

One Hundred Fifteenth Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the third day of January, two thousand and eighteen*

An Act

To amend the Public Health Service Act to provide grants to improve health care
in rural areas.

*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 “State Offices of Rural Health
Reauthorization Act of 2018”.

SEC. 2. STATE OFFICES OF RURAL HEALTH.

Section 338J of the Public Health Service Act (42 U.S.C. 254r)
is amended to read as follows:

“SEC. 338J. GRANTS TO STATE OFFICES OF RURAL HEALTH.

“(a) **IN GENERAL.**—The Secretary, acting through the Director
of the Federal Office of Rural Health Policy (established under
section 711 of the Social Security Act), shall make grants to each
State Office of Rural Health for the purpose of improving health
care in rural areas.

“(b) **REQUIREMENT OF MATCHING FUNDS.**—

“(1) **IN GENERAL.**—Subject to paragraph (2), the Secretary
may not make a grant under subsection (a) unless the State
office of rural health involved agrees, with respect to the costs
to be incurred in carrying out the purpose described in such
subsection, to provide non-Federal contributions toward such
costs in an amount equal to \$3 for each \$1 of Federal funds
provided in the grant.

“(2) **WAIVER OR REDUCTION.**—The Secretary may waive or
reduce the non-Federal contribution if the Secretary determines
that requiring matching funds would limit the State office
of rural health’s ability to carry out the purpose described
in subsection (a).

“(3) **DETERMINATION OF AMOUNT OF NON-FEDERAL CON-
TRIBUTION.**—Non-Federal contributions required in paragraph
(1) may be in cash or in kind, fairly evaluated, including plant,
equipment, or services. Amounts provided by the Federal
Government, or services assisted or subsidized to any signifi-
cant extent by the Federal Government, may not be included
in determining the amount of such non-Federal contributions.

“(c) **CERTAIN REQUIRED ACTIVITIES.**—Recipients of a grant
under subsection (a) shall use the grant funds for purposes of—

“(1) maintaining within the State office of rural health
a clearinghouse for collecting and disseminating information
on—

“(A) rural health care issues;
“(B) research findings relating to rural health care;
and
“(C) innovative approaches to the delivery of health care in rural areas;

“(2) coordinating the activities carried out in the State that relate to rural health care, including providing coordination for the purpose of avoiding redundancy in such activities; and

“(3) identifying Federal and State programs regarding rural health, and providing technical assistance to public and non-profit private entities regarding participation in such programs.

“(d) REQUIREMENT REGARDING ANNUAL BUDGET FOR OFFICE.—The Secretary may not make a grant under subsection (a) unless the State involved agrees that, for any fiscal year for which the State office of rural health receives such a grant, the office operated pursuant to subsection (a) of this section will be provided with an annual budget of not less than \$150,000.

“(e) CERTAIN USES OF FUNDS.—

“(1) RESTRICTIONS.—The Secretary may not make a grant under subsection (a) unless the State office of rural health involved agrees that the grant will not be expended—

“(A) to provide health care (including providing cash payments regarding such care);

“(B) to conduct activities for which Federal funds are expended—

“(i) within the State to provide technical and other nonfinancial assistance under section 330A(f);

“(ii) under a memorandum of agreement entered into with the State office of rural health under section 330A(h); or

“(iii) under a grant under section 338I;

“(C) to purchase medical equipment, to purchase ambulances, aircraft, or other vehicles, or to purchase major communications equipment;

“(D) to purchase or improve real property; or

“(E) to carry out any activity regarding a certificate of need.

“(2) AUTHORITIES.—Activities for which a State office of rural health may expend a grant under subsection (a) include—

“(A) paying the costs of maintaining an office of rural health for purposes of subsection (a);

“(B) subject to paragraph (1)(B)(iii), paying the costs of any activity carried out with respect to recruiting and retaining health professionals to serve in rural areas of the State; and

“(C) providing grants and contracts to public and non-profit private entities to carry out activities authorized in this section.

“(3) LIMIT ON INDIRECT COSTS.—The Secretary may impose a limit of no more than 15 percent on indirect costs claimed by the recipient of the grant.

“(f) REPORTS.—The Secretary may not make a grant under subsection (a) unless the State office of rural health involved agrees—

“(1) to submit to the Secretary reports or performance data containing such information as the Secretary may require regarding activities carried out under this section; and

“(2) to submit such a report or performance data not later than September 30 of each fiscal year immediately following any fiscal year for which the State office of rural health has received such a grant.

“(g) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out such subsection.

“(h) NONCOMPLIANCE.—The Secretary may not make payments under subsection (a) to a State office of rural health for any fiscal year subsequent to the first fiscal year of such payments unless the Secretary determines that, for the immediately preceding fiscal year, the State office of rural health has complied with each of the agreements made by the State office of rural health under this section.

“(i) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—For the purpose of making grants under subsection (a), there are authorized to be appropriated \$12,500,000 for each of fiscal years 2018 through 2022.

“(2) AVAILABILITY.—Amounts appropriated under paragraph (1) shall remain available until expended.”.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*