

SEC. 503. DELTA REGIONAL AUTHORITY.

The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) is amended by adding at the end the following:

“Subtitle F—Delta Regional Authority

“SEC. 382A. DEFINITIONS.

“In this subtitle:

“(1) AUTHORITY.—The term ‘Authority’ means the Delta Regional Authority established by section 382B.

“(2) REGION.—The term ‘region’ means the Lower Mississippi (as defined in section 4 of the Delta Development Act (42 U.S.C. 3121 note; Public Law 100–460)).

“(3) FEDERAL GRANT PROGRAM.—The term ‘Federal grant program’ means a Federal grant program to provide assistance in—

“(A) acquiring or developing land;

“(B) constructing or equipping a highway, road, bridge, or facility; or

“(C) carrying out other economic development activities.

“SEC. 382B. DELTA REGIONAL AUTHORITY.

“(a) ESTABLISHMENT.—

“(1) IN GENERAL.—There is established the Delta Regional Authority.

“(2) COMPOSITION.—The Authority shall be composed of—

“(A) a Federal member, to be appointed by the President, with the advice and consent of the Senate; and

“(B) the Governor (or a designee of the Governor) of each State in the region that elects to participate in the Authority.

“(3) COCHAIRPERSONS.—The Authority shall be headed by—

“(A) the Federal member, who shall serve—

“(i) as the Federal cochairperson; and

“(ii) as a liaison between the Federal Government and the Authority; and

“(B) a State cochairperson, who—

“(i) shall be a Governor of a participating State in the region; and

“(ii) shall be elected by the State members for a term of not less than 1 year.

“(b) ALTERNATE MEMBERS.—

“(1) STATE ALTERNATES.—The State member of a participating State may have a single alter-nate, who shall be—

“(A) a resident of that State; and

“(B) appointed by the Governor of the State.

“(2) ALTERNATE FEDERAL COCHAIRPERSON.—The President shall appoint an alternate Fed-eral cochairperson.

“(3) QUORUM.—A State alternate shall not be counted toward the establishment of a quorum of the Authority in any instance in which a quorum of the State members is required to be present.

“(4) DELEGATION OF POWER.—No power or re-sponsibility of the Authority specified in para-graphs (2) and (3) of subsection (c), and no vot-ing right of any Authority member, shall be del-egated to any person—

“(A) who is not a Authority member; or

“(B) who is not entitled to vote in Authority meetings.

“(c) VOTING.—

“(1) IN GENERAL.—A decision by the Authority shall require a majority vote of the Authority (not including any member representing a State that is delinquent under subsection (g)(2)(C)) to be effective.

“(2) QUORUM.—A quorum of State members shall be required to be present for the Authority to make any policy decision, including—

“(A) a modification or revision of a Authority policy decision;

“(B) approval of a State or regional develop-ment plan; and

“(C) any allocation of funds among the States.

“(3) PROJECT AND GRANT PROPOSALS.—The approval of project and grant proposals shall be—

“(A) a responsibility of the Authority; and

“(B) conducted in accordance with section 382I.

“(4) VOTING BY ALTERNATE MEMBERS.—An alternate member shall vote in the case of the absence, death, disability, removal, or resignation of the Federal or State representative for which the alternate member is an alternate.

“(d) DUTIES.—The Authority shall—

“(1) develop, on a continuing basis, comprehensive and coordinated plans and programs to establish priorities and approve grants for the economic development of the region, giving due consideration to other Federal, State, and local planning and development activities in the region;

“(2) not later than 220 days after the date of enactment of this subtitle, establish priorities in a development plan for the region (including 5-year regional outcome targets);

“(3) assess the needs and assets of the region based on available research, demonstrations, investigations, assessments, and evaluations of the region prepared by Federal, State, and local agencies, universities, local development districts, and other nonprofit groups;

“(4) formulate and recommend to the Governors and legislatures of States that participate in the Authority forms of interstate cooperation;

“(5) work with State and local agencies in developing appropriate model legislation;

“(6)(A) enhance the capacity of, and provide support for, local development districts in the region; or

“(B) if no local development district exists in an area in a participating State in the region, foster the creation of a local development district;

“(7) encourage private investment in industrial, commercial, and other economic development projects in the region; and

“(8) cooperate with and assist State governments with economic development programs of participating States.

“(e) ADMINISTRATION.—In carrying out sub-section (d), the Authority may—

“(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 a description of the proceedings and reports on actions by the Authority as the Authority considers appropriate;

“(2) authorize, through the Federal or State co-chairperson or any other member of the Authority designated by the Authority, the administration of oaths if the Authority determines that testimony should be taken or evidence received under oath; and

“(3) request from any Federal, State, or local department or agency such information as may be available to or procurable by the department or agency that may be of use to the Authority in carrying out duties of the Authority;

“(4) adopt, amend, and repeal bylaws and rules governing the conduct of Authority business and the performance of Authority duties;

“(5) request the head of any Federal department or agency to detail to the Authority such personnel as the Authority requires to carry out duties of the Authority, each such detail to be without loss of seniority, pay, or other employee status;

“(6) request the head of any State department or agency or local government to detail to the Authority such personnel as the Authority requires to carry out duties of the Authority, each such detail to be without loss of seniority, pay, or other employee status;

“(7) provide for coverage of Authority employees in a suitable retirement and employee benefit system by—

“(A) making arrangements or entering into contracts with any participating State government; or

“(B) otherwise providing retirement and other employee benefit coverage;

“(8) accept, use, and dispose of gifts or donations of services or real, personal, tangible, or intangible property;

“(9) enter into and perform such contracts, leases, cooperative agreements, or other transactions as are necessary to carry out Authority duties, including any contracts, leases, or cooperative agreements with—

“(A) any department, agency, or instrumentality of the United States;

“(B) any State (including a political subdivision, agency, or instrumentality of the State); or

“(C) any person, firm, association, or corporation; and

“(10) establish and maintain a central office and field offices at such locations as the Authority may select.

“(f) **FEDERAL AGENCY COOPERATION.**—A Federal agency shall—

“(1) cooperate with the Authority; and

“(2) provide, on request of the Federal co-chairperson, appropriate assistance in carrying out this subtitle, in accordance with applicable Federal laws (including regulations).

“(g) **ADMINISTRATIVE EXPENSES.**—

“(1) **IN GENERAL.**—Administrative expenses of the Authority (except for the expenses of the Federal cochairperson, including expenses of the alternate and staff of the Federal cochairperson, which shall be paid solely by the Federal Government) shall be paid—

“(A) by the Federal Government, in an

amount equal to 50 percent of the administrative expenses; and

“(B) by the States in the region participating in the Authority, in an amount equal to 50 per-cent of the administrative expenses.

“(2) STATE SHARE.—

“(A) IN GENERAL.—The share of administra-tive expenses of the Authority to be paid by each State shall be determined by the Authority.

“(B) NO FEDERAL PARTICIPATION.—The Fed-eral cochairperson shall not participate or vote in any decision under subparagraph (A).

“(C) DELINQUENT STATES.—If a State is delin-quent in payment of the State’s share of admin-istrative expenses of the Authority under this subsection—

“(i) no assistance under this subtitle shall be furnished to the State (including assistance to a political subdivision or a resident of the State); and

“(ii) no member of the Authority from the State shall participate or vote in any action by the Authority.

“(h) COMPENSATION.—

“(1) FEDERAL COCHAIRPERSON.—The Federal cochairperson shall be compensated by the Fed-eral Government at level III of the Executive Schedule in subchapter II of chapter 53 of title V, United States Code.

“(2) ALTERNATE FEDERAL COCHAIRPERSON.—The alternate Federal cochairperson—

“(A) shall be compensated by the Federal Government at level V of the Executive Schedule described in paragraph (1); and

“(B) when not actively serving as an alter-nate for the Federal cochairperson, shall per-form such functions and duties as are delegated by the Federal cochairperson.

“(3) STATE MEMBERS AND ALTERNATES.—

“(A) IN GENERAL.—A State shall compensate

each member and alternate representing the State on the Authority at the rate established by law of the State.

“(B) NO ADDITIONAL COMPENSATION.—No State member or alternate member shall receive any salary, or any contribution to or sup-plementation of salary from any source other than the State for services provided by the member or alternate to the Authority.

“(4) DETAILED EMPLOYEES.—

“(A) IN GENERAL.—No person detailed to serve the Authority under subsection (e)(6) shall receive any salary or any contribution to or sup-plementation of salary for services provided to the Authority from—

“(i) any source other than the State, local, or intergovernmental department or agency from which the person was detailed; or

“(ii) the Authority.

“(B) VIOLATION.—Any person that violates this paragraph shall be fined not more than \$5,000, imprisoned not more than 1 year, or both.

“(C) APPLICABLE LAW.—The Federal cochair-person, the alternate Federal cochairperson, and any Federal officer or employee detailed to duty on the Authority under subsection (e)(5) shall not be subject to subparagraph (A), but shall remain subject to sections 202 through 209 of title 18, United States Code.

“(5) ADDITIONAL PERSONNEL.—

“(A) COMPENSATION.—

“(i) IN GENERAL.—The Authority may appoint and fix the compensation of an executive director and such other personnel as are necessary to enable the Authority to carry out the duties of the Authority.

“(ii) EXCEPTION.—Compensation under clause

(i) shall not exceed the maximum rate for the Senior Executive Service under section 5382 of title 5, United States Code, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of that title.

“(B) EXECUTIVE DIRECTOR.—The executive director shall be responsible for—

“(i) the carrying out of the administrative duties of the Authority;

“(ii) direction of the Authority staff; and

“(iii) such other duties as the Authority may assign.

“(C) NO FEDERAL EMPLOYEE STATUS.—No member, alternate, officer, or employee of the Authority (except the Federal cochairperson of the Authority, the alternate and staff for the Federal cochairperson, and any Federal employee detailed to the Authority under sub-section (e)(5)) shall be considered to be a Federal employee for any purpose.

“(i) CONFLICTS OF INTEREST.—

“(1) IN GENERAL.—Except as provided under paragraph (2), no State member, alternate, officer, or employee of the Authority shall participate personally and substantially as a member, alternate, officer, or employee of the Authority, 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 matter in which, to knowledge of the member, alternate, officer, or employee—

“(A) the member, alternate, officer, or employee;

“(B) the spouse, minor child, partner, or organization (other than a State or political subdivision of the State) of the member, alternate, officer, or employee, in which the member, alternate, officer, or employee is serving as officer,

director, trustee, partner, or employee; or
“(C) *any person or organization with whom the member, alternate, officer, or employee is negotiating or has any arrangement concerning prospective employment; has a financial interest.*

“(2) **DISCLOSURE.**—*Paragraph (1) shall not apply if the State member, alternate, officer, or employee—*

“(A) *immediately advises the Authority of the nature and circumstances of the proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other particular matter presenting a potential conflict of interest;*

“(B) *makes full disclosure of the financial interest; and*

“(C) *before the proceeding concerning the matter presenting the conflict of interest, receives a written determination by the Authority that the interest is not so substantial as to be likely to affect the integrity of the services that the Authority may expect from the State member, alternate, officer, or employee.*

“(3) **VIOLATION.**—*Any person that violates this subsection shall be fined not more than \$10,000, imprisoned not more than 2 years, or both.*

“(j) **VALIDITY OF CONTRACTS, LOANS, AND GRANTS.**—*The Authority may declare void any contract, loan, or grant of or by the Authority in relation to which the Authority determines that there has been a violation of any provision under subsection (h)(4), subsection (i), or sections 202 through 209 of title 18, United States Code.*

“(b) **SEC. 382C. ECONOMIC AND COMMUNITY DEVELOPMENT GRANTS.**

“(a) **IN GENERAL.**—*The Authority may approve grants to States and public and nonprofit*

entities for projects, approved in accordance with section 382I—

“(1) to develop the transportation infrastructure of the region for the purpose of facilitating economic development in the region (except that grants for this purpose may only be made to a State or local government);

“(2) to assist the region in obtaining the job training, employment-related education, and business development (with an emphasis on entrepreneurship) that are needed to build and maintain strong local economies;

“(3) to provide assistance to severely distressed and underdeveloped areas that lack financial resources for improving basic public services;

“(4) to provide assistance to severely distressed and underdeveloped areas that lack financial resources for equipping industrial parks and related facilities; and

“(5) to otherwise achieve the purposes of this subtitle.

“(b) FUNDING.—

“(1) IN GENERAL.—Funds for grants under subsection (a) may be provided—

“(A) entirely from appropriations to carry out this section;

“(B) in combination with funds available under another Federal or Federal grant program;
or

“(C) from any other source.

“(2) PRIORITY OF FUNDING.—To best build the foundations for long-term economic development and to complement other Federal and State resources in the region, Federal funds available under this subtitle shall be focused on the activities in the following order or priority:

“(A) Basic public infrastructure in distressed counties and isolated areas of distress.

“(B) Transportation infrastructure for the

purpose of facilitating economic development in the region.

“(C) Business development, with emphasis on entrepreneurship.

“(D) Job training or employment-related education, with emphasis on use of existing public educational institutions located in the region.

“(3) FEDERAL SHARE IN GRANT PROGRAMS.— Notwithstanding any provision of law limiting the Federal share in any grant program, funds appropriated to carry out this section may be used to increase a Federal share in a grant program, as the Authority determines appropriate.

“SEC. 382D. SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.

“(a) FINDING.—Congress finds that certain States and local communities of the region, including local development districts, may be unable to take maximum advantage of Federal grant programs for which the States and communities are eligible because—

“(1) they lack the economic resources to meet the required matching share; or

“(2) there are insufficient funds available under the applicable Federal grant law authorizing the program to meet pressing needs of the region.

“(b) FEDERAL GRANT PROGRAM FUNDING.—In accordance with subsection (c), the Federal co-chairperson may use amounts made available to carry out this subtitle, without regard to any limitations on areas eligible for assistance or authorizations for appropriation under any other Act, to fund all or any portion of the basic Federal contribution to a project or activity under a Federal grant program in the region in an amount that is above the fixed maximum portion of the cost of the project otherwise authorized by applicable law, but not to exceed 90 percent of the costs of the project (except as provided in

section 382F(b)).

“(c) CERTIFICATION.—

“(1) IN GENERAL.—In the case of any program or project for which all or any portion of the basic Federal contribution to the project under a Federal grant program is proposed to be made under this section, no Federal contribution shall be made until the Federal official administering the Federal law authorizing the contribution certifies that the program or project—

“(A) meets the applicable requirements of the applicable Federal grant law; and

“(B) could be approved for Federal contribution under the law if funds were available under the law for the program or project.

“(2) CERTIFICATION BY AUTHORITY.—

“(A) IN GENERAL.—The certifications and determinations required to be made by the Authority for approval of projects under this subtitle in accordance with section 382I—

“(i) shall be controlling; and

“(ii) shall be accepted by the Federal agencies.

“(B) ACCEPTANCE BY FEDERAL COCHAIR-PERSON.—

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 program shall be accepted by the Federal cochair-person with respect to a supplemental grant for any project under the program.

“SEC. 382E. LOCAL DEVELOPMENT DISTRICTS; CERTIFICATION AND ADMINISTRATIVE EXPENSES.

“(a) DEFINITION OF LOCAL DEVELOPMENT DISTRICT.—

In this section, the term ‘local development district’ means an entity that—

“(1) is—

“(A) a planning district in existence on the date of enactment of this subtitle that is recognized

by the Economic Development Administration of the Department of Commerce; or

“(B) where an entity described in subparagraph (A) does not exist—

“(i) organized and operated in a manner that ensures broad-based community participation and an effective opportunity for other nonprofit groups to contribute to the development and implementation of programs in the region;

“(ii) governed by a policy board with at least a simple majority of members consisting of elected officials or employees of a general purpose unit of local government who have been appointed to represent the government;

“(iii) certified to the Authority as having a charter or authority that includes the economic development of counties or parts of counties or other political subdivisions within the region—

“(I) by the Governor of each State in which the entity is located; or

“(II) by the State officer designated by the appropriate State law to make the certification;

and

“(iv)(I) a nonprofit incorporated body organized or chartered under the law of the State in which the entity is located;

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

“(III) a public organization established before the date of enactment of this subtitle under State law for creation of multi-jurisdictional, area-wide planning organizations; or

“(IV) a nonprofit association or combination of bodies, agencies, and instrumentalities described in subclauses (I) through (III); and

“(2) has not, as certified by the Federal cochairperson—

“(A) inappropriately used Federal grant funds from any Federal source; or

“(B) appointed an officer who, during the period in which another entity inappropriately used Federal grant funds from any Federal source, was an officer of the other entity.

“(b) GRANTS TO LOCAL DEVELOPMENT DISTRICTS.—

“(1) IN GENERAL.—The Authority may make grants for administrative expenses under this section.

“(2) CONDITIONS FOR GRANTS.—

“(A) MAXIMUM AMOUNT.—The amount of any grant awarded under paragraph (1) shall not exceed 80 percent of the administrative expenses of the local development district receiving the grant.

“(B) MAXIMUM PERIOD.—No grant described in paragraph (1) shall be awarded to a State agency certified as a local development district for a period greater than 3 years.

“(C) LOCAL SHARE.—The contributions of a local development district for administrative expenses may be in cash or in kind, fairly evaluated, including space, equipment, and services.

“(c) DUTIES OF LOCAL DEVELOPMENT DISTRICTS.—

A local development district shall—

“(1) operate as a lead organization serving multicounty areas in the region at the local level; and

“(2) serve as a liaison between State and local governments, nonprofit organizations (including community-based groups and educational institutions), the business community, and citizens that—

“(A) are involved in multijurisdictional planning;

“(B) provide technical assistance to local jurisdictions and potential grantees; and

“(C) provide leadership and civic development assistance.

“SEC. 382F. DISTRESSED COUNTIES AND AREAS

AND NONDISTRESSED COUNTIES.

“(a) *DESIGNATIONS.*—Not later than 90 days after the date of enactment of this subtitle, and annually thereafter, the Authority, in accordance with such criteria as the Authority may establish, shall designate—

“(1) as distressed counties, counties in the region that are the most severely and persistently distressed and underdeveloped and have high rates of poverty or unemployment;

“(2) as nondistressed counties, counties in the region that are not designated as distressed counties under paragraph (1); and

“(3) as isolated areas of distress, areas located in nondistressed counties (as designated under paragraph (2)) that have high rates of poverty or unemployment.

“(b) *DISTRESSED COUNTIES.*—

“(1) *IN GENERAL.*—The Authority shall allocate at least 75 percent of the appropriations made available under section 382M for programs and projects designed to serve the needs of distressed counties and isolated areas of distress in the region.

“(2) *FUNDING LIMITATIONS.*—The funding limitations under section 382D(b) shall not apply to a project providing transportation or basic public services to residents of 1 or more distressed counties or isolated areas of distress in the region.

“(c) *NONDISTRESSED COUNTIES.*—

“(1) *IN GENERAL.*—Except as provided in this subsection, no funds shall be provided under this subtitle for a project located in a county designated as a nondistressed county under subsection (a)(2).

“(2) *EXCEPTIONS.*—

“(A) *IN GENERAL.*—The funding prohibition under paragraph (1) shall not apply to grants to fund the administrative expenses of local development districts under section 382E(b).

“(B) MULTICOUNTY PROJECTS.—The Authority may waive the application of the funding prohibition under paragraph (1) to—

“(i) a multicounty project that includes participation by a nondistressed county; or

“(ii) any other type of project; if the Authority determines that the project could bring significant benefits to areas of the region outside a nondistressed county.

“(C) ISOLATED AREAS OF DISTRESS.—For a designation of an isolated area of distress for assistance to be effective, the designation shall be supported—

“(i) by the most recent Federal data available; or

“(ii) if no recent Federal data are available, by the most recent data available through the government of the State in which the isolated area of distress is located.

“(d) TRANSPORTATION AND BASIC PUBLIC INFRASTRUCTURE.—The Authority shall allocate at least 50 percent of any funds made available under section 382M for transportation and basic public infrastructure projects authorized under paragraphs (1) and (3) of section 382C(a).

“SEC. 382G. DEVELOPMENT PLANNING PROCESS.

“(a) STATE DEVELOPMENT PLAN.—In accordance with policies established by the Authority, each State member shall submit a development plan for the area of the region represented by the State member.

“(b) CONTENT OF PLAN.—A State development plan submitted under subsection (a) shall reflect the goals, objectives, and priorities identified in the regional development plan developed under section 382B(d)(2).

“(c) CONSULTATION WITH INTERESTED LOCAL PARTIES.—In carrying out the development planning process (including the selection of programs and projects for assistance), a State

may—

“(1) consult with—

“(A) local development districts; and

“(B) local units of government; and

“(2) take into consideration the goals, objectives, priorities, and recommendations of the entities described in paragraph (1).

“(d) **PUBLIC PARTICIPATION.**—

“(1) **IN GENERAL.**—The Authority and applicable State and local development districts shall encourage and assist, to the maximum extent practicable, public participation in the development, revision, and implementation of all plans and programs under this subtitle.

“(2) **REGULATIONS.**—The Authority shall develop guidelines for providing public participation described in paragraph (1), including public hearings.

“(b) **SEC. 382H. PROGRAM DEVELOPMENT CRITERIA.**

“(a) **IN GENERAL.**—In considering programs and projects to be provided assistance under this subtitle, and in establishing a priority ranking of the requests for assistance provided by the Authority, the Authority shall follow procedures that ensure, to the maximum extent practicable, consideration of—

“(1) the relationship of the project or class of projects to overall regional development;

“(2) the per capita income and poverty and unemployment rates in an area;

“(3) the financial resources available to the applicants for assistance seeking to carry out the project, with emphasis on ensuring that projects are adequately financed to maximize the probability of successful economic development;

“(4) the importance of the project or class of projects in relation to other projects or classes of projects that 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 development of the area served by the project; and

“(6) the extent to which the project design provides for detailed outcome measurements by which grant expenditures and the results of the expenditures may be evaluated.

“(b) NO RELOCATION ASSISTANCE.—No financial assistance authorized by this subtitle shall be used to assist a person or entity in relocating from 1 area to another, except that financial assistance may be used as otherwise authorized by this title to attract businesses from outside the region to the region.

“(c) REDUCTION OF FUNDS.—Funds may be provided for a program or project in a State under this subtitle only if the Authority determines that the level of Federal or State financial assistance provided under a law other than this subtitle, for the same type of program or project in the same area of the State within the region, will not be reduced as a result of funds made available by this subtitle.

“SEC. 382I. APPROVAL OF DEVELOPMENT PLANS AND PROJECTS.

“(a) IN GENERAL.—A State or regional development plan or any multistate subregional plan that is proposed for development under this subtitle shall be reviewed by the Authority.

“(b) EVALUATION BY STATE MEMBER.—An application for a grant or any other assistance for a project under this subtitle shall be made through and evaluated for approval by the State member of the Authority representing the applicant.

“(c) CERTIFICATION.—An application for a grant or other assistance for a project shall be approved only on certification by the State member that the application for the project—

“(1) describes ways in which the project complies with any applicable State development plan;

“(2) meets applicable criteria under section 382H;

“(3) provides adequate assurance that the proposed project will be properly administered, operated, and maintained; and

“(4) otherwise meets the requirements of this subtitle.

“(d) VOTES FOR DECISIONS.—On certification by a State member of the Authority of an application for a grant or other assistance for a specific project under this section, an affirmative vote of the Authority under section 382B(c) shall be required for approval of the application.

“SEC. 382J. CONSENT OF STATES.

“Nothing in this subtitle requires any State to engage in or accept any program under this subtitle without the consent of the State.

“SEC. 382K. RECORDS.

“(a) RECORDS OF THE AUTHORITY.—

“(1) IN GENERAL.—The Authority shall maintain accurate and complete records of all transactions and activities of the Authority.

“(2) AVAILABILITY.—All records of the Authority shall be available for audit and examination by the Comptroller General of the United States and the Inspector General of the Department of Agriculture (including authorized representatives of the Comptroller General and the Inspector General of the Department of Agriculture).

“(b) RECORDS OF RECIPIENTS OF FEDERAL ASSISTANCE.—

“(1) IN GENERAL.—A recipient of Federal funds under this subtitle shall, as required by the Authority, maintain accurate and complete records of transactions and activities financed with Federal funds and report on the transactions and activities to the Authority.

“(2) AVAILABILITY.—All records required under paragraph (1) shall be available for audit by the Comptroller General of the United States, the Inspector General of the Department of Agriculture, and the Authority (including authorized representatives of the Comptroller General, the Inspector General of the Department of Agriculture, and the Authority).

“(c) ANNUAL AUDIT.—The Inspector General of the Department of Agriculture shall audit the activities, transactions, and records of the Authority on an annual basis.

“SEC. 382L. ANNUAL REPORT.

“Not later than 180 days after the end of each fiscal year, the Authority shall submit to the

President and to Congress a report describing the activities carried out under this subtitle.

“SEC. 382M. AUTHORIZATION OF APPROPRIATIONS.

“(a) IN GENERAL.—There is authorized to be appropriated to the Authority to carry out this subtitle \$30,000,000 for each of fiscal years 2001 through 2002, to remain available until expended.

“(b) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the amount appropriated under subsection (a) for a fiscal year shall be used for administrative expenses of the Authority.

“SEC. 382N. TERMINATION OF AUTHORITY.

“This subtitle and the authority provided under this subtitle expire on October 1, 2002.”.

SEC. 504. AREA COVERED BY LOWER MISSISSIPPI DELTA DEVELOPMENT COMMISSION.

(a) IN GENERAL.—Section 4(2)(D) of the Delta Development Act (42 U.S.C. 3121 note; 102 Stat. 2246) is amended by inserting “Natchitoches,” after “Winn,”.

(b) CONFORMING AMENDMENT.—The matter under the heading “SALARIES AND EXPENSES” under the heading “FARMERS HOME ADMINISTRATION”

in title II of Public Law 100–460 (102 Stat. 2246) is amended in the fourth proviso by striking “carry out” and all that follows through “bills are hereby” and inserting “carry out S. 2836, the Delta Development Act, as introduced in the Senate on September 27, 1988, and that bill is”.

**TITLE VI—DAKOTA WATER RESOURCES
ACT OF 2000**

SECTION 601. SHORT TITLE.

This title may be cited as the “Dakota Water Resources Act of 2000”.

SEC. 602. PURPOSES AND AUTHORIZATION.

Section 1 of Public Law 89–108 (79 Stat. 433; 100 Stat. 418) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking “of” and inserting “within”;

(B) in paragraph (5), by striking “more time-ly” and inserting “appropriate”; and

(C) in paragraph (7), by striking “federally-assisted water resource development project providing irrigation for 130,940 acres of land” and inserting “multipurpose federally assisted water resource project providing irrigation, municipal, rural, and industrial water systems, fish, wild-life, and other natural resource conservation and development, recreation, flood control, ground water recharge, and augmented stream flows”;

(2) in subsection (b)—

(A) by inserting “, jointly with the State of North Dakota,” after “construct”;

(B) by striking “the irrigation of 130,940 acres” and inserting “irrigation”;

(C) by striking “fish and wildlife conserva-tion” and inserting “fish, wildlife, and other natural resource conservation”;

(D) by inserting “augmented stream flows, ground water recharge,” after “flood control,”;

and

(E) by inserting “(as modified by the Dakota Water Resources Act of 2000)” before the period at the end;

(3) in subsection (e), by striking “terminated” and all that follows and inserting “terminated.”; and

(4) by striking subsections (f) and (g) and inserting the following:

“(f) COSTS.—

“(1) ESTIMATE.—The Secretary shall estimate—

“(A) the actual construction costs of the facilities (including mitigation facilities) in existence as of the date of enactment of the Dakota Water Resources Act of 2000; and

“(B) the annual operation, maintenance, and replacement costs associated with the used and unused capacity of the features in existence as of that date.

“(2) REPAYMENT CONTRACT.—An appropriate repayment contract shall be negotiated that provides for the making of a payment for each payment period in an amount that is commensurate with the percentage of the total capacity of the project that is in actual use during the payment period.

“(3) OPERATION AND MAINTENANCE COSTS.—Except as otherwise provided in this Act or Reclamation Law—

“(A) The Secretary shall be responsible for the costs of operation and maintenance of the proportionate share of unit facilities in existence on the date of enactment of the Dakota Water Resources Act of 2000 attributable to the capacity of the facilities (including mitigation facilities) that remain unused;

“(B) The State of North Dakota shall be responsible for costs of operation and maintenance of the proportionate share of existing unit

facilities that are used and shall be responsible for the full costs of operation and maintenance of any facility constructed after the date of enactment of the Dakota Water Resources Act of 2000; and

“(C) The State of North Dakota shall be responsible for the costs of providing energy to authorized unit facilities.

“(g) AGREEMENT BETWEEN THE SECRETARY AND THE STATE.—The Secretary shall enter into 1 or more agreements with the State of North Dakota to carry out this Act, including operation and maintenance of the completed unit facilities and the design and construction of authorized new unit facilities by the State.

“(h) BOUNDARY WATERS TREATY OF 1909.—

“(1) DELIVERY OF WATER INTO THE HUDSON BAY BASIN.—Prior to construction of any water systems authorized under this Act to deliver Missouri River water into the Hudson Bay basin, the Secretary, in consultation with the Secretary of State and the Administrator of the Environmental Protection Agency, must determine that adequate treatment can be provided to meet the requirements of the Treaty between the United States and Great Britain relating to Boundary Waters Between the United States and Canada, signed at Washington, January 11, 1909 (26 Stat. 2448; TS 548) (commonly known as the Boundary Waters Treaty of 1909).

“(2) COSTS.—All costs of construction, operation, maintenance, and replacement of water treatment and related facilities authorized by this Act and attributable to meeting the requirements of the treaty referred to in paragraph (1) shall be nonreimbursable.”.

SEC. 603. FISH AND WILDLIFE.

Section 2 of Public Law 89–108 (79 Stat. 433; 100 Stat. 419) is amended—

(1) by striking subsections (b), (c), and (d) and

inserting the following:

“(b) FISH AND WILDLIFE COSTS.—All fish and wildlife enhancement costs incurred in connection with waterfowl refuges, waterfowl production areas, and wildlife conservation areas proposed for Federal or State administration shall be nonreimbursable.

“(c) RECREATION AREAS.—

“(1) COSTS.—If non-Federal public bodies continue to agree to administer land and water areas approved for recreation and agree to bear not less than 50 percent of the separable costs of the unit allocated to recreation and attributable to those areas and all the costs of operation, maintenance, and replacement incurred in connection therewith, the remainder of the separable capital costs so allocated and attributed shall be nonreimbursable.

“(2) APPROVAL.—The recreation areas shall be approved by the Secretary in consultation and coordination with the State of North Dakota.

“(d) NON-FEDERAL SHARE.—The non-Federal share of the separable capital costs of the unit allocated to recreation shall be borne by non-Federal interests, using the following methods, as the Secretary may determine to be appropriate:

“(1) Services in kind.

“(2) Payment, or provision of lands, interests therein, or facilities for the unit.

“(3) Repayment, with interest, within 50 years of first use of unit recreation facilities.”;

(2) in subsection (e)—

(A) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively;

(B) by inserting “(1)” after “(e)”;

(C) in paragraph (2) (as redesignated by sub-paragraph (A))—

(i) in the first sentence—

(I) by striking “within ten years after initial unit operation to administer for recreation and

*fish and wildlife enhancement” and inserting
“to administer for recreation”; and*

*(II) by striking “which are not included with-in
Federal waterfowl refuges and waterfowl pro-duction
areas”; and*

*(ii) in the second sentence, by striking “or fish
and wildlife enhancement”; and*

*(D) in the first sentence of paragraph (3) (as
redesignated by subparagraph (A))—*

*(i) by striking “, within ten years after initial
operation of the unit,”; and*

*(ii) by striking “paragraph (1) of this sub-section”
and inserting “paragraph (2)”;*

*(3) in subsection (f), by striking “and fish and
wildlife enhancement”; and*

(4) in subsection (j)—

*(A) in paragraph (1), by striking “prior to the
completion of construction of Lonetree Dam and
Reservoir”; and*

(B) by adding at the end the following:

*“(4) TAAYER RESERVOIR.—Taayer Reservoir is
deauthorized as a project feature. The Sec-retary,
acting through the Commissioner of Rec-lamation,
shall acquire (including acquisition
through donation or exchange) up to 5,000 acres
in the Kraft and Pickell Slough areas and to
manage the area as a component of the National
Wildlife Refuge System giving consideration to
the unique wildlife values of the area. In ac-quiring
the lands which comprise the Kraft and
Pickell Slough complex, the Secretary shall ac-quire
wetlands in the immediate vicinity which
may be hydrologically related and nearby up-lands
as may be necessary to provide for proper
management of the complex. The Secretary shall
provide for appropriate visitor access and con-trol
at the refuge.*

*“(5) DEAUTHORIZATION OF LONETREE DAM AND
RESERVOIR.—The Lonetree Dam and Reservoir is
deauthorized, and the Secretary shall designate*

the lands acquired for the former reservoir site as a wildlife conservation area. The Secretary shall enter into an agreement with the State of North Dakota providing for the operation and maintenance of the wildlife conservation area as an enhancement feature, the costs of which shall be paid by the Secretary.’’.

SEC. 604. INTEREST CALCULATION.

Section 4 of Public Law 89–108 (100 Stat. 435) is amended by adding at the end the following:

“Interest during construction shall be calculated only until such date as the Secretary declares any particular feature to be substantially complete, regardless of whether the feature is placed into service.’’.

SEC. 605. IRRIGATION FACILITIES.

Section 5 of Public Law 89–108 (100 Stat. 419) is amended—

(1) by striking “SEC. 5. (a)(1)” and all that follows through subsection (c) and inserting the following:

“SEC. 5. IRRIGATION FACILITIES.

“(a) IN GENERAL.—

“(1) AUTHORIZED DEVELOPMENT.—*In addition to the 5,000-acre Oakes Test Area in existence on the date of enactment of the Dakota Water Resources Act of 2000, the Secretary may develop irrigation in—*

“(A) the Turtle Lake service area (13,700 acres);

“(B) the McClusky Canal service area (10,000 acres); and

“(C) if the investment costs are fully reimbursed without aid to irrigation from the