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112TH CONGRESS
2D SESSION

S. 3278

To amend the Consolidated Farm and Rural Development Act to provide and improve housing in rural areas for educators, public safety officers, and medical providers, and their households, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 7, 2012

Mr. BEGICH introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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A BILL

To amend the Consolidated Farm and Rural Development Act to provide and improve housing in rural areas for educators, public safety officers, and medical providers, and their households, and for other purposes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Rural Educator and American Community Housing Act of 2012''.

SEC. 2. HOUSING FOR EDUCATORS, PUBLIC SAFETY OFFICERS, AND MEDICAL PROVIDERS.

Section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) is amended by adding at the end the following:

"(26) GRANTS AND LOAN GUARANTEES TO PROVIDE HOUSING FOR EDUCATORS, PUBLIC SAFETY OFFICERS, AND MEDICAL PROVIDERS.—

"(A) DEFINITIONS.—In this paragraph:

"(i) EDUCATOR.—The term 'educator' means an individual who—

"(I) is employed full-time as a teacher, principal, or administrator by—

"(aa) a public elementary school or secondary school that provides direct services to students in grades prekindergarten through grade 12, or a Head Start program; and

"(bb) meets the appropriate teaching certification or licensure requirements of the State for the position in which the individual is employed; or

"(II) is employed full-time as a librarian, a career guidance or counseling provider, an education aide, or in another instructional or administrative position for a public elementary school or secondary school.

"(ii) MEDICAL PROVIDER.—The term 'medical provider' means—

"(I) a licensed doctor of medicine or osteopathy;

"(II) an American Indian, Alaska Native, or Native Hawaiian recognized as a traditional healing practitioner;

"(III) a health care provider that—

"(aa) is licensed or certified under Federal or State law, as applicable; and

"(bb) is providing services that are eligible for coverage under a plan under the Federal Employees Health Benefits Program under chapter 89 of title 5, United States Code;

"(IV) a provider authorized under section 119 of the Indian Health Care Improvement Act (25 U.S.C. 1616*l*); or

"(V) any other individual that the Secretary determines is capable of providing health care services.

"(iii) PUBLIC SAFETY OFFICER.—The term 'public safety officer' means an individual who is employed full-time—

"(I) as a law enforcement officer by a law enforcement agency of the Federal Government, a State, a unit of general local government, or an Indian tribe; or

"(II) as a firefighter by a fire department of the Federal Government, a State, a unit of general local government, or an Indian tribe.

"(iv) QUALIFIED COMMUNITY.—The term 'qualified community' means any open country, or any place, town, village, or city—

"(I) that is not part of or associated with an urban area; and

"(II) that—

"(aa) has a population of not more than 2,500; or

"(bb)(AA) has a population of not more than 10,000; and

"(BB) is not accessible by a motor vehicle, as defined in section 30102 of title 49, United States Code.

"(v) QUALIFIED HOUSING.—The term 'qualified housing' means housing for educators, public safety officers, or medical providers that is located in a qualified community.

"(vi) QUALIFIED PROJECT.—The term 'qualified project' means—

"(I) the construction, modernization, renovation, or repair of qualified housing;

"(II) the payment of interest on bonds or other financing instruments (excluding instruments used for refinancing) that are issued for the construction, modernization, renovation, or repair of qualified housing;

"(III) the repayment of a loan used—

"(aa) for the construction, modernization, renovation, or repair of qualified housing; or

"(bb) to purchase real property on which qualified housing will be constructed;

"(IV) purchasing or leasing real property on which qualified housing will be constructed, renovated, modernized, or repaired; or

"(V) any other activity normally associated with the construction, modernization, renovation, or repair of qualified housing, as determined by the Secretary.

"(vii) EDUCATIONAL SERVICE AGENCY, ELEMENTARY SCHOOL, LOCAL EDUCATIONAL AGENCY, SECONDARY SCHOOL, STATE EDUCATIONAL AGENCY.—The terms 'educational service agency', 'elementary school', 'local educational agency', 'secondary school', and 'State educational agency' have the meanings given those

terms in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(B) GRANTS.—The Secretary may make a grant to an applicant to carry out a qualified project.

"(C) LOAN GUARANTEES.—The Secretary may guarantee a loan made to an applicant for the construction, modernization, renovation, or repair of qualified housing.

"(D) FINANCING MECHANISMS.—The Secretary may make payments of interest on bonds, loans, or other financial instruments (other than financial instruments used for refinancing) that are issued to an applicant for a qualified project.

"(E) APPLICATION.—An applicant that desires a grant, loan guarantee, or payment of interest under this paragraph shall submit to the Secretary an application that—

"(i) indicates whether the qualified housing for which the grant, loan guarantee, or payment of interest is sought is located in a qualified community;

"(ii) identifies the applicant;

"(iii) indicates whether the applicant prefers to receive a grant, loan guarantee, or payment of interest under this paragraph;

"(iv) describes how the applicant would ensure the adequate maintenance of qualified housing assisted under this paragraph;

"(v) demonstrates a need for qualified housing in a qualified community, which may include a deficiency of affordable housing, a deficiency of habitable housing, or the need to modernize, renovate, or repair housing;

"(vi) describes the expected impact of the grant, loan guarantee, or payment of interest on—

"(I) educators, public safety officers, and medical providers in a qualified community, including the impact on recruitment and retention of educators, public safety officers, and medical providers; and

"(II) the economy of a qualified community, including—

"(aa) any plans to use small business concerns for the construction, modernization, renovation, or repair of qualified housing; and

"(bb) the short- and long-term impact on the rate of employment in the qualified community; and

"(vii) describes how the applicant would ensure that qualified housing assisted under this paragraph is used for educators, public safety officers, and medical providers.

"(F) INPUT FROM STATE DIRECTOR OF RURAL DEVELOPMENT.—The State Director of Rural Development for a State may submit to the Secretary an evaluation of any application for a qualified project in the State for which an application for assistance under this paragraph is submitted and the Secretary shall take into consideration the evaluation in determining whether to provide assistance.

"(G) PRIORITY.—In awarding grants and making loan guarantees and payments of inter-

1 est under this paragraph, the Secretary shall
2 give priority to an applicant that is—
3 "(i) a State educational agency or
4 local educational agency;
5 "(ii) an educational service agency;
6 "(iii) a State or local housing author-
7 ity;
8 "(iv) an Indian tribe or tribal organi-
9 zation, as those terms are defined in sec-
10 tion 4 of the Indian Self-Determination
11 and Education Assistance Act (25 U.S.C.
12 450b);
13 "(v) a tribally designated housing en-
14 tity;
15 "(vi) a local government; or
16 "(vii) a consortium of any of the enti-
17 ties described in clauses (i) through (vi).
18 "(H) LIMITATION.—The Secretary may
19 provide assistance to the same applicant under
20 only 1 of subparagraphs (B), (C), and (D).
21 "(I) REQUIREMENT.—As a condition of eli-
22 gibility for a grant, loan guarantee, or payment
23 of interest under this paragraph, at least 1
24 named applicant shall be required to maintain
25 ownership of the qualified housing that is the

subject of the grant, loan guarantee, or payment of interest during the greater of—

"(i) 15 years; or

"(ii) the period of the loan for which a loan guarantee or payment of interest is made under this paragraph.

"(J) REPORTING.—

"(i) BY APPLICANTS.—Not later than 2 years after the date on which an applicant receives a grant, loan guarantee, or payment of interest under this paragraph, the applicant shall submit to the Secretary a report that—

"(I) describes how the grant, loan guarantee, or payment of interest was used; and

"(II) contains an estimate of the number of jobs created or maintained by use of the grant, loan guarantee, or payment of interest.

"(ii) BY GAO.—Not later than 2 years after the date of enactment of this paragraph, the Comptroller General of the United States shall submit to Congress a

report evaluating the program under this paragraph.

"(K) AUTHORIZATION OF APPROPRIATIONS.—

"(i) IN GENERAL.—There is authorized to be appropriated to the Secretary $50,000,0000 for fiscal year 2012, and each fiscal year thereafter.

"(ii) AVAILABILITY.—Any amounts appropriated to carry out this paragraph shall remain available for obligation by the Secretary during the 3-year period beginning on the date of the appropriation.

"(iii) USE OF FUNDS.—Of any amounts appropriated for a fiscal year to carry out this paragraph, the Secretary shall use—

"(I) not less than 50 percent to make grants under this paragraph;

"(II) not more than 5 percent to carry out national activities under this paragraph, including providing technical assistance and conducting outreach to qualified communities; and

"(III) any amounts not expended in accordance with subclauses (I) and (II) to make loan guarantees and payments of interest under this paragraph.".

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