

Public Law 90-103

AN ACT

October 11, 1967
[S. 602]

To revise and extend the Appalachian Regional Development Act of 1965, and to amend the Public Works and Economic Development Act of 1965.

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

**TITLE I—APPALACHIAN REGIONAL DEVELOPMENT ACT
AMENDMENTS OF 1967**

SEC. 101. This title may be cited as the "Appalachian Regional Development Act Amendments of 1967".

Appalachian Regional Development Act Amendments of 1967.

SEC. 102. Section 102 of the Appalachian Regional Development Act of 1965 (hereinafter in this title referred to as "the Act") is amended (1) by inserting "and" at the end of clause (7); (2) by striking out the semicolon and the word "and" at the end of clause (8) and inserting in lieu thereof a period; and (3) by striking out clause (9).

79 Stat. 7.
40 USC app. 102.

SEC. 103. Section 105 of the Act is amended to read as follows:

40 USC app. 105.

"ADMINISTRATIVE EXPENSES OF THE COMMISSION

"SEC. 105. (a) For the period ending on June 30, 1967, the administrative expenses of the Commission shall be paid by the Federal Government. Thereafter, such expenses shall be paid 50 per centum by the Federal Government and 50 per centum by the States in the region, except that the expenses of the Federal Cochairman, his alternate, and his staff shall be paid solely by the Federal Government. 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.

Appropriation.

"(b) To carry out this section, there is hereby authorized to be appropriated to the Commission, to be available until expended, not to exceed \$1,700,000 for the two-fiscal-year period ending June 30, 1969. Not to exceed \$400,000 of such authorization shall be available for the expenses of the Federal Cochairman, his alternate, and his staff. Unexpended balances of appropriations under the authorization in this section prior to amendment by the Appalachian Regional Development Act Amendments of 1967 shall remain available for the purposes of this section, as amended, until expended."

SEC. 104. Clause (7) of section 106 of the Act, entitled "ADMINISTRATIVE POWERS OF THE COMMISSION", is amended to read as follows:

40 USC app. 106.

"(7) enter into and perform such contracts, leases (including, notwithstanding any other provision of law, the lease of office space for any term expiring no later than June 30, 1971), 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 (which is hereby so authorized to the extent not otherwise prohibited by law) or with any State, or any political subdivision, agency, or instrumentality thereof, or with any person, firm, association, or corporation."

SEC. 105. Title I of the Act is amended by inserting at the end thereof a new section as follows:

40 USC app. 101-108.

"COMMISSION EMPLOYEE PROTECTIONS

80 Stat. 468.

"SEC. 109. Section 5334(a) of title 5, United States Code, is amended by adding at the end thereof the following new sentence: 'For the purpose of this subsection, an individual employed by the Appalachian Regional Commission under section 106(a) of the Appalachian Regional Development Act of 1965, or by a regional commission established pursuant to section 502 of the Public Works and Economic Development Act of 1965, under section 506(2) of such Act, who was a Federal employee immediately prior to such employment by a commission and within six months after separation from such employment is employed in a position to which this subchapter applies, shall be treated as if transferred from a position in the executive branch to which this subchapter does not apply.'"

79 Stat. 8,
40 USC app. 106.79 Stat. 564,
42 USC 3182,
3186.79 Stat. 10.
40 USC app. 201.

SEC. 106. Section 201 of the Act is amended to read as follows:

"APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

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

72 Stat. 885.

"(b) The Commission shall transmit to the Secretary its designations of (1) the general corridor location and termini of the development highways, (2) local access roads to be constructed, (3) priorities for the construction of 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 designations, he shall have obtained the recommendations of the State highway department of the State which he represents.

"(c) In no event shall the Secretary assist in any construction (including right-of-way acquisition) 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 appropriations authorization in subsection (g). On its completion each development highway not already on the Federal-aid primary system shall be added to such system and each development highway and local access road shall be required to be maintained by the State as provided for Federal-aid highways in title 23, United States Code.

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

"(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

Road construction.
Use of coal
derivatives.

maximum extent possible, to use coal derivatives in the construction of not to exceed 10 per centum of the roads authorized under this Act.

“(f) Federal assistance to any construction project under this section shall not exceed 50 per centum of the costs of such project, unless the Commission determines 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.

Federal
percentage.

“(g) To carry out this section, there is hereby authorized to be appropriated to the President, to be available until expended, \$715,000,000 for the four-fiscal-year period ending June 30, 1971.

Appropriation.

“(h) (1) When a participating State proceeds to construct a segment of a development highway without the aid of Federal funds, in accordance with all procedures and requirements applicable to the construction of segments of Appalachian development highways with such funds, except insofar as such procedures and requirements limit a State to the construction of projects for which Federal funds have previously been appropriated, the Secretary, upon application by the State and with the approval of the Commission, is authorized to pay to the State the Federal share not to exceed 70 per centum of the costs of the construction of such segment, from any sums appropriated and allocated to such State to carry out this section.

“(2) This subsection shall not be construed as a commitment or obligation on the part of the United States to provide funds for segments of development highways constructed under this subsection, and shall not increase the limitation on construction in subsection (c).”

SEC. 107. Section 202 of the Act is amended to read as follows:

79 Stat. 11.
40 USC app.
202.

“DEMONSTRATION HEALTH PROJECTS

“SEC. 202. (a) In order to demonstrate the value of adequate health facilities and services to the economic development of the region, the Secretary of Health, Education, and Welfare is authorized to make grants for the planning, construction, equipment, and operation of multicounty demonstration health projects, including hospitals, regional health diagnostic and treatment centers, and other facilities and services necessary to health. Grants for such construction (including the acquisition of privately owned facilities not operated for profit and initial equipment) shall be made in accordance with the applicable provisions of title VI of the Public Health Service Act (42 U.S.C. 291-291o), the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (77 Stat. 282), and other laws authorizing grants for the construction of health-related facilities, 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.

78 Stat. 447.
42 USC 2661
note.

“(b) No grant for the construction or equipment of any component of a demonstration health project shall exceed 80 per centum of such costs. The Federal contribution may be provided entirely from funds authorized under this section or in combination with funds provided under other Federal grant-in-aid programs for the construction or equipment of health-related facilities. Notwithstanding any provision of law limiting the Federal share in such other programs, funds authorized under this section may be used to increase Federal grants for component facilities of a demonstration health project to a maximum of 80 per centum of the costs of such facilities.

Federal share.

“(c) Grants under this section for operation (including initial operating funds and operating deficits comprising among other items the costs of attracting, training, and retaining qualified personnel) of a demonstration health project, whether or not constructed with funds authorized by this section, may be made for up to 100 per centum of the costs thereof for the two-year period beginning, for each component facility or service assisted under any such operating grant, on the first day that such facility or service is in operation as a part of the project. For the next three years of operations such grants shall not exceed 50 per centum of such costs. No grant for operation of a demonstration health project shall be made unless the facility is publicly owned, or owned by a public or private nonprofit organization, and is not operated for profit. No grants for operation of a demonstration health project shall be made after five years following the commencement of the initial grant for operation of the project. No such grants shall be made unless the Secretary of Health, Education, and Welfare is satisfied that the operation of the project will be conducted under efficient management practices designed to obviate operating deficits. Notwithstanding section 104 of the Public Works and Economic Development Act of 1965 (79 Stat. 554), a health-related facility constructed under title I of that Act may be a component of a demonstration health project eligible for operating grant assistance under this section.

42 USC 3134.

“(d) The Secretary of Health, Education, and Welfare is authorized to provide funds to the Commission for the support of its Health Advisory Committee and to make grants for expenses of planning necessary for the development and operation of demonstration health projects for the region. The amount of any such grant shall not exceed 75 per centum of such expenses.

Post, p. 266.

“(e) Not to exceed \$50,000,000 of the funds authorized in section 401 of this Act for the two-fiscal-year period ending June 30, 1969, shall be available to carry out this section.”

79 Stat. 12.
40 USC app. 203.

SEC. 108. Subsection (i) of section 203 of the Act, entitled “LAND STABILIZATION, CONSERVATION, AND EROSION CONTROL”, is amended to read as follows:

“(i) Not to exceed \$19,000,000 of the funds authorized in section 401 of this Act for the two-fiscal-year period ending June 30, 1969, shall be available to carry out this section.”

40 USC app. 204.

SEC. 109. Section 204 of the Act is amended by striking out subsection (b) and inserting in lieu thereof the following new subsections (b) and (c):

Hardwood
products, research
grants.

“(b) The Secretary of Agriculture is authorized to provide technical assistance, make grants, enter into contracts, or otherwise provide funds, first to colleges, universities and other institutions of higher education (with priority to land grant schools), and thereafter to forest products research institutions in the region and other appropriate public and private organizations, which schools, institutions, and organizations have the demonstrated capability to perform such research, for Appalachian hardwood products research, including investigations, studies, and demonstrations, which will further the purposes of this Act. Funds shall be provided only for programs and projects which will contribute significantly to the development of (1) Appalachian hardwood technology, (2) new or improved uses of Appalachian hardwood resources, (3) new or improved processes or methods for producing hardwood products, or (4) new or improved markets for such products. Funds under this section shall be provided solely out of sums specifically appropriated for the purpose of carrying out this Act, and shall not be taken into account in the allocation or distribution of funds pursuant to any other provision of law.

“(c) Not to exceed \$2,000,000 of the funds authorized in section 401 of this Act for the two-fiscal-year period ending June 30, 1969, shall be available to carry out the purposes of subsection (b) of this section.”

Post, p. 266.

SEC. 110. (a) Clause (1) of subsection (a) of section 205 of the Act, entitled “MINING AREA RESTORATION”, is amended to read as follows:

Mining area
restoration.
79 Stat. 13.
40 USC app. 205.

“(1) make financial contributions to States in the region to seal and fill voids in abandoned coal mines and abandoned oil and gas wells, and to reclaim and rehabilitate lands affected by the strip and surface mining and processing of coal and other minerals, including lands affected by waste piles, 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 wholly out of funds specifically appropriated for the purposes of carrying out this Act.”

69 Stat. 352.

76 Stat. 934.

(b) Strike out clause (3) of subsection (a) of section 205 of the Act.

Repeal.
79 Stat. 14.

(c) Subsection (b) of section 205 of the Act is amended to read as follows:

“(b) For the fiscal years 1966, 1967, 1968, and 1969, notwithstanding any other provision of law, the Federal share of mining area restoration projects, including reasonable planning and engineering costs, 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. The non-Federal share of the total cost of any project carried out under subsection (a) of this section may include reasonable land acquisition costs incurred in acquiring land necessary for the purposes of implementing such project, if such land is acquired after the date of enactment of the Appalachian Regional Development Act Amendments of 1967.”

(d) The first sentence of subsection (d) of section 205 of the Act is amended to read as follows: “Not to exceed \$30,000,000 of the funds authorized in section 401 of this Act for the two-fiscal-year period ending June 30, 1969, shall be available to carry out this section.”

40 USC app. 206.

SEC. 111. Subsection (g) of section 206 of the Act, entitled “WATER RESOURCE SURVEY”, is amended to read as follows:

“(g) Not to exceed \$2,000,000 of the funds authorized in section 401 of this Act for the two-fiscal-year period ending June 30, 1969, shall be available to carry out this section.”

79 Stat. 10.
40 USC app.
201-206.

SEC. 112. Part A of title II of the Act is amended by inserting at the end thereof a new section as follows:

“ASSISTANCE FOR PLANNING AND OTHER PRELIMINARY EXPENSES OF PROPOSED HOUSING PROJECTS UNDER SECTION 221 OF THE NATIONAL HOUSING ACT

“SEC. 207. (a) In order to encourage and facilitate the construction or rehabilitation of housing to meet the needs of low- and moderate-income families and individuals, the Secretary of Housing and Urban Development (hereafter in this section referred to as the ‘Secretary’) is authorized to make grants and loans from the Appalachian Housing Fund established by this section, under such terms and conditions as he may prescribe, to nonprofit, limited dividend, or cooperative organizations, or to public bodies, for expenses of planning and of obtaining an insured mortgage for a housing construction or rehabilitation project, under section 221 of the National Housing Act (hereafter in this section referred to as ‘section 221’), in any area of the Appalachian

68 Stat. 599.
12 USC 1715f.

region determined by the Commission to have significant potential for future growth.

“(b) No grant under this section shall exceed 80 per centum of those administrative expenses, incident to planning a project and obtaining an insured mortgage under section 221, which the Secretary considers not to be recoverable from the proceeds of a mortgage insured under such section: *Provided*, That no grant shall be made to an organization established for profit.

68 Stat. 599.
12 USC 1715f.

“(c) No loan under this section shall exceed 80 per centum of the cost of planning a project and obtaining an insured mortgage under section 221, including, but not limited to, preliminary surveys and analyses of market needs, preliminary site engineering and architectural fees, site options, Federal Housing Administration and Federal National Mortgage Association fees, and construction loan fees and discounts. Loans may be made without interest, or at any market or below market interest rate authorized for a mortgage insured under section 221: *Provided*, That any loan made to an organization established for profit shall bear interest at the prevailing market rate authorized for a mortgage insured under such section. The Secretary may, except in the case of a loan to an organization established for profit, waive the repayment of all or any part of a loan made under this section, including interest, which he finds the borrower is unable to recover from the proceeds of a mortgage insured under section 221.

Appalachian
Housing Fund.

“(d) All funds allocated to the Secretary for the purposes of this section shall be deposited in a fund which shall be known as the Appalachian Housing Fund and shall be used as a revolving fund by the Secretary for carrying out such purposes. General expenses of administration of this section may be charged to the fund. Moneys in the fund not needed for current operation may be invested in bonds or other obligations guaranteed as to principal and interest by the United States.

Post, p. 266.

“(e) Not to exceed \$5,000,000 of the funds authorized in section 401 of this Act for the two-fiscal-year period ending June 30, 1969, shall be available to carry out this section.”

79 Stat. 16.
40 USC app. 211.

SEC. 113. (a) Subsection (a) of section 211 of the Act, entitled “VOCATIONAL EDUCATION FACILITIES”, is amended by inserting before the word “needed” in the first sentence, the following: “and for the equipment of such facilities and other school facilities”.

(b) Subsection (b) of section 211 of the Act is amended to read as follows:

40 USC app. 212.

“(b) Not to exceed \$26,000,000 of the funds authorized in section 401 of this Act for the two-fiscal-year period ending June 30, 1969, shall be available to carry out this section.”

SEC. 114. Subsection (b) of section 212 of the Act, entitled “SEWAGE TREATMENT WORKS”, is amended to read as follows:

“(b) Not to exceed \$6,000,000 of the funds authorized in section 401 of this Act for the two-fiscal-year period ending June 30, 1969, shall be available to carry out this section.”

73 Stat. 678;
78 Stat. 792,
793; 79 Stat. 17.

SEC. 115. (a) Section 701(a) of the Housing Act of 1954 (40 U.S.C. 461(a)) is amended by striking out “and” at the end of clause (8) and all of clause (9) and inserting in lieu thereof the following:

“(9) the Appalachian Regional Commission, for comprehensive planning for the Appalachian region as defined by section 403 of the Appalachian Regional Development Act of 1965; and

“(10) local development districts, certified under section 301 of the Appalachian Regional Development Act of 1965, for comprehensive planning for their entire areas, or for metropolitan planning, urban planning, county planning, or small municipality

79 Stat. 21.
40 USC app. 403.
Post, p. 266.
79 Stat. 19.
40 USC app. 301.

planning within such areas in the Appalachian region, and for planning for Appalachian regional programs.”

(b) The proviso of the first sentence of section 701(b) of the Housing Act of 1954 is amended by inserting after “States” the words “and local development districts”.

SEC. 116. Section 214 of the Act is amended to read as follows:

78 Stat. 792;
79 Stat. 17.
40 USC 461.
79 Stat. 17.
40 USC app.
214.

“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 President is authorized to provide funds to the Federal Cochairman to be used for the sole purpose of increasing the Federal contribution to projects under Federal grant-in-aid programs, as hereafter defined, above the fixed maximum portion of the cost of such projects otherwise authorized by the applicable law. Funds shall be so provided for Federal grant-in-aid programs for which funds are available under the Acts authorizing such programs and shall be available without regard to any appropriation authorization ceilings in such Acts. Any finding, report, certification, or documentation required to be submitted to the head of the department, agency, or instrumentality of the Federal Government responsible for the administration of any Federal grant-in-aid program shall be accepted by the Federal Cochairman with respect to a supplemental grant for any project under such program.

“(b) The Federal portion of such costs shall not be increased in excess of the percentages established by the Commission, and shall in no event exceed 80 per centum thereof.

“(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 December 31, 1967, by Acts other than this Act for the acquisition of land or 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 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.

“Federal grant-in-aid programs.”

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.
Ante, p. 258.

“(d) Not to exceed \$97,000,000 of the funds authorized in section 401 of this Act for the two-fiscal-year period ending June 30, 1969, shall be available to carry out this section.”

Post, p. 266.

SEC. 117. (a) The first sentence of section 221 of the Act, entitled “MAINTENANCE OF EFFORT”, is amended by striking out “exclusive of Federal funds,” and inserting in lieu thereof the following: “exclusive of expenditures for participation in the National System of Interstate and Defense Highways, and exclusive of local funds and Federal funds.”

79 Stat. 18.
40 USC app.
221.

(b) The second sentence of such section is amended by inserting after "Highways" the following: "and expenditures of local funds and Federal funds".

SEC. 118. Section 223 of the Act is amended to read as follows:

"PROGRAM IMPLEMENTATION

"SEC. 223. No program or project authorized under any section of this title shall be implemented until (1) applications and plans relating to the program or project have been determined by the responsible Federal official to be compatible with the provisions and objectives of Federal laws which he administers that are not inconsistent with this Act, and (2) the Commission has approved such program or project and has determined that it meets the applicable criteria under section 224 and will contribute to the development of the region, which determination shall be controlling."

40 USC app. 224. SEC. 119. (a) Subsection (a) of section 224 of the Act, entitled "PROGRAM DEVELOPMENT CRITERIA", is amended (1) by striking out "In developing recommendations on the" and inserting in lieu thereof: "In considering"; and (2) by striking out "within those recommendations".

(b) Subsection (b) of such section is amended by striking out clause (1) and inserting in lieu thereof the following: "(1) to assist establishments relocating from one area to another;"

40 USC app. 302. SEC. 120. Section 302 of the Act, entitled "GRANTS FOR ADMINISTRATIVE EXPENSES OF LOCAL DEVELOPMENT DISTRICTS AND FOR RESEARCH AND DEMONSTRATION PROJECTS", is amended by (1) striking out subsections (a) through (c); (2) redesignating subsection (d) as subsection (e); and (3) inserting the following new subsections (a) through (d):

"(a) The President is authorized—

"(1) to make grants to the Commission for administrative expenses, including technical services, of local development districts, but (A) the amount of any such grant shall not exceed 75 per centum of such expenses, (B) no grants for administrative expenses shall be made for a local development district for a period in excess of three years beginning on the date the initial grant is made for such development district, and (C) the local development district contributions for administrative expenses may be in cash or in kind, fairly evaluated, including but not limited to space, equipment, and services; and

"(2) to make grants to the Commission for investigation, research, studies, technical assistance, and demonstration projects, and for training programs, but not for construction purposes, which will further the purposes of this Act.

"(b) The Commission is authorized to make a survey and study of acid pollution in the region resulting from mining activities and the effects of such pollution, in full cooperation with the Secretary of the Interior and other appropriate Federal, State, and local departments and agencies, with the objective of developing a comprehensive action program for the appropriate control, reduction, or elimination of such pollution in the region or the effects of such pollution. The Commission shall submit to the President a report, including specific recommendations for such program and for the policies under which it should be conducted, and the President shall submit the report to the Congress, together with his recommendations, not later than March 31, 1969. The study shall, among other matters—

"(1) Identify sources of acid mine pollution in the region and their type, area, ownership, and other characteristics; the relative contribution of each source; and the impact of each source on water quality in the streams affected.

79 Stat. 18.
40 USC app.
223.

40 USC app. 224.

40 USC app. 302.

Acid pollution
study.

Report to
President and
Congress.

Contents.

"(2) Identify present and potential water-using and other activities which are affected by acid mine pollution in the region, or originating in the region, and the economic and social costs and effects attributable to such pollution.

"(3) Identify known methods and costs for the control and abatement of acid mine pollution.

"(4) Estimate economic and social benefits, public and private, that are likely to result from reducing to various levels acid mine pollution in the streams of the region and identify the types of beneficiaries and the relative distribution of the benefits to such beneficiaries.

"(5) Consider the appropriate roles of Federal, State, and private interests in programs for the control, reduction, or elimination of acid mine pollution in the region and the relative costs which each should bear, including specifically (A) the extent, if any, to which private interests can bear the cost of such programs within the economics of mining activity, (B) the effectiveness of past action by Federal, State, and local units of government in remedying or controlling the adverse effects of acid mine pollution, (C) relationships which might be established among Federal, State, and local units of government, and with private interests, or implementing and funding such programs, and (D) the need for appropriate Federal and State legislation, including adequate enforcement provisions, for such programs.

"(6) Formulate a program for the appropriate control, reduction, or elimination of acid mine pollution in the region, including the identification of specific objectives and costs, with due consideration to: (A) the developmental effects of the program, (B) the economic benefits of the program in relation to costs, (C) the social effects of the program, (D) the avoidance of unwarranted financial gain to private interests, and (E) the types and sources of aid required to accomplish the program.

"(c) (1) The Commission shall, as required by the President, maintain accurate and complete records of transactions and activities financed with Federal funds and report thereon to the President. The records of the Commission shall be available for audit with respect to such grants by the President and the Comptroller General or their duly authorized representatives.

Financial records, maintenance.

"(2) Recipients of Federal assistance under the provisions of this section shall, as required by the Commission, maintain accurate and complete records of transactions and activities financed with Federal funds and report thereon to the Commission. Such records shall be available for audit by the President, the Comptroller General, and the Commission or their duly authorized representatives.

"(d) Not to exceed \$11,000,000 of the funds authorized in section 401 of this Act for the two-fiscal-year period ending June 30, 1969, shall be available to carry out this section. Not to exceed \$3,000,000 of such authorization shall be available for the purposes of subsection (b)."

Post, p. 266.

SEC. 121. Section 303 of the Act is amended to read as follows:

79 Stat. 20.
40 USC app. 303.

"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 through the State member of the Commission representing such applicant, and such State member shall evaluate the 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. No project shall be approved by the Commission unless the Commission is satisfied that the project will be properly administered, operated, and maintained."

SEC. 122. Section 401 of the Act is amended to read as follows:

79 Stat. 21.
40 USC app. 401.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 401. In addition to the appropriations authorized in section 105 and in section 201 for the Appalachian development highway system and local access roads, there is hereby authorized to be appropriated to the President, to be available until expended, not to exceed \$170,000,000 for the two-fiscal-year period ending June 30, 1969, to carry out this Act."

Ante, pp. 257,
258.

SEC. 123. (a) Section 403 of the Act, entitled "DEFINITION OF AP-
PALACHIAN REGION", is amended—

40 USC app.
403.

Alabama.

(1) by inserting in the clause relating to the counties in Alabama after "Jefferson," the following: "Lamar," and after "Morgan," the following: "Pickens,";

(2) by inserting after the clause relating to the counties in Maryland the following:

Mississippi.

"In Mississippi, the counties of Alcorn, Benton, Chickasaw, Choctaw, Clay, Itawamba, Kemper, Lee, Lowndes, Marshall, Monroe, Noxubee, Oktibbeha, Pontotoc, Prentiss, Tippah, Tishomingo, Union, Webster, and Winston;

New York.

"In New York, the counties of Allegany, Broome, Cattaraugus, Chautauqua, Chemung, Chenango, Cortland, Delaware, Otsego, Schoharie, Schuyler, Steuben, Tioga, and Tompkins,"; and

Tennessee.

(3) by inserting in the clause relating to the counties in Tennessee after "Campbell" the following: "Cannon,".

(b) Such section is further amended by striking out the colon following "West Virginia" and inserting in lieu thereof a period, and by striking out all of the remainder of such section and inserting in lieu thereof the following:

"No recommendation for any change in the definition of the Appalachian region as set forth in this section shall be proposed or considered by the Commission without a prior resolution by the Committee on Public Works of the Senate or of the House of Representatives, directing a study of such change."

TITLE II—AMENDMENTS TO THE PUBLIC WORKS AND
ECONOMIC DEVELOPMENT ACT OF 1965

SEC. 201. Subsection (a) of section 503 of the Public Works and Economic Development Act of 1965 is amended by striking the semicolon after clause (2), inserting a comma, and the following: "including the development of a comprehensive long-range economic plan approved by the Secretary;".

79 Stat. 255.
42 USC 3183.

SEC. 202. Subsection (c) of section 505 of the Public Works and Economic Development Act of 1965 is amended by adding at the end thereof the following:

42 USC 3185.

"Not to exceed \$2,500,000 of the funds authorized to be appropriated by this subsection for each fiscal year shall be allocated by the Secretary to each regional commission to carry out the purposes of this section."

SEC. 203. Section 509 of the Public Works and Economic Development Act of 1965 is amended by redesignating such section as section 510 and by inserting after section 508 the following new section 509:

42 USC 3189.

"SUPPLEMENTS TO FEDERAL GRANT-IN-AID PROGRAMS

"SEC. 509. (a) In order to enable the States and other entities within economic development regions established under this Act 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 shall, once a comprehensive long-range economic plan established pursuant to clause (2) of section 503(a) is in effect, provide funds pursuant to specific recommendations, to each of the Federal Cochairmen of the regional commissions heretofore or hereafter established under this title, to 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 projects otherwise authorized by the applicable law. No program or project authorized under this section shall be implemented until (1) applications and plans relating to the program or project have been determined by the responsible Federal official to be compatible with the provisions and objectives of Federal laws which he administers that are not inconsistent with this Act, and (2) the Regional Commission involved has approved such program or project and has determined that it meets the applicable criteria under section 504 and will contribute to the development of the region, which determination shall be controlling. Funds may be provided only for Federal grant-in-aid programs for which funds are available under the Act authorizing such programs. Funds so provided shall be available without regard to any appropriation authorization ceilings in such Act.

Ante, p. 266.

79 Stat. 566.
42 USC 3184.

"(b) The Federal portion of such costs shall not be increased in excess of the percentages established by each commission, and shall in no event exceed 80 per centum thereof.

"(c) The term 'Federal grant-in-aid programs' as used in this section means all Federal grant-in-aid programs in existence on or before December 31, 1967, assisting in the acquisition of land or the construction or equipment of facilities, including but not limited to grant-in-aid programs authorized by title I of this Act and 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; and National Defense Education Act of 1958. The term shall not include any program in which loans or other Federal financial assistance, except a grant-in-aid program, is authorized by this or any other Act. Grants under this section shall be made solely out of funds specifically appropriated for the purpose of carrying out this section, and shall not be taken into account in the computation of allocations among the States made pursuant to any other provision of law.

"Federal grant-in-aid programs."

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.

"(d) There is hereby authorized to be appropriated to the Secretary for each of the regional commissions for the purposes of this section the sum of \$5,000,000 for the period ending June 30, 1968, and the sum of \$10,000,000 for the fiscal year ending June 30, 1969.

Appropriation.

"(e) An application for a grant under this section shall be made through the State member of the Commission representing such applicant, and such State member shall evaluate the application for approval. Only applications for programs and projects which are approved by a State member as meeting the requirements for assistance under this section shall be approved for assistance."

79 Stat. 569.
42 USC 3201-
3203.

SEC. 204. The Public Works and Economic Development Act of 1965 is amended by adding at the end of title VI thereof the following new section:

“ADMINISTRATION, OPERATION, AND MAINTENANCE

“SEC. 604. No Federal assistance shall be approved under this Act unless the Secretary is satisfied that the project for which Federal assistance is granted will be properly and efficiently administered, operated, and maintained.”

Approved October 11, 1967.

Public Law 90-104

AN ACT

October 11, 1967
[S. 1862]

To amend the authorizing legislation of the Small Business Administration, and for other purposes.

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

TITLE I

Small Business Act Amendments of 1967.

SEC. 101. This title may be cited as the “Small Business Act Amendments of 1967”.

Revolving funds.
80 Stat. 132.
15 USC 633.

SEC. 102. Paragraph (4) of section 4(c) of the Small Business Act is amended—

- (1) by striking out “\$1,400,000,000” and inserting in lieu thereof “\$1,900,000,000”;
- (2) by striking out “\$400,000,000” and inserting in lieu thereof “\$450,000,000”;
- (3) by striking out “\$200,000,000” and inserting in lieu thereof “\$300,000,000”; and
- (4) by striking out “\$100,000,000” and inserting in lieu thereof “\$200,000,000”.

Construction loans.
72 Stat. 388.
15 USC 636.

SEC. 103. Paragraph (4) of section 7(a) is amended by striking out “except that a loan made for the purpose of constructing facilities may have a maturity of ten years” and inserting in lieu thereof “except that such portion of a loan made for the purpose of constructing facilities may have a maturity of fifteen years”.

Disaster loans.
80 Stat. 1319.

SEC. 104. The subsection added to section 7 of the Small Business Act by the Disaster Relief Act of 1966 (Public Law 89-769), and designated thereby as subsection (e), is redesignated as subsection (f).

Volunteer management counselors.

SEC. 105. Subparagraph (B) of paragraph (1) of section 8(b) of the Small Business Act is amended to read as follows:

Travel expenses, etc.
80 Stat. 1295.
15 USC 637.

“(B) in the case of any individual or group of persons co-operating with it in furtherance of the purposes of subparagraph (A), (i) to allow such an individual or group such use of the Administration’s office facilities and related materials and services as the Administration deems appropriate; and (ii) to pay the transportation expenses and a per diem allowance in accordance with section 5703 of title 5, United States Code, to any such individual for travel and subsistence expenses incurred at the request of the Administration in connection with travel to a point more than fifty miles distant from the home of that individual in providing gratuitous services to small businessmen in furtherance of the purposes of subparagraph (A) or in connection with attendance at meetings sponsored by the Administration;”.

80 Stat. 499.