



An Act

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Appalachian Regional Development Act of 1965".

Appalachian Regional Development Act of 1965.

FINDINGS AND STATEMENT OF PURPOSE

SEC. 2. The Congress hereby finds and declares that the Appalachian region of the United States, while abundant in natural resources and rich in potential, lags behind the rest of the Nation in its economic growth and that its people have not shared properly in the Nation's prosperity. The region's uneven past development, with its historical reliance on a few basic industries and a marginal agriculture, has failed to provide the economic base that is a vital prerequisite for vigorous, self-sustaining growth. The State and local governments and the people of the region understand their problems and have been working and will continue to work purposefully toward their solution. The Congress recognizes the comprehensive report of the President's Appalachian Regional Commission documenting these findings and concludes that regional development is feasible, desirable, and urgently needed. It is, therefore, the purpose of this Act to assist the region in meeting its special problems, to promote its economic development, and to establish a framework for joint Federal and State efforts toward providing the basic facilities essential to its growth and attacking its common problems and meeting its common needs on a coordinated and concerted regional basis. The public investments made in the region under this Act shall be concentrated in areas where there is a significant potential for future growth, and where the expected return on public dollars invested will be the greatest. The States will be responsible for recommending local and State projects, within their borders, which will receive assistance under this Act. As the region obtains the needed physical and transportation facilities and develops its human resources, the Congress expects that the region will generate a diversified industry, and that the region will then be able to support itself, through the workings of a strengthened free enterprise economy.

79 STAT. 5.
79 STAT. 6.

TITLE I—THE APPALACHIAN REGIONAL COMMISSION

MEMBERSHIP AND VOTING

SEC. 101. (a) There is hereby established an Appalachian Regional Commission (hereinafter referred to as the "Commission") which shall be composed of one Federal member, hereinafter referred to as the "Federal Cochairman", appointed by the President by and with the advice and consent of the Senate, and one member from each participating State in the Appalachian region. The Federal Cochairman shall be one of the two Cochairmen of the Commission. Each State member may be the Governor, or his designee, or such other person as may be provided by the law of the State which he represents. The State members of the Commission shall elect a Cochairman of the Commission from among their number.

(b) Except as provided in section 105, decisions by the Commission shall require the affirmative vote of the Federal Cochairman and of a majority of the State members (exclusive of members representing States delinquent under section 105). In matters coming before the

Commission, the Federal Cochairman shall, to the extent practicable, consult with the Federal departments and agencies having an interest in the subject matter.

(c) Each State member shall have an alternate, appointed by the Governor or as otherwise may be provided by the law of the State which he represents. The President, by and with the advice and consent of the Senate, shall appoint an alternate for the Federal Cochairman. An alternate shall vote in the event of the absence, death, disability, removal, or resignation of the State or Federal representative for which he is an alternate.

(d) The Federal Cochairman shall be compensated by the Federal Government at level IV of the Federal Executive Salary Schedule of the Federal Executive Salary Act of 1964. His alternate shall be compensated by the Federal Government at not to exceed the maximum scheduled rate for grade GS-18 of the Classification Act of 1949, as amended, and when not actively serving as an alternate for the Federal Cochairman shall perform such functions and duties as are delegated to him by the Federal Cochairman. Each State member and his alternate shall be compensated by the State which they represent at the rate established by the law of such State.

78 Stat. 417.
5 USC 2211.

78 Stat. 400.
5 USC 1113.

79 STAT. 6.
79 STAT. 7.

FUNCTIONS OF THE COMMISSION

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

(1) develop, on a continuing basis, comprehensive and coordinated plans and programs and establish priorities thereunder, giving due consideration to other Federal, State, and local planning in the region;

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

(3) review and study, in cooperation with the agency involved, Federal, State, and local public and private programs and, where appropriate, recommend modifications or additions which will increase their effectiveness in the region;

(4) formulate and recommend, where appropriate, interstate compacts and other forms of interstate cooperation, and work with State and local agencies in developing appropriate model legislation;

(5) encourage the formation of local development districts;

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

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

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

(9) advise the Secretary of Commerce on applications for grants for administrative expenses to local development districts.

RECOMMENDATIONS

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

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

(2) such additional Federal, State, and local legislation or administrative actions as the Commission deems necessary to further the purposes of this Act.

79 STAT. 7.

79 STAT. 8.

LIAISON BETWEEN FEDERAL GOVERNMENT AND THE COMMISSION

SEC. 104. The President shall provide effective and continuing liaison between the Federal Government and the Commission and a coordinated review within the Federal Government of the plans and recommendations submitted by the Commission pursuant to sections 102 and 103.

ADMINISTRATIVE EXPENSES OF THE COMMISSION

SEC. 105. (a) For the period ending on June 30 of the second full Federal fiscal year following the date of enactment of this Act, the administrative expenses of the Commission shall be paid by the Federal Government. Thereafter, such expenses shall be paid equally by the Federal Government and the States in the region. The share to be paid by each State shall be determined by the Commission. The Federal Cochairman shall not participate or vote in such determination. No assistance authorized by this Act shall be furnished to any State or to any political subdivision or any resident of any State, nor shall the State member of the Commission participate or vote in any determination by the Commission while such State is delinquent in payment of its share of such expenses.

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

ADMINISTRATIVE POWERS OF COMMISSION

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

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

(2) appoint and fix the compensation of an executive director and such other personnel as may be necessary to enable the Commission to carry out its functions, except that such compensation shall not exceed the salary of the alternate to the Federal Cochairman on the Commission as provided in section 101. No member, alternate, officer, or employee of the Commission, other than the Federal Cochairman on the Commission, his staff, and his alternate and Federal employees detailed to the Commission under paragraph (3) shall be deemed a Federal employee for any purpose.

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

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

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

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

(7) enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary in carrying out its functions and on such terms as it may deem appropriate, with any department, agency, or instrumentality of the United States or with any State, or any political subdivision, agency, or instrumentality thereof, or with any person, firm, association, or corporation.

(8) maintain a temporary office in the District of Columbia and establish a permanent office at such a central and appropriate location as it may select and field offices at such other places as it may deem appropriate.

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

INFORMATION

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

(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute so much of its proceedings and reports thereon as it may deem advisable, a Cochairman of the Commission, or any member of the Commission designated by the Commission for the purpose, being hereby authorized to administer oaths when it is determined by the Commission that testimony shall be taken or evidence received under oath;

(2) arrange for the head of any Federal, State, or local department or agency (who is hereby so authorized to the extent not otherwise prohibited by law) to furnish to the Commission such information as may be available to or procurable by such department or agency; and

(3) keep accurate and complete records of its doings and transactions which shall be made available for public inspection, and for the purpose of audit and examination by the Comptroller General or his duly authorized representatives.

PERSONAL FINANCIAL INTERESTS

SEC. 108. (a) Except as permitted by subsection (b) hereof, no State member or alternate and no officer or employee of the Commission shall participate personally and substantially as member, alternate, officer, or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in any proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other particular matter in which, to his knowledge, he, his spouse, minor child, partner, organization (other than a State or political subdivision thereof) in

which he is serving as officer, director, trustee, partner, or employee, or any person or organization with whom he is serving as officer, director, trustee, partner, or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a financial interest. Any person who shall violate the provisions of this subsection shall be fined not more than \$10,000, or imprisoned not more than two years, or both.

(b) Subsection (a) hereof shall not apply if the State member, alternate, officer, or employee first advises the Commission of the nature and circumstances of the proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other particular matter and makes full disclosure of the financial interest and receives in advance a written determination made by the Commission that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Commission may expect from such State member, alternate, officer, or employee.

(c) No State member or alternate shall receive any salary, or any contribution to or supplementation of salary for his services on the Commission from any source other than his State. No person detailed to serve the Commission under authority of paragraph (4) of section 106 shall receive any salary or any contribution to or supplementation of salary for his services on the Commission from any source other than the State, local, or intergovernmental department or agency from which he was detailed or from the Commission. Any person who shall violate the provisions of this subsection shall be fined not more than \$5,000, or imprisoned not more than one year, or both.

(d) Notwithstanding any other subsection of this section, the Federal Cochairman and his alternate on the Commission and any Federal officers or employees detailed to duty with it pursuant to paragraph (3) of section 106 shall not be subject to any such subsection but shall remain subject to sections 202 through 209 of title 18, United States Code.

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

Conflict-of-interests.

76 Stat. 1121.

TITLE II—SPECIAL APPALACHIAN PROGRAMS

PART A—NEW PROGRAMS

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

SEC. 201. (a) The Secretary of Commerce (hereafter in this section referred to as the "Secretary") is authorized to assist in the construction of an Appalachian development highway system serving the Appalachian region (the length of which shall not exceed two thousand three hundred and fifty miles. In addition thereto, there are authorized to be constructed not in excess of one thousand miles of local access roads, that will serve specific recreational, residential, commercial, industrial, or other like facilities or will facilitate a school consolidation program). The system, in conjunction with the Interstate System and other Federal-aid highways in the region will provide a highway system which will open up an area or areas with a developmental potential where commerce and communication have been inhibited by lack of adequate access. The provisions of title 23, United States Code, that are applicable to Federal-aid primary highways, and which the Secretary determines are not inconsistent

72 Stat. 885.

with this Act, shall apply to the Appalachian development highway system, and the local access roads.

Submission of recommendations.

(b) As soon as feasible, the Commission shall submit to the Secretary its recommendations with respect to (1) the general corridor location and termini of the development highways, (2) the designation of local access roads to be constructed, (3) priorities for construction of the local access roads and of the major segments of the development highways, and (4) other criteria for the program authorized by this section. Before any State member participates in or votes on such recommendations, he shall have obtained the recommendations of the State highway department of the State which he represents.

Approval authority.

(c) The Secretary shall have authority to approve in whole or in part such recommendations or to require modifications or revisions thereof. In no event shall the Secretary approve any recommendations for any construction which would require for its completion the expenditure of Federal funds (other than funds available under title 23, United States Code) in excess of the appropriation authorizations in subsection (g). On its completion each development highway not already on the Federal-aid primary system shall be added to such system and shall be required to be maintained by the State.

72 Stat. 885.

(d) In the construction of highways and roads authorized under this section, the States may give special preference to the use of mineral resource materials indigenous to the Appalachian region.

Use of coal derivatives.

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

Federal assistance, limitation.

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

Appropriation.

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

DEMONSTRATION HEALTH FACILITIES

SEC. 202. (a) In order to demonstrate the value of adequate health and medical facilities to the economic development of the region, the Secretary of Health, Education, and Welfare is authorized to make grants for the construction, equipment, and operation of multicounty demonstration health facilities, including hospitals, regional health diagnostic and treatment centers, and other facilities necessary to health. Grants for such construction (including initial equipment) shall be made in accordance with the applicable provisions of title VI of the Public Health Service Act (42 U.S.C. 291-291z) and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (77 Stat. 282), without regard to any provisions therein relating to appropriation authorization ceiling or to allotments among the States. Grants under this section shall be made 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 allotments among the States made pursuant to any other provision of law.

78 Stat. 447.

42 USC 2661 note.

(b) No grant under this section for construction (including initial equipment) shall exceed 80 per centum of the cost of the project. Not to exceed \$41,000,000 of the funds authorized in section 401 shall be available for construction grants under this section.

(c) Grants under this section for operation (including equipment other than initial equipment) of a project may be made up to 100 per centum of the costs thereof for the two-year period beginning on the first day such project is in operation as a health facility. For the next three years of operations such grants shall not exceed 50 per centum of such costs. No grants for operation of a project shall be made after five years following the commencement of such operations. Not to exceed \$28,000,000 of the funds authorized in section 401 of this Act shall be available for operating grants under this section.

Operating grants, limitation.

LAND STABILIZATION, CONSERVATION, AND EROSION CONTROL

SEC. 203. (a) In order to provide for the control and prevention of erosion and sediment damages in the Appalachian region and to promote the conservation and development of the soil and water resources of the region, the Secretary of Agriculture is authorized to enter into agreements of not more than ten years with landowners, operators, and occupiers, individually or collectively, in the Appalachian region determined by him to have control for the period of the agreement of the lands described therein, providing for land stabilization, erosion and sediment control, and reclamation through changes in land use, and conservation treatment including the establishment of practices and measures for the conservation and development of soil, water, woodland, wildlife, and recreation resources.

Conservation agreements.

(b) The landowner, operator, or occupier shall furnish to the Secretary of Agriculture a conservation and development plan setting forth the appropriate and safe land uses and conservation treatment mutually agreed by the Secretary and the landowner operator, or occupier to be needed on the lands for which the plan was prepared.

(c) Such plan shall be incorporated in an agreement under which the landowner, operator, or occupier shall agree with the Secretary of Agriculture to carry out the land uses and conservation treatment provided for in such plan on the lands described in the agreement in accordance with the terms and conditions thereof.

(d) In return for such agreement by the landowner, operator, or occupier the Secretary of Agriculture shall be authorized to furnish financial and other assistance to such landowner, operator, or occupier in such amounts and subject to such conditions as the Secretary determines are appropriate and in the public interest for the carrying out of the land uses and conservation treatment set forth in the agreement: *Provided*, That grants hereunder shall not exceed 80 per centum of the cost of carrying out such land uses and conservation treatment on fifty acres of land occupied by such owner, operator, or occupier.

(e) The Secretary of Agriculture may terminate any agreement with a landowner, operator, or occupier by mutual agreement if the Secretary determines that such termination would be in the public interest, and may agree to such modification of agreements previously entered into hereunder as he deems desirable to carry out the purposes of this section or to facilitate the practical administration of the program authorized herein.

Modification or termination of agreements.

(f) Notwithstanding any other provision of law, the Secretary of Agriculture, to the extent he deems it desirable to carry out the purposes of this section, may provide in any agreement hereunder for (1) preservation for a period not to exceed the period covered by the agreement and an equal period thereafter of the cropland, crop acreage, and allotment history applicable to land covered by the agreement for the purpose of any Federal program under which such history is used as a basis for an allotment or other limitation on the production of such crop; or (2) surrender of any such history and allotments.

Allotment histories, preservation.

(g) The Secretary of Agriculture shall be authorized to issue such rules and regulations as he determines are necessary to carry out the provisions of this section.

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

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

TIMBER DEVELOPMENT ORGANIZATIONS

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

(1) provide technical assistance in the organization and operation, under State law, of private timber development organizations having as their objective the carrying out of timber development programs to improve timber productivity and quality, and increase returns to landowners through establishment of private nonprofit corporations, which on a self-supporting basis may provide (A) continuity of management, good cutting practices, and marketing services, (B) physical consolidation of small holdings or administrative consolidation for efficient management under long-term agreement, (C) management of forest lands, donated to the timber development organizations for demonstrating good forest management, on a profitable and taxpaying basis, and (D) establishment of a permanent fund for perpetuation of the work of the corporations to be composed of donations, real or personal, for educational purposes.

(2) provide not more than one-half of the initial capital requirements of such timber development organizations through loans under the applicable provisions of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1926 et seq.). Such loans shall not be used for the construction or acquisition of facilities for manufacturing, processing, or marketing forest products, or for physical consolidation of small timber holdings authorized by (1)(B) above except for the establishment of demonstration units.

(b) Not to exceed \$5,000,000 of the funds authorized in section 401 of this Act shall be available to carry out this 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, and to reclaim and rehabilitate existing strip and surface mine areas, in accordance with provisions of the Act of July 15, 1955 (30 U.S.C. 571 et seq.), to the extent applicable, without regard to section 2(b) thereof (30 U.S.C. 572(b)) or to any provisions therein limiting assistance to anthracite coal formation, or to the Commonwealth of Pennsylvania. Grants under this paragraph shall be made

52 Stat. 31.
16 USC 590h.

Limitation.

75 Stat. 307.

Limitation.

69 Stat. 352.

76 Stat. 934.

79 STAT. 14.

wholly out of funds specifically appropriated for the purposes 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.

68 Stat. 1009.

(3) expand and accelerate fish and wildlife restoration projects in the region in accordance with the provisions 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.

50 Stat. 917.

64 Stat. 430.

(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.

Federal share of costs.

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

Strip and surface mining areas, study and survey.

Report to President for transmittal to Congress.

(1) the nature and extent of strip and surface mining operations in the United States and the conditions resulting therefrom;

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

(3) the effectiveness of past action by States or local units of government to remedy the adverse effects of strip and surface mining operation by financial or regulatory measures, and requirements for appropriate State legislation, including adequate enforcement thereof, to provide for proper reclamation and rehabilitation of areas which may be strip and surface mined in the future;

(4) the public interest in and public benefits which may result from reclamation, rehabilitation, and appropriate development and use of areas subjected to strip and surface mining operations,

79 STAT. 15.

including (A) economic development growth, (B) public recreation, (C) public health and safety, (D) water pollution, stream sedimentation, erosion control, and flood control, (E) highway programs, (F) fish and wildlife protection and restoration, (G) scenic values, and (H) forestry and agriculture;

(5) the appropriate roles of Federal, State, and private interests in the reclamation and rehabilitation of strip and surface mining areas and the relative costs to be borne by each, including specific consideration of (A) the extent, if any, to which strip and surface mine operators are unable to bear the cost of remedial action within the limits imposed by the economics of such mining activity, and (B) the extent to which the prospective value of lands and other natural resources, after remedial work has been completed, would be inadequate to justify the landowners doing the remedial work at their expense; and

(6) the objectives and the total overall costs of a program for accomplishing the reclamation and rehabilitation of existing strip and surface mining areas in the United States, giving adequate consideration to (A) the economic benefits in relation to costs, (B) the prevention of future devastation of reclaimed and rehabilitated areas, (C) the avoidance of unwarranted financial gain to private owners of improved property, and (D) the types of aid required to accomplish such reclamation and rehabilitation.

Limitation.

(d) Not to exceed \$36,500,000 of the funds authorized in section 401 of this Act shall be available to carry out this section. No moneys authorized by this Act shall be expended for the purposes of reclaiming, improving, grading, seeding, or reforestation of strip-mined areas (except on lands owned by Federal, State, or local bodies of government) until authorized by law after completion of the study and report to the President as provided in subsection (c) of this section.

WATER RESOURCE SURVEY

SEC. 206. (a) The Secretary of the Army is hereby authorized and directed to prepare a comprehensive plan for the development and efficient utilization of the water and related resources of the Appalachian region, giving special attention to the need for an increase in the production of economic goods and services within the region as a means of expanding economic opportunities and thus enhancing the welfare of its people, which plan shall constitute an integral and harmonious component of the regional economic development program authorized by this Act.

Flood control,
etc.

(b) This plan may recommend measures for the control of floods, the regulation of the rivers to enhance their value as sources of water supply for industrial and municipal development, the generation of hydroelectric power, the prevention of water pollution by drainage from mines, the development and enhancement of the recreational potentials of the region, the improvement of the rivers for navigation where this would further industrial development at less cost than would the improvement of other modes of transportation, the conservation and efficient utilization of the land resource, and such other measures as may be found necessary to achieve the objectives of this section.

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

(d) The plan prepared pursuant to this section shall be submitted to the Commission. The Commission shall submit the plan to the President with a statement of its views, and the President shall submit the plan to the Congress with his recommendations not later than December 31, 1968.

(e) The Federal agencies referred to in subsection (c) of this section are hereby authorized to assist the Secretary of the Army in the preparation of the plan authorized by this section, and the Secretary of the Army is authorized to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary to the preparation of this plan and on such terms as he may deem appropriate, with any department, agency, or instrumentality of the United States or with any State, or any political subdivision, agency, or instrumentality thereof, or with any person, firm, association, or corporation.

Contract authority.

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

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

PART B—SUPPLEMENTATIONS AND MODIFICATIONS OF EXISTING PROGRAMS

VOCATIONAL EDUCATION FACILITIES

SEC. 211. (a) In order to provide basic facilities to give the people of the region the training and education they need to obtain employment, the Secretary of Health, Education, and Welfare is authorized to make grants for construction of the school facilities needed for the provision of vocational education in areas of the region in which such education is not now adequately available. Such grants shall be made in accordance with the provisions of the Vocational Education Act of 1963 (77 Stat. 403), without regard to any provisions therein relating to appropriation authorization ceilings or to allotments among the States. Grants under this section shall be made 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 allotments among the States made pursuant to any other provision of law.

20 USC 35 note.

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

SEWAGE TREATMENT WORKS

SEC. 212. (a) In order to provide facilities to assist in the prevention of pollution of the region's streams and to protect the health and welfare of its citizens, the Secretary of Health, Education, and Welfare is authorized to make grants for the construction of sewage treatment works in accordance with the provisions of the Federal Water Pollution Control Act (33 U.S.C. 466 et seq.), without regard to any provisions therein relating to appropriation authorization ceilings or to allotments among the States. Grants under this section shall be made 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 allotments among the States pursuant to any other provision of law.

70 Stat. 498;
75 Stat. 204.

The term shall not include (A) the program for the construction of the development highway system authorized by section 201

notes: 70 USC 401; 70 USC 300-307; 49 USC 1101 notes; 43 USC 321 notes; 48 USC 1001 notes; 48 USC 1011 notes; 43 USC 20120 USC

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

AMENDMENTS TO HOUSING ACT OF 1954

73 Stat. 678;
78 Stat. 792,
793.

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

"(9) the Appalachian Regional Commission, established by the Appalachian Regional Development Act of 1965, for comprehensive planning for the Appalachian region as defined by section 403 of such Act."

(b) Section 701(b) of the Housing Act of 1954 (40 U.S.C. 461(b)), is amended by adding before the period at the end of the first sentence the following: "; to States participating in planning for Appalachian regional programs, for expenses incurred in the course of such planning, or to the Appalachian Regional Commission".

SUPPLEMENTS TO FEDERAL GRANT-IN-AID PROGRAMS

SEC. 214. (a) In order to enable the people, States, and local communities of the region, including local development districts, to take maximum advantage of Federal grant-in-aid programs (as hereinafter defined) for which they are eligible but for which, because of their economic situation, they cannot supply the required matching share, the Secretary of Commerce is authorized, pursuant to specific recommendations of the Commission approved by him and after consultation with the appropriate Federal officials, to allocate funds appropriated to carry out this section to the heads of the departments, agencies, and instrumentalities of the Federal Government responsible for the administration of such Federal grant-in-aid programs. Funds so allocated shall be used for the sole purpose of increasing the Federal contribution to projects under such programs above the fixed maximum portion of the cost of such project otherwise authorized by the applicable law. Funds shall be so allocated for Federal grant-in-aid programs for which funds are available under the Act authorizing such programs. Such allocations shall be available without regard to any appropriation authorization ceilings in such Act.

(b) The Federal portion of such costs shall not be increased in excess of the percentages established by regulations promulgated by the Secretary of Commerce, and such regulations shall in no event authorize the Federal portion of such costs to exceed 80 per centum thereof.

"Federal grant-in-aid programs."

(c) The term "Federal grant-in-aid programs" as used in this section means those Federal grant-in-aid programs authorized by this Act for the construction or equipment of facilities, and all other Federal grant-in-aid programs authorized on or before the effective date of this Act by Acts other than this Act for the acquisition of land and the construction or equipment of facilities, including but not limited to grant-in-aid programs authorized by the following Acts: Federal Water Pollution Control Act; Watershed Protection and Flood Prevention Act; title VI of the Public Health Service Act; Vocational Education Act of 1963; Library Services Act; Federal Airport Act; part IV of title III of the Communications Act of 1934; Higher Education Facilities Act of 1963; Land and Water Conservation Fund Act of 1965; National Defense Education Act of 1958. The term shall not include (A) the program for the construction of the development highway system authorized by section 201

33 USC 466 note;
16 USC 1001 note;
42 USC 291; 20 USC 35 note, 351 note;
49 USC 1101 note;
47 USC 390-397;
20 USC 701 note;
16 USC 4601-4
note; 20 USC 401
note.

of this Act or any other program relating to highway or road construction, or (B) any other program for which loans or other Federal financial assistance, except a grant-in-aid program, is authorized by this or any other Act.

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

PART C—GENERAL PROVISIONS

MAINTENANCE OF EFFORT

SEC. 221. No State and no political subdivision of such State shall be eligible to receive benefits under this Act unless the aggregate expenditures of State funds, exclusive of Federal funds, for the benefit of the area within the State located in the region are maintained at a level which does not fall below the average level of such expenditures for its last two full fiscal years preceding the date of enactment of this Act. In computing the average level of expenditure for its last two fiscal years, a State's past expenditure for participation in the National System of Interstate and Defense Highways shall not be included. The Commission shall recommend to the President or such Federal officer or officers as the President may designate, a lesser requirement when it finds that a substantial population decrease in that portion of a State which lies within the region would not justify a State expenditure equal to the average level of the last two years or when it finds that a State's average level of expenditure, within an individual program, has been disproportionate to the present need for that portion of the State which lies within the region.

CONSENT OF STATES

SEC. 222. Nothing contained in this Act shall be interpreted as requiring any State to engage in or accept any program under this Act without its consent.

PROGRAM IMPLEMENTATION

SEC. 223. A program and projects authorized under any section of this title shall not be implemented until (1) the Commission has consulted with the appropriate official or officials concerned with such program and projects as may be designated by the Governor or Governors of the State or States involved and has obtained the recommendations of such official or officials with respect to such program and projects and (2) plans with respect to such program and projects have been recommended by the Commission and have been submitted to and approved or modified by the President or such Federal officer or officers as the President may designate.

PROGRAM DEVELOPMENT CRITERIA

SEC. 224. (a) In developing recommendations on the programs and projects to be given assistance under this Act, and in establishing within those recommendations a priority ranking of the requests for assistance presented to the Commission, the Commission shall follow procedures that will insure consideration of the following factors:

- (1) the relationship of the project or class of projects to overall regional development including its location in an area determined by the State have a significant potential for growth;
- (2) the population and area to be served by the project or class of projects including the relative per capita income and the unemployment rates in the area;

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

(4) the importance of the project or class of projects in relation to other projects or classes of projects which may be in competition for the same funds;

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

(b) No financial assistance shall be authorized under this Act to be used (1) in relocating any establishment or establishments from one area to another; (2) to finance the cost of industrial plants, commercial facilities, machinery, working capital, or other industrial facilities or to enable plant subcontractors to undertake work theretofore performed in another area by other subcontractors or contractors; (3) to finance the cost of facilities for the generation, transmission, or distribution of electric energy; or (4) to finance the cost of facilities for the production, transmission, or distribution of gas (natural, manufactured, or mixed).

TITLE III—ADMINISTRATION

LOCAL DEVELOPMENT DISTRICTS—CERTIFICATION

SEC. 301. For the purposes of this Act, a "local development district" shall be an entity certified to the Commission either by the Governor of the State or States in which such entity is located, or by the State officer designated by the appropriate State law to make such certification, as having a charter or authority that includes the economic development of counties or parts of counties or other political subdivisions within the region. No entity shall be certified as a local development district for the purposes of this Act unless it is one of the following:

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

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

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

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

GRANTS FOR ADMINISTRATIVE EXPENSES OF LOCAL DEVELOPMENT DISTRICTS AND FOR RESEARCH AND DEMONSTRATION PROJECTS

SEC. 302. (a) The Secretary of Commerce is authorized—

(1) either directly or through arrangements with the Commission, to make grants for administrative expenses to local development districts. The amount of any such grant shall not exceed 75 per centum of such expenses in any one fiscal year. No grants for administrative expenses shall be made to a local development district for a period in excess of three years beginning on the date the initial grant is made to such development district. The local contributions for administrative expenses may be in cash or in kind, fairly evaluated, including but not limited to space, equipment, and services; and

(2) either directly or through arrangements with appropriate public or private organizations (including the Commission), to

provide funds for investigation, research, studies, and demonstration projects, but not for construction purposes, which will further the purposes of this Act.

Records.
Maintenance
and availability.

(b) Recipients of Federal assistance under the provisions of this section shall, in accordance with regulations to be promulgated by the Secretary of Commerce, maintain accurate and complete records of transactions and activities financed with Federal funds and report thereon to the Secretary of Commerce. The records of the recipient shall be available for audit with respect to such grants by the Secretary of Commerce and the Comptroller General, or their duly authorized representatives.

(c) Not to exceed \$5,500,000 of the funds authorized in section 401 of this Act shall be available to carry out this section.

Research and
development
activities.

(d) No part of any appropriated funds may be expended pursuant to authorization given by this Act involving any scientific or technological research or development activity unless such expenditure is conditioned upon provisions effective to insure that all information, copyrights, uses, processes, patents, and other developments resulting from that activity will be made freely available to the general public. Nothing contained in this subsection shall deprive the owner of any background patent relating to any such activity, without his consent, of any right which that owner may have under that patent. Whenever any information, copyright, use, process, patent or development resulting from any such research or development activity conducted in whole or in part with appropriated funds expended under authorization of this Act is withheld or disposed of by any person, organization, or agency in contravention of the provisions of this subsection, the Attorney General shall institute, upon his own motion or upon request made by any person having knowledge of pertinent facts, an action for the enforcement of the provisions of this subsection in the district court of the United States for any judicial district in which any defendant resides, is found, or has a place of business. Such court shall have jurisdiction to hear and determine such action, and to enter therein such orders and decrees as it shall determine to be required to carry into effect fully the provisions of this subsection. Process of the district court for any judicial district in any action instituted under this subsection may be served in any other judicial district of the United States by the United States marshal thereof. Whenever it appears to the court in which any such action is pending that other parties should be brought before the court in such action, the court may cause such other parties to be summoned from any judicial district of the United States.

PROJECT APPROVAL

SEC. 303. An application for a grant or for any other assistance for a program or project under this Act shall be made only by a State, a political subdivision of a State, or a local development district. Each such application shall be made through the State member of the Commission representing such applicant, and such State member shall evaluate such application for approval. Only applications for programs and projects which are approved by a State member as meeting the requirements for assistance under the Act shall be approved for assistance by the Commission.

ANNUAL REPORT

SEC. 304. Not later than six months after the close of each fiscal year, the Commission shall prepare and submit to the Governor of each State in the region and to the President, for transmittal to the

Congress, a report on the activities carried out under this Act during such year.

TITLE IV—APPROPRIATIONS AND MISCELLANEOUS PROVISIONS

AUTHORIZATION OF APPROPRIATIONS

SEC. 401. In addition to the appropriations authorized in section 201 for the Appalachian development highway system, there is hereby authorized to be appropriated for the period ending June 30, 1967, to be available until expended, not to exceed \$252,400,000 to carry out this Act.

APPLICABLE LABOR STANDARDS

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

49 Stat. 1011;
78 Stat. 238.
5 USC 133z-15
note.
63 Stat. 108.

DEFINITION OF APPALACHIAN REGION

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

Alabama.

In Alabama, the counties of Bibb, Blount, Calhoun, Chambers, Cherokee, Chilton, Clay, Cleburne, Colbert, Coosa, Cullman, De Kalb, Etmore, Etowah, Fayette, Franklin, Jackson, Jefferson, Lauderdale, Lawrence, Limestone, Madison, Marion, Marshall, Morgan, Randolph, Saint Clair, Shelby, Talladega, Tallapoosa, Tuscaloosa, Walker, and Winston;

Georgia.

In Georgia, the counties of Banks, Barrow, Bartow, Carroll, Catoosa, Chattooga, Cherokee, Dade, Dawson, Douglas, Fannin, Floyd, Forsyth, Franklin, Gilmer, Gordon, Gwinnett, Habersham, Hall, Haralson, Heard, Jackson, Lumpkin, Madison, Murray, Paulding, Pickens, Polk, Rabun, Stephens, Towns, Union, Walker, White, and Whitfield;

Kentucky.

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

In Maryland, the counties of Allegany, Garrett, and Washington; Maryland.

In North Carolina, the counties of Alexander, Alleghany, Ashe, Avery, Buncombe, Burke, Caldwell, Cherokee, Clay, Davie, Forsyth, Graham, Haywood, Henderson, Jackson, McDowell, Macon, Madison, Mitchell, Polk, Rutherford, Stokes, Surry, Swain, Transylvania, Watauga, Wilkes, Yadkin, and Yancey; North Carolina.

In Ohio, the counties of Adams, Athens, Belmont, Brown, Carroll, Clermont, Coshocton, Gallia, Guernsey, Harrison, Highland, Hocking, Holmes, Jackson, Jefferson, Lawrence, Meigs, Monroe, Morgan, Muskingum, Noble, Perry, Pike, Ross, Scioto, Tuscarawas, Vinton, and Washington; Ohio.

In Pennsylvania, the counties of Allegheny, Armstrong, Beaver, Bedford, Blair, Bradford, Butler, Cambria, Cameron, Carbon, Centre, Clarion, Clearfield, Clinton, Columbia, Crawford, Elk, Erie, Fayette, Forest, Fulton, Greene, Huntingdon, Indiana, Jefferson, Juniata, Lackawanna, Lawrence, Luzerne, Lycoming, McKean, Mercer, Mifflin, Monroe, Montour, Northumberland, Perry, Pike, Potter, Schuylkill, Snyder, Somerset, Sullivan, Susquehanna, Tioga, Union, Venango, Warren, Washington, Wayne, Westmoreland, and Wyoming; Pennsylvania.

In South Carolina, the counties of Anderson, Cherokee, Greenville, Oconee, Pickens, and Spartanburg; South Carolina.

In Tennessee, the counties of Anderson, Bledsoe, Blount, Bradley, Campbell, Carter, Claiborne, Clay, Cocke, Coffee, Cumberland, De Kalb, Fentress, Franklin, Grainger, Greene, Grundy, Hamblen, Hamilton, Hancock, Hawkins, Jackson, Jefferson, Johnson, Knox, Loudon, McMinn, Macon, Marion, Meigs, Monroe, Morgan, Overton, Pickett, Polk, Putnam, Rhea, Roane, Scott, Sequatchie, Sevier, Smith, Sullivan, Unicoi, Union, Van Buren, Warren, Washington, and White; Tennessee.

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

All the counties of West Virginia:

West Virginia.

Provided, That the Commission is hereby authorized and directed to study and consider, in consultation with the Governor of the State of New York or an appropriate official or officials designated by him, the inclusion of such counties of the State of New York as are contiguous to the Appalachian region as defined in this section and counties contiguous thereto in the Appalachian region for the purposes of this Act; and if the Commission shall decide after such consultation, that these counties share the social and economic characteristics of the region, and that the inclusion of these counties would further the purposes of this Act as set forth in section 2, then the Commission is authorized and directed to invite the State of New York to participate in the Commission on an appropriate basis: *Provided further*, That the Commission may extend the invitation to the State of New York for inclusion of such of the described counties the inclusion of which would further the purposes of the Act: *And provided further*, That if such invitation is duly accepted by the State of New York, New York. Study.

those counties shall be included in "the region" or "the Appalachian region" for the purposes of this Act.

SEVERABILITY

SEC. 404. If any provision of this Act, or the applicability thereof to any person or circumstance, is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

TERMINATION

SEC. 405. This Act shall cease to be in effect on July 1, 1971.
Approved March 9, 1965.

LEGISLATIVE HISTORY:

- HOUSE REPORT No. 51 (Comm. on Public Works).
- SENATE REPORT No. 13 (Comm. on Public Works).
- CONGRESSIONAL RECORD, Vol. 111 (1965):
 - Jan. 29: Considered in Senate.
 - Feb. 1: Considered and passed Senate.
 - Mar. 1, 2: Considered in House.
 - Mar. 3: Considered and passed House.