

Public Law 92-157

AN ACT

To amend title VII of the Public Health Service Act to provide increased manpower for the health professions, and for other purposes.

November 18, 1971
[H. R. 8629]

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

Health profes-
sions.
Manpower train-
ing.

TITLE I—AMENDMENTS TO TITLE VII OF THE PUBLIC HEALTH SERVICE ACT

SHORT TITLE; REFERENCES TO ACT

SEC. 101. (a) This title may be cited as the “Comprehensive Health Manpower Training Act of 1971”.

Citation of title.

(b) Whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

58 Stat. 682.
42 USC 201
note.

GRANTS AND LOAN GUARANTEES FOR CONSTRUCTION OF TEACHING FACILITIES FOR MEDICAL, DENTAL, AND OTHER HEALTH PROFESSIONS PERSONNEL; EXTENSION OF PART A

SEC. 102. (a) AUTHORIZATION LEVEL.—Section 720 (42 U.S.C. 293) is amended to read as follows:

79 Stat. 1056;
82 Stat. 773.

“AUTHORIZATION OF APPROPRIATIONS

“SEC. 720. (a) There are authorized to be appropriated \$225,000,000 for the fiscal year ending June 30, 1972, \$250,000,000 for the fiscal year ending June 30, 1973, and \$275,000,000 for the fiscal year ending June 30, 1974, for grants under part A of this title for construction of health research facilities and for grants to assist in the construction of teaching facilities for the training of physicians, dentists, pharmacists, optometrists, podiatrists, veterinarians, and professional public health personnel.”

70 Stat. 717;
77 Stat. 164.
42 USC 292.

(b) FEDERAL SHARE.—

(1) Clause (A) of section 722(a)(1) (42 U.S.C. 293b(a)(1)) is amended (A) by inserting “(i)” immediately before “for a project”, (B) by striking out “and in the case of a grant” and inserting in lieu thereof “(ii)”, (C) by inserting “and (iii) for a project for major remodeling or renovation of an existing facility where such project is required to meet an increase in student enrollment,” immediately before “such amount”, and (D) by striking out “66⅔ per centum” and inserting in lieu thereof “80 per centum”.

77 Stat. 168.

(2) Clause (B) of such section is amended (A) by striking out “66⅔ per centum” and inserting in lieu thereof “80 per centum”, (B) by striking out “50 per centum” and inserting in lieu thereof “70 per centum”, and (C) by inserting after “unusual circumstances” the following: “(such as a school located in a geographical area of the United States with a critical shortage of health profession manpower)”.

82 Stat. 773.

(c) FACILITIES INCLUDED.—

(1) Section 724(1)(A) (42 U.S.C. 293d(1)(A)) is amended by inserting “the acquisition,” before “remodeling”.

(2) Section 724 is amended by striking out paragraph (5) and inserting in lieu thereof the following:

“Teaching facilities.”

“(5) The term ‘teaching facilities’ means areas dedicated for use by students, faculty, or administrative or maintenance personnel for clinical purposes, research activities, libraries, classrooms, offices, auditoriums, dining areas, student activities, or other related purposes necessary for, and appropriate to, the conduct of comprehensive programs of education. Such term includes interim facilities but does not include off-site improvements or living quarters.

“Interim facilities.”

“(6) The term ‘interim facilities’ means teaching facilities designed to provide teaching space on a short-term (less than ten years) basis while facilities of a more permanent nature are being planned and constructed.”

77 Stat. 169.
42 USC 293d.

(3) Section 724(4) is amended (A) by striking out “doctor of pharmacy” and inserting “an equivalent degree”, and (B) by striking out “doctor of surgical chiropody” and inserting in lieu thereof “an equivalent degree”.

(4) Section 724 is further amended by striking out the semicolon at the end of paragraphs (1) and (2) and inserting in lieu thereof a period and by striking out “; and” at the end of paragraph (4) and inserting in lieu thereof a period.

77 Stat. 168;
82 Stat. 773.

(5) Section 723 (42 U.S.C. 293c) is amended by inserting “(or in the case of interim facilities, within such shorter period as the Secretary shall by regulation prescribe)” immediately after “twenty years”.

(d) LOAN GUARANTEES AND INTEREST SUBSIDIES.—Part B is amended by adding after section 728 (42 U.S.C. 293h) the following new section:

“LOAN GUARANTEES AND INTEREST SUBSIDIES

“SEC. 729. (a) To assist nonprofit private entities to carry out approved construction projects for teaching facilities, the Secretary may, during the period beginning July 1, 1971, and ending with the close of June 30, 1974, guarantee (in accordance with this section and subject to subsection (f)) to any non-Federal lender which makes a loan to such an entity for such a project payment when due of the principal of and interest on such loan if such entity is eligible (as determined under regulations of the Secretary) for a grant under this part for such project. The Secretary may make commitments, on behalf of the United States, to make such loan guarantees prior to the making of such loans. No such loan guarantee (1) may, except under such special circumstances and under such conditions as are prescribed by regulations, apply to any amount which, when added to any grant under this part or any other law of the United States, exceeds 90 per centum of the cost of construction of the project, or (2) may apply to more than 90 per centum of the loss of principal of and interest on the loan.

“(b) In the case of any nonprofit private entity which is eligible (as determined under regulations of the Secretary) for a grant under this part to assist it in carrying out an approved construction project for teaching facilities after June 30, 1971, and to whom a loan has been made by a non-Federal lender to assist it in carrying out such project, the Secretary, during the period beginning July 1, 1971, and ending with the close of June 30, 1974, may, subject to subsection (f), pay to the holder of such loan (and for and on behalf of the entity which received such loan) amounts sufficient to reduce by not to exceed 3 per centum per annum the net effective interest rate otherwise payable on such loan.

Application.

“(c) A loan guarantee or interest subsidy payment may be made under this section only upon an application (submitted in such manner

and containing such information as the Secretary may by regulations require) approved by the Secretary. The Secretary may not approve an application for a loan guarantee or interest subsidy payment unless he determines that the terms, conditions, security (if any), and schedule and amount of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States. The Secretary may not approve an application for a loan guarantee, unless he determines that the loan would not be available on reasonable terms and conditions without the guarantee under this section.

“(d) (1) The United States shall be entitled to recover from the applicant for a loan guarantee under this section the amount of any payment made pursuant to such guarantee, unless the Secretary for good cause waives such right of recovery; and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

Recovery right.

“(2) To the extent permitted by paragraph (3), any terms and conditions applicable to a loan guarantee under this section may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

“(3) Any loan guarantee made by the Secretary pursuant to this section shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

“(e) There is established in the Treasury a loan guarantee and interest subsidy fund (hereinafter in this subsection referred to as the ‘fund’) which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts, (1) to enable him to discharge his responsibilities under guarantees issued by him under this section, and (2) for interest subsidy payments authorized by this section. There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required for the fund; except that the amount appropriated for interest subsidy payments may not exceed \$8,000,000 in the fiscal year ending June 30, 1972, \$16,000,000 in the fiscal year ending June 30, 1973, and \$24,000,000 in the fiscal year ending June 30, 1974. There shall also be deposited in the fund amounts received by the Secretary or other property or assets derived by him from his operations under this section, including any money derived from the sale of assets. If at any time the sums in the fund are insufficient to enable the Secretary to discharge his responsibilities under guarantees issued by him under this section or to make interest subsidy payments authorized by this section, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury, but only in such amounts as may be specified from time to time in appropriation Acts. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall

Fund.

purchase any notes and other obligations issued hereunder and for that purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which the securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from the fund.

40 Stat. 288,
506.
31 USC 774.

Limitations.

“(f) (1) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this section may not exceed such limitations as may be specified in appropriation Acts.

“(2) In any fiscal year no loan guarantee may be made under subsection (a) and no agreement to make interest subsidy payments may be entered into under subsection (b) if the making of such guarantee or the entering into of such agreement would cause the cumulative total of—

“(A) the principal of the loans guaranteed under subsection (a) in such fiscal year, and

“(B) the principal of the loans for which no guarantee has been made under subsection (a) and with respect to which an agreement to make interest subsidy payments is entered into under subsection (b) in such fiscal year,

to exceed the amount of grant funds obligated under this part in such fiscal year; except that this paragraph shall not apply if the amount of grant funds obligated under this part in such fiscal year equals the sums appropriated for such fiscal year under section 720.

Ante, p. 431.
Administrative
assistance.

“(g) The Secretary, with the consent of the Secretary of Housing and Urban Development, may obtain from the Department of Housing and Urban Development such assistance with respect to the administration of this section as will promote efficiency and economy thereof.”

77 Stat. 165.

(e) SPECIAL CONSIDERATION FOR CERTAIN PROJECTS.—Section 721 (42 U.S.C. 293a) is amended by adding at the end thereof the following:

“(e) In the case of applications to aid in the construction of new schools of medicine, osteopathy, or dentistry, the Secretary shall give special consideration to those applications which contain or are reasonably supported by assurances that, because of the use that will be made of existing facilities (including Federal medical or dental facilities), the school will be able to accelerate the date on which it will begin its teaching program.”

79 Stat. 1058.

(f) ELIGIBLE APPLICANTS.—

(1) COMBINATIONS.—Section 721(b)(1) (42 U.S.C. 293a(b)(1)) is amended by inserting a comma before “and (B)” and by inserting before the period at the end the following: “, or (C) any combination of schools which are described in clause (A) and which meet the requirements of clause (B)”.

(2) AFFILIATED HOSPITALS AND OUTPATIENT FACILITIES.—

(A) Paragraphs (2) and (3) of section 721(b) (42 U.S.C. 293a(b)) are amended to read as follows:

“(2) Notwithstanding paragraph (1), in the case of an affiliated hospital or affiliated outpatient facility, an application which is approved by the school of medicine, osteopathy, or dentistry with which the hospital or outpatient facility is affiliated and which other-

wise complies with the requirements of this part may be filed by any public or other nonprofit agency qualified to file an application under section 605.

“(3) In the case of any application, whether filed by a school or, in the case of an affiliated hospital or affiliated outpatient facility, by any other public or other nonprofit agency, for a grant under this part to assist in the construction of a hospital or outpatient facility, as defined in section 645—

78 Stat. 453.
42 USC 291e.

“(A) if the hospital or outpatient facility is needed in connection with a new school, only that portion of the project to construct the hospital or outpatient facility which the Secretary determines to be reasonably attributable to the need of such school for the facility for teaching purposes,

78 Stat. 460;
84 Stat. 344,
42 USC 291o.

“(B) if the construction is in connection with expansion of the training capacity of an existing school, only that portion of the project to construct the hospital or outpatient facility which the Secretary determines to be reasonably attributable to the need of such school for the facility in order to expand its training capacity, or

“(C) if the construction is in connection with renovation or rehabilitation of a hospital or outpatient facility used by an existing school, only that portion of the project which the Secretary determines to be reasonably attributable to the need of such school for the hospital or outpatient facility in order to prevent curtailment of enrollment or quality of training of the school or to meet an increase in student enrollment,

shall be regarded as the project with respect to which payments may be made under section 722.”

(B) Section 724(3) (42 U.S.C. 293d(3)) is amended to read as follows:

77 Stat. 168.
42 USC 293b.
“Affiliated hospital or affiliated outpatient facility.”
77 Stat. 169.

“(3) The term ‘affiliated hospital or affiliated outpatient facility’ means a hospital or outpatient facility, as defined in section 645, which is not owned by, but is affiliated (to the extent and in the manner determined in accordance with regulations) with, a school of medicine, osteopathy, or dentistry which meets the eligibility conditions set forth in section 721(b)(1).”

Ante, p. 434.

(C) Section 723(a) (42 U.S.C. 293c(a)) is amended by inserting “or outpatient facility” after “hospital”.

(g) CONSIDERATION OF CERTAIN PROJECTS BY SECTION 314 PLANNING AGENCIES.—Section 721(c) (42 U.S.C. 293a(c)) is amended (1) by striking out “and” at the end of paragraph (5), (2) by striking out the period at the end of paragraph (6) and inserting in lieu thereof “; and”, and (3) by adding after paragraph (6) the following new paragraph:

77 Stat. 165.

“(7) in the case of an application for a project for the construction of a facility intended, at least in part, for the provision of health services, an opportunity has been provided for comment on the project by (A) the State agency administering or supervising the administration of the State plan approved under section 314(a), and (B) the public or nonprofit private agency or organization responsible for the plan or plans referred to in section 314(b) and covering the area in which such project is to be located or if there is no such agency, such other public or nonprofit private agency or organization (if any) as performs, as determined in accordance with criteria of the Secretary, similar functions.”

80 Stat. 1181;
84 Stat. 1304,
42 USC 246.

(h) ENROLLMENT INCREASE.—

(1) Section 721(c)(2) (42 U.S.C. 293a(c)(2)) is amended by adding at the end thereof the following new sentence: “If a school applies for a grant in a fiscal year for a construction project to

Post, p. 437.

expand its training capacity and if under paragraph (2) of section 770(f) the school is not required to meet in such fiscal year the enrollment increase prescribed by such section because of limitations of physical facilities, the Secretary, after consultation with the National Advisory Council on Health Professions Education, may waive (in whole or in part) the enrollment increase prescribed by clause (D) of the preceding sentence if the application for such construction project contains or is supported by reasonable assurances satisfactory to the Secretary that the number of first-year students enrolled at such school during the first full school year after the completion of such project and for each of the next nine school years thereafter will be not less than the number of first-year students that such school would be required to enroll under section 770(f) (without regard to paragraph (2) thereof) for a grant under section 770(a)."

77 Stat. 165;
79 Stat. 1057.
42 USC 293a.
77 Stat. 170.

(2) Section 721(c) (2) is further amended by striking out "section 771(b)" and inserting in lieu thereof "section 770(f)".

(i) TECHNICAL ASSISTANCE.—Section 728 (42 U.S.C. 293h) is amended to read as follows:

"TECHNICAL ASSISTANCE

"SEC. 728. The Secretary may provide technical assistance (1) to applicants under this part and other public or nonprofit private schools, agencies, organizations, and institutions, and combinations thereof, in designing and planning the construction of any facility for which financial assistance may be provided under this part, and (2) to State or interstate planning agencies established to plan programs for relieving shortages of training capacity for health personnel."

(j) TECHNICAL AMENDMENTS.—

(1) Section 723(a) (42 U.S.C. 293c(a)) is amended by striking out "625" and inserting in lieu thereof "605".

(2) Section 721(c) (3) (42 U.S.C. 293a(c) (3)) is amended to read as follows:

"(3) (A) in the case of an application for a grant to assist in the construction of new teaching facilities, such application is for aid in the construction of a new school of medicine, osteopathy, dentistry, pharmacy, optometry, podiatry, veterinary medicine, or public health, or construction which will expand the training capacity of an existing school of medicine, osteopathy, dentistry, pharmacy, optometry, podiatry, veterinary medicine, or public health, or (B) in the case of an application for a grant to assist in the replacement or rehabilitation of existing teaching facilities, such application is for aid in construction which will replace or rehabilitate facilities of, or used by, an existing school of medicine, osteopathy, dentistry, pharmacy, optometry, podiatry, veterinary medicine, or public health, which facilities either are so obsolete as to require the school to curtail substantially either its enrollment or the quality of the training provided (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) or are required to meet an increase in student enrollment;"

(3) Section 721(c) (6) (42 U.S.C. 293a(c) (6)) is amended by striking out "which is a hospital or diagnostic or treatment center, as defined in section 631" and inserting in lieu thereof "which is a hospital or outpatient facility, as defined in section 645".

(4) Section 722(d) (42 U.S.C. 293b(d)) is amended by striking out "or for medical library purposes (within the meaning of

42 USC 291o.
82 Stat. 774.

part I of title III)" and inserting in lieu thereof "or for medical library purposes (within the meaning of part J of title III)".

42 USC 280b.
82 Stat. 773.

(5) Section 723 (42 U.S.C. 293c) is amended by inserting "or" at the end of paragraph (b).

(6) The heading for part B of title VII is amended by inserting "AND LOAN GUARANTEES AND INTEREST SUBSIDIES" immediately after "GRANTS".

(7) (A) Part B (other than section 727 thereof) of title VII is amended by striking out "Surgeon General" each place it occurs and inserting in lieu thereof "Secretary".

42 USC 293.

(B) Section 722(b) (42 U.S.C. 293b(b)) is amended by striking out "Surgeon General's" and inserting in lieu thereof "Secretary's"; section 727(a) (42 U.S.C. 293g(a)) is amended by striking out "The Surgeon General, after consultation with the Council and with the approval of the Secretary" and inserting in lieu thereof "The Secretary, after consultation with the Council"; and section 727(b) (42 U.S.C. 293g(b)) is amended by striking out "The Surgeon General is authorized to make, with the approval of the Secretary" and inserting in lieu thereof "The Secretary may make".

77 Stat. 168.

(k) TECHNICAL AMENDMENTS TO PART A.—

(1) Section 705(a) (42 U.S.C. 292d(a)) is amended to read as follows:

70 Stat. 718;
82 Stat. 789.

"SEC. 705. (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 for grants under this part for any fiscal year must be filed."

(2) (A) Part A of title VII (other than sections 703(a) and 709 thereof) is amended by striking out "Surgeon General" each place it occurs and inserting in lieu thereof "Secretary".

77 Stat. 164.
42 USC 292.

(B) Section 706(b) (42 U.S.C. 292e(b)) is amended by striking out "Surgeon General's" and inserting in lieu thereof "Secretary's".

(C) Section 709(a) (42 U.S.C. 292h(a)) is amended by striking out "Surgeon General, after consultation with the Council and with the approval of the Secretary," and inserting in lieu thereof "Secretary"; and section 709(b) (42 U.S.C. 292h(b)) is amended by striking out "Surgeon General is authorized to make, with the approval of the Secretary," and inserting in lieu thereof "Secretary may make".

70 Stat. 719.

GRANTS AND CONTRACTS TO IMPROVE THE QUALITY OF SCHOOLS OF MEDICINE, OSTEOPATHY, DENTISTRY, VETERINARY MEDICINE, OPTOMETRY, PHARMACY, AND PODIATRY; HEALTH MANPOWER EDUCATION INITIATIVE AWARDS

SEC. 104. (a) CAPITATION, SPECIAL PROJECT, AND OTHER GRANT AND CONTRACT PROGRAMS.—Part E of title VII is amended to read as follows:

82 Stat. 774.
42 USC 295f.

"PART E—GRANTS AND CONTRACTS TO IMPROVE THE QUALITY OF SCHOOLS OF MEDICINE, OSTEOPATHY, DENTISTRY, VETERINARY MEDICINE, OPTOMETRY, PHARMACY, AND PODIATRY; HEALTH MANPOWER EDUCATION INITIATIVE AWARDS

"CAPITATION GRANTS

"SEC. 770. (a) GRANT COMPUTATION.—The Secretary shall make annual grants to schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, and podiatry for the support of the education programs of such schools. The amount of the annual grant to

each such school with an approved application shall be computed for each fiscal year as follows.

“(1) Each school of medicine (other than a two-year school of medicine), osteopathy, and dentistry shall receive—

“(A) in the case of full-time students enrolled in such school in such year in a training program which is more than three years, \$2,500 for each such first-, second-, and third-year student and \$4,000 for each such student who will graduate from such school in such year;

“(B) in the case of full-time students enrolled in such school in such year in a training program which is not more than three years, \$2,500 for each such student enrolled and \$6,000 for each such student who will graduate from such school in such year;

“(C) in the case of full-time students enrolled in such school in such year in a training program which is designed to permit such students to complete, within six years after completing secondary school, the requirements for the degree of doctor of medicine, \$2,500 for each such student enrolled in such year in the last three years of such program and \$6,000 for each such student who will graduate from such school in such year, and for purposes of subsections (d) and (f), a student enrolled in the first year of the last three years of such school’s medical training program shall be considered a first-year student.

“(D) \$1,000 for each student who is enrolled in such year on a full-time basis in a program of such school for the training of physicians’ assistants or dental therapists; and

“(E) \$1,000 for each enrollment bonus student (as determined under subsection (d)) enrolled in such school in such year.

“(2) Each two-year school of medicine shall receive (A) \$2,500 for each full-time student enrolled in such school in such year in the last two years of the training program of such school; (B) \$1,000 for each enrollment bonus student enrolled in such school in such year in such last two years; and (C) \$1,000 for each student who is enrolled in such year on a full-time basis in a program of such school for the training of physicians’ assistants. For purposes of subsections (d) and (f), a student enrolled in the first year of the last two years of such school’s medical training program shall be considered a first-year student.

“(3) Each school of veterinary medicine shall receive \$1,750 for each full-time student, and \$700 for each enrollment bonus student, enrolled in such school in such year.

“(4) Each school of optometry shall receive \$800 for each full-time student, and \$320 for each enrollment bonus student, enrolled in such school in such year.

“(5) Each school of pharmacy (other than a school of pharmacy with a course of study of more than four years) shall receive \$800 for each full-time student, and \$320 for each enrollment bonus student, enrolled in such school in such year. Each school of pharmacy with a course of study of more than four years shall receive \$800 for each full-time student enrolled in the last four years of such school and \$320 for each enrollment bonus student enrolled in the last four years of such school. For purposes of subsections (d) and (f), a student enrolled in the first year of the last four years of such school shall be considered a first-year student.

“(6) Each school of podiatry shall receive \$800 for each full-time student, and \$320 for each enrollment bonus student, enrolled in such school in such year.

That part of a grant to any school which is computed under this subsection on the number of enrollment bonus students enrolled in such school may not exceed \$150,000 for each class in which such students are enrolled.

Limitation.

“(b) **SMALL MEDICAL, OSTEOPATHIC, AND DENTAL SCHOOLS.**—If the first fiscal year (beginning after June 30, 1971) in which any school of medicine, osteopathy, or dentistry receives a grant under subsection (a) is a fiscal year in which the number of first-year students enrolled in such school is not more than 50, then, in such year, and in the succeeding fiscal year, the amount of the grant payable to such school under subsection (a) shall be increased by \$50,000.

“(c) **APPORTIONMENT OF APPROPRIATIONS.**—If the total of the grants to be made under this section for any fiscal year—

“(1) to schools of medicine, osteopathy, and dentistry with approved applications exceeds the amounts appropriated under subsection (j) (1) for such grants, or

“(2) to schools of veterinary medicine, optometry, pharmacy, and podiatry with approved applications exceeds the amounts appropriated under subsection (j) (2) for such grants,

the amount of the grant for that fiscal year to each such school shall be an amount which bears the same ratio to the amount determined for the school for that fiscal year under the applicable provisions of subsections (a) and (b) as the total of the amounts appropriated for that year under subsection (j) (1) or (j) (2), as the case may be, bears to the amount required to make grants in accordance with subsections (a) and (b) to each school referred to in clause (1) or (2), as the case may be.

“(d) **ENROLLMENT BONUS STUDENT DEFINED.**—For purposes of subsection (a), a full-time student enrolled for any school year in a school of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatry (other than a student enrolled in a program of such school for the training of physician's assistants or dental therapists and a student for whom a grant is made under section 771) shall be considered to be an enrollment bonus student if—

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“(1) he enrolled in such school as a first-year student for a school year beginning after June 30, 1971; and

“(2) the size of the class of first-year students which enrolled in such school for such school year met the applicable requirement of subsection (e) (1) (A) or (e) (2) (A), and the application of such school for a grant under this section for the fiscal year in which such school year began met the applicable requirement of subsection (e) (1) (B) or (e) (2) (B).

Any student who is considered to be an enrollment bonus student for the school year for which he enrolled as a first-year student in a school shall be considered to be an enrollment bonus student for each school year thereafter for which he is enrolled in such school.

“(e) **CLASS SIZE AND APPLICATION REQUIREMENTS FOR BONUS ENROLLMENT STUDENTS.**—

“(1) **SCHOOL YEAR 1971-1972.**—If the school year for which a class enrolled as a class of first-year students in a school was the first school year beginning after June 30, 1971—

“(A) the number of students who enrolled in such class for such school year must exceed the number of first-year students who enrolled in such school for the preceding school year by 5 per centum of such number or by five students, whichever is greater; and

“(B) the application of such school for a grant under this section in the fiscal year ending June 30, 1972, must contain or be supported by reasonable assurances that, for the first

school year beginning after June 30, 1972 and for each school year thereafter, the number of students enrolled in such school as a class of first-year students will not be less than a number equal to the sum of—

“(i) the minimum enrollment of first-year students required under subparagraph (A); and

“(ii) 10 per centum of the number of first-year students enrolled for the first school year beginning after June 30, 1970, if such number was not more than 100, or, if such number was more than 100, 5 per centum of such number or ten students, whichever is greater.

“(2) SCHOOL YEARS AFTER SCHOOL YEAR 1971-1972.—If the school year for which a class enrolled as a class of first-year students in a school was any school year beginning after June 30, 1972—

“(A) the number of students who enrolled in such class for such school year—

“(i) if such school has not previously received a grant for bonus enrollment students, must be not less than the sum of (I) the minimum number of first-year students which such school is required pursuant to subsection (f) (or would be required pursuant to subsection (f) except for paragraph (2) thereof) to enroll for such school year, and (II) 5 per centum of that number or 5 students, whichever is greater; or

“(ii) if such school has previously qualified for a bonus enrollment grant under this section, must be not less than the sum of (I) the minimum number of students which such school was required, pursuant to paragraph (1) (B) or (2) (B) (as the case may be), to assure the Secretary would be enrolled for such school year, and (II) 5 per centum of that number or 5 students, whichever is greater; and

“(B) the application of such school for a grant under this section for the fiscal year in which such school year begins contains or is supported by reasonable assurances that, for the first school year beginning after the close of such fiscal year and for each fiscal year thereafter, the number of students enrolled in such school as a class of first-year students will not be less than the minimum number of students such school was required under subparagraph (A) to enroll as first-year students.

“(f) MAINTENANCE OF EFFORT AND ENROLLMENT INCREASE REQUIREMENTS.—

“(1) The Secretary shall not make a grant under this section to any school in a fiscal year beginning after June 30, 1971, unless the application for such grant contains or is supported by reasonable assurances satisfactory to the Secretary—

“(A) that for the first school year beginning after the close of the fiscal year in which such grant is first made and for 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 number of such students enrolled in the school year beginning during the fiscal year ending June 30, 1971—

“(i) by 10 per centum of such number if such number was not more than 100, or

“(ii) by 5 per centum of such number, or 10 students, whichever is greater, if such number was more than 100; and

“(B) that the applicant will expend in carrying out its function as a school of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatry, as the case may be, 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 is 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 3 fiscal years immediately preceding the fiscal year for which such grant is sought.

The requirements of subparagraph (A) shall be in addition to the requirements of section 721(c)(2), where applicable.

“(2) The Secretary is authorized to waive (in whole or in part) the provisions of paragraph (1)(A) if he determines, after consultation with the National Advisory Council on Health Professions Education, 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 or because of other relevant factors, be accomplished without lowering the quality of training provided therein.

“(3) In those instances where enrollment increases proposed exceed the requirements of paragraph (1)(A), the Secretary shall satisfy himself, after consultation with the appropriate accreditation body or bodies (as defined in section 721(b)(1)), that there is reasonable assurance that such expanded program will meet the accreditation standards of such body or bodies.

Ante, p. 435.

Waiver authority.

77 Stat. 165;
79 Stat. 1058.
42 USC 293a.

“(g) PLAN REQUIREMENT.—

“(1) In the case of a school which has not received a grant under subsection (a) in a fiscal year beginning after June 30, 1971, an application by such school for a grant for a fiscal year beginning after that date shall contain or be accompanied by a plan to carry out or establish and carry out, during the two-school-year period commencing not later than the first day of the fiscal year next following the fiscal year in which the grant is made, specific projects in at least three of the following categories of projects (or if the application is for a school of pharmacy, specific projects in the category described in clause (G) and specific projects in at least two other categories):

“(A) Projects to effect significant improvements in the curriculum of such school (including projects for shortening of the length of time required to complete training programs provided by such school).

“(B) Projects to establish cooperative interdisciplinary training among schools of medicine, dentistry, osteopathy, optometry, podiatry, pharmacy, veterinary medicine, nursing, public health, and allied health, including projects for training for the use of the team approach to the provision of health services.

“(C) Projects to train for new roles, types, or levels of health personnel, including programs for the training of physicians' assistants, dental therapists, and other health professions' assistants, and nurse practitioners, in cooperation with appropriate academic institutions and hospitals.

“(D) Projects to make innovative modifications of existing programs of education in the health professions, including projects for the teaching of the organization, provision, financing, or evaluation, of health care.

“(E) Projects to assist in significantly increasing the sup-

ply of adequately trained personnel in the health professions needed to meet the health needs of the Nation.

“(F) Projects to establish, at schools of medicine, osteopathy, or dentistry, increased emphasis on, and training in, the science of clinical pharmacology; diagnosis, treatment, and prevention of drug and alcohol use and abuse; the assessment of the efficacy of various therapeutic regimens, and; in the case of schools of medicine and osteopathy, the science of nutrition.

“(G) Projects to provide, at schools of pharmacy, for increased emphasis on, and training in, clinical pharmacy, drug use and abuse, and where appropriate clinical pharmacology.

“(H) Projects to increase admissions to, and enrollment and retention in, such schools of qualified individuals who, due to socioeconomic factors, are financially or educationally disadvantaged.

“(I) Projects to train and educate primary care health professionals with particular emphasis (in the case of schools of medicine, osteopathy, and dentistry) upon the establishment of new, or expansion of existing, programs for training in family medicine.

On-site inspections.

“(2) The Secretary may make on-site inspections of any school, or require the supplying of information or data from any school, receiving a grant under subsection (a) to determine the extent to which such school is carrying out the specific projects required to be included in the plan submitted by such school (pursuant to paragraph (1)) in connection with its application for such grant.

Reports to congressional committees.

“(3) The Secretary shall submit to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives two reports containing full and complete information as to the extent to which schools receiving grants under subsection (a) are carrying out the specific projects included in plans submitted by them pursuant to paragraph (1). The first such report shall be submitted not later than January 1, 1973, and the second such report shall be submitted not later than September 1, 1974.

42 USC 295g.

“(h) ENROLLMENT AND GRADUATION DETERMINATIONS.—

“(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 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 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 an equivalent degree, doctor of optometry or an equivalent degree, doctor of veterinary medicine or an equivalent degree, or doctor of podiatry or an equivalent degree.

“(i) APPLICATIONS FOR NEW SCHOOLS.—In the case of a new school of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatry, which applies for a grant under this section in the fiscal year preceding the fiscal year in which it will admit its first class, the enrollment for purposes of subsections (a) and (b) shall be the number of full-time students which the Secretary determines, on the basis of assurances provided by the school, will be enrolled in the school, in the fiscal year after the fiscal year in which the grant is made.

“(j) AUTHORIZATION OF APPROPRIATIONS.—

“(1) There are authorized to be appropriated \$200,000,000 for the fiscal year ending June 30, 1972, \$213,000,000 for the fiscal year ending June 30, 1973, and \$238,000,000 for the fiscal year ending June 30, 1974, for grants under this section to schools of medicine, osteopathy, and dentistry.

“(2) There are authorized to be appropriated \$34,000,000 for the fiscal year ending June 30, 1972, \$37,000,000 for the fiscal year ending June 30, 1973, and \$41,000,000 for the fiscal year ending June 30, 1974, for grants under this section to schools of veterinary medicine, optometry, pharmacy, and podiatry.

“(3) No funds appropriated under any provision of this Act (other than this subsection) may be used to make grants under this section.

“START-UP ASSISTANCE

“SEC. 771. (a) (1) In the case of any new school of medicine, osteopathy or dentistry which begins instruction after the date of enactment of this section, the Secretary may, after taking into account—

“(A) the ability of such school to use a grant under this section to (i) accelerate the date it will begin instruction, or (ii) increase the number of students in its entering class, and

“(B) the other resources available to such school, make a grant to such school for each year such school is a new school (as determined under paragraph (4)). No school may receive a grant under this subsection unless the Secretary estimates that the number of full-time students enrolled in its first academic year of operation will exceed twenty-three.

“(2) The Secretary shall determine the amount of any grant under this subsection; but no such grant to any school may exceed—

“(A) in the case of the year preceding the first year in which such school has students enrolled, an amount equal to the product of \$10,000 and the number of full-time students which the Secretary estimates will enroll in such school in such first year;

“(B) in the case of the first year in which such school has students enrolled, an amount equal to the product of \$7,500 and the number of full-time students enrolled in such school in such year;

“(C) in the case of the second year in which such school has students enrolled, an amount equal to the product of \$5,000 and the number of full-time students enrolled in such school in such year;

“(D) in the case of the third year in which such school has students enrolled, an amount equal to the product of \$2,500 and the number of full-time students enrolled in such school in such year.

Estimates by the Secretary under this subsection of the number of full-time students enrolled in a school may be made on the basis of assurances provided by the school.

“(3) The Secretary shall give special consideration to each application of a school for grant assistance under this subsection which contains or is reasonably supported by assurances, that, because of the

use that the school will make of existing facilities (including Federal medical or dental facilities), it will be able to accelerate the date on which it will begin its teaching program.

“(4) For purposes of this subsection, any school of medicine, osteopathy, or dentistry shall be considered a new school for any year if such year is the year preceding the first year in which such school has students enrolled, such first year, and the next two years.

“(5) Payments under grants under this subsection may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

Appropriation.

“(6) There is authorized to be appropriated to make grants under this subsection not to exceed \$10,000,000 for the fiscal year ending June 30, 1972, and a like amount for each of the next two fiscal years. Sums appropriated under this paragraph shall remain available until expended.

“(b) (1) The Secretary shall make a grant to any public or nonprofit private two-year school of medicine (or any school accredited as such a two-year school) which intends to become a school accredited to grant the degree of doctor of medicine. The amount of the grant to a school under this subsection shall be equal to the product of \$50,000 and the number of third-year students which the Secretary determines will be initially enrolled in such school. Upon application by the school, the Secretary shall (if the school so requests) make a grant to such school for expenditure in the year preceding the initial enrollment of third-year students in such school, or thereafter. No school may receive more than one grant under this subsection.

“(2) No grant may be made under this subsection unless an application therefor has been submitted before July 1, 1974, and the school enrolls third-year students not later than the school year beginning in the fiscal year ending June 30, 1975. The Secretary may not approve an application for a grant under this subsection unless he determines it contains or is supported by reasonable assurances that the school for which the application is made will be affiliated with an accredited hospital in the fiscal year for which such grant is made. Payments under grants under this subsection may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

“SPECIAL PROJECT GRANTS AND CONTRACTS

“SEC. 772. (a) The Secretary may make grants to assist schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, and podiatry in meeting the costs of special projects to—

“(1) effect significant improvements in the curriculums of any such schools (including projects to shorten the length of time required for training in such schools), with particular emphasis, in the case of schools of medicine or osteopathy, upon the establishment of new, or expansion of existing, programs for training in family medicine;

“(2) develop programs for cooperative interdisciplinary training among schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, podiatry, nursing, public health, and allied health, including projects for training in the use of the team approach to the delivery of health services;

“(3) develop and operate training programs, and train, for new roles, types, or levels of health personnel, including programs for the training of physicians' assistants and other health professions' assistants;

“(4) plan, develop, or establish new programs, or innovative modifications of existing programs, of education in such health

professions, including the teaching of the organization, delivery, financing, or evaluation of health care;

“(5) research, develop, or demonstrate advances in the various fields related to education in such health professions;

“(6) assist in increasing the supply, or improving the distribution, by geographic area or specialty group, of adequately trained personnel in such health professions needed to meet the health needs of the Nation;

“(7) establish and operate programs at schools of medicine or osteopathy (and where applicable at other health professions schools) (A) providing increased emphasis on, and training in, the science of clinical pharmacology, the prevention, diagnosis, treatment, and rehabilitation of alcoholism and drug dependence, and the assessment of the efficacy of various therapeutic regimens, or (B) providing increased emphasis on, and training and research in, the science of human nutrition and the application of such science to health;

“(8) establish and operate projects designed to identify, and increase admissions to and enrollment in schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, and podiatry of, individuals whose background and interests make it reasonable to assume that they will engage in the practice of their health profession in rural or other areas having a severe shortage of personnel in such health profession;

“(9) establish and operate projects designed to increase admissions to and enrollment in such schools of qualified individuals from minority or low-income groups;

“(10) plan experimental teaching programs or facilities;

“(11) provide traineeships (including costs of training and fees, stipends, and allowances for the students (including travel and subsistence expenses and dependency allowances)) for full-time students to secure part of their education under a preceptor in family practice, pediatrics, internal medicine, or other health fields designated by the Secretary, or in rural or other areas having a severe shortage of physicians;

“(12) utilize health personnel more efficiently, through the use of computer technology and otherwise; or

“(13) encourage new or more effective approaches to the organization and delivery of health services through the use of the team approach to delivery of health services and the utilization of computer technology to process biomedical information in the provision of health services.

The Secretary may also enter into contracts with public or private health or educational entities to carry out any project described in this subsection.

“(b) Grants and contracts may also be made by the Secretary under this section for—

“(1) the discovery, collection, development, or confirmation of information for,

“(2) the planning, development, demonstration, establishment, or maintenance of,

“(3) the alteration or renovation of existing facilities for, any project described in subsection (a).

“(c) Contracts under this section may be entered into without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

“(d) There are authorized to be appropriated \$118,000,000 for the fiscal year ending June 30, 1972, \$138,000,000 for the fiscal year ending June 30, 1973, and \$156,000,000 for the fiscal year ending June 30,

Appropriation.

1974, for the purpose of making payments pursuant to grants and contracts under this section. Funds appropriated under this subsection for the fiscal year ending June 30, 1972, shall remain available for obligation through September 30, 1972.

“GRANTS TO ASSIST HEALTH PROFESSIONS SCHOOLS WHICH ARE IN
FINANCIAL DISTRESS

Appropriation.

“SEC. 773. (a) There are authorized to be appropriated \$20,000,000 for the fiscal year ending June 30, 1972, \$15,000,000 for the fiscal year ending June 30, 1973, and \$10,000,000 for the fiscal year ending June 30, 1974, to make grants under this section, and, to the extent that sums appropriated under this subsection are not used for such grants, for grants under section 772. Funds appropriated under this subsection for the fiscal year ending June 30, 1972, shall remain available for obligation through September 30, 1972.

Ante, p. 444.

“(b) The Secretary may make grants to assist any school of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatry which is in serious financial straits to meet its costs of operation or which has special need for financial assistance to meet accreditation requirements.

“(c) Any grant under this section may be made upon such terms and conditions as the Secretary determines to be reasonable and necessary, including requirements that the school agree (1) to disclose any financial information or data deemed by the Secretary to be necessary to determine the sources or causes of that school's financial distress, (2) to conduct a comprehensive cost analysis study in cooperation with the Secretary, and (3) to carry out appropriate operational and financial reforms on the basis of information obtained in the course of the comprehensive cost analysis study or on the basis of other relevant information.

“(d) An application for a grant under this section must contain or be supported by assurances satisfactory to the Secretary that the applicant will expend in carrying out its function as a school of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatry, as the case may be, 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 is 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. The Secretary may, after consultation with the National Advisory Council on Health Professions Education, waive the requirement of the preceding sentence with respect to any school if he determines application of such requirement to such school would be inconsistent with the purposes of this section.

“HEALTH MANPOWER EDUCATION INITIATIVE AWARDS

“SEC. 774. (a) (1) For the purpose of improving the distribution, supply, quality, utilization, and efficiency of health personnel and the health services delivery system, the Secretary may make grants to public or nonprofit private health or educational entities, and may enter into contracts with public or private health or educational entities, for projects—

“(A) to encourage the establishment or maintenance of programs to alleviate shortages of health personnel in areas designated by the Secretary through training or retraining such personnel in facilities located in such areas or to otherwise im-

prove the distribution of health personnel by area or by specialty group;

“(B) to provide training programs leading to more efficient utilization of health personnel;

“(C) to initiate new types and patterns or improve existing patterns of training, retraining, continuing education, and advanced training of health personnel, including teachers, administrators, specialists, and paraprofessionals (particularly physicians’ assistants, dental therapists, and pediatric nurse practitioners);

“(D) to encourage new or more effective approaches to the organization and delivery of health services through training individuals in the use of the team approach to delivery of health services and otherwise; or

“(E) to assist State, local, or other regional arrangements among schools and related organizations and institutions to carry out the purpose of this subsection.

“(2) Grants and contracts may also be made by the Secretary under this section for (A) the discovery, collection, development or confirmation of information for, (B) the planning development, demonstration, establishment, or maintenance of, or (C) the alteration or renovation of existing facilities for, any of the projects described in paragraph (1) of this subsection.

“(3) Contracts may be entered into under this subsection without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

“(b) The Secretary may also make grants to public or nonprofit private health or educational entities to assist in meeting the costs of special projects to—

“(1) establish or operate projects designed to identify, and increase admissions to and enrollment in schools of medicine, dentistry, osteopathy, optometry, podiatry, pharmacy, veterinary medicine, public health, or other health training of, individuals whose background and interests make it reasonable to assume that they will engage in the practice of their health profession in rural or other areas having a severe shortage of personnel in such health profession; or

“(2) (A) identify individuals with a potential for education or training in the health professions (including veterans of the Armed Forces of the United States with training or experience in the health field) who due to socioeconomic factors are financially or otherwise disadvantaged and encouraging and assisting them (i) to enroll in a school of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, veterinary medicine, public health, or other health training; or (ii) if they are not qualified to enroll in such a school, to undertake such postsecondary education or training as may be required to qualify them to enroll in such a school;

“(B) publicize existing sources of financial aid available to persons enrolled in any such school or who are undertaking training necessary to qualify them to enroll in any such school; or

“(C) establish such programs as the Secretary determines will enhance and facilitate the enrollment, pursuit, and completion of study by individuals referred to in clause (A) in schools referred to in clause (A) (i).

Of the sums appropriated under subsection (e) for any fiscal year, not more than 15 per centum of such sums, but in no event less than \$5,000,000, shall be used to make grants under this subsection in such fiscal year. Of the sums available for grants under this subsection for any fiscal year, not more than one-half of such sums may be used for

such fiscal year for projects described in clause (1) and not more than one-half of such sums may be used for such fiscal year for projects described in clause (2).

“(c) (1) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe.

“(2) The amount of any grant under this section shall be determined by the Secretary. Payments under grants under this section may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

“(d) Each grant or contract under subsection (a) of this section must be coordinated with the regional medical program for the area in which the grant or contract will be carried out.

Appropriation.

“(e) For the purpose of making payments pursuant to grants and contracts under this section, there are authorized to be appropriated \$45,000,000 for the fiscal year ending June 30, 1972, \$90,000,000 for the fiscal year ending June 30, 1973, and \$135,000,000 for the fiscal year ending June 30, 1974. Funds appropriated under this subsection for the fiscal year ending June 30, 1972, shall remain available for obligation through September 30, 1972.

“APPLICATIONS FOR CAPITATION, START-UP, SPECIAL PROJECT, AND FINANCIAL DISTRESS GRANTS

“SEC. 775. (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 for grants under section 770, 771, 772, or 773 for any fiscal year must be filed.

Ante, pp. 437-446.

“(b) To be eligible for a grant under section 770, 771, 772, or 773, the applicant must (1) be a public or other nonprofit school of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatry, and (2) be accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education, except that the requirement of this clause shall be deemed to be satisfied if (A) in the case of a school which by reason of no, or an insufficient, period of operation is not, at the time of application for a grant under this part, eligible for such accreditation, the Commissioner finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school during the fiscal year in which the Secretary makes a final determination as to approval of the application, or (B) in the case of any other school, the Commissioner finds after such consultation and after consultation with the Secretary that there is reasonable ground to expect that, with the aid of a grant (or grants) under those sections, having regard for the purposes of the grant for which application is made, such school will meet such accreditation standards within a reasonable time.

“(c) The Secretary shall not approve or disapprove any application for a grant under this part except after consultation with the National Advisory Council on Health Professions Education (established by section 725).

Post, p. 460.

“(d) A grant under section 770, 771, 772, or 773 may be made only if the application therefor—

“(1) is approved by the Secretary upon his determination that the applicant (and its application) meet the applicable eligibility

conditions prescribed by section 770, 771, or 773 or subsection (b) of this section; *Ante*, pp. 437-443, 446.

“(2) contains such additional information as the Secretary may require to make the determinations required of him under the section authorizing the grant for which the application is made and such assurances as he may find necessary to carry out the purposes of such section; and

“(3) 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 such grant.”

STUDENT LOANS

SEC. 105. (a) AUTHORIZATION LEVEL.—Subsection (a) of section 742 (42 U.S.C. 294b(a)) is amended to read as follows:

77 Stat. 172;
82 Stat. 778.

“SEC. 742. (a) For the purpose of—

“(1) making Federal capital contributions into the loan funds of schools which have established loan funds under this part,

“(2) making payments into the fund established by section 744(d), and

42 USC 294d.
42 USC 294f.

“(3) making transfers under section 746,

there are authorized to be appropriated \$50,000,000 for the fiscal year ending June 30, 1972, \$55,000,000 for the fiscal year ending June 30, 1973, and \$60,000,000 for the fiscal year ending June 30, 1974. For the fiscal year ending June 30, 1975, and each of the two succeeding fiscal years there are authorized to be appropriated to the Secretary such sums as may be necessary to enable students who have received a loan under this part for any academic year ending before July 1, 1974, to continue or complete their education.”

(b) LOAN REPAYMENT AND FORGIVENESS.—

(1) Section 741(f) (42 U.S.C. 294a(f)) is amended to read as follows:

79 Stat. 1057;
80 Stat. 1230.

“(f) (1) In the case of any individual—

“(A) who has received a degree of doctor of medicine, doctor of osteopathy, doctor of dentistry or an equivalent degree, doctor of veterinary medicine or an equivalent degree, doctor of optometry or an equivalent degree, bachelor of science in pharmacy or an equivalent degree, or doctor of podiatry or an equivalent degree;

“(B) who obtained (i) one or more loans from a loan fund established under this part, or (ii) any other educational loan for his costs at a school of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatry; and

“(C) who enters into an agreement with the Secretary to practice his profession for a period of at least two years in an area in a State determined by the Secretary, after consultation with the appropriate State health authority (as determined by the Secretary by regulations), to have a shortage of and need for persons trained in his profession;

Physician shortage area.

the Secretary shall make payments in accordance with paragraph (2), for and on behalf of that individual, on the principal of and interest on any loan of his described in subparagraph (B) of this paragraph which is outstanding on the date he begins the practice specified in the agreement described in subparagraph (C) of this paragraph.

“(2) The payments described in paragraph (1) shall be made by the Secretary as follows:

“(A) Upon completion by the individual for whom the payments are to be made of the first year of the practice specified in the agreement he entered into with the Secretary under paragraph (1), the Secretary shall pay 30 per centum of the principal

of, and the interest on each loan of such individual described in paragraph (1)(B) which is outstanding on the date he began such practice.

“(B) Upon completion by that individual of the second year of such practice, the Secretary shall pay another 30 per centum of the principal of, and the interest on each such loan.

“(C) Upon completion by that individual of a third year of such practice, the Secretary shall pay another 25 per centum of the principal of, and the interest on each such loan.

“(3) Notwithstanding the requirement of completion of practice specified in paragraph (2), the Secretary shall, on or before the due date thereof, pay any loan or loan installment which may fall due within the period of practice for which the borrower may receive payments under this subsection, upon the declaration of such borrower, at such times and in such manner as the Secretary may prescribe (and supported by such other evidence as the Secretary may reasonably require), that the borrower is then engaged as described by paragraph (1) or (2)(C), and that he will continue to be so engaged for the period required (in the absence of this paragraph) to entitle him to have made the payments provided by this subsection for such period; except that not more than 85 per centum of the principal of any such loan shall be paid pursuant to this paragraph.

“(4) A borrower who fails to fulfill an agreement with the Secretary entered into under paragraph (1) shall be liable to reimburse the Secretary for any payments made pursuant to paragraph (2)(A) or paragraph (3) in consideration of such agreement.

“(5) Notwithstanding the amendment made by section 105(b)(1) of the Comprehensive Health Manpower Training Act of 1971 to this subsection—

“(A) any person who obtained one or more loans from a loan fund established under this part, who before the date of the enactment of such Act became eligible for cancellation of all or part of such loans (including accrued interest) under this subsection (as in effect on the day before such date), and who on such date was not engaged in a practice for which loan cancellation was authorized under this subsection (as so in effect), may at any time elect to receive such cancellation in accordance with this subsection (as so in effect); and

“(B) in the case of any person who obtained one or more loans from a loan fund established under this part and who on such date was engaged in a practice for which cancellation of all or part of such loans (including accrued interest) was authorized under this subsection (as so in effect), this subsection (as so in effect) shall continue to apply to such person for purposes of providing such loan cancellation until he terminates such practice.

“Nothing in this paragraph shall be construed to prevent any person from entering into an agreement for loan cancellation under this subsection (as amended by section 105(b)(1) of such Act).”

(2) Section 741 of such Act is amended by adding at the end thereof the following new subsection:

“(1) upon application by a person who received, and is under an obligation to repay, any loan made to such person as a health professions student to enable him to study medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatry, the Secretary may undertake to repay (without liability to the applicant) all or any part of such loan, and any interest or portion thereof outstanding thereon, upon his determination, pursuant to regulations establishing criteria therefor, that the applicant—

Ante, p. 449.

77 Stat. 171;
82 Stat. 777.
42 USC 294a.

“(1) failed to complete such studies leading to his first professional degree;

“(2) is in exceptionally needy circumstances;

“(3) is from a low-income or disadvantaged family as those terms may be defined by such regulations; and

“(4) has not resumed, or cannot reasonably be expected to resume, the study of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatry, within two years following the date upon which he terminated such studies.”

(c) LOAN CEILING.—Section 741(a) (42 U.S.C. 294a(a)) is amended (1) by striking out “\$2,500” and inserting in lieu thereof “\$3,500”, and (2) by striking out the second sentence. 77 Stat. 171;
79 Stat. 1057.

(d) REPAYMENT AFTER TRAINING.—Section 741(c)(2) (42 U.S.C. 294a(c)(2)) is amended by striking out “(up to five years)”. 82 Stat. 777.

(e) TECHNICAL AMENDMENTS.—

(1) Section 740(b)(4) (42 U.S.C. 294(b)(4)) is amended by striking out “1971” and inserting in lieu thereof “1974”.

(2) Section 743 (42 U.S.C. 294c) is amended by striking out “1975” each place it occurs and inserting in lieu thereof “1977”. Ante, p. 144.

(3) Section 744(a)(1) (42 U.S.C. 294d(a)(1)) is amended by striking out “four fiscal years” and inserting in lieu thereof “six fiscal years”.

(4) Sections 740(b)(4) and 741(b) (42 U.S.C. 294(b)(4), 294a(b)) are each amended (A) by striking out “doctor of pharmacy” and inserting in lieu thereof “an equivalent degree”, and (B) by striking out “doctor of surgical chiropody” and inserting in lieu thereof “an equivalent degree”. 79 Stat. 1058.

(f) LOANS FOR STUDY ABROAD.—

(1) Part C of title VII is amended by inserting immediately below the heading to such part the following:

“SUBPART I—LOANS TO STUDENTS STUDYING IN THE UNITED STATES”

(2) Such part C is amended by striking out “this part” each place it occurs and inserting in lieu thereof “this subpart”. 42 USC 294.

(3) Section 781 (42 U.S.C. 295f) is amended by striking out “part C” and inserting in lieu thereof “subpart I of part C”. 82 Stat. 779.
42 USC 295g-1.

(4) Such part C is further amended by adding after section 746 the following: 42 USC 294f.

“SUBPART II—STUDENT LOANS BY THE SECRETARY TO CITIZENS OF THE UNITED STATES WHO ARE FULL-TIME STUDENTS IN SCHOOLS OF MEDICINE LOCATED OUTSIDE THE UNITED STATES

“STUDENT LOANS

“SEC. 747. (a) From the amounts appropriated to carry out this subpart, the Secretary is authorized to make, in accordance with this subpart, loans to citizens of the United States who are full-time students in schools of medicine which are located outside the United States.

“(b) Except as otherwise provided in this subpart, loans made under this subpart shall (to the extent feasible) be made on the same terms and conditions as are required with respect to loans made to students of medicine under the program established by subpart I.

Ante, p. 451.

“(c) (1) No loan under this subpart shall be made to any student unless—

“(A) prior to the date such student files application for such loan—

“(i) he has made application for admission as a student in a school of medicine which is located in the United States; and

“(ii) he has, in connection with the making of such application for admission to such school, undergone a written examination to determine his qualifications for admission as a student in such school;

“(B) such student furnishes to the Secretary a certification from such school that—

“(i) such student is qualified for admission as a student in such school, and

“(ii) such student was denied admission as a student in such school solely because, for the school year for which such student applied for admission to such school, the number of qualified applicants for admission to such school exceeded the maximum number of students (as determined by such school) which such school was prepared to accept for admission for such year; and

“(C) such student has not been accepted, before the date of approval of his application for a loan under this subpart, by a medical school located in the United States.

“(2) No loan under this subpart shall be made to any student who has completed three years as a student in a school of medicine, unless—

“(A) such student has passed an examination which—

“(i) is prepared by a body or bodies which the Secretary recognizes as being qualified to prepare such an examination, and

“(ii) is used to determine the qualifications of students in schools of medicine which are located outside the United States for admission (as transfer students) in schools of medicine which are located in the United States; and

“(B) such student has made application for admission (as a transfer student) to, but has not been accepted by, a school of medicine which is located in the United States.

Appropriation.

“(d) To carry out this subpart there are authorized to be appropriated \$1,750,000 for the fiscal year ending June 30, 1972, and for each of the next two fiscal years.”

SCHOLARSHIPS

SEC. 106. (a) SCHOLARSHIPS FOR STUDY IN THE UNITED STATES.—Effective with respect to scholarship grants made under subsection (a) of section 780 of the Public Health Service Act (42 U.S.C. 295g) for fiscal years beginning after June 30, 1971—

79 Stat. 1055;
Ante, p. 144.

(1) subsection (b) of such section is amended to read as follows:

“(b) The amount of the grant under subsection (a) to each such school for the fiscal year ending June 30, 1972, shall be equal to \$3,000 multiplied by one-tenth of the number of full-time students of such school. The amount of such grant for the fiscal year ending June 30, 1973, and the next fiscal year shall be equal to the greater of (1) \$3,000 multiplied by the number of full-time students of such school who are from low-income backgrounds as determined under regulations of the Secretary, or (2) \$3,000 multiplied by one-tenth of the number of full-time students of such school. For the fiscal year ending June 30, 1975, and for each of the two 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 before July 1, 1974.”;

(2) subsection (c) (1) is amended to read as follows:

79 Stat. 1055.
42 USC 295g.

“(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 as full-time first-year students and to 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, 1972, and each of the next two fiscal years; 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, 1974, in the case of awards from such grants for the fiscal year ending June 30, 1975, or the two succeeding fiscal years.”; and

(3) subsection (c) (2) is amended by striking out “\$2,500” and inserting in lieu thereof “\$3,500”.

(b) SCHOLARSHIPS FOR STUDY ABROAD.—

(1) Part F of title VII is amended by inserting immediately below the heading to such part the following:

“SUBPART I—GRANTS FOR SCHOLARSHIPS TO STUDENTS STUDYING IN THE UNITED STATES”

(2) The heading for such part F is amended by striking out all after “Grants”.

(3) The section heading for section 780 (42 U.S.C. 295g) is amended by adding at the end thereof “for Study in the United States”.

(4) Such part F is amended by striking out “this part” each place it occurs and inserting in lieu thereof “this subpart”.

42 USC 295g.

(5) Section 746 (42 U.S.C. 294f) is amended by striking out “part F” and inserting in lieu thereof “subpart I of part F”.

82 Stat. 778.

(6) Such part F is further amended by adding after section 781 the following:

42 USC 295g-1.

“SUBPART II—SCHOLARSHIPS BY THE SECRETARY TO CITIZENS OF THE UNITED STATES WHO ARE FULL-TIME STUDENTS IN SCHOOLS OF MEDICINE LOCATED OUTSIDE THE UNITED STATES

“SCHOLARSHIP GRANTS FOR STUDY ABROAD

“SEC. 785. (a) From the appropriations under subsection (e), the Secretary is authorized to make, in accordance with this subpart, scholarship grants to citizens of the United States who are full-time students in schools of medicine which are located outside the United States.

“(b) Scholarship grants under this subpart shall be awarded for any school year only to students of exceptional financial need who need such financial assistance to pursue a course of study at a school of medicine for such year and who have entered into an agreement with the Secretary to practice medicine in the United States for a period of five years. Such practice shall begin within such reasonable period of time, after completion of such student’s professional training, as the Secretary shall by regulation prescribe. Any such scholarship for a school year shall cover such portion of the student’s tuition, fees, books, equipment, and living expenses at the school of medicine in which he is enrolled, but not to exceed \$3,500 for any year, as the Secretary may determine the student needs for such year on the basis of the requirements and financial resources of the student.

“(c) Grants under this subpart shall be made in accordance with regulations prescribed by the Secretary after consultation with the National Advisory Council on Health Professions Education.

“(d) (1) No scholarship grant under this subpart shall be made to any student unless—

“(A) prior to the date such student files application for such grant—

“(i) he has made application for admission as a student in a school of medicine which is located in the United States;

“(ii) he has, in connection with the making of such application for admission to such school, undergone a written examination to determine his qualifications for admission as a student in such school;

“(B) such student furnishes to the Secretary a certification from such school that—

“(i) such student is qualified for admission as a student in such school, and

“(ii) such student was denied admission as a student in such school solely because, for the school year for which such student applied for admission to such school, the number of qualified applicants for admission to such school exceeded the maximum number of students (as determined by such school) which such school was prepared to accept for admission for such year; and

“(C) such student has not been accepted, before the date of approval of his application for a scholarship grant under this subpart, by a medical school located in the United States.

“(2) No scholarship grant under this subpart shall be made to any student who has completed three years as a student in a school of medicine, unless—

“(A) such student has passed an examination which—

“(i) is prepared by a body or bodies which the Secretary recognizes as being qualified to prepare such an examination, and

“(ii) is used to determine the qualifications of students in schools of medicine which are located outside the United States for admission (as transfer students) in schools of medicine which are located in the United States; and

“(B) such student has made application for admission (as a transfer student) to, but has not been accepted by, a school of medicine which is located in the United States.

Appropriations.

“(e) For the purpose of making scholarship grants under this subpart there are authorized to be appropriated the following amounts:

“(1) For the fiscal year ending June 30, 1972, and for each of the next two fiscal years, there are authorized to be appropriated \$150,000.

“(2) For the fiscal year ending June 30, 1975, and for each of the two succeeding fiscal years, there are authorized to be appropriated such amounts as may be necessary to enable the Secretary to continue to make scholarship grants to students who received such grants under this subpart from funds made available to the Secretary for such purpose for fiscal years ending before July 1, 1974.”

(c) PHYSICIAN SHORTAGE AREA SCHOLARSHIP PROGRAM.—Part F of title VII is amended by adding after the subpart added by subsection (b) of this section the following new subpart:

79 Stat. 1055.
42 USC 295g.

“SUBPART III—PHYSICIAN SHORTAGE AREA SCHOLARSHIP PROGRAM

“SCHOLARSHIP GRANTS

“SEC. 784. (a) In order to promote the more adequate provision of medical care for persons who—

“(1) reside in a physician shortage area;

“(2) are migratory agricultural workers or members of the families of such workers;

the Secretary may, in accordance with the provisions of this subpart, make scholarship grants to individuals who are medical students and who agree to engage in the practice of primary care after completion of their professional training (A) in a physician shortage area, or (B) at such place or places, such facility or facilities, and in such manner, as may be necessary to assure that, of the patients receiving medical care in such practice, a substantial portion will consist of persons referred to in clause (2). For purposes of this subpart, (1) the term ‘physician shortage area’ means an area determined by the Secretary under section 741(f)(1)(C) to have a shortage of and a need for physicians, and (2) the term ‘primary care’ has the meaning prescribed for it by the Secretary under section 768(c)(3)(B).

“Physician
shortage area.”

Anf., p. 449.

“Primary care.”

Post., p. 458.

“(b) (1) Scholarship grants under this subpart shall be made with respect to academic years.

“(2) The amount of any scholarship grant under this subpart to any individual for any full academic year shall not exceed \$5,000.

Limitation.

“(3) The Secretary shall, in awarding scholarship grants under this subpart, accord priority to applicants as follows—

“(A) first, to any applicant who (i) is from a low-income background (as determined under regulations of the Secretary), (ii) resides in a physician shortage area, and (iii) agrees that, upon completion of his professional training, he will return to such area and will engage in such area in the practice of primary care;

“(B) second, to any applicant who meets all the criteria set forth in subparagraph (A) except that prescribed in clause (i);

“(C) third, to any applicant who meets the criterion set forth in clause (i); and

“(D) fourth, to any other applicant.

“(c) (1) Any scholarship grant awarded to any individual under this subpart shall be awarded upon the condition that such individual will, upon completion of his professional training, engage in the practice of primary care—

“(A) in the case of any individual who, in applying for a scholarship grant under this subpart, met the criteria set forth in subparagraph (A) or (B) of subsection (b)(3), in the physician shortage area in which he agreed (pursuant to such subparagraph) to engage in such practice; and

“(B) in the case of any individual who did not agree (pursuant to such subparagraph (A) or (B)) to engage in such practice in

any particular physician shortage area (or who is not, under a waiver under paragraph (4) of this subsection, required to engage in such practice in any particular physician shortage area)—

“(i) in any physician shortage area, or

“(ii) at such place or places, in such facility or facilities, and in such manner, as may be necessary to assure that, of the patients receiving medical care provided by such individual, a substantial portion will consist of persons who are migratory agricultural workers or are members of the families of such workers;

for a twelve-month period for each full academic year with respect to which he receives such a scholarship grant. For purposes of the preceding sentence, any individual, who has received a scholarship grant under this subpart for four full academic years, shall be deemed to have received such a grant for only three full academic years if such individual serves all of his internship or residency in a public or private hospital, which is located in a physician shortage area, or a substantial portion of the patients of which consists of persons who are migratory agricultural workers (or are members of the families of such workers) and, if, while so serving, such individual receives training or professional experience designed to prepare him to engage in the practice of primary care.

“(2) The condition imposed by paragraph (1) shall be complied with by any individual to whom it applies within such reasonable period of time, after the completion of such individual's professional training, as the Secretary shall by regulations prescribe.

“(3) If any individual to whom the condition referred to in paragraph (1) is applicable fails, within the period prescribed pursuant to regulations under paragraph (2), to comply with such condition for the full number of months with respect to which such condition is applicable, the United States shall be entitled to recover from such individual an amount equal to the amount produced by multiplying—

“(A) the aggregate of (i) the amounts of the scholarship grant or grants (as the case may be) made to such individual under this subpart, and (ii) the sums of the interest which would be payable on each such scholarship grant if, at the time such grant was made, such grant were a loan bearing interest at a rate fixed by the Secretary of the Treasury, after taking into consideration private consumer rates of interest prevailing at the time such grant was made, and if the interest on each such grant had been compounded annually, by

“(B) a fraction the numerator of which is the number obtained by subtracting from the number of months to which such condition is applicable a number equal to one-half of the number of months with respect to which compliance by such individual with such condition was made, and the denominator of which is a number equal to the number of months with respect to which such condition is applicable.

Any amount which the United States is entitled to recover under this paragraph shall, within the three-year period beginning on the date the United States becomes entitled to recover such amount, be paid to the United States. Until any amount due the United States under this paragraph on account of any grant under this subpart is paid, there shall accrue to the United States interest on such amount at the same rate as that fixed by the Secretary of the Treasury pursuant to clause (A) with respect to the grant on account of which such amount is due the United States.

“(4) (A) Any obligation of any individual to comply with the condition applicable to him under the preceding provisions of this subsection shall be canceled upon the death of such individual.

“(B) The Secretary shall by regulations provide for the waiver or suspension of any such obligation applicable to any individual whenever compliance by such individual is impossible or would involve extreme hardship to such individual and if enforcement of such obligation with respect to any individual would be against equity and good conscience.

“ADMINISTRATION; CONTRACTUAL ARRANGEMENTS

“SEC. 785. The Secretary may enter into agreements with schools of medicine, hospitals, or other appropriate public or nonprofit private agencies under which such schools, hospitals, or other agencies will, as agents of the Secretary, perform such functions in the administration of this subpart, as the Secretary may specify. Any such agreement with any school, hospital, or other agency may provide for payment by the Secretary of amounts equal to the expenses actually and necessarily incurred by such school, hospital, or other agency in carrying out such agreement.

“AUTHORIZATION OF APPROPRIATIONS

“SEC. 786. For the purpose of making scholarship grants under this subpart, there are authorized to be appropriated \$2,500,000 for the fiscal year ending June 30, 1972, \$3,000,000 for the fiscal year ending June 30, 1973, and \$3,500,000 for the fiscal year ending June 30, 1974. For the fiscal year ending June 30, 1975, and for each succeeding fiscal year, there are authorized to be appropriated such sums as may be necessary to continue to make such grants to students who (prior to July 1, 1974) have received such a grant and who are eligible for such a grant under this part during such succeeding fiscal year.”

GRANTS FOR TRAINING, TRAINEESHIPS, AND FELLOWSHIPS AND COMPUTER TECHNOLOGY HEALTH CARE DEMONSTRATION PROGRAMS

SEC. 107. (a) Title VII is amended by striking out the heading of part D and inserting in lieu thereof the following:

“PART D—GRANTS FOR FAMILY MEDICINE, TRAINING, TRAINEESHIPS, AND FELLOWSHIPS AND COMPUTER TECHNOLOGY HEALTH CARE DEMONSTRATION PROGRAMS”

(b) Part D is further amended by adding at the end thereof the following:

42 USC 295.

“GRANTS FOR TRAINING, TRAINEESHIPS, AND FELLOWSHIPS IN FAMILY MEDICINE

“SEC. 767. There are authorized to be appropriated \$25,000,000 for the fiscal year ending June 30, 1972, \$35,000,000 for the fiscal year ending June 30, 1973, and \$40,000,000 for the fiscal year ending June 30, 1974, for grants by the Secretary to any public or nonprofit private hospital—

“(1) to plan, develop, and operate, or participate in, an approved professional training program (including continuing education and approved residency programs in family practice) in the field of family medicine for medical students, interns, residents, or practicing physicians;

“(2) to provide financial assistance (in the form of traineeships and fellowships) to medical students, interns, residents, practicing physicians, or other medical personnel, who are in need thereof,

who are participants in any such program, and who plan to specialize or work in the practice of family medicine; and

“(3) to plan, develop, and operate, or participate in, other approved training programs in the field of family medicine.

“GRANTS FOR SUPPORT OF POSTGRADUATE TRAINING PROGRAMS FOR
PHYSICIANS AND DENTISTS

Appropriation.

“SEC. 768. (a) There are authorized to be appropriated \$7,500,000 for the fiscal year ending June 30, 1973, and \$15,000,000 for the fiscal year ending June 30, 1974, for grants under subsection (b).

“(b) (1) The Secretary shall make annual grants in accordance with this section to—

“(A) public or nonprofit private schools of medicine, osteopathy, or dentistry, which are accredited as provided in section 721(b) (1), and which have approved applications, and

77 Stat. 165.
42 USC 293a.

“(B) public or nonprofit private hospitals which are not affiliated with an accredited school of medicine, osteopathy, or dentistry, and which have approved applications, to assist in meeting the educational costs of the first three years of full-time approved graduate training programs in the area of primary care or in any other area of health care (designated under subsection (c) (3) (B)) in which there is a shortage of qualified physicians or dentists.

“(2) The amount of a grant under this subsection for any fiscal year to any school or hospital shall be equal to \$3,000 for each physician or dentist enrolled in a graduate training program (A) described in paragraph (1) of this subsection, and (B) in the case of a grant to a school, conducted in clinical facilities of such schools or with which such school has a written agreement of affiliation, or, in the case of a grant to a hospital, conducted in such hospital; except that if the total of the grants to be made under this subsection for any fiscal year to schools and hospitals with approved applications exceeds the amounts appropriated under subsection (a) for such grants, the amount of the grant for that fiscal year to each such school or hospital shall be an amount which bears the same ratio to the amount determined for the school or hospital for that fiscal year under the preceding sentence as the total of the amounts appropriated under subsection (a) for that year bears to the amount required to make grants to each school in accordance with such sentence.

“(3) For purposes of paragraph (2), the Secretary shall—

“(A) in the case of a grant in the fiscal year ending June 30, 1973, count only the number of first-year physicians and dentists enrolled in graduate training programs described in paragraph (1), and

“(B) in the case of a grant in the fiscal year ending June 30, 1974, count only the number of first- and second-year physicians and dentists enrolled in graduate training programs described in paragraph (1).

“(c) (1) The Secretary may from time to time set dates (not earlier than the fiscal year preceding the year for which a grant is sought) by which applicants for grants under subsection (b) for any fiscal year must be filed.

“(2) A grant under subsection (b) may be made only if the application therefor—

“(A) is approved by the Secretary upon his determination that the applicant meets the eligibility conditions set forth in paragraph (1) of such subsection;

“(B) contains a specific program or programs which such applicant has undertaken to encourage physicians and dentists to enroll

in graduate training programs described in paragraph (1) of this subsection;

“(C) contains or is supported by assurances that such applicant will increase the number of graduate training positions open to physicians and dentists in such graduate training programs;

“(D) provides for such fiscal control and accounting procedures, and access to the records of the applicant, as the Secretary may require to assure proper disbursement of and accounting for any such grant;

“(E) contains a statement in such detail as the Secretary may determine necessary, describing the manner in which any grant made under subsection (b) will be applied to meet the educational costs of the graduate training program for which the grant is made, including any payments from a grant proposed to be made by an applicant which is a school to any clinical facility which participates in such training program under a written agreement of affiliation with the applicant and which shares in the payment of the educational costs of such program; and

“(F) contains such additional information as the Secretary may require to make the determinations required of him under this section, and such assurances as he may find necessary.

“(3) The Secretary—

“(A) shall not approve or disapprove any application for a grant under subsection (b) except after consultation with the National Advisory Council on Health Professions Education;

“(B) shall define in consultation with such Council, those health care fields included within the term ‘primary health care’ and shall designate any other areas of health care in which there is a shortage of qualified physicians and dentists; and

“(C) shall, on an annual basis, establish guidelines specifying such absolute or percentage increases in the numbers of physicians or dentists receiving full-time graduate training which any applicant receiving a grant under subsection (b) as may be required to meet as a condition of such a grant.

“Primary health care.”

“GRANTS FOR TRAINING, TRAINEESHIPS, AND FELLOWSHIPS FOR HEALTH PROFESSIONS TEACHING PERSONNEL

“SEC. 769. (a) There are authorized to be appropriated \$10,000,000 for the fiscal year ending June 30, 1972, \$15,000,000 for the fiscal year ending June 30, 1973, and \$20,000,000 for the fiscal year ending June 30, 1974, for grants under this section.

Appropriation.

“(b) The Secretary may make grants under this section to public and nonprofit private schools of medicine, dentistry, osteopathy, podiatry, optometry, pharmacy, and veterinary medicine (as such schools are defined in section 724) for training (at such schools or elsewhere), and traineeships and fellowships for the advanced training, of individuals to enable them to teach, or improve their teaching skills, in the medical, dental, osteopathic, podiatric, optometric, pharmaceutical, or veterinary medicine fields.

42 USC 293d.

“(c) Not less than 75 per centum of any grant under this section to any school shall be used by the school for traineeships and fellowships.

“GRANTS FOR COMPUTER TECHNOLOGY HEALTH CARE DEMONSTRATION PROGRAMS

“SEC. 769A. There are authorized to be appropriated \$5,000,000 for the fiscal year ending June 30, 1972, \$10,000,000 for the fiscal year ending June 30, 1973, and \$15,000,000 for the fiscal year ending June 30, 1974, for grants by the Secretary to public or nonprofit private

Appropriation.

schools, agencies, organizations, or institutions, and combinations thereof, to—

“(1) plan and develop free-standing or university-based computer laboratories which would establish computer-based systems, including compatible languages, standard terminologies, communication networks, and decisionmaking strategies, to enable the utilization of modern computer technologies by physicians and other health personnel in the provision of health services and in the processing of biomedical information relating to the provision of such services; and

“(2) research through computer technology the functions performed by physicians to determine which functions could be appropriately transferred and performed by other appropriately trained personnel.

“GENERAL PROVISIONS

“SEC. 769B. (a) No grant may be made under sections 767, 769, and 769A unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

“(b) Payments by recipients of grants under sections 767 and 769A for (1) traineeships shall be limited to such amounts as the Secretary finds necessary to cover the cost of tuition and fees of, and stipends and allowances (including travel and subsistence expenses and dependency allowances) for, the trainees; and (2) fellowships shall be limited to such amounts as the Secretary finds necessary to cover the cost of advanced study by, and stipends and allowances (including travel and subsistence expenses and dependency allowances) for, the fellows.

“(c) The amount of any grant under sections 767, 769, or 769A shall be determined by the Secretary. Payments under such grants may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.”

NATIONAL ADVISORY COUNCIL ON HEALTH PROFESSIONS EDUCATION

SEC. 108. (a) ESTABLISHMENT OF ADVISORY COUNCIL.—Section 725 (42 U.S.C. 293e) is amended to read as follows:

“NATIONAL ADVISORY COUNCIL ON HEALTH PROFESSIONS EDUCATION

“SEC. 725. (a) There is established in the Public Health Service a National Advisory Council on Health Professions Education (hereafter in this section referred to as the ‘Council’), consisting of the Secretary (or his delegate), who shall be Chairman of the Council, and twenty members appointed by the Secretary (without regard to the provisions of title 5 of the United States Code relating to appointments in the competitive service) from persons who because of their education, experience, or training are particularly qualified to advise the Secretary with respect to the programs of assistance authorized by parts B, C, D, E, and F of this title. At least four of the appointed members shall be selected from the general public and two shall be selected from among full-time students enrolled in health professions schools.

“(b) The Council shall advise the Secretary in the preparation of general regulations and with respect to policy matters arising in the administration of this title (other than parts A and G thereof).

“(c) The Secretary may use the services of any member or members of the Council in connection with matters related to the administration

Ante, pp. 457-459.

77 Stat. 169.

5 USC 101 *et seq.*

42 USC 293-295, 295i, 295g.

42 USC 292, 295h.

of this title (other than parts A and G thereof), for such periods, in addition to conference periods, as he may determine.” 42 USC 292, 295h.

(b) TECHNICAL AMENDMENTS.—

(1) The last sentence of section 721(c) (42 U.S.C. 293a(c)) is amended by striking out “on Education for Health Professions” and inserting in lieu thereof “on Health Professions Education”. 77 Stat. 165.

(2) Section 780(d) (42 U.S.C. 295g(d)) is amended by striking out “National Advisory Council on Health Professions Educational Assistance” and inserting in lieu thereof “National Advisory Council on Health Professions Education (established by section 725)”. 82 Stat. 777.
Ante, p. 460.

ADVANCE FUNDING

SEC. 109. Section 799 of the Public Health Service Act (42 U.S.C. 295h-8) is amended by striking out “this part” and inserting in lieu thereof “this title, section 306, or section 309”. 84 Stat. 1354.

SEX DISCRIMINATION

SEC. 110. Title VII is amended by—

(1) inserting after section 798 the following: 42 USC 295h-7.

“PART H—GENERAL PROVISIONS”; and

(2) by striking out section 799A and inserting in lieu thereof the following: 84 Stat. 1355.
42 USC 295h-9.

“DISCRIMINATION ON BASIS OF SEX PROHIBITED

“SEC. 799A. The Secretary may not make a grant, loan guarantee, or interest subsidy payment under this title to, or for the benefit of, any school of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, podiatry, or public health or any training center for allied health personnel unless the application for the grant, loan guarantee, or interest subsidy payment contains assurances satisfactory to the Secretary that the school or training center will not discriminate on the basis of sex in the admission of individuals to its training programs. The Secretary may not enter into a contract under this title with any such school or training center unless the school or training center furnishes assurances satisfactory to the Secretary that it will not discriminate on the basis of sex in the admission of individuals to its training programs.”

TITLE II—MISCELLANEOUS PROVISIONS RELATING TO HEALTH MANPOWER PROGRAMS

JOINT ADMINISTRATION

SEC. 201. Section 310A of the Public Health Service Act (42 U.S.C. 242i) is amended by striking out “title IX” and inserting in lieu thereof “titles VII, VIII, and IX”. 84 Stat. 1306.

NATIONAL HEALTH MANPOWER CLEARINGHOUSE

SEC. 202. (a) There is established in the Department of Health, Education, and Welfare a National Health Manpower Shortage Clearinghouse. It shall be the function of the Clearinghouse to provide information to, and maintain listings of, (1) communities and areas with health professional needs, and (2) prospective health workers interested in such opportunities.

(b) Information and listing services performed by the Clearinghouse shall be provided free of charge to all interested health professionals and to all communities and groups within the areas determined by the Secretary under section 741(f) to have a shortage of and need for health professionals.

Ante, p. 449.

Appropriation.

(c) There are authorized to be appropriated such sums as are necessary to establish, operate, and maintain the Clearinghouse created by subsection (a).

ASSIGNMENT OF PUBLIC HEALTH SERVICE PHYSICIANS TO CERTAIN COUNTIES

84 Stat. 1868.
42 USC 254b.

SEC. 203. Section 329(a) of the Public Health Service Act is amended by adding at the end thereof the following: "The Secretary shall use his best efforts to provide, to each county certified by him to be without the services of a physician physically residing within such county, at least one physician in the Public Health Service, except for counties so sparsely populated as not to require such a physician. Such physicians shall be assigned so that each such county shall have a residing physician within one year from the date of enactment of this sentence. Within one year from the date of enactment of this sentence the Secretary shall report to the Congress with respect to his implementation of this section."

Report to Congress.

STUDY OF FEDERAL HEALTH FACILITIES CONSTRUCTION COSTS

SEC. 204. The Comptroller General shall conduct a study of health facilities construction costs. Such study shall include consideration of the feasibility of reducing the cost of constructing health facilities constructed with assistance provided under the Public Health Service Act, particularly with respect to innovative techniques, new materials, and the possible waiver of unnecessarily costly Federal standards. The study shall be completed, and a report shall be submitted to the Congress, within one year after the date of enactment of this Act.

Report to Congress.

STUDY OF COSTS OF EDUCATING STUDENTS OF THE VARIOUS HEALTH PROFESSIONS

SEC. 205. (a) (1) The Secretary of Health, Education, and Welfare (hereinafter in this section referred to as "Secretary") shall arrange for the conduct of a study or studies to determine the national average annual per student educational cost of schools of medicine, osteopathy, dentistry, optometry, pharmacy, podiatry, veterinary medicine, and nursing in providing education programs which lead, respectively, to a degree of doctor of medicine, a degree of doctor of osteopathy, a degree of doctor of dentistry (or an equivalent degree), a degree of doctor of optometry (or an equivalent degree), a degree of bachelor of science in pharmacy (or an equivalent degree), a degree of doctor of podiatry (or an equivalent degree), a degree of doctor of veterinary medicine (or an equivalent degree), a certificate of degree or other appropriate evidence of completion of a course of training for physicians assistants or dental therapists, or a certificate or degree certifying completion of nurse training.

Reports.

(2) Such studies shall be completed and an interim report thereon submitted not later than March 30, 1973, and a final report not later than January 1, 1974, to the Secretary, the Committee on Labor and Public Welfare of the Senate, and the Committee on Interstate and Foreign Commerce of the House of Representatives.

(3) Such studies shall develop methodologies for ascertaining the national average annual per student educational costs and shall, on

such basis, determine such costs for school years 1971–1972, 1972–1973, and the estimated costs for school year 1973–1974 in the respective disciplines. The study shall also indicate the extent of variation among schools within the respective disciplines in their annual per student educational costs and the key factors affecting this variation. The studies shall employ the most recent data available from the health professional schools in the country at the time of the study.

(4) Such studies shall also describe national uniform standards for determining annual per student educational costs for each health professional school in future years and estimates of the cost to such schools of reporting according to these uniform standards.

National uniform standards.

(5) The report shall also include recommendations concerning how the Federal Government can utilize educational cost per student data to determine the amount of capitation grants under the Public Health Service Act to each health professional school.

58 Stat. 682.
42 USC 201
note.

(b)(1) The Secretary shall request the National Academy of Sciences to conduct such studies under an arrangement under which the actual expenses incurred by such Academy in conducting such studies will be paid by the Secretary. If the National Academy of Sciences is willing to do so, the Secretary shall enter into such an arrangement with such Academy for the conduct of such studies.

(2) If the National Academy of Sciences is unwilling to conduct one or more of such studies under such an arrangement, then the Secretary shall enter into a similar arrangement with other appropriate nonprofit private groups or associations under which such groups or associations will conduct such studies and prepare and submit the reports thereon as provided in subsection (a)(2).

REPORT

SEC. 206. The Secretary shall prepare and submit to the Congress, prior to June 30, 1974, a final report on the administration of title VII (other than parts A and G thereof) of the Public Health Service Act which shall include an estimate of increases in the number of persons entering the health professions effected under such title prior to the enactment of this Act; an estimate of such increases effected in consequence of the enactment of this Act; an estimate of the numbers of practitioners of such professions in relation to the need of the public therefor; and an appraisal of title VII (other than parts A and G thereof), as amended by this Act, to meet long-term national needs for health professionals. The Secretary shall submit to the Congress a first interim report prior to June 30, 1973, and a second interim report prior to January 31, 1974, describing his preliminary findings in the preparation of his final report.

Ante, p. 431.

TITLE III—MISCELLANEOUS

TECHNICAL AMENDMENTS TO PUBLIC HEALTH SERVICE ACT

SEC. 301. (a) Subsection (f) of section 208 of the Public Health Service Act is amended by striking out “section 207(f)” and inserting in lieu thereof “subsection (g)”.

58 Stat. 686;
62 Stat. 40, 41;
63 Stat. 834.
42 USC 210.
42 USC 218.

(b) The second sentence of subsection (a) of section 217 of such Act is amended by striking out “Council on Alcoholic Abuse” and inserting in lieu thereof “Council on Alcohol Abuse”.

(c) The section 223 of such Act (added by section 4 of Public Law 91-623) is redesignated as section 224.

(d) (1) Section 382 of such Act is amended by inserting “Secretary” before “, through the Library” in subsection (a) thereof; by inserting “Secretary” before “may exchange” in subsection (b) thereof; and by

84 Stat. 1870.
42 USC 233.
42 USC 276.

inserting "Secretary" before "is authorized" in subsection (c) thereof.

70 Stat. 960;
84 Stat. 66.
42 USC 277.

(2) (A) Section 383 of such Act is amended by inserting "Secretary" after "The" in the last sentence of subsection (a) thereof; by inserting "Secretary" after "recommendations to the" in the first sentence of subsection (b) thereof; by inserting "Secretary" after "users, and the" in such sentence; by inserting "Secretary" after "The" in the last sentence of such subsection; and by striking out subsection (d) thereof.

42 USC 280.

(3) Section 386 of such Act is amended by inserting "Secretary" after "selected by the".

79 Stat. 1067;
84 Stat. 66.
42 USC 280a-1.

(4) Subsection (a) of section 388 of such Act is amended by inserting "Secretary" after "Whenever the" and by striking out "section 398" in paragraphs (2) and (3) and inserting in lieu thereof "section 397".

84 Stat. 1349.
42 USC 295h-3d.

(e) Section 794(a)(2)(D) of such Act is amended by striking out "or pursuant to part B of the title IV of the Higher Education Act of 1965" after "1958".

80 Stat. 1228.
42 USC 295h-4.

(f) Section 795(1) of such Act is amended by inserting "and" at the end of clause (C); by striking out "and" at the end of clause (D); and by striking out clause (E).

42 USC 295f,
295g.

(g) Parts E and F of title VII of such Act are each amended by striking out "Surgeon General" each place it occurs and inserting in lieu thereof "Secretary".

TECHNICAL AMENDMENTS TO THE CLEAN AIR ACT

84 Stat. 1707.
42 USC 1857h-5.

SEC. 302. (a) Section 307(a)(1) of the Clean Air Act is amended by striking out "210(c)(4)" and inserting in lieu thereof "211(c)(3)".

84 Stat. 1686.
42 USC 1857c-8.

(b) Section 113(b)(2) of such Act is amended by inserting "(A)" before "during", and by inserting ", or (B)" after "assumed enforcement".

(c) Section 113(c)(1)(A) of such Act is amended by inserting "(i)" before "during" and by inserting ", or (ii)" after "assumed enforcement".

84 Stat. 1698.
42 USC 1857f-6c.

(d) Section 211(c)(3)(A) of such Act is amended by inserting "obtaining" after "purpose of".

(e) Section 211(d) of such Act is amended by striking out "under subsection (c)," at the second place it appears and inserting in lieu thereof "under subsection (b)".

84 Stat. 1683.
42 USC 1857c-6.

(f) The first sentence of section 111(b)(1)(B) of the Clean Air Act is amended by striking out "propose" and inserting in lieu thereof "publish proposed".

TECHNICAL AMENDMENTS TO OTHER ACTS

68 Stat. 511.
21 USC 346a.

SEC. 303. (a) The fourth sentence of section 408(g) of the Food, Drug, and Cosmetic Act is amended by striking out ", which the Secretary shall by rules and regulations prescribe,".

84 Stat. 1322.
42 USC 2676.

(b) Paragraph (c) of section 136 of the Developmental Disabilities Services and Facilities Construction Act is amended by striking out "section 134" and inserting in lieu thereof "section 135".

Approved November 18, 1971.