

111TH CONGRESS  
2D SESSION

# H. R. 5084

To require the Secretary of Commerce to establish a loan program to assist in the locating of information technology and manufacturing jobs in the United States, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 20, 2010

Mr. MURPHY of New York (for himself and Mr. SMITH of Washington) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To require the Secretary of Commerce to establish a loan program to assist in the locating of information technology and manufacturing jobs in the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “America Recruits Act  
5 of 2010”.

1 **SEC. 2. PROGRAM OF LOANS TO ATTRACT JOBS IN INFOR-**  
2 **MATION TECHNOLOGY AND MANUFAC-**  
3 **TURING SECTORS.**

4 (a) DEFINITIONS.—In this section:

5 (1) ECONOMIC DEVELOPMENT DISTRICT.—The  
6 term “economic development district” has the mean-  
7 ing given the term in section 3 of the Public Works  
8 and Economic Development Act of 1965 (42 U.S.C.  
9 3122).

10 (2) ELIGIBLE ENTITY.—The term “eligible enti-  
11 ty” means an entity that employs not fewer than 20  
12 full-time equivalent employees in eligible jobs.

13 (3) ELIGIBLE INTERMEDIARY.—The term “eli-  
14 gible intermediary” has the meaning given the term  
15 “eligible recipient” in section 3 of the Public Works  
16 and Economic Development Act of 1965 (42 U.S.C.  
17 3122).

18 (4) ELIGIBLE JOB.—The term “eligible job”  
19 means, with respect to an entity, a job—

20 (A) that is related to information tech-  
21 nology or is in the manufacturing sector; and

22 (B) in which the entity employs a full-time  
23 equivalent employee.

24 (5) SECRETARY.—Except as otherwise provided,  
25 the term “Secretary” means the Secretary of Com-  
26 merce.

1           (6) TARGETED LABOR SURPLUS AREA.—The  
2           term “targeted labor surplus area” means an area  
3           in the United States that, on the date on which the  
4           program is established under subsection (b)—

5                   (A) is included in the most recent classi-  
6                   fication of labor surplus areas by the Secretary  
7                   of Labor; or

8                   (B) has a high unemployment rate or is  
9                   experiencing significant economic distress, as  
10                  determined by the Secretary of Commerce.

11          (b) PROGRAM REQUIRED.—Not later than 180 days  
12          after the date of the enactment of this Act, the Secretary  
13          shall, acting through the Assistant Secretary of Commerce  
14          for Economic Development, establish a program to assist  
15          eligible entities, when deciding whether to locate eligible  
16          jobs in foreign countries or in the United States, in locat-  
17          ing such jobs in economic development districts or tar-  
18          geted labor surplus areas.

19          (c) FEDERAL GRANTS TO ELIGIBLE INTER-  
20          MEDIARIES.—

21                 (1) IN GENERAL.—The Secretary shall carry  
22                 out the program required by subsection (b) through  
23                 the award of grants to eligible intermediaries to pro-  
24                 vide loans to eligible entities to assist such eligible

1 entities in locating eligible jobs in economic develop-  
2 ment districts or targeted labor surplus areas.

3 (2) SCHEDULE OF GRANT AWARDS.—Not later  
4 than 390 days after the date of the enactment of  
5 this Act, the Secretary shall complete the award of  
6 all grants to eligible intermediaries under this sub-  
7 section.

8 (3) TOTAL AMOUNT OF GRANT AWARDS.—The  
9 total amount of grants awarded by the Secretary to  
10 eligible intermediaries under this subsection shall be  
11 not less than \$40,500,000.

12 (4) APPLICATION.—

13 (A) IN GENERAL.—An eligible inter-  
14 mediary seeking a grant under this subsection  
15 shall submit an application to the Secretary at  
16 such time, in such manner, and containing such  
17 information as the Secretary may require.

18 (B) OPPORTUNITIES FOR SUBMITTAL.—  
19 The Secretary shall provide 2 opportunities to  
20 submit an application under this paragraph.  
21 The second opportunity to submit an applica-  
22 tion shall be not more than 90 days after the  
23 first opportunity.

24 (C) CERTIFICATION.—An application sub-  
25 mitted under subparagraph (A) shall include a

1 certification made by the appropriate official of  
2 the eligible intermediary that the eligible inter-  
3 mediary will use any grant award received by  
4 the eligible intermediary under this subsection  
5 in accordance with the requirements of sub-  
6 section (d).

7 (5) EVALUATION.—

8 (A) IN GENERAL.—The Secretary shall  
9 evaluate each application submitted under para-  
10 graph (4) for purposes of this subsection using  
11 the factors described in subparagraph (B).

12 (B) FACTORS.—In evaluating an eligible  
13 intermediary for receipt of a grant under this  
14 subsection, the Secretary shall consider the fol-  
15 lowing factors:

16 (i) The amount of non-Federal funds  
17 the eligible intermediary expects to make  
18 available to assist eligible entities in locat-  
19 ing eligible jobs in economic development  
20 districts or targeted labor surplus areas.

21 (ii) The quality of eligible jobs to be  
22 located with assistance from the eligible  
23 intermediary and the difficulty of the relo-  
24 cation, with preference for those eligible  
25 intermediaries expected to assist in the lo-

1 cation of higher quality eligible jobs or eli-  
2 gible jobs that are more difficult to relo-  
3 cate.

4 (iii) The number of eligible jobs ex-  
5 pected to be located as a result of receiving  
6 a grant.

7 (iv) Whether the State in which the  
8 eligible intermediary proposes to establish  
9 a loan program under subsection (d) has a  
10 plan to promote the sale and marketing of  
11 goods produced in the State and whether  
12 the application of the eligible intermediary  
13 is consistent with such plan.

14 (v) Whether the State in which the el-  
15 igible intermediary proposes to establish a  
16 loan program under subsection (d) has  
17 made significant progress in developing a  
18 strategic plan in accordance with section  
19 276 of the Trade Act of 1974 (19 U.S.C.  
20 2371e).

21 (vi) If the eligible intermediary pro-  
22 poses to provide assistance with locating  
23 eligible jobs in a targeted labor surplus  
24 area not located in an economic develop-  
25 ment district, the following:

1                   (I) The severity of the unemploy-  
2                   ment level of the State in which the  
3                   targeted labor surplus area is located,  
4                   determined by comparing the average  
5                   number of unemployed individuals in  
6                   such State for the 2-year period end-  
7                   ing on the date on which the Sec-  
8                   retary establishes the program under  
9                   subsection (b) to the average number  
10                  of unemployed individuals in all  
11                  States for the same period.

12                 (II) The extent by which the per  
13                 capita income of the targeted labor  
14                 surplus area is less than the average  
15                 per capita income of the State in  
16                 which such area is located.

17                 (vii) If the eligible intermediary ex-  
18                 pects to apply for 1 or more grants under  
19                 section 275, 278, or 279A of the Trade  
20                 Act of 1974 (19 U.S.C. 2371d, 2372, and  
21                 2373), how the eligible intermediary plans  
22                 to integrate the loan program to be estab-  
23                 lished by the eligible intermediary under  
24                 subsection (d) with the activities relating  
25                 to such grants.

1 (C) SUBMITTAL OF APPLICATIONS TO GOV-  
2 ERNORS.—Upon the request of a Governor of a  
3 State, the Secretary shall submit to such Gov-  
4 ernor a list of all applicants who—

5 (i) request a grant under this sub-  
6 section to establish a loan program under  
7 subsection (d) in such State; and

8 (ii) the Secretary considers the most  
9 qualified for a grant under this subsection.

10 (6) APPROVAL.—The Secretary shall approve or  
11 disapprove each application submitted under para-  
12 graph (5) for a grant to carry out a loan program  
13 under subsection (d) in a State as the Secretary con-  
14 siders would have the greatest positive economic ef-  
15 fect on the economy of such State. In determining  
16 whether to approve or disapprove an application, the  
17 Secretary may take into account the recommenda-  
18 tion on such application by the Governor of such  
19 State.

20 (7) MATCHING REQUIREMENT.—

21 (A) IN GENERAL.—An eligible inter-  
22 mediary seeking a grant under this subsection  
23 shall agree to make available non-Federal funds  
24 to carry out the purposes of the program re-  
25 quired by subsection (b) in an amount equal to



1 not less than 25 percent of the grant awarded  
2 to such eligible intermediary under this sub-  
3 section.

4 (B) LIMITATION.—Non-Federal funds  
5 under subparagraph (A) may not include in-  
6 kind contributions.

7 (d) LOANS FROM ELIGIBLE INTERMEDIARIES TO EL-  
8 IGIBLE ENTITIES.—

9 (1) IN GENERAL.—Each eligible intermediary  
10 receiving a grant under subsection (c) shall use the  
11 grant to establish a program to provide assistance to  
12 eligible entities in locating eligible jobs in economic  
13 development districts or targeted labor surplus  
14 areas.

15 (2) LOANS.—

16 (A) IN GENERAL.—An eligible inter-  
17 mediary with a program under paragraph (1)  
18 shall carry out such program by awarding loans  
19 to eligible entities to cover the costs incurred by  
20 such entities in carrying out the location of eli-  
21 gible jobs as described in paragraph (1).

22 (B) SCHEDULE OF LOAN AWARDS.—Each  
23 eligible intermediary with a program under  
24 paragraph (1) shall complete the awarding of  
25 loans under such program not later than 180

1 days after the date that the eligible inter-  
2 mediary receives a grant under subsection (c).

3 (3) LOAN TERMS AND CONDITIONS.—The fol-  
4 lowing shall apply with respect to loans provided  
5 under paragraph (2):

6 (A) TERM.—Loans shall have a term of 2  
7 years.

8 (B) INTEREST RATES.—Loans shall not  
9 bear any interest.

10 (4) AMOUNTS.—A loan awarded by an eligible  
11 intermediary to an eligible entity under this sub-  
12 section shall be disbursed by the eligible inter-  
13 mediary to the eligible entity in 2 installments as  
14 follows:

15 (A) INITIAL INSTALLMENT.—The initial  
16 installment of the loan shall be disbursed to the  
17 eligible entity as soon as practicable after the  
18 loan is awarded in an amount equal to \$5,000  
19 per eligible job not located in an economic de-  
20 velopment district or targeted labor surplus  
21 area that the eligible entity intends to locate in  
22 an economic development district or targeted  
23 labor surplus area under this subsection.

24 (B) SECOND INSTALLMENT.—Subject to  
25 paragraph (5)(B), the second installment of the

1 loan shall be disbursed to the eligible entity as  
2 soon as practicable after the 366th day after  
3 the initial installment is disbursed in an amount  
4 equal to \$5,000 per eligible job that the eligible  
5 entity successfully locates in an economic devel-  
6 opment district or targeted labor surplus area  
7 that was not located in an economic develop-  
8 ment district or targeted labor surplus area on  
9 the day before the eligible entity was awarded  
10 the loan.

11 (5) CERTIFICATION OF INCREASE IN EMPLOY-  
12 MENT.—

13 (A) INITIAL CERTIFICATION.—Not earlier  
14 than the 335th day of a loan under this sub-  
15 section and not later than the 365th day of  
16 such loan, the eligible entity awarded the loan  
17 shall certify to the satisfaction of the eligible  
18 intermediary that—

19 (i) the eligible entity increased, during  
20 the first year of the loan, the number of  
21 full-time equivalent employees employed by  
22 the eligible entity in an eligible job in an  
23 economic development district or a tar-  
24 geted labor surplus area;

1 (ii) such increase was consistent with  
2 the purpose of locating eligible jobs in eco-  
3 nomic development districts or targeted  
4 labor surplus areas; and

5 (iii) the eligible entity has not re-  
6 duced, during the first year of the loan,  
7 the number of full-time equivalent employ-  
8 ees who are employed in eligible jobs out-  
9 side the economic development district or  
10 targeted labor surplus area—

11 (I) in the State; and

12 (II) in other States.

13 (B) FINAL CERTIFICATION.—Not earlier  
14 than the 720th day of a loan under this sub-  
15 section and not later than the 730th day of  
16 such loan, the eligible entity awarded the loan  
17 shall certify to the satisfaction of the eligible  
18 intermediary that—

19 (i) the eligible entity did not reduce,  
20 during the second year of the loan, the  
21 number of full-time equivalent employees  
22 employed by the eligible entity in an eligi-  
23 ble job in an economic development district  
24 or a targeted labor surplus area; and

1 (ii) the eligible entity has not reduced,  
2 during the second year of the loan, the  
3 number of full-time equivalent employees  
4 who are employed in eligible jobs outside  
5 the economic development district or tar-  
6 geted labor surplus area—

7 (I) in the State; and

8 (II) in other States.

9 (C) FAILURE TO CERTIFY.—

10 (i) INITIAL CERTIFICATION.—If an el-  
11 igible entity awarded a loan under this  
12 subsection fails to make the certification  
13 required by subparagraph (A), the eligible  
14 entity shall—

15 (I) be ineligible for the second in-  
16 stallment of the loan under paragraph  
17 (4)(B); and

18 (II) repay to the eligible inter-  
19 mediary the amount of the loan re-  
20 ceived by the recipient.

21 (ii) FINAL CERTIFICATION.—If an eli-  
22 gible entity awarded a loan under this sub-  
23 section fails to make the certification re-  
24 quired by subparagraph (B), the eligible  
25 entity shall repay to the eligible inter-

1                   mediary the entire amount of the loan re-  
2                   ceived by the recipient.

3                   (6) LOAN FORGIVENESS.—If an eligible entity  
4                   makes the certifications required by paragraph (5),  
5                   the eligible intermediary shall forgive the loan the el-  
6                   igible intermediary provided to such eligible entity.

7                   (7) LIMITATION.—An eligible intermediary may  
8                   not award a loan to any eligible entity under this  
9                   subsection for the purpose of relocating a job from  
10                  one State to another State.

11                  (8) CONSULTATION AND COORDINATION.—To  
12                  the extent practicable, an eligible intermediary es-  
13                  tablishing a program under this subsection shall  
14                  carry out such program in consultation and coordi-  
15                  nation with—

16                         (A) State governments;

17                         (B) local economic development agencies of  
18                         States;

19                         (C) local governments; and

20                         (D) economic development districts.

21                  (9) ADMINISTRATIVE COSTS.—An eligible inter-  
22                  mediary may not use more than 5 percent of any  
23                  grant received by the eligible intermediary under  
24                  subsection (c) for costs of administering a program  
25                  under paragraph (1).

1           (10) AUDITS.—Each eligible intermediary who  
2           establishes a program under paragraph (1) shall  
3           audit each eligible entity awarded a loan under this  
4           subsection to ensure that the eligible entity locates  
5           eligible jobs in economic development districts or  
6           targeted labor surplus areas.

7           (e) PUBLICATION OF LOAN AWARDS.—

8           (1) NOTICE TO SECRETARY.—Not later than 30  
9           days after the date on which an eligible intermediary  
10          awards a loan under subsection (d), the eligible  
11          intermediary shall submit to the Secretary such in-  
12          formation regarding the loan as the Secretary may  
13          require, including the following:

14                   (A) The name of the loan recipient.

15                   (B) The number of eligible jobs to be lo-  
16                   cated in an economic development district or a  
17                   targeted labor surplus area with assistance  
18                   from the loan recipient.

19                   (C) The economic development district or  
20                   targeted labor surplus area concerned.

21                   (D) The State concerned.

22          (2) PUBLICATION ON INTERNET WEB SITE.—  
23          Not later than 30 days after the date on which the  
24          Secretary receives information under paragraph (1),

1 the Secretary shall publish such information on the  
2 Internet Web site of the Department of Commerce.

3 (f) REGULATIONS.—Not later than 180 days after  
4 the date of the enactment of this Act, the Secretary shall  
5 prescribe regulations to carry out this section.

6 (g) REPORT.—Not later than 570 days after the date  
7 of the enactment of this Act, the Secretary shall submit  
8 to Congress a report on the program required by sub-  
9 section (b).

10 (h) AUTHORIZATION OF APPROPRIATIONS.—There  
11 are authorized to be appropriated to the Secretary  
12 amounts as follows:

13 (1) To be awarded as grants under subsection  
14 (c), \$40,500,000.

15 (2) For the administration of the program re-  
16 quired by subsection (b), \$2,000,000.

○