



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

October 3, 2007
(House)

STATEMENT OF ADMINISTRATION POLICY

H.R. 3246 - Regional Economic and Infrastructure Development Act of 2007

(Rep. Oberstar (D) and 18 cosponsors)

The Administration strongly opposes House passage of H.R. 3246, which would establish five regional economic development commissions with authority to make grants for a variety of purposes and would authorize appropriations of \$1.25 billion over FYs 2008 through 2012. If H.R. 3246 were presented to the President, his senior advisors would recommend that he veto the bill.

H.R. 3246 would duplicate activities already authorized and carried out under current law. For example, economic and infrastructure development financing are already provided through programs administered by the Departments of Agriculture, Commerce, and Housing and Urban Development.

The bill's requirement that the commissions' grants be subject to the Davis-Bacon Act's prevailing wage requirements is contrary to the Administration's longstanding policy opposing such statutory attempts to expand or contract the applicability of that Act.

The bill's provisions on appointment of commission members and the structure and functions of the commissions raise several constitutional concerns under the Appointments Clause and with settled separation of powers principles.

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