

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 3519  
OFFERED BY M . \_\_\_\_\_**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Veterinary Services  
3 Investment Act”.

**4 SEC. 2. VETERINARY SERVICES GRANT PROGRAM.**

5 The National Agricultural Research, Extension, and  
6 Teaching Policy Act of 1977 is amended by inserting after  
7 section 1415A (7 U.S.C. 3151a) the following new section:

**8 “SEC. 1415B. VETERINARY SERVICES GRANT PROGRAM.**

9 “(a) ESTABLISHMENT OF PROGRAM.—

10 “(1) COMPETITIVE GRANTS.—The Secretary  
11 shall carry out a program to make competitive  
12 grants to qualified entities that engage in activities  
13 described in paragraph (2) for the purpose of devel-  
14 oping, implementing, and sustaining veterinary serv-  
15 ices.

16 “(2) ELIGIBILITY REQUIREMENTS.—To be eligi-  
17 ble for a grant under this subsection, a qualified en-

1           tity must carry out programs or activities that the  
2           Secretary determines will—

3                   “(A) substantially relieve veterinarian  
4                   shortage situations;

5                   “(B) support or facilitate private veteri-  
6                   nary practices engaged in public health activi-  
7                   ties; or

8                   “(C) support or facilitate practices of vet-  
9                   erinarians who are participating in or have suc-  
10                  cessfully completed a service requirement under  
11                  section 1415A(a)(2).

12           “(b) AWARD PROCESSES AND PREFERENCES.—

13                   “(1) APPLICATION, EVALUATION, AND INPUT  
14                   PROCESSES.—In administering the grant program  
15                   under this section, the Secretary shall use an appro-  
16                   priate application and evaluation process and seek  
17                   the input of interested persons.

18                   “(2) GRANT PREFERENCES.—In the case of  
19                   grants to be used for any of the purposes described  
20                   in paragraphs (2) through (6) of subsection (c), the  
21                   Secretary shall give a preference to the selection of  
22                   qualified entities that document coordination be-  
23                   tween or with other qualified entities regarding the  
24                   applicable purpose.

1           “(3)    ADDITIONAL    PREFERENCES.—When  
2           awarding grants under this section, the Secretary  
3           may develop additional preferences by taking into  
4           account the amount of funds available for grants as  
5           well as the purposes for which the grant funds will  
6           be used.

7           “(4)    APPLICABILITY OF OTHER PROVISIONS.—  
8           Sections 1413B, 1462(a), 1469(a)(3), 1469(c), and  
9           1470 shall apply to the administration of the grant  
10          program under this section.

11          “(c)    USE OF GRANTS TO RELIEVE VETERINARIAN  
12          SHORTAGE SITUATIONS AND SUPPORT VETERINARY  
13          SERVICES.—Funds provided by grants under this section  
14          may be used for the following purposes to relieve veteri-  
15          narian shortage situations and support veterinary services:

16                 “(1)   Grants to assist veterinarians with estab-  
17                 lishing or expanding practices for the purpose of  
18                 equipping veterinary offices, sharing in the reason-  
19                 able overhead costs of such practices (as determined  
20                 by the Secretary), or establishing mobile veterinary  
21                 facilities where at least a portion of such facilities  
22                 will address education or extension needs.

23                 “(2)   Grants to promote recruitment (including  
24                 programs in secondary schools), placement, and re-  
25                 tention of veterinarians, veterinary technicians, stu-

1       dents of veterinary medicine, and students of veteri-  
2       nary technology.

3           “(3) Grants for veterinary students, veterinary  
4       interns, externs, fellows, and residents, and veteri-  
5       nary technician students to cover expenses (other  
6       than the types of expenses listed in 1415A(c)(5)) to  
7       attend training programs in food safety or food ani-  
8       mal medicine.

9           “(4) Grants establishing or expanding accred-  
10      ited veterinary education programs (including fac-  
11      ulty recruitment and retention), veterinary residency  
12      and fellowship programs, or veterinary internship  
13      and externship programs in coordination with ac-  
14      credited colleges of veterinary medicine.

15          “(5) Grants for the assessment of veterinarian  
16      shortage situations and preparation of applications  
17      for designation as a shortage situation.

18          “(6) Grants in continuing education and exten-  
19      sion, including tele-veterinary medicine and other  
20      distance-based education, for veterinarians, veteri-  
21      nary technicians, and other health professionals  
22      needed to strengthen veterinary programs and en-  
23      hance food safety.

24      “(d) SPECIAL REQUIREMENTS FOR CERTAIN  
25      GRANTS.—

1           “(1) TERMS OF SERVICE REQUIREMENTS.—  
2           Grants provided under this section for the purpose  
3           specified in subsection (c)(1) shall be subject to an  
4           agreement between the Secretary and the grant re-  
5           cipient that includes a required term of service for  
6           the recipient, as established by the Secretary. In es-  
7           tablishing such terms, the Secretary shall consider  
8           only—

9                   “(A) the amount of the grant awarded;  
10                   and

11                   “(B) the specific purpose of the grant.

12           “(2) BREACH REMEDIES.—An agreement under  
13           paragraph (1) shall provide remedies for any breach  
14           of the agreement by the grant recipient, including  
15           repayment or partial repayment of the grant funds,  
16           with interest. The Secretary may waive the repay-  
17           ment obligation in the event of extreme hardship or  
18           extreme need, as determined by the Secretary.

19           “(3) TREATMENT OF AMOUNTS RECOVERED.—  
20           Funds recovered under paragraph (2) shall be cred-  
21           ited to the account available to carry out this section  
22           and shall remain available until expended.

23           “(e) COST-SHARING REQUIREMENTS.—

24                   “(1) RECIPIENT SHARE.—A grant recipient  
25           shall provide matching non-Federal funds, either in

1 cash or in-kind support, in an amount equal to not  
2 less than 50 percent of the Federal funds provided  
3 in a grant under this section.

4 “(2) WAIVER.—The Secretary may establish, by  
5 regulation, conditions under which the cost-sharing  
6 requirements of paragraph (1) may be reduced or  
7 waived.

8 “(f) PROHIBITION ON USE OF GRANT FUNDS FOR  
9 CONSTRUCTION.—Funds made available for grants under  
10 this section shall not be used for the construction of a  
11 new building or facility or the acquisition, expansion, re-  
12 modeling, or alteration of an existing building or facility,  
13 including site grading and improvement and architect fees.

14 “(g) DEFINITIONS.—In this section:

15 “(1) VETERINARIAN SHORTAGE SITUATION.—  
16 The term ‘veterinarian shortage situation’ means a  
17 veterinarian shortage situation determined by the  
18 Secretary under section 1415A(b).

19 “(2) QUALIFIED ENTITY.—The term ‘qualified  
20 entity’ means the following:

21 “(A) A for-profit or nonprofit entity lo-  
22 cated in the United States that operates a vet-  
23 erinary clinic providing veterinary services—

1 “(i) in a rural area, as defined in sec-  
2 tion 1393(a)(2) of the Internal Revenue  
3 Code of 1986; and

4 “(ii) in response to a veterinarian  
5 shortage situation.

6 “(B) A State, national, allied, or regional  
7 veterinary organization or specialty board rec-  
8 ognized by the American Veterinary Medical  
9 Association.

10 “(C) A college or school of veterinary med-  
11 icine accredited by the American Veterinary  
12 Medical Association.

13 “(D) A university research foundation or  
14 veterinary medical foundation.

15 “(E) A department of veterinary science or  
16 department of comparative medicine accredited  
17 by the Department of Education.

18 “(F) A State agricultural experiment sta-  
19 tion.

20 “(G) A State, local, or tribal government  
21 agency.

22 “(h) AUTHORIZATION OF APPROPRIATIONS.—There  
23 are authorized to be appropriated to the Secretary such  
24 sums as are necessary to carry out this section for fiscal  
25 year 2012 and each fiscal year thereafter. Amounts appro-

1 priated pursuant to this authorization of appropriations  
2 shall remain available to the Secretary for the purposes  
3 of this section until expended.”.

