

Public Law 90-490

AN ACT

August 16, 1968
[S. 3095]

To amend the Public Health Service Act to extend and improve the programs relating to the training of nursing and other health professions and allied health professions personnel, the program relating to student aid for such personnel, and the program relating to health research facilities, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Health Manpower Act of 1968".

Health Man-
power Act of
1968.

SEC. 2. As used in the amendments made by this Act, the term "Secretary", unless the context otherwise requires, means the Secretary of Health, Education, and Welfare.

TITLE I—HEALTH PROFESSIONS TRAINING

PART A—CONSTRUCTION GRANTS

EXTENSION OF CONSTRUCTION AUTHORIZATIONS

SEC. 101. (a) Section 720 of the Public Health Service Act (42 U.S.C. 293) is amended by inserting after and below clause (3) of the first sentence thereof the following new sentence: "For such grants there are also authorized to be appropriated \$170,000,000 for the fiscal year ending June 30, 1970, and \$225,000,000 for the next fiscal year."

79 Stat. 1056.

(b) (1) Such section 720 is further amended by striking out "Sums so appropriated shall remain available until expended." and by adding at the end of such section the following: "Sums so appropriated for any fiscal year shall remain available for obligation through the close of the next fiscal year."

(2) The amendments made by this subsection shall apply only with respect to appropriations for fiscal years ending after June 30, 1969.

FEDERAL SHARE

SEC. 102. (a) Subsection (a) (1) of section 722 of the Public Health Service Act (42 U.S.C. 293b) is amended by striking out "such amount may not exceed 50 per centum" and inserting in lieu thereof "such amount may not, except where the Secretary determines that unusual circumstances make a larger percentage (which in no case may exceed 66 $\frac{2}{3}$ per centum) necessary in order to effectuate the purposes of this part, exceed 50 per centum".

77 Stat. 168.

(b) The amendment made by this section shall apply in the case of projects for which grants are made from appropriations for fiscal years ending after June 30, 1969.

LENGTH AND CHARACTER OF FEDERAL RECOVERY INTEREST IN FACILITIES

SEC. 103. (a) (1) Clause (b) of section 723 of the Public Health Service Act (42 U.S.C. 293c) is amended to read as follows:

"(b) the facility shall cease to be used for the teaching purposes (and the other purposes permitted under section 722) for which it was constructed, unless the Secretary determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to do so,".

(2) So much of such section 723 of such Act as precedes clause (a) is amended by striking out "ten" and inserting in lieu thereof "twenty".

77 Stat. 166.

(3) Clause (A) of section 721(c)(2) of such Act (42 U.S.C. 293a) is amended to read: "(A) the facility is intended to be used for the purposes for which the application has been made,".

(b) The amendments made by subsection (a) (1) and (2) shall apply in the case of facilities for which a grant has been or is in the future made under part B of title VII of the Public Health Service Act. The amendment made by subsection (a) (3) shall apply in the case of assurances given after the date of enactment of this Act under such part B.

42 USC 293-293h.

GRANTS FOR MULTIPURPOSE FACILITIES

SEC. 104. (a) Section 722 of the Public Health Service Act (42 U.S.C. 293b) is further amended by adding at the end thereof the following new subsection:

"(d) In the case of a project for construction of facilities which are primarily (as determined in accordance with regulations of the Secretary) for teaching purposes and for which a grant may be made under this part, but which also are for research purposes, or research and related purposes, in the sciences related to health (within the meaning of part A of this title) or for medical library purposes (within the meaning of part I of title III), the project shall, insofar as all such purposes are involved, be regarded as a project for facilities with respect to which a grant may be made under this part."

70 Stat. 717.
42 USC 292-292j.79 Stat. 1059.
42 USC 280b-280b-11.

(b) The amendment made by subsection (a) shall apply in the case of projects for which grants are made under part B of title VII of the Public Health Service Act from appropriations for fiscal years ending after June 30, 1969.

GRANTS FOR CONTINUING AND ADVANCED EDUCATION FACILITIES

SEC. 105. (a) Paragraph (3) of section 721(c) of the Public Health Service Act (42 U.S.C. 293a) is amended by inserting before the semicolon at the end thereof the following: "(and, for purposes of this part, expansion or curtailment of capacity for continuing education shall also be considered expansion and curtailment, respectively, of training capacity)".

(b) Subsection (d) of section 721 of such Act is amended by inserting "(other than a project for facilities for continuing education)" after "an existing school" in paragraph (1)(A) and after "a school" in paragraph (1)(B).

77 Stat. 169.
42 USC 293d.

(c) Section 724(4) of such Act is amended by inserting before the semicolon at the end thereof: ", and including advanced training related to such training provided by any such school".

(d) The amendments made by this section shall apply in the case of projects for which grants are made under part B of title VII of the Public Health Service Act from appropriations for fiscal years ending after June 30, 1969.

PART B—INSTITUTIONAL AND SPECIAL PROJECT GRANTS FOR TRAINING OF HEALTH PROFESSIONS PERSONNEL

79 Stat. 1052.

SEC. 111. (a) Sections 770, 771, and 772 of the Public Health Service Act (42 U.S.C. 295f, 295f-1, 295f-2) are amended to read as follows:

"AUTHORIZATION FOR APPROPRIATIONS

"SEC. 770. (a) There are authorized to be appropriated \$117,000,000 for the fiscal year ending June 30, 1970, and \$168,000,000 for the fiscal year ending June 30, 1971, for institutional grants under section 771 and special project grants under section 772.

“(b) The portion of the sums so appropriated for each fiscal year which shall be available for grants under each such section shall be determined by the Secretary unless otherwise provided in the Act or Acts appropriating such sums for such year.

“INSTITUTIONAL GRANTS

“SEC. 771. (a) (1) The sums available for grants under this section from appropriations under section 770 for the fiscal year ending June 30, 1970, and for the next fiscal year shall be distributed to the schools of medicine, dentistry, osteopathy, pharmacy, optometry, veterinary medicine, and podiatry with approved applications as follows: Each school shall receive \$25,000; and of the remainder—

Distribution.

“(A) 75 per centum shall be distributed on the basis of—

“(i) the relative enrollment of full-time students for such year, and

“(ii) the relative increase in enrollment of such students for such year over the average enrollment of such school for the five school years preceding the year for which the application is made;

with the amount per full-time student so computed that a school receives twice as much for each such student in the increase as for other full-time students, and

“(B) 25 per centum shall be distributed on the basis of the relative number of graduates for such year.

In computing the increase under clause (a) (ii) of the preceding sentence for any school, there shall be excluded a number equal to the increase required by subsection (b) (1) (except in the case of a school to which the third sentence of such subsection applies).

“(2) For the fiscal years ending June 30, 1970, and June 30, 1971, only, the sum computed under paragraph (1) for any school which is less than the amount such school received under this section for the fiscal year ending June 30, 1969, shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the sums computed under such paragraph (1) for the remaining schools, but with such adjustments as may be necessary to prevent the sums computed for any of such remaining schools from being reduced to less than the amount it received for such fiscal year ending June 30, 1969, under this section.

“(b) (1) The Secretary shall not make a grant under this section to any school unless the application for such grant contains or is supported by reasonable assurances that for the first school year beginning after the fiscal year for which such grant is made and each school year thereafter during which such a grant is made the first-year enrollment of full-time students in such school will exceed the average of the first-year enrollments of such students in such school for the two school years having the highest such enrollment during the five school years during the period of July 1, 1963, through June 30, 1968, by at least 2½ per centum of such average first-year enrollments, or by five students, whichever is greater. The requirements of this paragraph shall be in addition to the requirements of section 771(c) (2) (D) of this Act, where applicable. The Secretary is authorized to waive (in whole or in part) the provisions of this paragraph if he determines, after consultation with the National Advisory Council on Health Professions Educational Assistance, that the required increase in first-year enrollment of full-time students in a school cannot, because of limitations of physical facilities available to the school for training, be accomplished without lowering the quality of training provided therein.

Enrollment increase requirement.

77 Stat. 166.
42 USC 293a.
Waiver.

Limitation.

"(2) Notwithstanding the preceding provisions of this section, no grant under this section to any school for any fiscal year may exceed the total of the funds from non-Federal sources expended (excluding expenditures of a nonrecurring nature) by the school during the preceding year for teaching purposes (as determined in accordance with criteria prescribed by the Secretary), except that this paragraph shall not apply in the case of a school which has for such year a particular year-class which it did not have for the preceding year or in the case of Howard University.

Post, p. 779.

"(c) (1) For purposes of this part and part F, regulations of the Secretary shall include provisions relating to determination of the number of students enrolled in a school, or in a particular year-class in a school, or the number of graduates, as the case may be, on the basis of estimates, or on the basis of the number of students who were enrolled in a school, or in a particular year-class in a school, or were graduates, in an earlier year, as the case may be, or on such basis as he deems appropriate for making such determination, and shall include methods of making such determinations when a school or a year-class was not in existence in an earlier year at a school.

"Full-time students."

"(2) For purposes of this part and part F, the term 'full-time students' (whether such term is used by itself or in connection with a particular year-class) means students pursuing a full-time course of study leading to a degree of doctor of medicine, doctor of dentistry, or an equivalent degree, doctor of osteopathy, bachelor of science in pharmacy, or doctor of pharmacy, doctor of optometry or an equivalent degree, doctor of veterinary medicine or an equivalent degree, or doctor of podiatry or an equivalent degree.

"SPECIAL PROJECT GRANTS

"SEC. 772. Grants may be made, from sums available therefore from appropriations under section 770 for the fiscal year ending June 30, 1970, and for the next fiscal year, to assist schools of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, and veterinary medicine in meeting the cost of special projects to plan, develop, or establish new programs or modifications of existing programs of education in such health professions or to effect significant improvements in curriculums of any such schools or for research in the various fields related to education in such health professions, or to develop training for new levels or types of health professions personnel, or to assist any such schools which are in serious financial straits to meet their costs of operation or which have special need for financial assistance to meet the accreditation requirements, or to assist any such schools to meet the costs of planning experimental teaching facilities or experimental design thereof, or which will otherwise strengthen, improve, or expand programs to train personnel in such health professions or help to increase the supply of adequately trained personnel in such health professions needed to meet the health needs of the Nation."

79 Stat. 1053.

(b) (1) Subsection (a) of section 773 of such Act (42 U.S.C. 295f-3) is amended by striking out "basic or special grants under section 771 or 772" and inserting in lieu thereof "grants under section 771 or 772".

(2) Subsection (b) (1) of such section is amended by inserting before "or podiatry" the following: "pharmacy, veterinary medicine,".

(3) Subsection (c) of such section is amended by striking out "National Advisory Council on Medical, Dental, Optometric, and Podiatric Education" and inserting in lieu thereof "National Advisory Council on Health Professions Educational Assistance".

(4) Subsection (d) (2) of such section is amended by inserting "(excluding expenditures of a nonrecurring nature)" after "for such purpose".

(5) Subsection (e) of such section is amended to read as follows:

“(e) In determining priority of projects applications for which are filed under section 772, the Secretary shall give consideration to—

Priorities.

“(1) the extent to which the project will increase enrollment of full-time students receiving the training for which grants are authorized under this part;

“(2) the relative need of the applicant for financial assistance to maintain or provide for accreditation or to avoid curtailing enrollment or reduction in the quality of training provided; and

“(3) the extent to which the project may result in curriculum improvement or improved methods of training or will help to reduce the period of required training without adversely affecting the quality thereof.”

(c) (1) Section 774(a) of such Act is amended by striking out “and podiatric education” and inserting in lieu thereof “podiatric, pharmaceutical, and veterinary education”.

79 Stat. 1054.
42 USC 295f-4.

(2) Such section 774(a) is further amended by striking out “twelve” and inserting in lieu thereof “fourteen”, and by striking out “National Advisory Council on Medical, Dental, Optometric, and Podiatric Education” and inserting in lieu thereof “National Advisory Council on Health Professions Educational Assistance”.

(3) The heading of section 774 is amended to read:

“NATIONAL ADVISORY COUNCIL ON HEALTH PROFESSIONS EDUCATIONAL ASSISTANCE”

(4) Section 780(d) of such Act is amended by striking out “National Advisory Council on Medical, Dental, Optometric, and Podiatric Education” and inserting in lieu thereof “National Advisory Council on Health Professions Educational Assistance”.

42 USC 295g.

(d) The amendments made by this section shall apply with respect to appropriations for fiscal years ending after June 30, 1969.

Effective date.

(e) Effective only with respect to appropriations for the fiscal year ending June 30, 1969, section 772 of such Act is amended (1) by striking out subsection (c), and (2) by inserting before the period at the end of subsection (b) the following: “; or (3) to plan for special projects for which grants are authorized under this section as amended by the Health Manpower Act of 1968”.

79 Stat. 1053.
42 USC 295f-2.

PART C—STUDENT AID

STUDENT LOANS

SEC. 121. (a) (1) Clauses (2) and (3) of section 740(b) of the Public Health Service Act (42 U.S.C. 294) are each amended by inserting “, except as provided in section 746,” after “fund” the first time it appears therein.

77 Stat. 171.

(2) Section 740(b)(4) of such Act is amended by striking out “1969” and inserting in lieu thereof “1971”.

79 Stat. 1057.

(3) Section 741(c) of such Act (42 U.S.C. 294a) is amended by striking out “three years” the first time it appears therein and inserting in lieu thereof “one year” and by adding before the period at the end thereof “; and periods (up to five years) of advanced professional training including internships and residencies”.

(4) Section 741(e) of such Act is amended to read as follows:

“(e) Such loans shall bear interest, on the unpaid balance of the loan, computed only for periods for which the loan is repayable, at the rate of 3 per centum per year”.

(5) (A) Section 741 of such Act is further amended by adding at the end thereof the following new subsections:

Late payment,
penalty.

“(j) Subject to regulations of the Secretary, a school may assess a charge with respect to a loan made under this part for failure of the borrower to pay all or any part of an installment when it is due and, in the case of a borrower who is entitled to deferment of the loan under subsection (c) or cancellation of part or all of the loan under subsection (f), for any failure to file timely and satisfactory evidence of such entitlement. The amount of any such charge may not exceed \$1 for the first month or part of a month by which such installment or evidence is late and \$2 for each such month or part of a month thereafter. The school may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

Minimum pay-
ment.

“(k) A school may provide, in accordance with regulations of the Secretary, that during the repayment period of a loan from a loan fund established pursuant to an agreement under this part payments of principal and interest by the borrower with respect to all the outstanding loans made to him from loan funds so established shall be at a rate equal to not less than \$15 per month.”

77 Stat. 171.
42 USC 294.

(B) Subsection (b)(2) of section 740 of such Act is further amended by striking out “and (D)” and inserting in lieu thereof “(D) collections pursuant to section 741(j), and (E)”.

Appropriation.
79 Stat. 1057.

(b)(1) The first sentence of subsection (a) of section 742 of such Act (42 U.S.C. 294b) is amended by striking out “and” before “\$25,000,000” and by inserting before the period at the end thereof “, and \$35,000,000 each for the fiscal year ending June 30, 1970, and the next fiscal year”.

(2) The third sentence of such subsection is amended by striking out “1970” and “1969” and inserting in lieu thereof “1972” and “1971”, respectively.

80 Stat. 1232.

(3) The fourth sentence of such subsection is amended by striking out “and” before “(2)” and by inserting before the period at the end thereof “, and (3) for transfers pursuant to section 746”.

(c) Section 743 of such Act (42 U.S.C. 294c) is amended by striking out “1972” each place it appears therein and inserting in lieu thereof “1974”.

(d)(1) Section 744(a)(1) of such Act (42 U.S.C. 294d) is amended by inserting “and each of the next three fiscal years,” after “1968,”.

(2) Section 744(c) of such Act is amended by striking out “\$35,000,000” and inserting in lieu thereof “\$45,000,000”.

(e) Part C of title VII of such Act (42 U.S.C. 294, et seq.) is further amended by adding at the end thereof the following new section:

“TRANSFER OF FUNDS TO SCHOLARSHIPS

“SEC. 746. Not to exceed 20 per centum of the amount paid to a school from the appropriations for any fiscal year for Federal capital contributions under an agreement under this part, or such larger percentage thereof as the Secretary may approve, may be transferred to the sums available to the school under part F of this title to be used for the same purpose as such sums. In the case of any such transfer, the amount of any funds which the school deposited in its student loan fund pursuant to section 740(b)(2)(B) with respect to the amount so transferred may be withdrawn by the school from such fund.”

Post, p. 779.

80 Stat. 1232.

Effective dates.

(f) The amendments made by subsections (a)(1), (b)(3), and (e) shall apply with respect to appropriations for fiscal years ending after June 30, 1969. The amendment made by subsection (a)(3) shall apply (1) with respect to all loans made under an agreement

under part (C) of title VII of the Public Health Service Act after June 30, 1969, and (2) with respect to loans made thereunder before July 1, 1969, to the extent agreed to by the school which made the loans and the Secretary (but, then, only as to years beginning after June 30, 1969). The amendment made by subsection (a) (4) and (5) shall apply with respect to loans made after June 30, 1969.

SCHOLARSHIPS

SEC. 122. (a) Subsection (a) of section 780 of the Public Health Service Act (42 U.S.C. 295g) is amended by striking out "or pharmacy" and inserting in lieu thereof "pharmacy, or veterinary medicine". The heading of such section is amended by striking out "OR PHARMACY" and inserting in lieu thereof "PHARMACY, OR VETERINARY MEDICINE".

79 Stat. 1055.

(b) Subsection (b) of such section is amended by inserting "and each of the next two fiscal years" after "1969," in the first sentence and by striking out "1970" and "1969" and inserting in lieu thereof "1972" and "1971", respectively, in the second sentence.

(c) (1) Paragraph (1) of subsection (c) of such section is amended by inserting "and each of the next two fiscal years" after "1969" in clause (D) and by striking out "1969" and "1970" in clause (E) and inserting in lieu thereof "1971" and "1972", respectively.

(2) The first sentence of paragraph (2) of such subsection (c) is amended by striking out "from low-income families who, without such financial assistance could not" and inserting in lieu thereof "of exceptional financial need who need such financial assistance to".

(d) Part F of title VII of the Public Health Service Act is further amended by inserting after section 780 the following new section:

"TRANSFER TO STUDENT LOAN FUNDS

"SEC. 781. Not to exceed 20 per centum of the amount paid to a school from the appropriations for any fiscal year for scholarships under this part, or such larger percentage thereof as the Secretary may approve, may be transferred to the sums available to the school under part C for (and to be regarded as) Federal capital contributions, to be used for the same purpose as such sums."

(e) The amendment made by subsections (a), (b), (c) (1), and (d) shall apply with respect to appropriations for fiscal years ending June 30, 1969. The amendments made by subsection (c) (2) shall apply with respect to scholarships from appropriations for fiscal years ending after June 30, 1969.

Effective dates.

PART D—MISCELLANEOUS

STUDY OF SCHOOL AID AND STUDENT AID PROGRAMS

SEC. 131. The Secretary shall, in consultation with the Advisory Councils established by sections 725 and 774, prepare, and submit to the President and the Congress prior to July 1, 1970, a report on the administration of parts B, C, E, and F of title VII of the Public Health Service Act, an appraisal of the programs under such parts in the light of their adequacy to meet the long-term needs for health professionals, and his recommendations as a result thereof.

Report to President and Congress.

42 USC 293e.
Ante, p. 777.

42 USC 293-294e, 295f-295g.

TITLE II—NURSE TRAINING

PART A—CONSTRUCTION GRANTS

EXTENSION OF CONSTRUCTION AUTHORIZATION

78 Stat. 908.

SEC. 201. (a) Section 801 of the Public Health Service Act (42 U.S.C. 296) is amended to read as follows:

“SEC. 801. (a) There are authorized to be appropriated, for grants to assist in the construction of new facilities for collegiate, associate degree, or diploma schools of nursing, or replacement or rehabilitation of existing facilities for such schools, \$25,000,000 for the fiscal year ending June 30, 1970, and \$35,000,000 for the fiscal year ending June 30, 1971.

“(b) Sums appropriated pursuant to subsection (a) for a fiscal year shall remain available for obligation through the close of the next fiscal year.”

(b) Section 802(a) of such Act (42 U.S.C. 296a) is amended by striking out “July 1, 1968” and inserting in lieu thereof “July 1, 1970”.

FEDERAL SHARE

SEC. 202. Section 803(a) of the Public Health Service Act (42 U.S.C. 296b) is amended by striking out “may not exceed 50 per centum” in clause (B) and inserting in lieu thereof “may not, except where the Secretary determines that unusual circumstances make a larger percentage (which may in no case exceed 66⅔ per centum) necessary in order to effectuate the purposes of this part, exceed 50 per centum”.

INCLUSION OF TRUST TERRITORY

SEC. 203. Section 843(a) of the Public Health Service Act (42 U.S.C. 298b) is amended by striking out “or the Virgin Islands” and inserting in lieu thereof “the Virgin Islands, or the Trust Territory of the Pacific Islands”.

AMENDMENT OF DEFINITION OF COLLEGIATE SCHOOL OF NURSING

SEC. 204. Section 843(c) of the Public Health Service Act is amended by inserting before the period at the end thereof “, and including advanced training related to such program of education provided by such school”.

EFFECTIVE DATE

SEC. 205. The amendments made by sections 201 and 204 shall apply with respect to appropriations for fiscal years ending after June 30, 1969.

PART B—SPECIAL PROJECT AND INSTITUTIONAL GRANTS TO SCHOOLS OF NURSING

SPECIAL PROJECT AND INSTITUTIONAL GRANTS

SEC. 211. Sections 805 and 806 of the Public Health Service Act (42 U.S.C. 296d, 296e) are amended to read as follows:

"IMPROVEMENT IN NURSE TRAINING

"SEC. 805. (a) From the sums available therefor from appropriations under section 808 for the fiscal year ending June 30, 1970, and the next fiscal year, grants may be made to assist any public or non-profit private agency, organization, or institution to meet the cost of special projects to plan, develop, or establish new programs or modifications of existing programs of nursing education or to effect significant improvements in curriculums of schools of nursing or for research in the various fields of nursing education, or to assist schools of nursing which are in serious financial straits to meet their costs of operation or to assist schools of nursing which have special need for financial assistance to meet accreditation requirements, or to assist in otherwise strengthening, improving, or expanding programs of nursing education, or to assist any such agency, organization, or institution to meet the costs of other special projects which will help to increase the supply of adequately trained nursing personnel needed to meet the health needs of the Nation.

"(b) In determining priority of projects for which applications are filed under subsection (a), the Secretary shall give priority in the following order:

Priorities.

"(1) the relative need of the applicant (if a school of nursing) for financial assistance to continue in operation or avoid curtailing enrollment or reduction in the quality of training provided;

"(2) the special need of the applicant for financial assistance in connection with its merger with a school of nursing;

"(3) the relative need of the applicant for financial assistance to maintain or provide for accreditation as a school of nursing; and

"(4) the extent to which the project will increase enrollment of full-time students receiving nursing training.

"INSTITUTIONAL GRANTS

"SEC. 806. (a) The sums available for grants under this section from appropriations under section 808 for the fiscal year ending June 30, 1970, and the next fiscal year shall be distributed to the schools with approved applications as follows: Each school shall receive \$15,000; and of the remainder—

Distribution.

"(A) 75 per centum shall be distributed on the basis of—

"(i) the relative enrollment of full-time students for such year, and

"(ii) the relative increase in enrollment of such students for such year over the average enrollment of such school for the five school years preceding the year for which the application is made;

with the amount per full-time student so computed that a school receives twice as much for each such student in the increase as for other full-time students, and

"(B) 25 per centum shall be distributed on the basis of the relative number of graduates for such year.

In computing the increase under clause (A) (ii) of the preceding sentence for any school, there shall be excluded a number equal to the increase required by subsection (b) (except in the case of a school to which the third sentence of such subsection applies).

"(b) The Secretary shall not make a grant under this section to any school from any appropriation for a fiscal year ending after June 30, 1970, unless the application for such grant contains or is supported by reasonable assurances that for the first school year beginning after the fiscal year for which such grant is made and each school year thereafter

Enrollment increase requirement.

during which such a grant is made the first-year enrollment of full-time students in such school will exceed the average of the first-year enrollment of such students in such school for the two school years having the highest such enrollment during the five school years during the period of July 1, 1963, through June 30, 1968, by at least 2½ per centum of such average first-year enrollment, or by five students, whichever is greater. The requirements of this subsection shall be in addition to the requirements of section 802(b)(2)(D) of this Act, where applicable. The Secretary is authorized to waive (in whole or in part) the provisions of this subsection if he determines, after consultation with the National Advisory Council on Nurse Training, that the required increase in first-year enrollment of full-time students in a school cannot, because of limitations of physical facilities available to the school for training, be accomplished without lowering the quality of training provided therein.

78 Stat. 909.
42 USC 296a.
Waiver.

Post, pp. 785,
786.

“(c) (1) For the purposes of this part and part D, regulations of the Secretary shall include provisions relating to determination of the number of students enrolled in a school, or in a particular year-class in a school, or the number of graduates from a school, as the case may be, on the basis of estimates, or on the basis of the number of students who were enrolled in a school, or in particular year-class in a school, or were graduates from a school in earlier years, as the case may be, or on such basis as he deems appropriate for making such determination, and shall include methods of making such determination when a school or a year-class was not in existence in an earlier year at a school.

“Full-time
students.”

“(2) For purposes of this part and part D, the term ‘full-time students’ (whether such term is used by itself or in connection with a particular year-class) means students pursuing a full-time course of study in an accredited program in a school of nursing.”

CONDITIONS OF ELIGIBILITY

SEC. 212. Part A of title VIII of the Public Health Service Act is amended by adding at the end thereof the following new sections:

“APPLICATIONS FOR GRANTS

“SEC. 807. (a) The Secretary may from time to time set dates (not earlier than in the fiscal year preceding the year for which a grant is sought) by which applications under section 805 or 806 for any fiscal year must be filed.

“(b) The Secretary shall not approve or disapprove any application for a grant under this part except after consultation with the National Advisory Council on Nurse Training.

“(c) A grant under section 805 or 806 may be made only if the application therefor—

“(1) is from a public or nonprofit private school of nursing, or, in the case of grants under section 805, a public or nonprofit private agency, organization, or institution;

“(2) contains or is supported by assurances satisfactory to the Secretary that the applicant will expend in carrying out its functions as a school of nursing, during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which are at least as great as the average amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the three fiscal years immediately preceding the fiscal year for which such grant is sought;

“(3) contains such additional information as the Secretary may

42 USC 296-
296e.

require to make the determinations required of him under this part and such assurances as he may find necessary to carry out the purposes of this part; and

“(4) provides for such fiscal control and accounting procedures and reports, and access to the records of the applicant, as the Secretary may require to assure proper disbursement of and accounting for Federal funds paid to the applicant under this part.

“AUTHORIZATION FOR APPROPRIATIONS

“SEC. 808. (a) There are authorized to be appropriated \$35,000,000 for the fiscal year ending June 30, 1970, and \$40,000,000 for the fiscal year ending June 30, 1971, for improvement grants under section 805 and institutional grants under section 806.

“(b) Of the sums appropriated under subsection (a) of this section \$15,000,000 shall be available for each of the fiscal years ending June 30, 1970, and June 30, 1971, for grants under section 805.”

CONFORMING CHANGE

SEC. 213. Clause (2) of section 843(f) of the Public Health Service Act (42 U.S.C. 298b) is amended to read: “(2) in the case of a school applying for a grant under section 806 for any fiscal year, prior to the beginning of the first academic year following the normal graduation date of the class which is the entering class for such fiscal year (or is the first such class in such year if there is more than one);”.

EFFECTIVE DATE

SEC. 214. The amendments made by the preceding provisions of this part shall apply with respect to appropriations for fiscal years ending after June 30, 1969.

PLANNING FOR FISCAL YEAR 1969

SEC. 215. Effective only with respect to appropriations for the fiscal year ending June 30, 1969, section 805(a) of the Public Health Service Act is amended by inserting at the end thereof the following new sentence: “Appropriations under this section shall also be available for grants for planning special projects for which grants are authorized under this section as amended by the Health Manpower Act of 1968.”

78 Stat. 912.
42 USC 296d.

PART C—STUDENT AID

ADVANCED TRAINING

SEC. 221. Section 821(a) of the Public Health Service Act (42 U.S.C. 297) is amended by striking out “and” before “\$12,000,000” and by inserting “\$15,000,000 for the fiscal year ending June 30, 1970, and \$19,000,000 for the fiscal year ending June 30, 1971,” after “1969,”.

Appropriation.

STUDENT LOANS

SEC. 222. (a) (1) Clauses (2) and (3) of section 822(b) of the Public Health Service Act (42 U.S.C. 297a) are each amended by inserting “, except as provided in section 829,” after “fund” the first time it appears therein.

(2) Section 822(b) (4) of such Act is amended by striking out “1969” and inserting in lieu thereof “1971”.

(b) (1) Section 823(a) of such Act (42 U.S.C. 297b) is amended by striking out “\$1,000” and inserting in lieu thereof “\$1,500”, by insert-

ing "to licensed practical nurses and" immediately after "preference", and by inserting after the first sentence the following new sentence: "The aggregate of the loans for all years from such funds may not exceed \$6,000 in the case of any student."

78 Stat. 914.
42 USC 297b.

(2) Section 823 (b) (2) of such Act is amended by (A) striking out "one year" and inserting in lieu thereof "nine months" and (B) striking "except that" and all that follows down to but not including the semicolon and inserting in lieu thereof "excluding from such 10-year period all (A) periods (up to three years) of (i) active duty performed by the borrower as a member of a uniformed service, or (ii) service as a volunteer under the Peace Corps Act, and (B) periods (up to five years) during which the borrower is pursuing a full-time course of study at a collegiate school of nursing leading to baccalaureate degree in nursing or an equivalent degree, or to graduate degree in nursing, or is otherwise pursuing advanced professional training in nursing".

(3) Section 823 (b) (3) of such Act is amended by inserting before the semicolon at the end thereof the following: ", except that such rate shall be 15 per centum for each complete year of service as such a nurse in a public or other nonprofit hospital in any area which is determined, in accordance with regulations of the Secretary, to be an area which has a substantial shortage of such nurses at such hospitals, and for the purpose of any cancellation at such higher rate, an amount equal to an additional 50 per centum of the total amount of such loans plus interest may be canceled".

79 Stat. 1058.

(4) Section 823 (b) (5) of such Act is amended by striking out everything which follows "3 per centum per annum" down to but not including the second semicolon.

(c) (1) Section 823 of such Act is further amended by adding at the end thereof the following new subsections:

Late payment,
penalty.

"(f) Subject to regulations of the Secretary, a school may assess a charge with respect to a loan from the loan fund established pursuant to an agreement under this part for failure of the borrower to pay all or any part of an installment when it is due and, in the case of a borrower who is entitled to deferment of the loan under subsection (b) (2) or cancellation of part or all of the loan under subsection (b) (3), for any failure to file timely and satisfactory evidence of such entitlement. The amount of any such charge may not exceed \$1 for the first month or part of a month by which such installment or evidence is late and \$2 for each such month or part of a month thereafter. The school may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

Minimum pay-
ment.

"(g) A school may provide in accordance with regulations of the Secretary, that during the repayment period of a loan from a loan fund established pursuant to an agreement under this part payments of principal and interest by the borrower with respect to all the outstanding loans made to him from loan funds so established shall be at a rate equal to not less than \$15 per month."

42 USC 297a.

(2) Subsection (b) (2) of section 822 of such Act is further amended by striking out "and (D)" and inserting in lieu thereof "(D) collections pursuant to section 823 (f), and (E)".

Appropriation.

(d) (1) Section 824 of such Act (42 U.S.C. 297c) is amended by inserting "\$20,000,000 for the fiscal year ending June 30, 1970, and \$21,000,000 for the fiscal year ending June 30, 1971," after "1969," the first time it appears therein, by striking out "1970" and inserting in

lieu thereof "1972", and by striking out "1969," the second time it appears therein and inserting in lieu thereof "1971,".

(2) The second sentence of such section is amended by inserting before the period at the end thereof ", and (3) for transfers pursuant to section 829".

80 Stat. 1235.
42 USC 297c.

(e) The first two sentences of section 825 of such Act (42 U.S.C. 297d) are amended to read as follows: "From the sums appropriated pursuant to section 824 for any fiscal year, the Secretary shall allot to each school an amount which bears the same ratio to the amount so appropriated as the number of persons enrolled on a full-time basis in such school bears to the total number of persons enrolled on a full-time basis in all schools of nursing in all the States. The number of persons enrolled on a full-time basis in schools of nursing for purposes of this section shall be determined by the Secretary for the most recent year for which satisfactory data are available to him."

78 Stat. 915.

(f) Section 826 of such Act (42 U.S.C. 297e) is amended by striking out "1972" each place it appears therein and inserting in lieu thereof "1974".

(g) Section 827(a) (1) of such Act (42 U.S.C. 297f) is amended by inserting "and each of the next three fiscal years," after "1968,".

80 Stat. 1233.

(h) Part B of title VIII of such Act (42 U.S.C. 297 et seq.) is further amended by adding at the end thereof the following new section:

"TRANSFERS TO SCHOLARSHIP PROGRAM

"SEC. 829. Not to exceed 20 per centum of the amount paid to a school from the appropriation for any fiscal year for Federal capital contributions under an agreement under this part, or such larger percentage thereof as the Secretary may approve, may be transferred to the sums available to the school under part D to be used for the same purpose as such sums. In the case of any such transfer, the amount of any funds which the school deposited in its student loan fund pursuant to section 822(b) (2) (B) with respect to the amount so transferred may be withdrawn by the school from such fund."

42 USC 297a.

(i) The amendments made by subsection (b) (1) and (2) shall apply with respect to all loans made after June 30, 1969, and with respect to loans made from a student loan fund established under an agreement pursuant to section 822, before July 1, 1969, to the extent agreed to by the school which made the loans and the Secretary (but then only for years beginning after June 30, 1968). The amendments made by subsection (b) (4) and subsection (c) shall apply with respect to loans made after June 30, 1969. The amendment made by subsection (h) shall apply with respect to appropriations for fiscal years beginning after June 30, 1969. The amendment made by subsection (b) (3) shall apply with respect to service, specified in section 823(b) (3) of such Act, performed during academic years beginning after the enactment of this Act, whether the loan was made before or after such enactment.

Effective dates.

Ante, p. 784.

SCHOLARSHIPS

SEC. 223. (a) So much of part D of title VIII of the Public Health Service Act (42 U.S.C. 298c et seq.) as precedes section 868 is amended to read as follows:

80 Stat. 1236.

"PART D—SCHOLARSHIP GRANTS TO SCHOOLS OF NURSING

"SCHOLARSHIP GRANTS

"SEC. 860. (a) The Secretary shall make grants as provided in this part to each public or other nonprofit school of nursing for scholarships to be awarded annually by such school to students thereof.

"(b) The amount of the grant under subsection (a) for the fiscal year ending June 30, 1970, and the next fiscal year to each such school shall be equal to \$2,000 multiplied by one-tenth of the number of full-time students of such school. For the fiscal year ending June 30, 1972, and for each of the three succeeding fiscal years, the grant under subsection (a) shall be such amount as may be necessary to enable such school to continue making payments under scholarship awards to students who initially received such awards out of grants made to the school for fiscal years ending prior to July 1, 1971.

Recipients.

"(c) (1) Scholarships may be awarded by schools from grants under subsection (a)—

"(A) only to individuals who have been accepted by them for enrollment, and individuals enrolled and in good standing, as full-time students, in the case of awards from such grants for the fiscal year ending June 30, 1970, and the next fiscal year; and

"(B) only to individuals enrolled and in good standing as full-time students who initially received scholarship awards out of such grants for a fiscal year ending prior to July 1, 1971, in the case of awards from such grants for the fiscal year ending June 30, 1972, and each of the three succeeding fiscal years.

Amount, limitation.

"(2) Scholarships from grants under subsection (a) for any school year shall be awarded only to students of exceptional financial need who need such financial assistance to pursue a course of study at the school for such year. Any such scholarship awarded for a school year shall cover such portion of the student's tuition, fees, books, equipment, and living expenses at the school making the award, but not to exceed \$1,500 for any year in the case of any student, as such school may determine the student needs for such year on the basis of his requirements and financial resources.

"(d) Grants under subsection (a) shall be made in accordance with regulations prescribed by the Secretary after consultation with the National Advisory Council on Nurse Training.

"(e) Grants under subsection (a) may be paid in advance or by way of reimbursement, and at such intervals as the Secretary may find necessary; and with appropriate adjustments on account of overpayments or underpayments previously made.

"TRANSFERS TO STUDENT LOAN PROGRAM

"SEC. 861. Not to exceed 20 per centum of the amount paid to a school from the appropriation for any fiscal year for scholarships under this part, or such larger percentage thereof as the Secretary may approve for such school for such year, may be transferred to the sums available to the school under this part for (and to be regarded as) Federal capital contributions, to be used for the same purpose as such sums."

Effective date.

(b) The amendment made by subsection (a) shall apply with respect to appropriations for fiscal years ending after June 30, 1969.

PART D—MISCELLANEOUS

DEFINITION OF ACCREDITATION

SEC. 231. (a) Subsections (c) and (e) of section 843 of the Public Health Service Act (42 U.S.C. 298b) are each amended by striking out “an accredited program” and inserting in lieu thereof “a program”.

78 Stat. 918.

(b) Subsection (d) of such section is amended by striking out “an accredited two-year program” and inserting in lieu thereof “a two-year program”.

(c) Such subsection (c) is further amended by adding before the period at the end thereof (and after the language added by section 205 of this Act) “, but only if such program, or such unit, college, or university is accredited”.

(d) Such subsection (d) is further amended by adding before the period at the end thereof “, but only if such program, or such unit, college, or university is accredited”.

(e) Such subsection (e) is further amended by adding before the period at the end thereof “, but only if such program, or such affiliated school or such hospital or university or such independent school is accredited”.

(f) So much of subsection (f) of such section as precedes clause (1) is amended—

79 Stat. 1058.

(1) by inserting “, or by a State agency,” immediately after “accredited by a recognized body or bodies”;

(2) by inserting “or State agency” immediately after “such a recognized body or bodies”;

(3) by inserting after “Commissioner of Education” the first time it appears therein “and when applied to a hospital, school, college, or university (or a unit thereof) means a hospital, school, college, or university (or a unit thereof) which is accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Commissioner of Education”;

(4) by striking out “or a program accredited for the purpose of this Act by the Commissioner of Education”;

(5) by inserting “, or a hospital, school, college, or university (or a unit thereof),” immediately after “except that a program”;

(6) by inserting “, or the hospital, school, college, or university (or a unit thereof),” immediately after “reasonable assurance that the program”; and

(7) by striking out “by the school which provides or will provide such program”.

(g) Such subsection (f) is further amended by adding at the end thereof the following new sentence: “For the purpose of this paragraph, the Commissioner of Education shall publish a list of recognized accrediting bodies, and of State agencies, which he determines to be reliable authority as to the quality of training offered.”

STUDY OF SCHOOL AID AND STUDENT AID PROGRAMS

SEC. 232. The Secretary shall, in consultation with the Advisory Council established by section 841, prepare, and submit to the President and the Congress prior to July 1, 1970, a report on the administration of title VIII of the Public Health Service Act, an appraisal of the programs under such title in the light of their adequacy to meet the long-term needs for nurses, and his recommendations as a result thereof.

Report to President and Congress.

42 USC 298.
42 USC 296-298c-8.

TITLE III—ALLIED HEALTH PROFESSIONS AND PUBLIC HEALTH TRAINING

EXTENSION AND IMPROVEMENT OF ALLIED HEALTH PROFESSIONS PROGRAM

Appropriations.
80 Stat. 1222.

SEC. 301. (a) (1) (A) Section 791(a) (1) of the Public Health Service Act (42 U.S.C. 295h) is amended by striking out "and \$13,500,000 for the fiscal year ending June 30, 1969" and inserting in lieu thereof "\$13,500,000 for the fiscal year ending June 30, 1969; and \$10,000,000 for the fiscal year ending June 30, 1970".

(B) Section 791(b) (1) of such Act is amended by striking out "1968" and inserting in lieu thereof "1969".

(2) (A) Section 792(a) of such Act (42 U.S.C. 295h-1) is amended by striking out "and \$17,000,000 for the fiscal year ending June 30, 1969" and inserting in lieu thereof "\$17,000,000 for the fiscal year ending June 30, 1969; and \$20,000,000 for the fiscal year ending June 30, 1970".

(B) Section 792(b) (1) of such Act is amended by striking out "1969" and inserting in lieu thereof "1970".

(3) Section 793(a) of such Act (42 U.S.C. 295h-2) is amended by striking out "and \$3,500,000 for the fiscal year ending June 30, 1969" and inserting in lieu thereof "\$3,500,000 for the fiscal year ending June 30, 1969; and \$5,000,000 for the fiscal year ending June 30, 1970".

(4) Section 794 of such Act (42 U.S.C. 295h-3) is amended by striking out "and \$3,000,000 for the fiscal year ending June 30, 1969" and inserting in lieu thereof "\$3,000,000 for the fiscal year ending June 30, 1969; and \$4,500,000 for the fiscal year ending June 30, 1970".

(b) Such section 794 is further amended by—

(1) striking out "training centers for allied health professions" and inserting in lieu thereof "agencies, institutions, and organizations";

(2) inserting "and methods" after "curriculum"; and

(3) striking out "new types of".

(c) Part G of title VII of such Act is further amended by adding at the end thereof the following new section:

"EVALUATION

"SEC. 797. Such portion of any appropriation pursuant to section 791, 792, 793, or 794, for any fiscal year ending after June 30, 1969, as the Secretary may determine, but not exceeding one-half of 1 per centum thereof, shall be available to the Secretary for evaluation (directly or by grants or contracts) of the programs authorized by this part."

(d) Such part G is further amended by adding after section 797 (added by subsection (c)) the following new section:

"STUDY

"SEC. 798. The Secretary shall prepare, and submit to the President and the Congress prior to April 1, 1969, a report on the administration of this part, an appraisal of the programs under this part in the light of their adequacy to meet the needs for allied health professions personnel, and his recommendations as a result thereof."

PUBLIC HEALTH TRAINING

Report to President and Congress.

Appropriation.
78 Stat. 613.

SEC. 302. (a) Section 309(a) of the Public Health Service Act (42 U.S.C. 242g) is amended by striking out "and" before "\$9,000,000" and by inserting "\$8,500,000 for the fiscal year ending June 30, 1970, and \$12,000,000 for the fiscal year ending June 30, 1971," after 1969.

(b) (1) Section 306(a) of the Public Health Service Act (42 U.S.C. 242d) is amended (1) by striking out “and” before “\$10,000,000” and by striking out “the succeeding fiscal year,” and inserting in lieu thereof “the two succeeding fiscal years, and \$14,000,000 for the fiscal year ending June 30, 1971”, and (2) by inserting “sanitarians,” immediately after “nurses.”

70 Stat. 923;
78 Stat. 613.

(2) Section 306(d) of such Act is amended by striking out “\$50” and inserting in lieu thereof “\$100”.

Advisory committee, compensation.

TITLE IV—HEALTH RESEARCH FACILITIES

EXTENSION OF CONSTRUCTION AUTHORIZATION

SEC. 401. (a) Section 704 of the Public Health Service Act (42 U.S.C. 292c) is amended by striking out “and” after “\$50,000,000”; and by inserting “\$20,000,000 for the fiscal year ending June 30, 1970, and \$30,000,000 for the next fiscal year,” after “\$280,000,000.”

79 Stat. 448.

(b) Section 705(a) of such Act (42 U.S.C. 293) is amended by striking out “1968” and inserting in lieu thereof “1970”.

42 USC 292d.

FEDERAL SHARE

SEC. 402. (a) Subsection (a) of section 706 of the Public Health Service Act (42 U.S.C. 292e) is amended by striking out “except that in no event may such amount exceed 50 per centum” and inserting in lieu thereof “but such amount may not, except as provided in paragraph (2), exceed 50 per centum”.

70 Stat. 719.

(b) Such subsection (a) of section 706 is further amended by inserting “(1)” after “(a)” and adding at the end thereof the following new paragraph:

“(2) The maximum amount of any grant shall be 66 $\frac{2}{3}$ per centum instead of the maximum under paragraph (1) in the case of any class or classes of projects which the Secretary determines have such special national or regional significance as to warrant a larger grant than is permitted under paragraph (1); but not more than 25 per centum of the funds appropriated pursuant to section 704 for any fiscal year shall be available for grants in excess of 50 per centum with respect to such class or classes of projects.”

ADVISORY COUNCIL COMPENSATION

SEC. 403. Section 703(d) of the Public Health Service Act (42 U.S.C. 292b) is amended by striking out “\$50” and inserting in lieu thereof “\$100”.

EFFECTIVE DATE

SEC. 404. The amendments made by section 402 shall apply in the case of projects for which grants are made from appropriations for fiscal years ending after June 30, 1969.

SEC. 405. The clause of section 101(b) of the Joint Resolution of June 29, 1968 (Public Law 90-366) relating to activities of the domestic agricultural workers health program of the Department of Health, Education, and Welfare, is amended by striking out “, other than grants,”.

Ante, p. 275.

Approved August 16, 1968.