of
 10 the provisions of sections 202 through 209, title 18, United
 11 States Code.

12 TITLE II—SPECIAL APPALACHIAN PROGRAMS

13 PART A—NEW PROGRAMS

14 APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

15 SEC. 201. (a) The Secretary of Commerce (hereafter
 16 in this section referred to as the "Secretary") is authorized
 17 to assist in the construction of an Appalachian development
 18 highway system serving the Appalachian region (not to
 19 exceed a total of three thousand three hundred and fifty miles
 20 in length of which total not to exceed one thousand miles
 21 shall be local access roads that will serve specific recreational,
 22 residential, commercial, industrial, or other like facilities or
 23 will facilitate a school consolidation program). The system,
 24 in conjunction with the Interstate System and other Federal-
 25 aid highways in the region will provide a highway system

1 which will open up an area or areas with a developmental
 2 potential where commerce and communication have been
 3 inhibited by lack of adequate access. The provisions of title
 4 23, United States Code, that are applicable to Federal-aid
 5 primary highways, and which the Secretary determines are
 6 not inconsistent with this Act, shall apply to the Appalachian
 7 development highway system.

8 (b) As soon as feasible, the Commission shall submit
 9 to the Secretary its recommendations with respect to (1) the
 10 general corridor location and termini of the development
 11 highways, (2) the designation of local access roads to be con-
 12 structed, (3) priorities for construction of the local access
 13 roads and of the major segments of the development high-
 14 ways, and (4) other criteria for the program authorized by
 15 this section. Before any State member participates in or
 16 votes on such recommendations, he shall have obtained the
 17 recommendations of the State highway department of the
 18 State which he represents.

19 (c) The Secretary shall have authority to approve in
 20 whole or in part such recommendations or to require modifi-
 21 cations or revisions thereof. In no event shall the Secre-
 22 tary approve any recommendations for any construction
 23 which would require for its completion the expenditure of
 24 Federal funds (other than funds available under title 23,
 25 United States Code) in excess of the appropriation authori-

1 zations in subsection (g). On its completion each develop-
 2 ment highway not already on the Federal-aid primary sys-
 3 tem shall be added to such system and shall be required to
 4 be maintained by the State.

5 (d) In the construction of highways and roads author-
 6 ized under this section, the States may give special prefer-
 7 ence to the use of mineral resource materials indigenous to
 8 the Appalachian region.

9 (e) For the purposes of research and development in
 10 the use of coal and coal products in highway construction
 11 and maintenance, the Secretary is authorized to require each
 12 participating State, to the maximum extent possible, to use
 13 coal derivatives in the construction of not to exceed 10 per
 14 centum of the roads authorized under this Act.

15 (f) Federal assistance to any construction project under
 16 this section shall not exceed 50 per centum of the costs of
 17 such project, unless the Secretary determines, pursuant to
 18 the recommendation of the Commission, that assistance in
 19 excess of such percentage is required in furtherance of the
 20 purposes of this Act, but in no event shall such Federal
 21 assistance exceed 70 per centum of such costs.

22 (g) To carry out this section, there is hereby authorized
 23 to be appropriated \$840,000,000.

24 DEMONSTRATION HEALTH FACILITIES

25 SEC. 202. (a) In order to demonstrate the value of

1 adequate health and medical facilities to the economic devel-
 2 opment of the region, the Secretary of Health, Education,
 3 and Welfare is authorized to make grants for the construc-
 4 tion, equipment, and operation of multicounty demonstration
 5 health facilities, including hospitals, regional health diagnos-
 6 tic and treatment centers, and other facilities necessary to
 7 health. Grants for such construction (including initial
 8 equipment) shall be made in accordance with the applicable
 9 provisions of title VI of the Public Health Service Act (42
 10 U.S.C. 291-291z) and the Mental Retardation Facilities
 11 and Community Mental Health Centers Construction Act of
 12 1963 (77 Stat. 282), without regard to any provisions there-
 13 in relating to appropriation authorization ceiling or to allot-
 14 ments among the States. Grants under this section shall
 15 be made solely out of funds specifically appropriated for
 16 the purpose of carrying out this Act and shall not be taken
 17 into account in the computation of the allotments among
 18 the States made pursuant to any other provision of law.

19 (b) No grant under this section for construction (in-
 20 cluding initial equipment) shall exceed 80 per centum of
 21 the cost of the project. Not to exceed \$41,000,000 of the
 22 funds authorized in section 401 shall be available for con-
 23 struction grants under this section.

24 (c) Grants under this section for operation (including
 25 equipment other than initial equipment) of a project may

1 be made up to 100 per centum of the costs thereof for the
 2 two-year period beginning on the first day such project is
 3 in operation as a health facility. For the next three years
 4 of operations such grants shall not exceed 50 per centum
 5 of such costs. No grants for operation of a project shall be
 6 made after five years following the commencement of such
 7 operations. Not to exceed \$28,000,000 of the funds author-
 8 ized in section 401 of this Act shall be available for operating
 9 grants under this section.

10 LAND IMPROVEMENT AND EROSION CONTROL

11 SEC. 203. (a) In order to promote the conservation
 12 and fuller utilization of the region's important land and water
 13 resources, the Secretary of Agriculture is authorized to make
 14 grants to landowners to assist in the improvement and de-
 15 velopment of land for pasture and erosion control in the
 16 region. Grants to any landowner under this section shall not
 17 exceed 80 per centum of the cost of improving and develop-
 18 ing twenty-five acres of land owned by such landowner.
 19 Such improvement and development of land shall be carried
 20 out under the provisions of an agreement to be entered
 21 into by the landowner and the Secretary of Agriculture, for
 22 such period not to exceed ten years as the Secretary may
 23 determine, which shall include such terms and conditions
 24 as the Secretary may deem necessary to effectuate the pur-

1 poses of this section and to assure that such improvement
2 and development of land will be properly established, and
3 adequately maintained during the period of agreement, in
4 accordance with technically sound standards and procedures.

5 (b) In carrying out the provisions of this section, the
6 Secretary of Agriculture shall utilize the services of the Soil
7 Conservation Service, and the State and local committees
8 provided for in section 8 (b) of the Soil Conservation and
9 Domestic Allotment Act (16 U.S.C. 590 (b)), and is
10 authorized to utilize the facilities, services, and authorities of
11 the Commodity Credit Corporation. The Corporation shall
12 not make any expenditures to carry out the provisions of
13 this subsection unless funds specifically appropriated for such
14 purpose have been transferred to it.

15 (c) Not to exceed \$17,000,000 of the funds authorized
16 in section 401 of this Act shall be available to carry out this
17 section.

18 TIMBER DEVELOPMENT ORGANIZATIONS

19 SEC. 204. (a) In order that the region shall more fully
20 benefit from the timber stands that are one of its prime
21 assets, the Secretary of Agriculture is authorized to—

22 (1) provide technical assistance in the organization
23 and operation, under State law, of private timber de-
24 velopment organizations having as their objective the
25 carrying out of timber development programs to im-

1 prove timber productivity and quality, and increase
2 returns to landowners through establishment of private
3 nonprofit corporations, which on a self-supporting basis
4 may provide (A) continuity of management, good
5 cutting practices, and marketing services, (B) physical
6 consolidation of small holdings or administrative con-
7 solidation for efficient management under long-term
8 agreement, (C) management of forest lands, donated
9 to the timber development organizations for demon-
10 strating good forest management, on a profitable and
11 taxpaying basis, and (D) establishment of a permanent
12 fund for perpetuation of the work of the corporations
13 to be composed of donations, real or personal, for edu-
14 cational purposes.

15 (2) provide not more than one-half of the initial
16 capital requirements of such timber development orga-
17 nizations through loans under the applicable provisions
18 of the Consolidated Farmers Home Administration Act
19 of 1961 (7 U.S.C. 1926 et seq.). Such loans shall not
20 be used for the construction or acquisition of facilities
21 for manufacturing, processing, or marketing forest
22 products.

23 (b) Not to exceed \$5,000,000 of the funds authorized
24 in section 401 of this Act shall be available to carry out this
25 section.

MINING AREA RESTORATION

SEC. 205. (a) In order to further the economic development of the region by rehabilitating areas presently damaged by deleterious mining practices, the Secretary of the Interior is authorized to—

(1) make financial contributions to States in the region to seal and fill voids in abandoned coal mines in accordance with the provisions of the Act of July 15, 1955 (30 U.S.C. 571 et seq.), without regard to section 2 (b) thereof (30 U.S.C. 572 (b)) or to any provisions therein limiting assistance to anthracite coal formations, or to the Commonwealth of Pennsylvania. Grants under this paragraph shall be made solely out of funds specifically appropriated for the purpose of carrying out this Act.

(2) plan and execute projects for extinguishing underground and outcrop mine fires in the region in accordance with the provisions of the Act of August 31, 1954 (30 U.S.C. 551 et seq.), without regard to any provisions therein relating to annual appropriation authorization ceilings. Grants under this paragraph shall be made solely out of funds specifically appropriated for the purpose of carrying out this Act.

(3) expand and accelerate fish and wildlife restoration projects in the region in accordance with the provi-

sions of the Act of September 2, 1937 (16 U.S.C. 669 et seq.), and the Act of August 9, 1950 (16 U.S.C. 777 et seq.), without regard to any provisions therein relating to apportionments among the States and to limitations on the availability of funds. The expenses of projects under this paragraph shall be paid solely out of funds specifically appropriated for the purpose of carrying out this Act, and shall not be taken into account in the computation of the apportionments among the States pursuant to any other provisions of law.

(b) For the fiscal years 1966 and 1967, notwithstanding any other provision of law, the Federal share of mining area restoration projects carried out under subsection (a) of this section and conducted on lands other than federally owned lands shall not exceed 75 per centum of the total cost thereof. Strip mine restoration projects shall be carried out only on lands, public or private, on which there is provided access and use by the public to assure an adequate public benefit.

(c) The Congress hereby declares its intent to provide for a study of a comprehensive, long-range program for the purpose of reclaiming and rehabilitating strip and surface mining areas in the United States. To this general end, the Secretary of the Interior shall, in full cooperation with

1 the Secretary of Agriculture, the Tennessee Valley Authority,
 2 and other appropriate Federal, State, and local departments
 3 and agencies, and with the Commission, make a survey and
 4 study of strip and surface mining operations and their effects
 5 in the United States. The Secretary of the Interior shall
 6 submit to the President his recommendations for a long-range
 7 comprehensive program for reclamation and rehabilitation of
 8 strip and surface mining areas in the United States and for
 9 the policies under which the program should be conducted,
 10 and the President shall submit these to the Congress, together
 11 with his recommendations, not later than July 1, 1967. By
 12 July 1, 1966, the Secretary shall make an interim report to
 13 the Commission summarizing his findings to that date on
 14 those aspects of strip and surface mining operations in the
 15 region that are most urgently in need of attention. Such
 16 study and recommendations shall include, but not be limited
 17 to, a consideration of the following matters—

18 (1) the nature and extent of strip and surface min-
 19 ing operations in the United States and the conditions
 20 resulting therefrom;

21 (2) the ownership of the real property involved in
 22 strip and surface mining operations;

23 (3) the effectiveness of past action by States or
 24 local units of government to remedy the adverse effects
 25 of strip and surface mining operation by financial or

1 regulatory measures, and requirements for appropriate
 2 State legislation, including adequate enforcement thereof,
 3 to provide for proper reclamation and rehabilitation of
 4 areas which may be strip and surface mined in the
 5 future;

6 (4) the public interest in and public benefits which
 7 may result from reclamation, rehabilitation, and appro-
 8 priate development and use of areas subjected to strip
 9 and surface mining operations, including (A) economic
 10 development growth, (B) public recreation, (C) public
 11 health and safety, (D) water pollution, stream sedi-
 12 mentation, erosion control, and flood control, (E) high-
 13 way programs, (F) fish and wildlife protection and
 14 restoration, (G) scenic values, and (H) forestry and
 15 agriculture;

16 (5) the appropriate roles of Federal, State, and
 17 private interests in the reclamation and rehabilitation
 18 of strip and surface mining areas and the relative costs
 19 to be borne by each, including specific consideration of
 20 (A) the extent, if any, to which strip and surface mine
 21 operators are unable to bear the cost of remedial action
 22 within the limits imposed by the economics of such
 23 mining activity, and (B) the extent to which the pro-
 24 spective value of lands and other natural resources, after
 25 remedial work has been completed, would be inadequate

1 to justify the landowners doing the remedial work at
2 their expense; and

3 (6) the objectives and the total overall costs of a
4 program for accomplishing the reclamation and reha-
5 bilitation of existing strip and surface mining areas in
6 the United States, giving adequate consideration to (A)
7 the economic benefits in relation to costs, (B) the pre-
8 vention of future devastation of reclaimed and rehabili-
9 tated areas, (C) the avoidance of unwarranted financial
10 gain to private owners of improved property, and (D)
11 the types of aid required to accomplish such reclamation
12 and rehabilitation.

13 (d) Not to exceed \$21,500,000 of the funds author-
14 ized in section 401 of this Act shall be available to carry out
15 this section.

16 WATER RESOURCE SURVEY

17 SEC. 206. (a) The Secretary of the Army is hereby
18 authorized and directed to prepare a comprehensive plan for
19 the development and efficient utilization of the water and re-
20 lated resources of the Appalachian region, giving special at-
21 tention to the need for an increase in the production of eco-
22 nomic goods and services within the region as a means of
23 expanding economic opportunities and thus enhancing the
24 welfare of its people, which plan shall constitute an integral

1 and harmonious component of the regional economic develop-
2 ment program authorized by this Act.

3 (b) This plan may recommend measures for the con-
4 trol of floods, the regulation of the rivers to enhance their
5 value as sources of water supply for industrial and municipi-
6 pal development, the generation of hydroelectric power, the
7 prevention of water pollution by drainage from mines, the
8 development and enhancement of the recreational potentials
9 of the region, the improvement of the rivers for navigation
10 where this would further industrial development at less cost
11 than would the improvement of other modes of transporta-
12 tion, the conservation and efficient utilization of the land re-
13 source, and such other measures as may be found necessary
14 to achieve the objectives of this section.

15 (c) To insure that the plan prepared by the Secretary
16 of the Army shall constitute a harmonious component of
17 the regional program, he shall consult with the Commission
18 and the following: the Secretary of Agriculture, the Secre-
19 tary of Commerce, the Secretary of Health, Education, and
20 Welfare, the Secretary of the Interior, the Tennessee Valley
21 Authority, and the Federal Power Commission.

22 (d) The plan prepared pursuant to this section shall
23 be submitted to the Commission. The Commission shall sub-
24 mit the plan to the President with a statement of its views,

1 and the President shall submit the plan to the Congress with
2 his recommendations not later than December 31, 1968.

3 (e) The Federal agencies referred to in subsection (c)
4 of this section are hereby authorized to assist the Secretary
5 of the Army in the preparation of the plan authorized by this
6 section, and the Secretary of the Army is authorized to enter
7 into and perform such contracts, leases, cooperative agree-
8 ments, or other transactions as may be necessary to the
9 preparation of this plan and on such terms as he may deem
10 appropriate, with any department, agency, or instrumen-
11 tality of the United States or with any State, or any political
12 subdivision, agency, or instrumentality thereof, or with any
13 person, firm, association, or corporation.

14 (f) The plan to be prepared by the Secretary of the
15 Army pursuant to this section shall also be coordinated with
16 all comprehensive river basin plans heretofore or hereafter
17 developed by United States study commissions, interagency
18 committees, or similar planning bodies, for those river sys-
19 tems draining the Appalachian region.

20 (g) Not to exceed \$5,000,000 of the funds authorized
21 in section 401 of this Act shall be available to carry out
22 this section.

1 PART B—SUPPLEMENTATIONS AND MODIFICATIONS OF
2 EXISTING PROGRAMS

3 VOCATIONAL EDUCATION FACILITIES

4 SEC. 211. (a) In order to provide basic facilities to give
5 the people of the region the training and education they
6 need to obtain employment, the Secretary of Health, Edu-
7 cation, and Welfare is authorized to make grants for con-
8 struction of the school facilities needed for the provision
9 of vocational education in areas of the region in which such
10 education is not now adequately available. Such grants
11 shall be made in accordance with the provisions of the Voca-
12 tional Education Act of 1963 (77 Stat. 403), without re-
13 gard to any provisions therein relating to appropriation
14 authorization ceilings or to allotments among the States.
15 Grants under this section shall be made solely out of funds
16 specifically appropriated for the purpose of carrying out
17 this Act, and shall not be taken into account in the com-
18 putation of the allotments among the States made pursuant
19 to any other provision of law.

20 (b) Not to exceed \$16,000,000 of the funds authorized
21 in section 401 of this Act shall be available to carry out
22 this section.

SEWAGE TREATMENT WORKS

1
2 SEC. 212. (a) In order to provide facilities to assist in
3 the prevention of pollution of the region's streams and to
4 protect the health and welfare of its citizens, the Secretary
5 of Health, Education, and Welfare is authorized to make
6 grants for the construction of sewage treatment works in
7 accordance with the provisions of the Federal Water Pollu-
8 tion Control Act (33 U.S.C. 466 et seq.), without regard
9 to any provisions therein relating to appropriation author-
10 ization ceilings or to allotments among the States. Grants
11 under this section shall be made solely out of funds specifi-
12 cally appropriated for the purpose of carrying out this Act,
13 and shall not be taken into account in the computation of
14 the allotments among the States pursuant to any other pro-
15 vision of law.

16 (b) Not to exceed \$6,000,000 of the funds authorized
17 in section 401 of this Act shall be available to carry out this
18 section.

AMENDMENTS TO HOUSING ACT OF 1954

20 SEC. 213. (a) Section 701 (a) of the Housing Act of
21 1954 (40 U.S.C. 461 (a)) is amended by striking the word
22 "and" at the end of paragraph (7), by substituting for the
23 period at the end of paragraph (8) the phrase "; and", and
24 by adding a new paragraph (9) to read as follows:

25 "(9) the Appalachian Regional Commission, es-

1 established by the Appalachian Regional Development
2 Act of 1965, for comprehensive planning for the Ap-
3 palachian region as defined by section 403 of such Act."

4 (b) Section 701 (b) of the Housing Act of 1954 (40
5 U.S.C. 461 (b)), is amended by adding before the period
6 at the end of the first sentence the following: ", or to the
7 Appalachian Regional Commission".

SUPPLEMENTS TO FEDERAL GRANT-IN-AID PROGRAMS

9 SEC. 214. (a) In order to enable the people, States, and
10 local communities of the region, including local development
11 districts, to take maximum advantage of Federal grant-in-
12 aid programs (as hereinafter defined) for which they are
13 eligible but for which, because of their economic situation,
14 they cannot supply the required matching share, the Secretary
15 of Commerce is authorized, pursuant to specific recommenda-
16 tions of the Commission approved by him and after consulta-
17 tion with the appropriate Federal officials, to allocate funds
18 appropriated to carry out this section to the heads of the
19 departments, agencies, and instrumentalities of the Federal
20 Government responsible for the administration of such Fed-
21 eral grant-in-aid programs. Funds so allocated shall be used
22 for the sole purpose of increasing the Federal contribution
23 to projects under such programs above the fixed maximum
24 portion of the cost of such project otherwise authorized by
25 the applicable law. Funds shall be so allocated for Federal

1 grant-in-aid programs for which funds are available under
2 the Act authorizing such programs. Such allocations shall
3 be available without regard to any appropriation authoriza-
4 tion ceilings in such Act.

5 (b) The Federal portion of such costs shall not be in-
6 creased in excess of the percentages established by regula-
7 tions promulgated by the Secretary of Commerce, and such
8 regulations shall in no event authorize the Federal portion
9 of such costs to exceed 80 per centum thereof.

10 (c) The term "Federal grant-in-aid programs" as used
11 in this section means those Federal grant-in-aid programs
12 authorized by this Act for the construction or equipment of
13 facilities, and all other Federal grant-in-aid programs author-
14 ized on or before the effective date of this Act by Acts other
15 than this Act for the acquisition of land and the construc-
16 tion or equipment of facilities, including but not limited to
17 grant-in-aid programs authorized by the following Acts:
18 Federal Water Pollution Control Act; Watershed Protection
19 and Flood Prevention Act; title VI of the Public Health
20 Service Act; Vocational Education Act of 1963; Library
21 Services Act; Federal Airport Act; part IV of title III of
22 the Communications Act of 1934; Higher Education Facil-
23 ities Act of 1963; Land and Water Conservation Fund Act
24 of 1965. The term shall not include (A) the program
25 for the construction of the development highway system

1 authorized by section 201 of this Act or any other program
2 relating to highway or road construction, or (B) any other
3 program for which loans or other Federal financial assist-
4 ance, except a grant-in-aid program, is authorized by this
5 or any other Act.

6 (d) Not to exceed \$90,000,000 of the funds authorized
7 in section 401 of this Act shall be available to carry out this
8 section.

9 PART C—GENERAL PROVISIONS

10 MAINTENANCE OF EFFORT

11 SEC. 221. No State and no political subdivision of such
12 State shall be eligible to receive benefits under this Act un-
13 less the aggregate expenditures of State funds, exclusive of
14 Federal funds, for the benefit of the area within the State
15 located in the region are maintained at a level which does not
16 fall below the average level of such expenditures for its last
17 two full fiscal years preceding the date of enactment of this
18 Act. In computing the average level of expenditure for its
19 last two fiscal years, a State's past expenditure for partici-
20 pation in the National System of Interstate and Defense
21 Highways shall not be included. The Commission shall
22 recommend to the President or such Federal officer or officers
23 as the President may designate, a lesser requirement when
24 it finds that a substantial population decrease in that portion
25 of a State which lies within the region would not justify a

1 State expenditure equal to the average level of the last two
 2 years or when it finds that a State's average level of expendi-
 3 ture, within an individual program, has been disproportionate
 4 to the present need for that portion of the State which lies
 5 within the region.

6 CONSENT OF STATES

7 SEC. 222. Nothing contained in this Act shall be inter-
 8 preted as requiring any State to engage in or accept any
 9 program under this Act without its consent.

10 PROGRAM IMPLEMENTATION

11 SEC. 223. A program authorized under any section of
 12 this title shall not be implemented until (1) the Commission
 13 has consulted with the appropriate official or officials con-
 14 cerned with such program as may be designated by the
 15 Governor or Governors of the State or States involved and
 16 has obtained the recommendations of such official or officials
 17 with respect to such program and (2) plans with respect
 18 to such program have been recommended by the Commission
 19 and have been submitted to and approved or modified by the
 20 President or such Federal officer or officers as the President
 21 may designate.

22 PROGRAM DEVELOPMENT CRITERIA

23 SEC. 224. (a) In developing recommendations on the
 24 programs and projects to be given assistance under this Act,
 25 and in establishing within those recommendations a priority

1 ranking of the requests for assistance presented to the Com-
 2 mission, the Commission shall follow procedures that will
 3 insure consideration of the following factors:

4 (1) the relationship of the project or class of proj-
 5 ects to overall regional development including its loca-
 6 tion in an area determined by the State to have the
 7 greatest potential for growth;

8 (2) the population and area to be served by the
 9 project or class of projects including the relative per
 10 capita income and the unemployment rates in the area;

11 (3) the relative financial resources available to the
 12 State or political subdivisions or instrumentalities thereof
 13 which seek to undertake the project;

14 (4) the importance of the project or class of proj-
 15 ects in relation to other projects or classes of projects
 16 which may be in competition for the same funds;

17 (5) the prospects that the project for which assist-
 18 ance is sought will improve, on a continuing rather than
 19 a temporary basis, the opportunities for employment,
 20 the average level of income, or the economic and social
 21 development of the area served by the project.

22 (b) Nothing in this Act shall authorize any assistance
 23 under this Act to be used (1) in relocating establishments
 24 from one area to another; (2) to finance the cost of industrial
 25 plants, commercial facilities, machinery, working capital;

1 (3) to finance the cost of facilities for the generation, trans-
 2 mission, or distribution of electric energy; or (4) to finance
 3 the cost of facilities for the production, transmission, or dis-
 4 tribution of gas (natural, manufactured, or mixed).

5 TITLE III—ADMINISTRATION

6 LOCAL DEVELOPMENT DISTRICTS—CERTIFICATION

7 SEC. 301. For the purposes of this Act, a "local develop-
 8 ment district" shall be an entity certified to the Commission
 9 either by the Governor of the State or States in which such
 10 entity is located, or by the State officer designated by the
 11 appropriate State law to make such certification, as having
 12 a charter or authority that includes the economic develop-
 13 ment of counties or parts of counties or other political sub-
 14 divisions within the region. No entity shall be certified as
 15 a local development district for the purposes of this Act
 16 unless it is one of the following:

17 (1) a nonprofit incorporated body organized or
 18 chartered under the law of the State in which it is
 19 located;

20 (2) a nonprofit agency or instrumentality of a State
 21 or local government;

22 (3) a nonprofit agency or instrumentality created
 23 through an interstate compact; or

24 (4) a nonprofit association or combination of such
 25 bodies, agencies, and instrumentalities.

1 GRANTS FOR ADMINISTRATIVE EXPENSES OF LOCAL DE- 2 VELOPMENT DISTRICTS AND FOR RESEARCH AND 3 DEMONSTRATION PROJECTS

4 SEC. 302. (a) The Secretary of Commerce is author-
 5 ized—

6 (1) either directly or through arrangements with
 7 the Commission, to make grants for administrative ex-
 8 penses to local development districts. The amount of
 9 any such grant shall not exceed 75 per centum of such
 10 expenses in any one fiscal year. No grants for adminis-
 11 trative expenses shall be made to a local development
 12 district for a period in excess of three years beginning on
 13 the date the initial grant is made to such development
 14 district. The local contributions for administrative ex-
 15 penses may be in cash or in kind, fairly evaluated, in-
 16 cluding but not limited to space, equipment, and serv-
 17 ices; and

18 (2) either directly or through arrangements with
 19 appropriate public or private organizations (including
 20 the Commission), to provide funds for investigation,
 21 research, studies, and demonstration projects, but not
 22 for construction purposes, which will further the pur-
 23 poses of this Act.

24 (b) Not to exceed \$5,500,000 of the funds authorized

1 in section 401 of this Act shall be available to carry out
2 this section.

3 PROJECT APPROVAL

4 SEC. 303. An application for a grant or for any other
5 assistance for a program or project under this Act shall be
6 made only by a State, a political subdivision of a State, or
7 a local development district. Each such application shall be
8 made through the State member of the Commission repre-
9 senting such applicant, and such State member shall evaluate
10 such application for approval. Only applications for pro-
11 grams and projects which are approved by a State member
12 as meeting the requirements for assistance under the Act
13 shall be approved for assistance by the Commission.

14 ANNUAL REPORT

15 SEC. 304. Not later than six months after the close of
16 each fiscal year, the Commission shall prepare and submit
17 to the Governor of each State in the region and to the Presi-
18 dent, for transmittal to the Congress, a report on the activi-
19 ties carried out under this Act during such year.

20 TITLE IV—APPROPRIATIONS AND

21 MISCELLANEOUS PROVISIONS

22 AUTHORIZATION OF APPROPRIATIONS

23 SEC. 401. In addition to the appropriations authorized
24 in section 201 for the Appalachian development highway
25 system, there is hereby authorized to be appropriated for

1 the period ending June 30, 1967, to be available until
2 expended, not to exceed \$237,200,000 to carry out this
3 Act.

4 APPLICABLE LABOR STANDARDS

5 SEC. 402. All laborers and mechanics employed by con-
6 tractors or subcontractors in the construction, alteration, or
7 repair, including painting and decorating, of projects, build-
8 ings, and works which are financially assisted through the
9 Federal funds authorized under this Act, shall be paid wages
10 at rates not less than those prevailing on similar construc-
11 tion in the locality as determined by the Secretary of Labor
12 in accordance with the Davis-Bacon Act, as amended (40
13 U.S.C. 276a—276a-5). The Secretary of Labor shall have
14 with respect to such labor standards, the authority and func-
15 tions set forth in Reorganization Plan Numbered 14 of
16 1950 (15 F.R. 3176, 64 Stat. 1267, 5 U.S.C. 133—
17 133z-15), and section 2 of the Act of June 13, 1934, as
18 amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

19 DEFINITION OF APPALACHIAN REGION

20 SEC. 403. As used in this Act, the term "Appalachian
21 region" or "the region" means that area of the eastern
22 United States consisting of the following counties (including
23 any political subdivision located within such area) :

24 In Alabama, the counties of Bibb, Blount, Calhoun,
25 Chambers, Cherokee, Chilton, Clay, Cleburne, Colbert,

1 Coosa, Cullman, De Kalb, Elmore, Etowah, Fayette,
 2 Franklin, Jackson, Jefferson, Lawrence, Limestone,
 3 Madison, Marion, Marshall, Morgan, Randolph, Saint
 4 Clair, Shelby, Talladega, Tallapoosa, Tuscaloosa,
 5 Walker, and Winston;

6 In Georgia, the counties of Banks, Barrow, Bartow
 7 Carroll, Catoosa, Chattooga, Cherokee, Dade, Dawson,
 8 Douglas, Fannin, Floyd, Forsyth, Franklin, Gilmer,
 9 Gordon, Gwinnett, Habersham, Hall, Haralson, Heard,
 10 Jackson, Lumpkin, Madison, Murray, Paulding, Pick-
 11 ens, Polk, Rabun, Stephens, Towns, Union, Walker,
 12 White, and Whitfield;

13 In Kentucky, the counties of Adair, Bath, Bell,
 14 Boyd, Breathitt, Carter, Casey, Clark, Clay, Clinton,
 15 Cumberland, Elliott, Estill, Fleming, Floyd, Garrard,
 16 Green, Greenup, Harlan, Jackson, Johnson, Knott,
 17 Knox, Laurel, Lawrence, Lee, Leslie, Letcher, Lewis,
 18 Lincoln, McCreary, Madison, Magoffin, Martin, Menifee,
 19 Monroe, Montgomery, Morgan, Owsley, Perry, Pike,
 20 Powell, Pulaski, Rockcastle, Rowan, Russell, Wayne,
 21 Whitley, and Wolfe;

22 In Maryland, the counties of Allegany, Garrett, and
 23 Washington;

24 In North Carolina, the counties of Alexander, Alle-
 25 ghany, Ashe, Avery, Buncombe, Burke, Caldwell,

1 Cherokee, Clay, Davie, Forsyth, Graham, Haywood,
 2 Henderson, Jackson, McDowell, Macon, Madison,
 3 Mitchell, Polk, Rutherford, Stokes, Surry, Swain, Tran-
 4 sylvania, Watauga, Wilkes, Yadkin, and Yancey;

5 In Ohio, the counties of Adams, Athens, Belmont,
 6 Brown, Clermont, Gallia, Guernsey, Harrison, High-
 7 land, Hocking, Jackson, Jefferson, Lawrence, Meigs,
 8 Monroe, Morgan, Muskingum, Noble, Perry, Pike, Ross,
 9 Scioto, Vinton, and Washington;

10 In Pennsylvania, the counties of Allegheny, Arm-
 11 strong, Beaver, Bedford, Blair, Bradford, Butler,
 12 Cambria, Cameron, Carbon, Centre, Clarion, Clear-
 13 field, Clinton, Columbia, Crawford, Elk, Erie, Fayette,
 14 Forest, Fulton, Greene, Huntingdon, Indiana, Jefferson,
 15 Juniata, Lackawanna, Lawrence, Luzerne, Lycoming,
 16 McKean, Mercer, Mifflin, Monroe, Montour, North-
 17 umberland, Perry, Pike, Potter, Schuylkill, Snyder,
 18 Somerset, Sullivan, Susquehanna, Tioga, Union,
 19 Venango, Warren, Washington, Wayne, Westmoreland,
 20 and Wyoming;

21 In South Carolina, the counties of Anderson, Chero-
 22 kee, Greenville, Oconee, Pickens, and Spartanburg;

23 In Tennessee, the counties of Anderson, Bledsoe,
 24 Blount, Bradley, Campbell, Carter, Claiborne, Clay,
 25 Cocks, Coffee, Cumberland, De Kalb, Fentress,

1 Franklin, Grainger, Greene, Grundy, Hamblen,
 2 Hamilton, Hancock, Hawkins, Jackson, Jefferson,
 3 Johnson, Knox, Loudon, McMinn, Macon, Marion,
 4 Meigs, Monroe, Morgan, Overton, Pickett, Polk, Put-
 5 nam, Rhea, Roane, Scott, Sequatchie, Sevier, Smith,
 6 Sullivan, Unicoi, Union, Van Buren, Warren, Wash-
 7 ington, and White;

8 In Virginia, the counties of Alleghany, Bath, Bland,
 9 Botetourt, Buchanan, Carroll, Craig, Dickenson, Floyd,
 10 Giles, Grayson, Highland, Lee, Pulaski, Russell, Scott,
 11 Smyth, Tazewell, Washington, Wise, and Wythe.

12 All the counties of West Virginia.

13 SEVERABILITY

14 SEC. 404. If any provision of this Act, or the applica-
 15 bility thereof to any person or circumstance, is held invalid,
 16 the remainder of this Act, and the application of such
 17 provision to other persons or circumstances, shall not be
 18 affected thereby.

19 TERMINATION

20 SEC. 405. This Act shall cease to be in effect on July 1,
 21 1971.

A BILL

To provide public works and economic development programs and the planning and coordination needed to assist in the development of the Appalachian region.

By Mr. RANDOLPH, Mr. COOPER, Mr. ANDERSON, Mr. BARTLETT, Mr. BASS, Mr. BAYH, Mr. BREWSTER, Mr. BURDICK, Mr. BYRD of West Virginia, Mr. CLARK, Mr. DODD, Mr. DOUGLAS, Mr. GORE, Mr. GRUENING, Mr. HART, Mr. HARTKE, Mr. INOUYE, Mr. JOHNSTON, Mr. KENNEDY of Massachusetts, Mr. MAGNUSON, Mr. MCCARTHY, Mr. MCGOVERN, Mr. McNAMARA, Mr. METCALF, Mr. MONDALE, Mr. MORSE, Mr. MORTON, Mr. MOSS, Mr. NELSON, Mrs. NEUBERGER, Mr. PEIL, Mr. RUBINOFF, Mr. SCOTT, Mr. TYDINGS, Mr. WILLIAMS of New Jersey, Mr. YARBOROUGH, and Mr. YOUNG of Ohio

JANUARY 6, 1965

Read twice and referred to the Committee on Public Works