

104<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 555

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## AN ACT

To amend the Public Health Service Act to consolidate and reauthorize health professions and minority and disadvantaged health education programs, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Health Professions Education Consolidation and Reau-  
6 thorization Act of 1996”.

1 (b) TABLE OF CONTENTS.—The table of contents for  
 2 this Act is as follows:

Sec. 1. Short title.

TITLE I—HEALTH PROFESSIONS EDUCATION AND FINANCIAL  
 ASSISTANCE PROGRAMS

Subtitle A—Health Professions Education Programs

- Sec. 101. Minority and disadvantaged health professions grant program.  
 Sec. 102. Training in family medicine, general internal medicine, general pedi-  
 atrics, preventive medicine, physician assistants, and general  
 dentistry.  
 Sec. 103. Enhanced health education and training.  
 Sec. 104. Health professions workforce development.  
 Sec. 105. General provisions.  
 Sec. 106. Preference in certain programs.  
 Sec. 107. Definitions.  
 Sec. 108. Savings provision.

Subtitle B—Nursing Education

- Sec. 121. Short title.  
 Sec. 122. Purpose.  
 Sec. 123. Amendments to Public Health Service Act.  
 Sec. 124. Savings provision.

Subtitle C—Financial Assistance

PART 1—NATIONAL HEALTH SERVICE CORPS FINANCIAL ASSISTANCE  
 PROGRAMS

- Sec. 131. General amendments with respect to federally supported loans.  
 Sec. 132. Restructuring and technical amendments.  
 Sec. 133. Definition of underserved areas.  
 Sec. 134. Conforming amendments.

PART 2—SCHOOL-BASED REVOLVING LOAN FUNDS

- Sec. 135. Primary care loan program.  
 Sec. 136. Loans for disadvantaged students.  
 Sec. 137. Student loans regarding schools of nursing.  
 Sec. 138. General provisions.

PART 3—INSURED HEALTH EDUCATION ASSISTANCE LOANS TO GRADUATE  
 STUDENTS

- Sec. 141. Health education assistance loan program.  
 Sec. 142. HEAL lender and holder performance standards.  
 Sec. 143. Reauthorization.

PART 4—SCHOLARSHIPS FOR DISADVANTAGED STUDENTS

- Sec. 151. Scholarships for disadvantaged students.

TITLE II—OFFICE OF MINORITY HEALTH

Sec. 201. Revision and extension of programs of Office of Minority Health.

TITLE III—SELECTED INITIATIVES

Sec. 301. Programs regarding birth defects.

Sec. 302. State offices of rural health.

Sec. 303. Health services for Pacific Islanders.

Sec. 304. Demonstration projects regarding Alzheimer's Disease.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Technical corrections regarding Public Law 103–183.

Sec. 402. Certain authorities of Centers for Disease Control and Prevention.

Sec. 403. Administration of certain requirements.

Sec. 404. Technical corrections relating to health professions programs.

Sec. 405. Clinical traineeships.

Sec. 406. Construction of regional centers for research on primates.

Sec. 407. Required consultation by Secretary.

1 **TITLE I—HEALTH PROFESSIONS**  
 2 **EDUCATION AND FINANCIAL**  
 3 **ASSISTANCE PROGRAMS**

4 **Subtitle A—Health Professions**  
 5 **Education Programs**

6 **SEC. 101. MINORITY AND DISADVANTAGED HEALTH PRO-**  
 7 **FESSIONS GRANT PROGRAM.**

8 (a) IN GENERAL.—Part B of title VII of the Public  
 9 Health Service Act (42 U.S.C. 293 et seq.) is amended  
 10 to read as follows:

11 **“PART B—DISADVANTAGED HEALTH**  
 12 **PROFESSIONS TRAINING**

13 **“SEC. 736. STATEMENT OF PURPOSE.**

14 “(a) IN GENERAL.—The Secretary shall make grants  
 15 to or enter into contracts with eligible entities for the pur-  
 16 pose of establishing, enhancing, and expanding programs  
 17 to increase the number and the quality of disadvantaged

1 health professionals, particularly those who provide health  
2 services to disadvantaged populations or in medically un-  
3 derserved areas or rural areas.

4       “(b) USE OF FUNDS.—Amounts provided under a  
5 grant or contract awarded under this part may be used  
6 for costs of planning, developing, or operating centers of  
7 excellence in minority health professions education, pro-  
8 grams for assisting individuals from disadvantaged back-  
9 grounds to enter a health profession, minority faculty de-  
10 velopment, minority faculty loan repayment or fellowships,  
11 trainee support, technical assistance, workforce analysis,  
12 and dissemination of information.

13       “(c) CONSORTIUM.—Schools within a consortium  
14 that applies for a grant or contract under this part shall  
15 enter into an agreement to allocate the funds received  
16 under the grant or contract among such schools and ex-  
17 pend such funds in accordance with the application for  
18 such grant or contract.

19 **“SEC. 737. PREFERENCES.**

20       “‘In awarding grants or contracts to eligible entities  
21 under this part, the Secretary shall give preference to—

22               “(1) projects that involve more than one health  
23               professions discipline or training institution and  
24               have an above average record of retention and grad-

1 uation of individuals from disadvantaged back-  
2 grounds; and

3 “(2) centers of excellence at Historically Black  
4 Colleges and Universities (as defined in section 739)  
5 beginning in fiscal year 1999 and for each fiscal  
6 year thereafter.

7 **“SEC. 738. AUTHORIZATION OF APPROPRIATION.**

8 “(a) IN GENERAL.—There are authorized to be ap-  
9 propriated to carry out this part, \$51,000,000 for fiscal  
10 year 1996, and such sums as may be necessary for each  
11 of the fiscal years 1997 through 1999.

12 “(b) SET-ASIDE.—The Secretary shall set-aside  
13 \$12,000,000 of the amount appropriated under subsection  
14 (a) in each fiscal year for the purpose of making grants  
15 under section 736 to centers of excellence at certain His-  
16 torically Black Colleges and Universities.

17 “(c) NO LIMITATION.—Nothing in this section shall  
18 be construed as limiting the centers of excellence referred  
19 to in subsection (b) to the set-aside amount, or to preclude  
20 such entities from competing for other grants under sec-  
21 tion 736.

22 **“SEC. 739. DEFINITIONS.**

23 “As used in this part:

1           “(1) CENTERS OF EXCELLENCE.—The term  
2           ‘centers of excellence’ means a health professions  
3           school that—

4                   “(A)(i) has a significant number of minor-  
5                   ity individuals enrolled in the school, including  
6                   individuals accepted for enrollment in the  
7                   school;

8                   “(ii) has been effective in assisting minor-  
9                   ity students of the school to complete the pro-  
10                  gram of education and receive the degree in-  
11                  volved;

12                  “(iii) has been effective in recruiting mi-  
13                  nority individuals to attend the school and en-  
14                  couraging minority students of secondary edu-  
15                  cational institutions to attend the health profes-  
16                  sions school; and

17                  “(iv) has made significant recruitment ef-  
18                  forts to increase the number of minority indi-  
19                  viduals serving in faculty or administrative posi-  
20                  tions at the school; or

21                  “(B) is a center of excellence at certain  
22                  Historically Black Colleges and Universities.

23           “(2) CONSORTIUM.—The term ‘consortium’  
24           means the designated eligible entity seeking a grant  
25           under this part and one or more schools of medicine,

1 osteopathic medicine, dentistry, pharmacy, nursing,  
2 allied health, public health, or graduate programs in  
3 mental health practice.

4 “(3) ELIGIBLE ENTITIES.—The term ‘eligible  
5 entities’ means schools of medicine, osteopathic med-  
6 icine, dentistry, pharmacy, podiatric medicine, op-  
7 tometry, veterinary medicine, public health, or allied  
8 health or schools offering graduate programs in  
9 mental health practice, State or local governments,  
10 and other public or nonprofit private entities deter-  
11 mined appropriate by the Secretary that submit to  
12 the Secretary an application.

13 “(4) HISTORICALLY BLACK COLLEGES AND  
14 UNIVERSITIES.—The term ‘Historically Black Col-  
15 leges and Universities’ means a school described in  
16 section 799B(1) that has received a contract under  
17 section 788B for fiscal year 1987, as such section  
18 was in effect for such fiscal year.”.

19 (b) REPEAL.—

20 (1) IN GENERAL.—Section 795 of the Public  
21 Health Service Act (42 U.S.C. 295n) is repealed.

22 (2) NONTERMINATION OF AUTHORITY.—The  
23 amendments made by this section shall not be con-  
24 strued to terminate agreements that, on the day be-  
25 fore the date of enactment of this Act, are in effect

1 pursuant to section 795 of the Public Health Service  
2 Act (42 U.S.C. 795) as such section existed on such  
3 date. Such agreements shall continue in effect in ac-  
4 cordance with the terms of the agreements. With re-  
5 spect to compliance with such agreements, any pe-  
6 riod of practice as a provider of primary health serv-  
7 ices shall be counted towards the satisfaction of the  
8 requirement of practice pursuant to such section  
9 795.

10 (c) CONFORMING AMENDMENTS.—Section  
11 481A(c)(3)(D)(i) of the Public Health Service Act (42  
12 U.S.C. 287a-2(c)(3)(D)(i)) is amended by striking “sec-  
13 tion 739” and inserting “part B of title VII”.

14 **SEC. 102. TRAINING IN FAMILY MEDICINE, GENERAL INTER-**  
15 **NAL MEDICINE, GENERAL PEDIATRICS, PRE-**  
16 **VENTIVE MEDICINE, PHYSICIAN ASSISTANTS,**  
17 **AND GENERAL DENTISTRY.**

18 Part C of title VII of the Public Health Service Act  
19 (42 U.S.C. 293 et seq.) is amended—

20 (1) in the part heading by striking “PRIMARY  
21 HEALTH CARE” and inserting “FAMILY MEDI-  
22 CINE, GENERAL INTERNAL MEDICINE, GEN-  
23 ERAL PEDIATRICS, PREVENTIVE MEDICINE,  
24 PHYSICIAN ASSISTANTS, AND GENERAL  
25 DENTISTRY”;



1           (2) by repealing section 746 and sections 748  
2           through 752 (42 U.S.C. 293j and 293l through  
3           293p); and

4           (3) in section 747 (42 U.S.C. 293k)—

5           (A) by striking the section heading and in-  
6           serting the following:

7   **“SEC. 747. FAMILY MEDICINE, GENERAL INTERNAL MEDI-**  
8           **CINE, GENERAL PEDIATRICS, PREVENTIVE**  
9           **MEDICINE, GENERAL DENTISTRY, AND PHYSI-**  
10          **CIAN ASSISTANTS.”;**

11          (B) in subsection (a)—

12           (i) in paragraph (1)—

13           (I) by inserting “, internal medi-  
14           cine, or pediatrics” after “family med-  
15           icine”; and

16           (II) by inserting before the semi-  
17           colon the following: “that emphasizes  
18           training for the practice of family  
19           medicine, general internal medicine,  
20           or general pediatrics (as defined by  
21           the Secretary)”;

22           (ii) in paragraph (2), by inserting “,  
23           general internal medicine, or general pedi-  
24           atrics” before the semicolon;

1 (iii) in paragraphs (3) and (4), by in-  
2 serting “, general internal medicine (in-  
3 cluding geriatrics), or general pediatrics”  
4 after “family medicine”;

5 (iv) in paragraphs (3) and (4), by in-  
6 serting “(including geriatrics) after “fam-  
7 ily medicine”;

8 (v) in paragraph (3), by striking  
9 “and” at the end thereof;

10 (vi) in paragraph (4), by striking the  
11 period and inserting a semicolon; and

12 (vii) by adding at the end thereof the  
13 following new paragraphs:

14 “(5) to meet the costs of projects to plan, de-  
15 velop, and operate or maintain programs for the  
16 training of physician assistants (as defined in sec-  
17 tion 799B), and for the training of individuals who  
18 will teach in programs to provide such training;

19 “(6) to meet the costs of projects—

20 “(A) to plan and develop new residency  
21 training programs and to maintain or improve  
22 existing residency training programs in preven-  
23 tive medicine, that have available full-time fac-  
24 ulty members with training and experience in  
25 the fields of preventive medicine; and

1           “(B) to provide financial assistance to resi-  
2           dency trainees enrolled in such programs; and

3           “(7) to meet the costs of planning, developing,  
4           or operating programs, and to provide financial as-  
5           sistance to residents in such programs, that would  
6           lead to a significantly greater ratio of participating  
7           individuals in such programs eventually entering  
8           practice in general dentistry in rural and medically  
9           underserved communities compared to the current  
10          ratio of all dentists nationally practicing general  
11          dentistry in rural and medically underserved commu-  
12          nities.

13 For purposes of paragraph (7), entities eligible for such  
14 grants or contracts shall include entities that have pro-  
15 grams in dental schools, approved residency programs in  
16 the general practice of dentistry, or approved advanced  
17 education programs in the general practice of dentistry.  
18 The Secretary may only fund programs under such para-  
19 graph if such programs provide a significant amount of  
20 care for underserved populations and other high-risk  
21 groups.”;

22           (C) in paragraphs (1) and (2)(A) of sub-  
23          section (b), by inserting “, general internal  
24          medicine, or general pediatrics” after “family  
25          medicine”;

1 (D) by redesignating subsections (c) and  
2 (d) as subsections (d) and (e), respectively;

3 (E) by inserting after subsection (b), the  
4 following new subsection:

5 “(c) PRIORITY AND LIMITATION.—

6 “(1) PRIORITY.—With respect to programs for  
7 the training of interns or residents, the Secretary  
8 shall give priority in awarding grants under this sec-  
9 tion to qualified applicants that have a record of  
10 training the greatest percentage of providers, or that  
11 have demonstrated significant improvements in the  
12 percentage of providers, which enter and remain in  
13 primary care practice or general dentistry upon com-  
14 pletion of their first period of training required to  
15 obtain initial board certification. Each program shall  
16 designate the primary care training or general den-  
17 tistry positions that such program shall provide with  
18 grant funding to support and for which such pro-  
19 gram shall be held accountable regarding the pri-  
20 mary care or general dentistry requirement set forth  
21 in this section.

22 “(2) LIMITATION.—With respect to programs  
23 for the training and education of medical students,  
24 the Secretary may only provide grants or contracts  
25 under this section to administrative units in general

1       pediatrics or general internal medicine if a qualified  
 2       administrative unit applicant demonstrates that its  
 3       medical school has—

4               “(A) a mission statement that has a pri-  
 5               mary care medical education objective;

6               “(B) faculty role models and administra-  
 7               tive units in primary care; and

8               “(C) required undergraduate ambulatory  
 9               medical student clerkships in family medicine,  
 10              internal medicine, and pediatrics.

11       Where a medical school does not have an adminis-  
 12       trative unit in family medicine, clerkships in family  
 13       medicine shall not be required.”; and

14              (F) in subsection (e) (as so redesignated  
 15              by subparagraph (D))—

16                      (i) in paragraph (1), by striking  
 17                      “\$54,000,000” and all that follows and in-  
 18                      serting “\$76,000,000 for fiscal year 1996,  
 19                      and such sums as may be necessary for  
 20                      each of the fiscal years 1997 through  
 21                      1999.”; and

22                      (ii) in paragraph (2)—

23                              (I) by striking “20” and insert-  
 24                              ing “12”; and

1 (II) by inserting “for family med-  
2 icine academic administrative units”  
3 after “under subsection (b)”.

4 **SEC. 103. ENHANCED HEALTH EDUCATION AND TRAINING.**

5 Part D of title VII of the Public Health Service Act  
6 (42 U.S.C. 294 et seq.) is amended to read as follows:

7 **“PART D—AREA HEALTH EDUCATION CENTERS**

8 **“SEC. 750. AREA HEALTH EDUCATION CENTERS.**

9 “(a) IN GENERAL.—The Secretary may award grants  
10 to and enter into contracts with eligible entities for  
11 projects which —

12 “(1) improve the recruitment, distribution, sup-  
13 ply, quality, utilization, and efficiency of personnel  
14 providing health services in urban and rural areas  
15 and to populations that have demonstrated serious  
16 unmet health care need;

17 “(2) encourage the regionalization of edu-  
18 cational responsibilities of the health professions  
19 schools;

20 “(3) are designed to prepare, through field  
21 placements, preceptorships, the conduct of or affili-  
22 ation with community-based primary care residency  
23 programs, agreements with community-based organi-  
24 zations for the delivery of education and training in  
25 the health professions, and other programs, individ-

1 uals to effectively provide health services in health  
2 professional shortage areas;

3 “(4) conduct health professions education and  
4 training activities consistent with national and State  
5 priorities, including geriatrics;

6 “(5) encourage health promotion and disease  
7 prevention activities;

8 “(6) conduct interdisciplinary training and  
9 practice involving other health professionals;

10 “(7) conduct continuing education programs for  
11 health professionals or coordinate with such pro-  
12 grams; and

13 “(8) address other areas as determined appro-  
14 priate by the Secretary.

15 “(b) OTHER ELIGIBLE PROGRAMS.—

16 “(1) GERIATRIC EDUCATION CENTERS.—The  
17 Secretary shall award grants or contracts under this  
18 section for the establishment or operation of geri-  
19 atric education centers.

20 “(2) PUBLIC HEALTH TRAINING CENTERS.—

21 “(A) IN GENERAL.—The Secretary shall  
22 award grants or contracts under this section for  
23 the operation of public health training centers.

24 “(B) ELIGIBLE ENTITIES.—A public  
25 health training center shall be an accredited

1 school of public health, or another public or  
2 nonprofit private institution accredited for the  
3 provision of graduate or specialized training in  
4 public health, that plans, develops, operates,  
5 and evaluates projects that are in furtherance  
6 of the goals established by the Secretary for the  
7 year 2000 in the areas of preventive medicine,  
8 health promotion and disease prevention, or im-  
9 proving access to and quality of health services  
10 in medically underserved communities.

11 “(C) CERTAIN REQUIREMENTS.—With re-  
12 spect to a public health training center, an  
13 award may not be made under subparagraph  
14 (A) unless the program agrees that it—

15 “(i) will establish or strengthen field  
16 placements for students in public or non-  
17 profit private health agencies or organiza-  
18 tions; and

19 “(ii) will involve faculty members and  
20 students in collaborative projects to en-  
21 hance public health services to medically  
22 underserved communities.

23 “(c) ELIGIBLE ENTITIES.—As used in this part, the  
24 term ‘eligible entities’ means schools of medicine, osteo-  
25 pathic medicine, dentistry, pharmacy, podiatric medicine,



1 optometry, veterinary medicine, public health, or allied  
2 health or schools offering graduate programs in mental  
3 health practice or physician assistant training programs,  
4 State or local governments, and other public or nonprofit  
5 private entities determined appropriate by the Secretary  
6 that submit to the Secretary an application.

7 “(d) GERIATRIC EDUCATION CENTERS.—A geriatric  
8 education center shall be an accredited health professions  
9 school or program that—

10 “(1) improves the training of health profes-  
11 sionals in geriatrics, including geriatric residencies,  
12 traineeships, or fellowships;

13 “(2) develops and disseminates curricula relat-  
14 ing to the treatment of the health problems of elder-  
15 ly individuals;

16 “(3) supports the training and retraining of  
17 faculty to provide instruction in geriatrics;

18 “(4) supports continuing education of health  
19 professionals who provide geriatric care; and

20 “(5) provides students with clinical training in  
21 geriatrics in nursing homes, chronic and acute dis-  
22 ease hospitals, ambulatory care centers, and senior  
23 centers.

1 **“SEC. 751. AUTHORIZATION OF APPROPRIATIONS.**

2 “There are authorized to be appropriated to carry out  
3 this part, \$43,000,000 for fiscal year 1996, such sums as  
4 may be necessary for each of the fiscal years 1997 and  
5 1998, and \$29,000,000 for fiscal year 1999.”.

6 **SEC. 104. HEALTH PROFESSIONS WORKFORCE DEVELOP-**  
7 **MENT.**

8 (a) IN GENERAL.—Part E of title VII of the Public  
9 Health Service Act (42 U.S.C. 294n et seq.) is amended—

10 (1) in the part heading to read as follows:

11 **“PART E—HEALTH PROFESSIONS WORKFORCE**  
12 **DEVELOPMENT”;**

13 (2) by redesignating section 776 (42 U.S.C.  
14 294n) as section 761; and

15 (3) by striking sections 777 and 778 (42 U.S.C.  
16 294o and 294p) and inserting the following new sec-  
17 tion:

18 **“SEC. 762. HEALTH PROFESSIONS WORKFORCE DEVELOP-**  
19 **MENT.**

20 “(a) IN GENERAL.—The Secretary may award grants  
21 to and enter into contracts with eligible entities for  
22 projects to strengthen capacity for health professions edu-  
23 cation and practice.

24 “(b) ELIGIBLE APPLICANTS.—Applicants eligible to  
25 obtain funds under subsection (a) shall include schools of  
26 medicine, osteopathic medicine, dentistry, veterinary medi-

1 cine, pharmacy, podiatric medicine, chiropractic medicine,  
2 optometry, public health, or allied health, graduate pro-  
3 grams in mental health practice, physician assistant train-  
4 ing programs, and other public and nonprofit private enti-  
5 ties.

6 “(c) PRIORITY AREAS.—In awarding grants or con-  
7 tracts under subsection (a), the Secretary shall give prior-  
8 ity to entities that will use amounts provided under such  
9 grants or contracts to enhance the education of health pro-  
10 fessionals for purposes of—

11 “(1) providing care for underserved populations  
12 and other high-risk groups;

13 “(2) increasing the number of individuals who  
14 are pursuing a course of study in a health profes-  
15 sions field in which there is a severe shortage of  
16 health professionals;

17 “(3) conducting health professions research and  
18 data collection; and

19 “(4) carrying out other activities in areas deter-  
20 mined appropriate by the Secretary.

21 “(d) AUTHORIZATION OF APPROPRIATIONS.—

22 “(1) IN GENERAL.—There are authorized to be  
23 appropriated to carry out this section, \$16,000,000  
24 for fiscal year 1996, and such sums as may be nec-

1        essary for each of the fiscal years 1997 through  
2        1999.

3               “(2) RESERVATION.—Of the amounts appro-  
4        priated under subsection (a) for a fiscal year, the  
5        Secretary shall reserve not less than \$2,000,000 for  
6        conducting health professions research and for car-  
7        rying out data collection and analysis in accordance  
8        with section 792.”.

9        (b) HEALTH PROFESSIONS DATA.—The second sen-  
10       tence of section 792(a) of the Public Health Service Act  
11       (42 U.S.C. 295k(a)) is amended—

12               (1) by striking “is authorized to” and inserting  
13        “shall”; and

14               (2) by inserting “clinical social workers,” after  
15        “clinical psychologists,”.

16        (c) COUNCIL ON GRADUATE MEDICAL EDUCATION.—  
17        Section 301 of the Health Professions Education Exten-  
18        sion Amendments of 1992 (Public Law 102-408) is  
19        amended—

20               (1) in subsection (j), by striking “1995” and  
21        inserting “1999”;

22               (2) in subsection (k), by striking “1995” and  
23        inserting “1999”;

24               (3) by adding at the end thereof the following  
25        new subsection:

1 “(l) FUNDING.—Amounts otherwise appropriated  
2 under this title may be utilized by the Secretary to support  
3 the activities of the Council.”;

4 (4) by transferring such section to part E of  
5 title VII of the Public Health Service Act (as  
6 amended by subsection (a));

7 (5) by redesignating such section as section  
8 763; and

9 (6) by inserting such section after section 762.

10 **SEC. 105. GENERAL PROVISIONS.**

11 (a) IN GENERAL.—

12 (1) Part F of title VII of the Public Health  
13 Service Act (42 U.S.C. 295 et seq.) is repealed.

14 (2) Part G of title VII of the Public Health  
15 Service Act (42 U.S.C. 295j et seq.) is amended—

16 (A) by redesignating such part as part F;

17 (B) in section 791 (42 U.S.C. 295j)—

18 (i) by striking subsection (b); and

19 (ii) redesignating subsection (c) as  
20 subsection (b);

21 (C) by repealing section 793 (42 U.S.C.  
22 295l);

23 (D) by repealing section 798;

24 (E) by redesignating section 799 as section  
25 799B; and

1 (F) by inserting after section 794, the fol-  
2 lowing new sections:

3 **“SEC. 796. APPLICATION.**

4 “(a) IN GENERAL.—To be eligible to receive a grant  
5 or contract under this title, an eligible entity shall prepare  
6 and submit to the Secretary an application that meets the  
7 requirements of this section, at such time, in such manner,  
8 and containing such information as the Secretary may re-  
9 quire.

10 “(b) PLAN.—An application submitted under this  
11 section shall contain the plan of the applicant for carrying  
12 out a project with amounts received under this title. Such  
13 plan shall be consistent with relevant Federal, State, or  
14 regional program plans.

15 “(c) PERFORMANCE OUTCOME STANDARDS.—An ap-  
16 plication submitted under this section shall contain a spec-  
17 ification by the applicant entity of performance outcome  
18 standards that the project to be funded under the grant  
19 or contract will be measured against. Such standards shall  
20 address relevant health workforce needs that the project  
21 will meet. The recipient of a grant or contract under this  
22 section shall meet the standards set forth in the grant or  
23 contract application.

24 “(d) LINKAGES.—An application submitted under  
25 this section shall contain a description of the linkages with

1 relevant educational and health care entities, including  
2 training programs for other health professionals as appro-  
3 priate, that the project to be funded under the grant or  
4 contract will establish.

5 **“SEC. 797. USE OF FUNDS.**

6       “(a) IN GENERAL.—Amounts provided under a grant  
7 or contract awarded under this title may be used for train-  
8 ing program development and support, faculty develop-  
9 ment, model demonstrations, trainee support including  
10 tuition, books, program fees and reasonable living ex-  
11 penses during the period of training, technical assistance,  
12 workforce analysis, and dissemination of information, as  
13 appropriate to meet recognized health workforce objec-  
14 tives, in accordance with this title.

15       “(b) MAINTENANCE OF EFFORT.—With respect to  
16 activities for which a grant awarded under this title is to  
17 be expended, the entity shall agree to maintain expendi-  
18 tures of non-Federal amounts for such activities at a level  
19 that is not less than the level of such expenditures main-  
20 tained by the entity for the fiscal year preceding the fiscal  
21 year for which the entity receives such a grant.

22 **“SEC. 798. MATCHING REQUIREMENT.**

23       “The Secretary may require that an entity that ap-  
24 plies for a grant or contract under this title provide non-  
25 Federal matching funds, as appropriate, to ensure the in-

1 stitutional commitment of the entity to the projects funded  
2 under the grant. As determined by the Secretary, such  
3 non-Federal matching funds may be provided directly or  
4 through donations from public or private entities and may  
5 be in cash or in-kind, fairly evaluated, including plant,  
6 equipment, or services.

7 **“SEC. 799. GENERALLY APPLICABLE PROVISIONS.**

8       “(a) **AWARDING OF GRANTS AND CONTRACTS.**—The  
9 Secretary shall ensure that grants and contracts under  
10 this title are awarded on a competitive basis, as appro-  
11 priate, to carry out innovative demonstration projects or  
12 provide for strategic workforce supplementation activities  
13 as needed to meet health workforce goals and in accord-  
14 ance with this title. Contracts may be entered into under  
15 this title with public or private entities as may be nec-  
16 essary.

17       “(b) **INFORMATION REQUIREMENTS.**—Recipients of  
18 grants and contracts under this title shall meet informa-  
19 tion requirements as specified by the Secretary.

20       “(c) **TRAINING PROGRAMS.**—Training programs con-  
21 ducted with amounts received under this title shall meet  
22 applicable accreditation and quality standards.

23       “(d) **DURATION OF ASSISTANCE.**—

24               “(1) **IN GENERAL.**—Subject to paragraph (2),  
25       in the case of an award to an entity of a grant, co-



1       operative agreement, or contract under this title, the  
2       period during which payments are made to the en-  
3       tity under the award may not exceed 5 years. The  
4       provision of payments under the award shall be sub-  
5       ject to annual approval by the Secretary of the pay-  
6       ments and subject to the availability of appropria-  
7       tions for the fiscal year involved to make the pay-  
8       ments. This paragraph may not be construed as lim-  
9       iting the number of awards under the program in-  
10      volved that may be made to the entity.

11           “(2) LIMITATION.—In the case of an award to  
12      an entity of a grant, cooperative agreement, or con-  
13      tract under this title, paragraph (1) shall apply only  
14      to the extent not inconsistent with any other provi-  
15      sion of this title that relates to the period during  
16      which payments may be made under the award.

17           “(e) PEER REVIEW REGARDING CERTAIN PRO-  
18      GRAMS.—Each application for a grant under this title, ex-  
19      cept any scholarship or loan program, including those  
20      under sections 701, 721, or 723, shall be submitted to a  
21      peer review group for an evaluation of the merits of the  
22      proposals made in the application. The Secretary may not  
23      approve such an application unless a peer review group  
24      has recommended the application for approval. Each peer  
25      review group under this subsection shall be composed prin-

1 cipally of individuals who are not officers or employees of  
2 the Federal Government. This subsection shall be carried  
3 out by the Secretary acting through the Administrator of  
4 the Health Resources and Services Administration.

5 “(f) PREFERENCE OR PRIORITY CONSIDERATIONS.—  
6 In considering a preference or priority for funding which  
7 is based on outcome measures for an eligible entity under  
8 this title, the Secretary may also consider the future abil-  
9 ity of the eligible entity to meet the outcome preference  
10 or priority through improvements in the eligible entity’s  
11 program design.

12 **“SEC. 799A. TECHNICAL ASSISTANCE.**

13 “Funds appropriated under this title may be used by  
14 the Secretary to provide technical assistance in relation  
15 to any of the authorities under this title.”.

16 **SEC. 106. PREFERENCE IN CERTAIN PROGRAMS.**

17 (a) IN GENERAL.—Section 791 of the Public Health  
18 Service Act (42 U.S.C. 295j), as amended by section  
19 105(a)(2)(B), is further amended by adding at the end  
20 thereof the following subsection:

21 “(c) EXCEPTIONS FOR NEW PROGRAMS.—

22 “(1) IN GENERAL.—To permit new programs to  
23 compete equitably for funding under this section,  
24 those new programs that meet the criteria described

1 in paragraph (3) shall qualify for a funding pref-  
2 erence under this section.

3 “(2) DEFINITION.—As used in this subsection,  
4 the term ‘new program’ means any program that  
5 has graduated less than three classes. Upon grad-  
6 uating at least three classes, a program shall have  
7 the capability to provide the information necessary  
8 to qualify the program for the general funding pref-  
9 erences described in subsection (a).

10 “(3) CRITERIA.—The criteria referred to in  
11 paragraph (1) are the following:

12 “(A) The mission statement of the pro-  
13 gram identifies a specific purpose of the pro-  
14 gram as being the preparation of health profes-  
15 sionals to serve underserved populations.

16 “(B) The curriculum of the program in-  
17 cludes content which will help to prepare practi-  
18 tioners to serve underserved populations.

19 “(C) Substantial clinical training experi-  
20 ence is required under the program in medically  
21 underserved communities.

22 “(D) A minimum of 20 percent of the clin-  
23 ical faculty of the program spend at least 50  
24 percent of their time providing or supervising  
25 care in medically underserved communities.

1           “(E) The entire program or a substantial  
2           portion of the program is physically located in  
3           a medically underserved community.

4           “(F) Student assistance, which is linked to  
5           service in medically underserved communities  
6           following graduation, is available to the stu-  
7           dents in the program.

8           “(G) The program provides a placement  
9           mechanism for deploying graduates to medically  
10          underserved communities.”.

11          (b) CONFORMING AMENDMENTS.—Section 791(a) of  
12 the Public Health Service Act (42 U.S.C. 295j(a)) is  
13 amended—

14           (1) in paragraph (1), by striking “sections 747”  
15           and all that follows through “767” and inserting  
16           “sections 747 and 750”; and

17           (2) in paragraph (2), by striking “under section  
18           798(a)”.

19 **SEC. 107. DEFINITIONS.**

20          (a)       PROFESSIONAL       PSYCHOLOGY.—Section  
21 799B(1)(B) of the Public Health Service Act (42 U.S.C.  
22 295p(1)(B)) (as so redesignated by section 105(a)(2)(E))  
23 is amended by striking “program in clinical psychology”  
24 and inserting “graduate programs in professional psychol-  
25 ogy”.

1 (b) MEDICALLY UNDERSERVED COMMUNITY.—Sec-  
2 tion 799B(6) of the Public Health Service Act (42 U.S.C.  
3 295p(6)) (as so redesignated by section 105(a)(2)(E)) is  
4 amended—

5 (1) in subparagraph (B), by striking “or” at  
6 the end thereof;

7 (2) in subparagraph (C), by striking the period  
8 and inserting a semicolon; and

9 (3) by adding at the end the following new sub-  
10 paragraphs:

11 “(D) is a State or local health department  
12 that has a severe shortage of public health per-  
13 sonnel as determined under criteria established  
14 by the Secretary;

15 “(E) has ambulatory practice sites des-  
16 ignated by State Governors as shortage areas or  
17 medically underserved communities for purposes  
18 of State scholarships or loan repayment or re-  
19 lated programs; or

20 “(F) has practices or facilities in which not  
21 less than 50 percent of the patients are recipi-  
22 ents of aid under title XIX of the Social Secu-  
23 rity Act or eligible and uninsured.”.

24 (c) PROGRAMS FOR THE TRAINING OF PHYSICIAN  
25 ASSISTANTS.—Paragraph (3) of section 799B of the Pub-

1 lic Health Service Act (42 U.S.C. 295p) (as so redesi-  
2 nated by section 105(a)(2)(E)) is amended to read as fol-  
3 lows:

4           “(3) The term ‘program for the training of phy-  
5 sician assistants’ means an educational program  
6 that—

7                   “(A) has as its objective the education of  
8 individuals who will, upon completion of their  
9 studies in the program, be qualified to provide  
10 primary care under the supervision of a physi-  
11 cian;

12                   “(B) extends for at least one academic  
13 year and consists of—

14                           “(i) supervised clinical practice; and

15                           “(ii) at least four months (in the ag-  
16 gregate) of classroom instruction, directed  
17 toward preparing students to deliver health  
18 care;

19                   “(C) has an enrollment of not less than  
20 eight students; and

21                   “(D) trains students in primary care, dis-  
22 ease prevention, health promotion, geriatric  
23 medicine, and home health care.”.

1 **SEC. 108. SAVINGS PROVISION.**

2       In the case of any authority for making awards of  
 3 grants or contracts that is terminated by the amendments  
 4 made by this subtitle, the Secretary of Health and Human  
 5 Services may, notwithstanding the termination of the au-  
 6 thority, continue in effect any grant or contract made  
 7 under the authority that is in effect on the day before the  
 8 date of the enactment of this Act, subject to the duration  
 9 of any such grant or contract not exceeding the period  
 10 determined by the Secretary in first approving such finan-  
 11 cial assistance, or in approving the most recent request  
 12 made (before the date of such enactment) for continuation  
 13 of such assistance, as the case may be.

14       **Subtitle B—Nursing Education**

15 **SEC. 121. SHORT TITLE.**

16       This title may be cited as the “Nursing Education  
 17 Consolidation and Reauthorization Act of 1996”.

18 **SEC. 122. PURPOSE.**

19       It is the purpose of this title to restructure the nurse  
 20 education authorities of title VIII of the Public Health  
 21 Service Act to permit a comprehensive, flexible, and effec-  
 22 tive approach to Federal support for nursing workforce  
 23 development.

24 **SEC. 123. AMENDMENTS TO PUBLIC HEALTH SERVICE ACT.**

25       Title VIII of the Public Health Service Act (42  
 26 U.S.C. 296k et seq.) is amended—

1 (1) by striking the title heading and all that fol-  
 2 lows except for subparts II and III of part B and  
 3 section 855; and inserting the following:

4 **“TITLE VIII—NURSING**  
 5 **WORKFORCE DEVELOPMENT”;**

6 (2) by redesignating subpart III of part B as  
 7 subpart II;

8 (3) in subpart II of part B, by striking the sub-  
 9 part heading and inserting the following:

10 **“PART E—STUDENT LOANS**  
 11 **“Subpart I—General Program”;**

12 (4) by striking section 837;

13 (5) by inserting after the title heading the fol-  
 14 lowing new parts:

15 **“PART A—GENERAL PROVISIONS**

16 **“SEC. 801. DEFINITIONS.**

17 “As used in this title:

18 “(1) **ELIGIBLE ENTITIES.**—The term ‘eligible  
 19 entities’ means schools of nursing, nursing centers,  
 20 State or local governments, and other public or non-  
 21 profit private entities determined appropriate by the  
 22 Secretary that submit to the Secretary an applica-  
 23 tion in accordance with section 802.



1           “(2) SCHOOL OF NURSING.—The term ‘school  
2 of nursing’ means a collegiate, associate degree, or  
3 diploma school of nursing in a State.

4           “(3) COLLEGIATE SCHOOL OF NURSING.—The  
5 term ‘collegiate school of nursing’ means a depart-  
6 ment, division, or other administrative unit in a col-  
7 lege or university which provides primarily or exclu-  
8 sively a program of education in professional nursing  
9 and related subjects leading to the degree of bach-  
10 elor of arts, bachelor of science, bachelor of nursing,  
11 or to an equivalent degree, or to a graduate degree  
12 in nursing, and including advanced training related  
13 to such program of education provided by such  
14 school, but only if such program, or such unit, col-  
15 lege or university is accredited.

16           “(4) ASSOCIATE DEGREE SCHOOL OF NURS-  
17 ING.—The term ‘associate degree school of nursing’  
18 means a department, division, or other administra-  
19 tive unit in a junior college, community college, col-  
20 lege, or university which provides primarily or exclu-  
21 sively a two-year program of education in profes-  
22 sional nursing and allied subjects leading to an asso-  
23 ciate degree in nursing or to an equivalent degree,  
24 but only if such program, or such unit, college, or  
25 university is accredited.

1           “(5) DIPLOMA SCHOOL OF NURSING.—The  
2 term ‘diploma school of nursing’ means a school af-  
3 filiated with a hospital or university, or an independ-  
4 ent school, which provides primarily or exclusively a  
5 program of education in professional nursing and al-  
6 lied subjects leading to a diploma or to equivalent  
7 indicia that such program has been satisfactorily  
8 completed, but only if such program, or such affili-  
9 ated school or such hospital or university or such  
10 independent school is accredited.

11           “(6) ACCREDITED.—

12           “(A) IN GENERAL.—Except as provided in  
13 subparagraph (B), the term ‘accredited’ when  
14 applied to any program of nurse education  
15 means a program accredited by a recognized  
16 body or bodies, or by a State agency, approved  
17 for such purpose by the Secretary of Education  
18 and when applied to a hospital, school, college,  
19 or university (or a unit thereof) means a hos-  
20 pital, school, college, or university (or a unit  
21 thereof) which is accredited by a recognized  
22 body or bodies, or by a State agency, approved  
23 for such purpose by the Secretary of Education.  
24 For the purpose of this paragraph, the Sec-  
25 retary of Education shall publish a list of recog-

1 nized accrediting bodies, and of State agencies,  
2 which the Secretary of Education determines to  
3 be reliable authority as to the quality of edu-  
4 cation offered.

5 “(B) NEW PROGRAMS.—A new school of  
6 nursing that, by reason of an insufficient period  
7 of operation, is not, at the time of the submis-  
8 sion of an application for a grant or contract  
9 under this title, eligible for accreditation by  
10 such a recognized body or bodies or State agen-  
11 cy, shall be deemed accredited for purposes of  
12 this title if the Secretary of Education finds,  
13 after consultation with the appropriate accredi-  
14 tation body or bodies, that there is reasonable  
15 assurance that the school will meet the accredi-  
16 tation standards of such body or bodies prior to  
17 the beginning of the academic year following  
18 the normal graduation date of students of the  
19 first entering class in such school.

20 “(7) NONPROFIT.—The term ‘nonprofit’ as ap-  
21 plied to any school, agency, organization, or institu-  
22 tion means one which is a corporation or association,  
23 or is owned and operated by one or more corpora-  
24 tions or associations, no part of the net earnings of

1 which inures, or may lawfully inure, to the benefit  
2 of any private shareholder or individual.

3 “(8) STATE.—The term ‘State’ means a State,  
4 the Commonwealth of Puerto Rico, the District of  
5 Columbia, the Commonwealth of the Northern Mari-  
6 ana Islands, Guam, American Samoa, the Virgin Is-  
7 lands, or the Trust Territory of the Pacific Islands.

8 **“SEC. 802. APPLICATION.**

9 “(a) IN GENERAL.—To be eligible to receive a grant  
10 or contract under this title, an eligible entity shall prepare  
11 and submit to the Secretary an application that meets the  
12 requirements of this section, at such time, in such manner,  
13 and containing such information as the Secretary may re-  
14 quire.

15 “(b) PLAN.—An application submitted under this  
16 section shall contain the plan of the applicant for carrying  
17 out a project with amounts received under this title. Such  
18 plan shall be consistent with relevant Federal, State, or  
19 regional program plans.

20 “(c) PERFORMANCE OUTCOME STANDARDS.—An ap-  
21 plication submitted under this section shall contain a spec-  
22 ification by the applicant entity of performance outcome  
23 standards that the project to be funded under the grant  
24 or contract will be measured against. Such standards shall  
25 address relevant national nursing needs that the project

1 will meet. The recipient of a grant or contract under this  
2 section shall meet the standards set forth in the grant or  
3 contract application.

4 “(d) LINKAGES.—An application submitted under  
5 this section shall contain a description of the linkages with  
6 relevant educational and health care entities, including  
7 training programs for other health professionals as appro-  
8 priate, that the project to be funded under the grant or  
9 contract will establish.

10 **“SEC. 803. USE OF FUNDS.**

11 “(a) IN GENERAL.—Amounts provided under a grant  
12 or contract awarded under this title may be used for train-  
13 ing program development and support, faculty develop-  
14 ment, model demonstrations, trainee support including  
15 tuition, books, program fees and reasonable living ex-  
16 penses during the period of training, technical assistance,  
17 workforce analysis, and dissemination of information, as  
18 appropriate to meet recognized nursing objectives, in ac-  
19 cordance with this title.

20 “(b) MAINTENANCE OF EFFORT.—With respect to  
21 activities for which a grant awarded under this title is to  
22 be expended, the entity shall agree to maintain expendi-  
23 tures of non-Federal amounts for such activities at a level  
24 that is not less than the level of such expenditures main-

1 tained by the entity for the fiscal year preceding the fiscal  
2 year for which the entity receives such a grant.

3 **“SEC. 804. MATCHING REQUIREMENT.**

4 “The Secretary may require that an entity that ap-  
5 plies for a grant or contract under this title provide non-  
6 Federal matching funds, as appropriate, to ensure the in-  
7 stitutional commitment of the entity to the projects funded  
8 under the grant. Such non-Federal matching funds may  
9 be provided directly or through donations from public or  
10 private entities and may be in cash or in-kind, fairly evalu-  
11 ated, including plant, equipment, or services.

12 **“SEC. 805. PREFERENCE.**

13 “In awarding grants or contracts under this title, the  
14 Secretary shall give preference to applicants with projects  
15 that will substantially benefit rural or underserved popu-  
16 lations, or help meet public health nursing needs in State  
17 or local health departments.

18 **“SEC. 806. GENERALLY APPLICABLE PROVISIONS.**

19 “(a) AWARDING OF GRANTS AND CONTRACTS.—The  
20 Secretary shall ensure that grants and contracts under  
21 this title are awarded on a competitive basis, as appro-  
22 priate, to carry out innovative demonstration projects or  
23 provide for strategic workforce supplementation activities  
24 as needed to meet national nursing service goals and in  
25 accordance with this title. Contracts may be entered into

1 under this title with public or private entities as deter-  
2 mined necessary by the Secretary.

3 “(b) INFORMATION REQUIREMENTS.—Recipients of  
4 grants and contracts under this title shall meet informa-  
5 tion requirements as specified by the Secretary.

6 “(c) TRAINING PROGRAMS.—Training programs con-  
7 ducted with amounts received under this title shall meet  
8 applicable accreditation and quality standards.

9 “(d) DURATION OF ASSISTANCE.—

10 “(1) IN GENERAL.—Subject to paragraph (2),  
11 in the case of an award to an entity of a grant, co-  
12 operative agreement, or contract under this title, the  
13 period during which payments are made to the en-  
14 tity under the award may not exceed 5 years. The  
15 provision of payments under the award shall be sub-  
16 ject to annual approval by the Secretary of the pay-  
17 ments and subject to the availability of appropria-  
18 tions for the fiscal year involved to make the pay-  
19 ments. This paragraph may not be construed as lim-  
20 iting the number of awards under the program in-  
21 volved that may be made to the entity.

22 “(2) LIMITATION.—In the case of an award to  
23 an entity of a grant, cooperative agreement, or con-  
24 tract under this title, paragraph (1) shall apply only  
25 to the extent not inconsistent with any other provi-

1 sion of this title that relates to the period during  
2 which payments may be made under the award.

3 “(e) PEER REVIEW REGARDING CERTAIN PRO-  
4 GRAMS.—Each application for a grant under this title, ex-  
5 cept advanced nurse traineeship grants under section  
6 811(a)(2), shall be submitted to a peer review group for  
7 an evaluation of the merits of the proposals made in the  
8 application. The Secretary may not approve such an appli-  
9 cation unless a peer review group has recommended the  
10 application for approval. Each peer review group under  
11 this subsection shall be composed principally of individuals  
12 who are not officers or employees of the Federal Govern-  
13 ment. This subsection shall be carried out by the Secretary  
14 acting through the Administrator of the Health Resources  
15 and Services Administration.

16 **“SEC. 807. NATIONAL ADVISORY COUNCIL ON NURSE EDU-  
17 CATION AND PRACTICE.**

18 “(a) ESTABLISHMENT.—There is hereby established  
19 a National Advisory Council on Nurse Education and  
20 Practice (in this section referred to as the ‘Council’), con-  
21 sisting of the Secretary or the delegate of the Secretary  
22 (who shall be an ex officio member and shall serve as the  
23 Chairperson), and 15 members appointed by the Secretary  
24 without regard to the Federal civil service laws, of which—



1           “(1) 2 shall be selected from full-time students  
2           enrolled in schools of nursing;

3           “(2) 3 shall be selected from the general public;

4           “(3) 2 shall be selected from practicing profes-  
5           sional nurses; and

6           “(4) 8 shall be selected from among the leading  
7           authorities in the various fields of nursing, higher,  
8           and secondary education, and from representatives  
9           of hospitals and other institutions and organizations  
10          which provide nursing services.

11 A majority of the members shall be nurses. The student-  
12 members of the Council shall be appointed for terms of  
13 one year and shall be eligible for reappointment to the  
14 Council.

15          “(b) DUTIES.—The Council shall advise the Sec-  
16 retary in the preparation of general regulations and with  
17 respect to policy matters arising in the administration of  
18 this title, including the range of issues relating to nurse  
19 supply, education and practice improvement.

20          “(c) FUNDING.—Amounts appropriated under this  
21 title may be utilized by the Secretary to support the nurse  
22 education and practice activities of the Council.

1 **“SEC. 808. TECHNICAL ASSISTANCE.**

2 “Funds appropriated under this title may be used by  
3 the Secretary to provide technical assistance in relation  
4 to any of the authorities under this title.

5 **“SEC. 809. RECOVERY FOR CONSTRUCTION ASSISTANCE.**

6 “(a) IN GENERAL.—If at any time within 20 years  
7 (or within such shorter period as the Secretary may pre-  
8 scribe by regulation for an interim facility) after the com-  
9 pletion of construction of a facility with respect to which  
10 funds have been paid under subpart I of part A (as such  
11 subpart was in effect on September 30, 1985)—

12 “(1) the owner of the facility ceases to be a  
13 public or nonprofit school;

14 “(2) the facility ceases to be used for the train-  
15 ing purposes for which it was constructed; or

16 “(3) the facility is used for sectarian instruction  
17 or as a place for religious worship,

18 the United States shall be entitled to recover from the  
19 owner of the facility the base amount prescribed by sub-  
20 section (c)(1) plus the interest (if any) prescribed by sub-  
21 section (c)(2).

22 “(b) NOTICE OF CHANGE IN STATUS.—The owner of  
23 a facility which ceases to be a public or nonprofit school  
24 as described in paragraph (1) of subsection (a), or the  
25 owner of a facility the use of which changes as described  
26 in paragraph (2) or (3) of such subsection shall provide

1 the Secretary written notice of such cessation or change  
2 of use within 10 days after the date on which such ces-  
3 sation or change of use occurs or within 30 days after  
4 the date of enactment of the Health Professions Training  
5 Assistance Act of 1985, whichever is later.

6 “(c) AMOUNT OF RECOVERY.—

7 “(1) BASE AMOUNT.—The base amount that  
8 the United States is entitled to recover under sub-  
9 section (a) is the amount bearing the same ratio to  
10 the then value (as determined by the agreement of  
11 the parties or in an action brought in the district  
12 court of the United States for the district in which  
13 the facility is situated) of the facility as the amount  
14 of the Federal participation bore to the cost of the  
15 construction.

16 “(2) INTEREST.—

17 “(A) IN GENERAL.—The interest that the  
18 United States is entitled to recover under sub-  
19 section (a) is the interest for the period (if any)  
20 described in subparagraph (B) at a rate (deter-  
21 mined by the Secretary) based on the average  
22 of the bond equivalent rates of 91-day Treasury  
23 bills auctioned during such period.

1           “(B) TIME PERIOD.—The period referred  
2 to in subparagraph (A) is the period begin-  
3 ning—

4           “(i) if notice is provided as prescribed  
5 by subsection (b), 191 days after the date  
6 on which the owner of the facility ceases to  
7 be a public or nonprofit school as described  
8 in paragraph (1) of subsection (a), or 191  
9 days after the date on which the use of the  
10 facility changes as described in paragraph  
11 (2) or (3) of such subsection; or

12           “(ii) if notice is not provided as pre-  
13 scribed by subsection (b), 11 days after the  
14 date on which such cessation or change of  
15 use occurs,

16           and ending on the date the amount the United  
17 States is entitled to recover is collected.

18           “(d) WAIVER OF RIGHTS.—The Secretary may waive  
19 the recovery rights of the United States under subsection  
20 (a)(2) with respect to a facility (under such conditions as  
21 the Secretary may establish by regulation) if the Secretary  
22 determines that there is good cause for waiving such  
23 rights.

1       “(e) LIMITATION ON LIENS.—The right of recovery  
2 of the United States under subsection (a) shall not, prior  
3 to judgment, constitute a lien on any facility.

4       **“PART B—NURSE PRACTITIONERS, NURSE MID-  
5       WIVES, AND OTHER ADVANCED PRACTICE  
6       NURSES**

7       **“SEC. 811. ADVANCED PRACTICE NURSING GRANTS.**

8       “(a) IN GENERAL.—The Secretary may award grants  
9 to and enter into contracts with eligible entities to meet  
10 the costs of—

11               “(1) projects that support the enhancement of  
12 advanced practice nursing education and practice;  
13 and

14               “(2) traineeships for individuals in advanced  
15 practice nursing programs.

16       “(b) DEFINITION OF ADVANCED PRACTICE  
17 NURSES.—For purposes of this section, the term ‘ad-  
18 vanced practice nurses’ means nurses trained in advanced  
19 degree programs including individuals in combined R.N./  
20 Master’s degree programs, post-nursing master’s certifi-  
21 cate programs, or, in the case of nurse midwives or nurse  
22 anesthetists, in certificate programs in existence on the  
23 date that is one day prior to the date of enactment of  
24 this section, to serve as nurse practitioners, nurse mid-  
25 wives, nurse anesthetists, nurse educators, or public health

1 nurses, or in other nurse specialties determined by the  
2 Secretary to require advanced education.

3       “(c) AUTHORIZED NURSE PRACTITIONER AND  
4 NURSE-MIDWIFERY PROGRAMS.—Nurse practitioner and  
5 nurse midwifery programs eligible for support under this  
6 section are educational programs for registered nurses (ir-  
7 respective of the type of school of nursing in which the  
8 nurses received their training) that—

9               “(1) meet guidelines prescribed by the Sec-  
10 retary; and

11               “(2) have as their objective the education of  
12 nurses who will upon completion of their studies in  
13 such programs, be qualified to effectively provide  
14 primary health care, including primary health care  
15 in homes and in ambulatory care facilities, long-term  
16 care facilities and other health care institutions.

17       “(d) OTHER AUTHORIZED EDUCATIONAL PRO-  
18 GRAMS.—The Secretary shall prescribe guidelines as ap-  
19 propriate for other advanced practice nurse education pro-  
20 grams eligible for support under this section.

21       “(e) TRAINEESHIPS.—

22               “(1) IN GENERAL.—The Secretary may not  
23 award a grant to an applicant under subsection (a)  
24 unless the applicant involved agrees that

1 traineeships provided with the grant will only pay all  
2 or part of the costs of—

3 “(A) the tuition, books, and fees of the  
4 program of advanced nursing practice with re-  
5 spect to which the traineeship is provided; and

6 “(B) the reasonable living expenses of the  
7 individual during the period for which the  
8 traineeship is provided.

9 “(2) DOCTORAL PROGRAMS.—The Secretary  
10 may not obligate more than 10 percent of the  
11 traineeships under subsection (a) for individuals in  
12 doctorate degree programs.

13 “(3) SPECIAL CONSIDERATION.—In making  
14 awards of grants and contracts under subsection  
15 (a)(2), the Secretary shall give special consideration  
16 to an eligible entity that agrees to expend the award  
17 to train advanced practice nurses who will practice  
18 in health professional shortage areas designated  
19 under section 332.

20 **“PART C—INCREASING NURSING WORKFORCE**

21 **DIVERSITY**

22 **“SEC. 821. WORKFORCE DIVERSITY GRANTS.**

23 “(a) IN GENERAL.—The Secretary may award grants  
24 to and enter into contracts with eligible entities to meet  
25 the costs of special projects to increase nursing education

1 opportunities for individuals who are from disadvantaged  
2 backgrounds (including racial and ethnic minorities under-  
3 represented among registered nurses) by providing stu-  
4 dent scholarships or stipends, pre-entry preparation, and  
5 retention activities.

6       “(b) GUIDANCE.—In carrying out subsection (a), the  
7 Secretary shall take into consideration the recommenda-  
8 tions of the First and Second Invitational Congresses for  
9 Minority Nurse Leaders on ‘Caring for the Emerging Ma-  
10 jority,’ in 1992 and 1993, and consult with nursing asso-  
11 ciations including the American Nurses Association, the  
12 National League for Nursing, the American Association  
13 of Colleges of Nursing, the Black Nurses Association, the  
14 Association of Hispanic Nurses, the Association of Asian  
15 American and Pacific Islander Nurses, the National  
16 Nurses Association, and the Native American Indian and  
17 Alaskan Nurses Association.

18       “(c) REQUIRED INFORMATION AND CONDITIONS FOR  
19 AWARD RECIPIENTS.—

20               “(1) IN GENERAL.—Recipients of awards under  
21 this section may be required, where requested, to re-  
22 port to the Secretary concerning the annual admis-  
23 sion, retention, and graduation rates for ethnic and  
24 racial minorities in the school or schools involved in  
25 the projects.



1           “(2) FALLING RATES.—If any of the rates re-  
 2           ported under paragraph (1) fall below the average of  
 3           the two previous years, the grant or contract recipi-  
 4           ent shall provide the Secretary with plans for imme-  
 5           diately improving such rates.

6           “(3) INELIGIBILITY.—A recipient described in  
 7           paragraph (2) shall be ineligible for continued fund-  
 8           ing under this section if the plan of the recipient  
 9           fails to improve the rates within the 1-year period  
 10          beginning on the date such plan is implemented.

11          **“PART D—STRENGTHENING CAPACITY FOR**  
 12          **BASIC NURSE EDUCATION AND PRACTICE**

13          **“SEC. 831. BASIC NURSE EDUCATION AND PRACTICE**  
 14          **GRANTS.**

15          “(a) IN GENERAL.—The Secretary may award grants  
 16          to and enter into contracts with eligible entities for  
 17          projects to strengthen capacity for basic nurse education  
 18          and practice.

19          “(b) PRIORITY AREAS.—In awarding grants or con-  
 20          tracts under this section the Secretary shall give priority  
 21          to entities that will use amounts provided under such a  
 22          grant or contract to enhance the education mix and utili-  
 23          zation of the basic nursing workforce by strengthening  
 24          programs that provide basic nurse education for purposes  
 25          of—

1           “(1) improving nursing services in schools and  
2 other community settings;

3           “(2) providing care for underserved populations  
4 and other high-risk groups such as the elderly, indi-  
5 viduals with HIV–AIDS, substance abusers, home-  
6 less, and battered women;

7           “(3) providing managed care, quality improve-  
8 ment, and other skills needed under new systems of  
9 organized health care systems;

10          “(4) developing cultural competencies among  
11 nurses;

12          “(5) providing emergency health services;

13          “(6) promoting career mobility for nursing per-  
14 sonnel in a variety of training settings and cross  
15 training or specialty training among diverse popu-  
16 lation groups; or

17          “(7) other priority areas as determined by the  
18 Secretary.

19 **“PART F—AUTHORIZATION OF APPROPRIATIONS**

20 **“SEC. 841. AUTHORIZATION OF APPROPRIATIONS.**

21          “There are authorized to be appropriated to carry out  
22 sections 811, 821, and 831, \$62,000,000 for fiscal year  
23 1996, such sums as may be necessary in each of the fiscal  
24 years 1997 and 1998, and \$59,000,000 for fiscal year  
25 1999.”; and

1           (6) by redesignating section 855 as section 810,  
2           and transferring such section so as to appear after  
3           section 809 (as added by the amendment made by  
4           paragraph (5)).

5 **SEC. 124. SAVINGS PROVISION.**

6           In the case of any authority for making awards of  
7           grants or contracts that is terminated by the amendment  
8           made by section 123, the Secretary of Health and Human  
9           Services may, notwithstanding the termination of the au-  
10          thority, continue in effect any grant or contract made  
11          under the authority that is in effect on the day before the  
12          date of the enactment of this Act, subject to the duration  
13          of any such grant or contract not exceeding the period  
14          determined by the Secretary in first approving such finan-  
15          cial assistance, or in approving the most recent request  
16          made (before the date of such enactment) for continuation  
17          of such assistance, as the case may be.

18 **Subtitle C—Financial Assistance**

19 **PART 1—NATIONAL HEALTH SERVICE CORPS**

20 **FINANCIAL ASSISTANCE PROGRAMS**

21 **SEC. 131. GENERAL AMENDMENTS WITH RESPECT TO FED-**

22 **ERALLY SUPPORTED LOANS.**

23           (a) LOAN REPAYMENT PROGRAM.—Section 338B of  
24           the Public Health Service Act (42 U.S.C. 2541-1) is  
25           amended—

1 (1) in subsection (a)—

2 (A) in the matter preceding paragraph (1),  
3 by inserting “and public health disease preven-  
4 tion and health promotion activities” before the  
5 dash; and

6 (B) in paragraph (1), by striking “and  
7 physician assistants” and inserting “physician  
8 assistants, and public health professionals”;

9 (2) in subsection (b)(1)—

10 (A) in subparagraph (A), by inserting  
11 “public health,” after “dentistry,”;

12 (B) in subparagraph (B), by inserting  
13 “public health,” after “dentistry,”; and

14 (C) in subparagraph (C), by inserting  
15 “public health,” after “dentistry,”;

16 (3) in subsection (c)(4)—

17 (A) in subparagraph (A), by inserting  
18 “and schools of public health” after “profes-  
19 sions schools”;

20 (B) in subparagraph (B)(i)—

21 (i) by inserting “or public health pro-  
22 fessional” after “any health professional”;

23 and

1 (ii) by inserting “or public health dis-  
2 ease prevention and health promotion ac-  
3 tivities” before the period;

4 (C) in subparagraph (C)—

5 (i) by inserting “or public health dis-  
6 ease prevention and health promotion ac-  
7 tivities,” after “primary health services,”;

8 (ii) by inserting “or public health pro-  
9 fessions” after “health professions”; and

10 (iii) by inserting “or public health  
11 professionals” after “health professionals”  
12 each place that such occurs;

13 (4) in subsection (f)(1)(B)(iv), by inserting “or  
14 public health disease prevention and health pro-  
15 motion activities” after “primary health services”;

16 (5) in subsection (g)(2)(A)(iii)—

17 (A) by inserting “or public health profes-  
18 sional” after “the health professional”; and

19 (B) by inserting “or public health disease  
20 prevention and health promotion activities”  
21 after “primary health services”; and

22 (6) in subsection (i)(8), —

23 (A) by inserting “or public health profes-  
24 sionals” after “health professionals”; and

1 (B) by inserting “or public health disease  
2 prevention and health promotion activities”  
3 after “primary health services”.

4 (b) OBLIGATED SERVICE.—Section 338C(b)(5) of the  
5 Public Health Service Act (42 U.S.C. 254m(b)(5)) is  
6 amended—

7 (1) in subparagraph (A), by inserting “public  
8 health,” after “dentistry,”; and

9 (2) in subparagraph (E)—

10 (A) in clause (ii), by inserting “public  
11 health,” after “dentistry,”; and

12 (B) in clause (iii), by inserting “public  
13 health,” after “dentistry,”.

14 (c) AUTHORIZATION OF APPROPRIATIONS.—Section  
15 338H of the Public Health Service Act (42 U.S.C. 254q)  
16 is amended to read as follows:

17 **“SEC. 338H. AUTHORIZATION OF APPROPRIATIONS.**

18 “(a) AUTHORIZATION OF APPROPRIATIONS.—For the  
19 purpose of carrying out this subpart, there are authorized  
20 to be appropriated \$90,000,000 for fiscal year 1996 and  
21 such sums as may be necessary for each of the fiscal years  
22 1997 through 2000.

23 “(b) DISTRIBUTION OF AMOUNTS.—The Secretary  
24 shall determine the most appropriate manner in which to  
25 allocate amounts appropriated under subsection (a) be-

1 tween the programs authorized in chapter 1, chapter 2,  
2 and chapter 3. In determining the manner in which to allo-  
3 cate such amounts, the Secretary shall give priority to  
4 funding State-based programs as appropriate under chap-  
5 ter 3. The Secretary shall distribute such amounts among  
6 the various programs in such chapters in a manner which  
7 furthers both Federal and State needs for health profes-  
8 sionals in underserved areas.”.

9 (d) GRANTS FOR LOAN REPAYMENT PROGRAM.—  
10 Section 338I of the Public Health Service Act (42 U.S.C.  
11 254q-1) is amended—

12 (1) in subsection (a)—

13 (A) in paragraph (1), by striking “in  
14 health professional shortage areas” and insert-  
15 ing “or public health disease prevention and  
16 health promotion activities in Federal health  
17 professional shortage areas or approved State  
18 designated health professional shortage areas”;

19 and

20 (B) in paragraph (2)—

21 (i) by inserting “or public health pro-  
22 fessionals” after “health professionals”;

23 and

24 (ii) by striking “in health professional  
25 shortage areas” and inserting “or public

1 health disease prevention and health pro-  
2 motion activities in Federal health profes-  
3 sional shortage areas or approved State  
4 designated health professional shortage  
5 areas”;

6 (2) in subsection (c)—

7 (A) in paragraph (1)—

8 (i) in the paragraph heading, by strik-  
9 ing “FEDERAL” and inserting “FEDERAL  
10 OR APPROVED STATE”; and

11 (ii) by inserting before the period the  
12 following: “or approved State designated  
13 health professional shortage areas”;

14 (B) in paragraph (2), by inserting “or  
15 public health professionals” after “health pro-  
16 fessionals”;

17 (C) in paragraph (3)—

18 (i) in subparagraph (A)—

19 (I) in the matter preceding clause  
20 (i), by inserting “or public health pro-  
21 fessionals” after “health profes-  
22 sionals”; and

23 (II) in clause (ii), by striking  
24 health”;

25 (ii) in subparagraph (B)—



1 (I) in the matter preceding clause  
2 (i), by inserting “or public health pro-  
3 fessional” after “health professional”;  
4 and

5 (II) in clause (ii)—

6 (aa) by inserting “or public  
7 health professional” after “the  
8 health professional”; and

9 (bb) by striking “services in  
10 a” and inserting “services or  
11 public health disease prevention  
12 and health promotion activities in  
13 a Federal”; and

14 (D) by adding at the end thereof the fol-  
15 lowing new paragraph:

16 “(4) PRIVATE PRACTICE.—

17 “(A) In carrying out the program operated  
18 with a grant under subsection (a), a State may  
19 waive the requirement of paragraph (1) regard-  
20 ing the assignment of a health professional if,  
21 subject to subparagraph (B), the health profes-  
22 sional enters into an agreement with the State  
23 to provide primary health services in a full-time  
24 private clinical practice in a health professional  
25 shortage area.

1           “(B) The Secretary may not make a grant  
2           under subsection (a) unless the State involved  
3           agrees that, if the State provides a waiver  
4           under subparagraph (A) for a health profes-  
5           sional, section 338D(b)(1) will apply to the  
6           agreement under such subparagraph between  
7           the State and the health professional to the  
8           same extent and in the same manner as such  
9           section applies to an agreement between the  
10          Secretary and a health professional regarding a  
11          full-time private clinical practice.”; and  
12          (3) in subsection (h), to read as follows:

13          “(h) DEFINITIONS.—Unless specifically provided oth-  
14          erwise, as used in this subpart and section 338F:

15                 “(1) APPROVED STATE DESIGNATED HEALTH  
16          PROFESSIONAL SHORTAGE AREA.—The term ‘ap-  
17          proved State designated health professional shortage  
18          area’ means an area designated by the State as un-  
19          derserved using specific methodology and criteria to  
20          identify such areas. Such criteria and methodology  
21          shall be approved by the Secretary.

22                 “(2) COMMUNITY ORGANIZATION.—The term  
23          ‘community organization’ means a public or non-  
24          profit private entity.

1           “(3) PRIMARY HEALTH CARE.—The term ‘pri-  
2           mary health care’ means health services regarding  
3           family medicine, general internal medicine, general  
4           pediatrics, dentistry, or may include obstetrics and  
5           gynecology, that are provided by physicians, dentists,  
6           certified nurse practitioners, certified nurse mid-  
7           wives, or physician assistants.

8           “(4) STATE.—The term ‘State’ means each of  
9           the several States and the District of Columbia.”.

10          (e) COMMUNITY SCHOLARSHIP PROGRAMS.—Section  
11 338L of the Public Health Service Act (42 U.S.C. 254t)  
12 is amended—

13           (1) in the section heading, by striking “dem-  
14           onstration grants to states for”;

15           (2) in subsection (a), by striking “health man-  
16           power shortage areas” and inserting “Federal health  
17           professional shortage areas and in approved State  
18           designated health professional shortage areas”;

19           (3) in subsection (c)—

20           (A) in the matter preceding paragraph (1),  
21           by striking “health manpower shortage areas”  
22           and inserting “Federal health professional  
23           shortage areas and in approved State des-  
24           ignated health professional shortage areas”;  
25           and

1 (B) in paragraph (2), by striking “health  
2 manpower shortage areas” and inserting “Fed-  
3 eral health professional shortage areas and in  
4 approved State designated health professional  
5 shortage areas”;

6 (4) in subsection (e)(1), by striking “health  
7 manpower shortage areas” and inserting “Federal  
8 health professional shortage areas and in approved  
9 State designated health professional shortage  
10 areas”;

11 (5) in subsection (f)(1)(A), by striking “health  
12 manpower shortage areas” and inserting “Federal  
13 health professional shortage areas and in approved  
14 State designated health professional shortage  
15 areas”;

16 (6) in subsection (g), by striking “health man-  
17 power shortage areas” each place that such appears  
18 and inserting “Federal health professional shortage  
19 areas and in approved State designated health pro-  
20 fessional shortage areas”; and

21 (7) by striking subsections (j) through (l).

22 **SEC. 132. RESTRUCTURING AND TECHNICAL AMENDMENTS.**

23 (a) REDESIGNATIONS.—Subpart III of part D of title  
24 III of the Public Health Service Act (42 U.S.C. 2541 et  
25 seq.) is amended—

1 (1) by redesignating sections 338J and 338K  
2 (42 U.S.C. 254s and 254t) as sections 338M and  
3 338N, respectively;

4 (2) by redesignating sections 338C through  
5 338H (42 U.S.C. 254m through 254q) as sections  
6 338G through 338L, respectively;

7 (3) by redesignating section 338I (as such sec-  
8 tion exists one day prior to the date of enactment  
9 of this Act) (42 U.S.C. 254r) as section 338E;

10 (4) by redesignating section 338L (as such sec-  
11 tion exists one day prior to the date of enactment  
12 of this Act) (42 U.S.C. 254u) as section 338F;

13 (b) CONSOLIDATION OF CERTAIN PROGRAMS.—Sub-  
14 part III of part D of title III of the Public Health Service  
15 Act (42 U.S.C. 254l et seq.) (as amended by subsection  
16 (a)) is further amended—

17 (1) by striking the subpart heading and insert-  
18 ing the following:

19 **“Subpart III—Federally Supported**  
20 **Scholarships and Loans**  
21 **“CHAPTER 1—NATIONAL HEALTH SERVICE**  
22 **CORPS SCHOLARSHIPS PROGRAMS**

23 (2) by redesignating section 338B as section  
24 338C;

1           (3) by inserting before section 338C (as so re-  
2           designated) the following:

3           **“CHAPTER 2—NATIONAL HEALTH SERVICE**

4                   **CORPS LOAN REPAYMENT PROGRAMS**

5                   **“Subchapter A—Loan Repayment Program”;**

6                   and

7           (4) by inserting after section 338C (as so redesi-  
8           gnated) the following:

9           **“Subchapter B—Nursing Loan Repayment Program”.**

10          (c) TRANSFERS AND REDESIGNATIONS OF NURSING  
11          LOAN REPAYMENT PROGRAM.—Subpart II of part E of  
12          title VIII (42 U.S.C. 297n et seq.) (as so redesignated  
13          by section 123(3)) is amended—

14               (1) by striking the subpart heading;

15               (2) by transferring section 846 (42 U.S.C.  
16          297n) to subchapter B of chapter 2 of subpart III  
17          of part D of title III (as added by subsection (b)(4));

18               and

19               (3) in section 846—

20                   (A) by striking the section heading and in-  
21                   serting the following:

22                   **“SEC. 338D. NURSING LOAN REPAYMENT PROGRAM.”;**

23                   (B) by striking subsection (d); and

24                   (C) by striking subsection (g).

1 (d) TRANSFERS AND REDESIGNATIONS OF STATE  
2 LOAN REPAYMENT AND COMMUNITY SCHOLARSHIP PRO-  
3 GRAMS.—Subpart III of part D of title III of the Public  
4 Health Service Act (42 U.S.C. 254l et seq.) (as amended  
5 by subsections (a) through (c)) is further amended—

6 (1) by inserting after section 338D (as so  
7 transferred and redesignated by subsection (c)(3))  
8 the following:

9 **“CHAPTER 3—STATE LOAN REPAYMENT AND**  
10 **COMMUNITY SCHOLARSHIP PROGRAMS**

11 **“Subchapter A—State Loan Repayment Programs”;**

12 (2) by transferring section 338E (as so redesign-  
13 nated by subsection (a)(3)) to subchapter A of chap-  
14 ter 3 of such subpart (as added by paragraph (1));

15 (3) by inserting after section 338E (as trans-  
16 ferred by paragraph (2)) the following:

17 **“Subchapter B—Community Scholarship Programs”;**

18 (4) by transferring section 338F (as so redesign-  
19 nated by subsection (a)(4)) to subchapter B of chap-  
20 ter 3 of such subpart (as added by paragraph (3));  
21 and

22 (5) by inserting after section 338F (as trans-  
23 ferred by paragraph (4)) the following:

1           **“CHAPTER 4—GENERAL PROVISIONS”.**

2           (e) CLINICAL RESEARCHERS.—Paragraph (3) of sec-  
3 tion 487E(a) of the Public Health Service Act (42 U.S.C.  
4 288–5(a)(3)) is amended to read as follows:

5           “(3) APPLICABILITY OF CERTAIN PROVISIONS  
6 REGARDING OBLIGATED SERVICE.—With respect to  
7 the National Health Service Corps loan repayment  
8 program established in subpart III of part D of title  
9 III, the provisions of such subpart shall, except as  
10 inconsistent with this section, apply to the program  
11 established in subsection (a) in the same manner  
12 and to the same extent as such provisions apply to  
13 the National Health Service Corps loan repayment  
14 programs.”.

15 **SEC. 133. DEFINITION OF UNDERSERVED AREAS.**

16           Section 332(a)(1) of the Public Health Service Act  
17 (42 U.S.C. 254e(a)(1)) is amended in the first sentence—

18           (1) by striking “, or (C)” and inserting “, (C)”;

19           and

20           (2) by inserting before the period the following:

21           “, or (D) a State or local health department that  
22 has a severe shortage of public health personnel as  
23 determined under criteria established by the Sec-  
24 retary”.



1 **SEC. 134. CONFORMING AMENDMENTS.**

2 Title III of the Public Health Service Act (42 U.S.C.  
3 241 et seq.) is amended—

4 (1) in subparagraphs (A) and (B) of section  
5 303(d)(4) (42 U.S.C. 242a(d)(4)(A) and (B)), by  
6 striking “338C or 338D” each place that such oc-  
7 curs and inserting “338G or 338H”;

8 (2) in section 331(e) (42 U.S.C. 254d(e)), by  
9 striking “338D” and inserting “338H”;

10 (3) in section 337(a) (42 U.S.C. 254j(a)), by  
11 striking “338G” and inserting “338K”;

12 (4) in 338A (42 U.S.C. 254l)—

13 (A) in subsection (c)(1)—

14 (i) in subparagraph (A), by striking  
15 “338D” and inserting “338I”; and

16 (ii) in subparagraph (B), by striking  
17 “338C” and inserting “338H”;

18 (B) in subsection (f)(3), by striking  
19 “338D” and inserting “338I”; and

20 (C) in subsection (i)(5)—

21 (i) in subparagraph (A), by striking  
22 “338E” and inserting “338I”; and

23 (ii) in subparagraph (B)(ii), by strik-  
24 ing “338E” and inserting “338I”;

25 (5) in section 338C (as so redesignated) (42  
26 U.S.C. 254l-1)—

1 (A) in subsection (c)(1)—

2 (i) in subparagraph (A), by striking  
3 “338E” and inserting “338I”; and

4 (ii) in subparagraph (B), by striking  
5 “338D” and inserting “338H”;

6 (B) in subsection (f)(1)(B)(iv), by striking  
7 “338D” and inserting “338H”;

8 (C) in subsection (f)(4), by striking  
9 “338E” and inserting “338I”; and

10 (D) in subsection (i)(7)—

11 (i) in subparagraph (A), by striking  
12 “338E” and inserting “338I”; and

13 (ii) in subparagraph (B)(ii), by strik-  
14 ing “338E” and inserting “338I”;

15 (6) in section 338E(d)(1)(C) (as so redesign-  
16 nated by section 132), by striking “338J” and in-  
17 serting “338M”;

18 (7) in section 338G (as so redesignated by sec-  
19 tion 132)—

20 (A) in subsection (a)—

21 (i) by striking “338D” and inserting  
22 “338H”; and

23 (ii) by striking “338B” and inserting  
24 “338C”; and

1 (B) in subsection (c)(2), by striking  
2 “338D” and inserting “338H”;

3 (8) in section 338H (as so redesignated by sec-  
4 tion 132)—

5 (A) in subsection (a), by striking “338C”  
6 and inserting “338G”; and

7 (B) in subsection (c), by striking “338B”  
8 and inserting “338C”;

9 (9) in section 338I (as so redesignated by sec-  
10 tion 132)—

11 (A) in subsection (b)(1)(A)—

12 (i) by striking “338F” and inserting  
13 “338J”;

14 (ii) by striking “338C or 338D” and  
15 inserting “338G or 338H”;

16 (iii) by striking “338C” and inserting  
17 “338G”; and

18 (iv) by striking “338D” and inserting  
19 “338H”; and

20 (B) in subsection (c)(1)—

21 (i) by striking “338F” and inserting  
22 “338K”;

23 (ii) by striking “338B” and inserting  
24 “338C”; and

1 (iii) by striking “338C or 338D” and  
 2 inserting “338G or 338H”;

3 (10) in section 338J(b) (as so redesignated by  
 4 section 132)—

5 (A) in paragraph (1)—

6 (i) by striking “338E” and inserting  
 7 “338I”; and

8 (ii) by striking “338B” and inserting  
 9 “338C”; and

10 (B) in paragraph (2), by striking “338I”  
 11 and inserting “338E”;

12 (11) in section 338K (as so redesignated by  
 13 section 132)—

14 (A) in subsection (a)(2), by striking  
 15 “338D” and inserting “338H”; and

16 (B) in subsection (d)(1), by striking  
 17 “338E” and inserting “338I”; and

18 (12) in section 338M(e)(1)(B)(ii)(III) (as so re-  
 19 designated by section 132), by striking “338I” and  
 20 inserting “338E”.

21 **PART 2—SCHOOL-BASED REVOLVING LOAN**

22 **FUNDS**

23 **SEC. 135. PRIMARY CARE LOAN PROGRAM.**

24 (a) REQUIREMENT FOR SCHOOLS.—Section  
 25 723(b)(1) of the Public Health Service Act (42 U.S.C.

1 292s(b)(1)), as amended by section 2014(c)(2)(A)(ii) of  
2 Public Law 103–43 (107 Stat. 216), is amended by strik-  
3 ing “3 years before” and inserting “4 years before”.

4 (b) SERVICE REQUIREMENT FOR PRIMARY CARE  
5 LOAN BORROWERS.—Section 723(a) of the Public Health  
6 Service Act (42 U.S.C. 292s(a)) is amended in subpara-  
7 graph (B) of paragraph (1), by striking “through the date  
8 on which the loan is repaid in full” and inserting “for 5  
9 years after completing the residency program”.

10 (c) REPORT REQUIREMENT.—Section 723 of the  
11 Public Health Service Act (42 U.S.C. 292s) is amended—

12 (1) by striking subsection (c); and

13 (2) by redesignating subsection (d) as sub-  
14 section (c).

15 **SEC. 136. LOANS FOR DISADVANTAGED STUDENTS.**

16 (a) AUTHORIZATION OF APPROPRIATIONS.—Section  
17 724(f)(1) of the Public Health Service Act (42 U.S.C.  
18 292t(f)(1)) is amended by striking “\$15,000,000 for fiscal  
19 year 1993” and inserting “\$8,000,000 for each of the fis-  
20 cal years 1996 through 1998”.

21 (b) REPEAL.—Effective October 1, 1998, paragraph  
22 (1) of section 724(f) of the Public Health Service Act (42  
23 U.S.C. 292t(f)(1)) is repealed.

1 **SEC. 137. STUDENT LOANS REGARDING SCHOOLS OF**  
2 **NURSING.**

3 (a) IN GENERAL.—Section 836(b) of the Public  
4 Health Service Act (42 U.S.C. 297b(b)) is amended—

5 (1) in paragraph (1), by striking the period at  
6 the end and inserting a semicolon;

7 (2) in paragraph (2)—

8 (A) in subparagraph (A), by striking  
9 “and” at the end; and

10 (B) by inserting before the semicolon at  
11 the end the following: “, and (C) such addi-  
12 tional periods under the terms of paragraph (8)  
13 of this subsection”;

14 (3) in paragraph (7), by striking the period at  
15 the end and inserting “; and”; and

16 (4) by adding at the end the following para-  
17 graph:

18 “(8) pursuant to uniform criteria established by  
19 the Secretary, the repayment period established  
20 under paragraph (2) for any student borrower who  
21 during the repayment period failed to make consecu-  
22 tive payments and who, during the last 12 months  
23 of the repayment period, has made at least 12 con-  
24 secutive payments may be extended for a period not  
25 to exceed 10 years.”.

1 (b) MINIMUM MONTHLY PAYMENTS.—Section 836(g)  
2 of the Public Health Service Act (42 U.S.C. 297b(g)) is  
3 amended by striking “\$15” and inserting “\$40”.

4 (c) ELIMINATION OF STATUTE OF LIMITATION FOR  
5 LOAN COLLECTIONS.—

6 (1) IN GENERAL.—Section 836 of the Public  
7 Health Service Act (42 U.S.C. 297b) is amended by  
8 adding at the end the following new subsection:

9 “(1) ELIMINATION OF STATUTE OF LIMITATION FOR  
10 LOAN COLLECTIONS.—

11 “(1) PURPOSE.—It is the purpose of this sub-  
12 section to ensure that obligations to repay loans  
13 under this section are enforced without regard to  
14 any Federal or State statutory, regulatory, or ad-  
15 ministrative limitation on the period within which  
16 debts may be enforced.

17 “(2) PROHIBITION.—Notwithstanding any other  
18 provision of Federal or State law, no limitation shall  
19 terminate the period within which suit may be filed,  
20 a judgment may be enforced, or an offset, garnish-  
21 ment, or other action may be initiated or taken by  
22 a school of nursing that has an agreement with the  
23 Secretary pursuant to section 835 that is seeking  
24 the repayment of the amount due from a borrower

1 on a loan made under this subpart after the default  
2 of the borrower on such loan.”.

3 (2) EFFECTIVE DATE.—The amendment made  
4 by paragraph (1) shall be effective with respect to  
5 actions pending on or after the date of enactment of  
6 this Act.

7 (d) BREACH OF AGREEMENTS.—Section 338D of the  
8 Public Health Service Act (as so redesignated and amend-  
9 ed under section 132(c)) is amended by adding at the end  
10 thereof the following new subsection:

11 “(g) BREACH OF AGREEMENT.—

12 “(1) IN GENERAL.—In the case of any program  
13 under this section under which an individual makes  
14 an agreement to provide health services for a period  
15 of time in accordance with such program in consid-  
16 eration of receiving an award of Federal funds re-  
17 garding education as a nurse (including an award  
18 for the repayment of loans), the following applies if  
19 the agreement provides that this subsection is appli-  
20 cable:

21 “(A) In the case of a program under this  
22 section that makes an award of Federal funds  
23 for attending an accredited program of nursing  
24 (in this section referred to as a ‘nursing pro-  
25 gram’), the individual is liable to the Federal



1 Government for the amount of such award (in-  
2 cluding amounts provided for expenses related  
3 to such attendance), and for interest on such  
4 amount at the maximum legal prevailing rate,  
5 if the individual—

6 “(i) fails to maintain an acceptable  
7 level of academic standing in the nursing  
8 program (as indicated by the program in  
9 accordance with requirements established  
10 by the Secretary);

11 “(ii) is dismissed from the nursing  
12 program for disciplinary reasons; or

13 “(iii) voluntarily terminates the nurs-  
14 ing program.

15 “(B) The individual is liable to the Federal  
16 Government for the amount of such award (in-  
17 cluding amounts provided for expenses related  
18 to such attendance), and for interest on such  
19 amount at the maximum legal prevailing rate,  
20 if the individual fails to provide health services  
21 in accordance with the program under this sec-  
22 tion for the period of time applicable under the  
23 program.

24 “(2) WAIVER OR SUSPENSION OF LIABILITY.—

25 In the case of an individual or health facility making

1 an agreement for purposes of paragraph (1), the  
2 Secretary shall provide for the waiver or suspension  
3 of liability under such subsection if compliance by  
4 the individual or the health facility, as the case may  
5 be, with the agreements involved is impossible, or  
6 would involve extreme hardship to the individual or  
7 facility, and if enforcement of the agreements with  
8 respect to the individual or facility would be uncon-  
9 scionable.

10 “(3) DATE CERTAIN FOR RECOVERY.—Subject  
11 to paragraph (2), any amount that the Federal Gov-  
12 ernment is entitled to recover under paragraph (1)  
13 shall be paid to the United States not later than the  
14 expiration of the 3-year period beginning on the date  
15 the United States becomes so entitled.

16 “(4) AVAILABILITY.—Amounts recovered under  
17 paragraph (1) with respect to a program under this  
18 section shall be available for the purposes of such  
19 program, and shall remain available for such pur-  
20 poses until expended.”.

21 (e) TECHNICAL AMENDMENTS.—Section 839 of the  
22 Public Health Service Act (42 U.S.C. 297e) is amended—

23 (1) in subsection (a)—

24 (A) by striking the matter preceding para-  
25 graph (1) and inserting the following:

1       “(a) If a school terminates a loan fund established  
2 under an agreement pursuant to section 835(b), or if the  
3 Secretary for good cause terminates the agreement with  
4 the school, there shall be a capital distribution as fol-  
5 lows:”; and

6               (B) in paragraph (1), by striking “at the  
7 close of September 30, 1999,” and inserting  
8 “on the date of termination of the fund”; and  
9       (2) in subsection (b), to read as follows:

10       “(b) If a capital distribution is made under sub-  
11 section (a), the school involved shall, after such capital dis-  
12 tribution, pay to the Secretary, not less often than quar-  
13 terly, the same proportionate share of amounts received  
14 by the school in payment of principal or interest on loans  
15 made from the loan fund established under section 835(b)  
16 as determined by the Secretary under subsection (a).”.

17 **SEC. 138. GENERAL PROVISIONS.**

18       (a) MAXIMUM STUDENT LOAN PROVISIONS AND  
19 MINIMUM PAYMENTS.—

20               (1) IN GENERAL.—Section 722(a)(1) of the  
21 Public Health Service Act (42 U.S.C. 292r(a)(1)),  
22 as amended by section 2014(b)(1) of Public Law  
23 103–43, is amended by striking “the sum of” and  
24 all that follows through the end thereof and insert-  
25 ing “the cost of attendance (including tuition, other

1 reasonable educational expenses, and reasonable liv-  
2 ing costs) for that year at the educational institution  
3 attended by the student (as determined by such edu-  
4 cational institution).”.

5 (2) THIRD AND FOURTH YEARS.—Section  
6 722(a)(2) of the Public Health Service Act (42  
7 U.S.C. 292r(a)(2)), as amended by section  
8 2014(b)(1) of Public Law 103–43, is amended by  
9 striking “the amount \$2,500” and all that follows  
10 through “including such \$2,500” and inserting “the  
11 amount of the loan may, in the case of the third or  
12 fourth year of a student at a school of medicine or  
13 osteopathic medicine, be increased to the extent nec-  
14 essary”.

15 (3) REPAYMENT PERIOD.—Section 722(c) of  
16 the Public Health Service Act (42 U.S.C. 292r(c)),  
17 as amended by section 2014(b)(1) of Public Law  
18 103–43, is amended—

19 (A) in the subsection heading by striking  
20 “TEN-YEAR” and inserting “REPAYMENT”;

21 (B) by striking “ten-year period which be-  
22 gins” and inserting “period of not less than 10  
23 years nor more than 25 years which begins”;  
24 and

1 (C) by striking “such ten-year period” and  
2 inserting “such period”.

3 (4) MINIMUM PAYMENTS.—Section 722(j) of  
4 the Public Health Service Act (42 U.S.C. 292r(j)),  
5 as amended by section 2014(b)(1) of Public Law  
6 103–43, is amended by striking “\$15” and inserting  
7 “\$40”.

8 (b) ELIMINATION OF STATUTE OF LIMITATION FOR  
9 LOAN COLLECTIONS.—

10 (1) IN GENERAL.—Section 722 of the Public  
11 Health Service Act (42 U.S.C. 292r), as amended by  
12 section 2014(b)(1) of Public Law 103–43, is amend-  
13 ed by adding at the end the following new sub-  
14 section:

15 “(m) ELIMINATION OF STATUTE OF LIMITATION FOR  
16 LOAN COLLECTIONS.—

17 “(1) PURPOSE.—It is the purpose of this sub-  
18 section to ensure that obligations to repay loans  
19 under this section are enforced without regard to  
20 any Federal or State statutory, regulatory, or ad-  
21 ministrative limitation on the period within which  
22 debts may be enforced.

23 “(2) PROHIBITION.—Notwithstanding any other  
24 provision of Federal or State law, no limitation shall  
25 terminate the period within which suit may be filed,

1 a judgment may be enforced, or an offset, garnish-  
 2 ment, or other action may be initiated or taken by  
 3 a school that has an agreement with the Secretary  
 4 pursuant to section 721 that is seeking the repay-  
 5 ment of the amount due from a borrower on a loan  
 6 made under this subpart after the default of the bor-  
 7 rower on such loan.”.

8 (2) EFFECTIVE DATE.—The amendment made  
 9 by paragraph (1) shall be effective with respect to  
 10 actions pending on or after the date of enactment of  
 11 this Act.

12 (c) DATE CERTAIN FOR CONTRIBUTIONS.—Para-  
 13 graph (2) of section 735(e) of the Public Health Service  
 14 Act (42 U.S.C. 292y(e)(2)) is amended to read as follows:

15 “(2) DATE CERTAIN FOR CONTRIBUTIONS.—  
 16 Amounts described in paragraph (1) that are re-  
 17 turned to the Secretary shall be obligated before the  
 18 end of the succeeding fiscal year.”.

19 **PART 3—INSURED HEALTH EDUCATION**  
 20 **ASSISTANCE LOANS TO GRADUATE STUDENTS**  
 21 **SEC. 141. HEALTH EDUCATION ASSISTANCE LOAN PRO-**  
 22 **GRAM.**

23 (a) HEALTH EDUCATION ASSISTANCE LOAN  
 24 DEFERMENT FOR BORROWERS PROVIDING HEALTH  
 25 SERVICES TO INDIANS.—

1           (1) IN GENERAL.—Section 705(a)(2)(C) of the  
2     Public Health Service Act (42 U.S.C.  
3     292d(a)(2)(C)) is amended by striking “and (x)”  
4     and inserting “(x) not in excess of three years, dur-  
5     ing which the borrower is providing health care serv-  
6     ices to Indians through an Indian health program  
7     (as defined in section 108(a)(2)(A) of the Indian  
8     Health Care Improvement Act (25 U.S.C.  
9     1616a(a)(2)(A)); and (xi)”.

10           (2) CONFORMING AMENDMENTS.—Section  
11     705(a)(2)(C) of the Public Health Service Act (42  
12     U.S.C. 292d(a)(2)(C)) is further amended—

13           (A) in clause (xi) (as so redesignated) by  
14     striking “(ix)” and inserting “(x)”; and

15           (B) in the matter following such clause  
16     (xi), by striking “(x)” and inserting “(xi)”.

17           (3) EFFECTIVE DATE.—The amendments made  
18     by this subsection shall apply with respect to serv-  
19     ices provided on or after the first day of the third  
20     month that begins after the date of the enactment  
21     of this Act.

22           (b) REPORT REQUIREMENT.—Section 709(b) of the  
23     Public Health Service Act (42 U.S.C. 292h(b)) is  
24     amended—

1           (1) in paragraph (4)(B), by adding “and” after  
2           the semicolon;

3           (2) in paragraph (5), by striking “; and” and  
4           inserting a period; and

5           (3) by striking paragraph (6).

6           (c) COLLECTION FROM ESTATES.—Section 714 of  
7           the Public Health Service Act (42 U.S.C. 292m) is amend-  
8           ed by adding at the end the following new sentence: “Not-  
9           withstanding the first sentence, the Secretary may, in the  
10          case of a borrower who dies, collect any remaining unpaid  
11          balance owed to the lender, the holder of the loan, or the  
12          Federal Government from the borrower’s estate.”.

13   **SEC. 142. HEAL LENDER AND HOLDER PERFORMANCE**  
14                                   **STANDARDS.**

15          (a) GENERAL AMENDMENTS.—Section 707(a) of the  
16          Public Health Service Act (42 U.S.C. 292f) is amended—

17                 (1) by striking the last sentence;

18                 (2) by striking “determined.” and inserting  
19                 “determined, except that, if the insurance bene-  
20                 ficiary including any servicer of the loan is not des-  
21                 ignated for ‘exceptional performance’, as set forth in  
22                 paragraph (2), the Secretary shall pay to the bene-  
23                 ficiary a sum equal to 98 percent of the amount of  
24                 the loss sustained by the insured upon that loan.”;

25                 (3) by striking “Upon” and inserting:



1 “(1) IN GENERAL.—Upon”; and

2 (4) by adding at the end the following new  
3 paragraph:

4 “(2) EXCEPTIONAL PERFORMANCE.—

5 “(A) AUTHORITY.—Where the Secretary  
6 determines that an eligible lender, holder, or  
7 servicer has a compliance performance rating  
8 that equals or exceeds 97 percent, the Secretary  
9 shall designate that eligible lender, holder, or  
10 servicer, as the case may be, for exceptional  
11 performance.

12 “(B) COMPLIANCE PERFORMANCE RAT-  
13 ING.—For purposes of subparagraph (A), a  
14 compliance performance rating is determined  
15 with respect to compliance with due diligence in  
16 the disbursement, servicing, and collection of  
17 loans under this subpart for each year for  
18 which the determination is made. Such rating  
19 shall be equal to the percentage of all due dili-  
20 gence requirements applicable to each loan, on  
21 average, as established by the Secretary, with  
22 respect to loans serviced during the period by  
23 the eligible lender, holder, or servicer.

24 “(C) ANNUAL AUDITS FOR LENDERS,  
25 HOLDERS, AND SERVICERS.—Each eligible lend-

1 er, holder, or servicer desiring a designation  
2 under subparagraph (A) shall have an annual  
3 financial and compliance audit conducted with  
4 respect to the loan portfolio of such eligible  
5 lender, holder, or servicer, by a qualified inde-  
6 pendent organization from a list of qualified or-  
7 ganizations identified by the Secretary and in  
8 accordance with standards established by the  
9 Secretary. The standards shall measure the  
10 lender's, holder's, or servicer's compliance with  
11 due diligence standards and shall include a de-  
12 fined statistical sampling technique designed to  
13 measure the performance rating of the eligible  
14 lender, holder, or servicer for the purpose of  
15 this section. Each eligible lender, holder, or  
16 servicer shall submit the audit required by this  
17 section to the Secretary.

18 “(D) SECRETARY’S DETERMINATIONS.—  
19 The Secretary shall make the determination  
20 under subparagraph (A) based upon the audits  
21 submitted under this paragraph and any infor-  
22 mation in the possession of the Secretary or  
23 submitted by any other agency or office of the  
24 Federal Government.

1           “(E) QUARTERLY COMPLIANCE AUDIT.—

2           To maintain its status as an exceptional per-  
3           former, the lender, holder, or servicer shall un-  
4           dergo a quarterly compliance audit at the end  
5           of each quarter (other than the quarter in  
6           which status as an exceptional performer is es-  
7           tablished through a financial and compliance  
8           audit, as described in subparagraph (C)), and  
9           submit the results of such audit to the Sec-  
10          retary. The compliance audit shall review com-  
11          pliance with due diligence requirements for the  
12          period beginning on the day after the ending  
13          date of the previous audit, in accordance with  
14          standards determined by the Secretary.

15          “(F) REVOCATION AUTHORITY.—The Sec-  
16          retary shall revoke the designation of a lender,  
17          holder, or servicer under subparagraph (A) if  
18          any quarterly audit required under subpara-  
19          graph (E) is not received by the Secretary by  
20          the date established by the Secretary or if the  
21          audit indicates the lender, holder, or servicer  
22          has failed to meet the standards for designation  
23          as an exceptional performer under subpara-  
24          graph (A). A lender, holder, or servicer receiv-  
25          ing a compliance audit not meeting the stand-

1           ard for designation as an exceptional performer  
2           may reapply for designation under subpara-  
3           graph (A) at any time.

4           “(G) DOCUMENTATION.—Nothing in this  
5           section shall restrict or limit the authority of  
6           the Secretary to require the submission of  
7           claims documentation evidencing servicing per-  
8           formed on loans, except that the Secretary may  
9           not require exceptional performers to submit  
10          greater documentation than that required for  
11          lenders, holders, and servicers not designated  
12          under subparagraph (A).

13          “(H) COST OF AUDITS.—Each eligible  
14          lender, holder, or servicer shall pay for all the  
15          costs associated with the audits required under  
16          this section.

17          “(I) ADDITIONAL REVOCATION AUTHOR-  
18          ITY.—Notwithstanding any other provision of  
19          this section, a designation under subparagraph  
20          (A) may be revoked at any time by the Sec-  
21          retary if the Secretary determines that the eligi-  
22          ble lender, holder, or servicer has failed to  
23          maintain an overall level of compliance consist-  
24          ent with the audit submitted by the eligible  
25          lender, holder, or servicer under this paragraph

1 or if the Secretary asserts that the lender, hold-  
2 er, or servicer may have engaged in fraud in se-  
3 curing designation under subparagraph (A) or  
4 is failing to service loans in accordance with  
5 program requirements.

6 “(J) NONCOMPLIANCE.—A lender, holder,  
7 or servicer designated under subparagraph (A)  
8 that fails to service loans or otherwise comply  
9 with applicable program regulations shall be  
10 considered in violation of the Federal False  
11 Claims Act.”.

12 (b) DEFINITION.—Section 707(e) of the Public  
13 Health Service Act (42 U.S.C. 292f(e)) is amended by  
14 adding at the end the following new paragraph:

15 “(4) The term ‘servicer’ means any agency act-  
16 ing on behalf of the insurance beneficiary.”.

17 (c) EFFECTIVE DATE.—The amendments made by  
18 subsections (a) and (b) shall apply with respect to loans  
19 submitted to the Secretary for payment on or after the  
20 first day of the sixth month that begins after the date  
21 of enactment of this Act.

22 **SEC. 143. REAUTHORIZATION.**

23 (a) LOAN PROGRAM.—Section 702(a) of the Public  
24 Health Service Act (42 U.S.C. 292a(a)) is amended—

1 (1) by striking “\$350,000,000” and all that fol-  
2 lows through “1995” and inserting “\$260,000,000  
3 for fiscal year 1996, \$160,000,000 for fiscal year  
4 1997, and \$80,000,000 for fiscal year 1998”;

5 (2) by striking “obtained prior loans insured  
6 under this subpart” and inserting “obtained loans  
7 insured under this subpart in fiscal year 1996 or in  
8 prior fiscal years”; and

9 (3) by adding at the end thereof the following  
10 new sentence: “The Secretary may establish guide-  
11 lines and procedures that lenders must follow in dis-  
12 tributing funds under this subpart.”.

13 (b) INSURANCE PROGRAM.—Section 710(a)(2)(B) of  
14 the Public Health Service Act (42 U.S.C. 292i(a)(2)(B))  
15 is amended by striking “any of the fiscal years 1993  
16 through 1996” and inserting “fiscal year 1993 and subse-  
17 quent fiscal years”.

18 **PART 4—SCHOLARSHIPS FOR DISADVANTAGED**

19 **STUDENTS**

20 **SEC. 151. SCHOLARSHIPS FOR DISADVANTAGED STUDENTS.**

21 Part B of title VII of the Public Health Service Act  
22 (as amended by section 101(a)) is further amended by  
23 adding at the end thereof the following new section:

1 **“SEC. 740. SCHOLARSHIPS FOR DISADVANTAGED STU-**  
2 **DENTS.**

3 “(a) IN GENERAL.—The Secretary may make a grant  
4 to an eligible entity (as defined in subsection (f)(1)) under  
5 this section for the awarding of scholarships by schools  
6 to any full-time student who is an eligible individual as  
7 defined in subsection (f). Such scholarships may be ex-  
8 pended only for tuition expenses, other reasonable edu-  
9 cational expenses, and reasonable living expenses incurred  
10 in the attendance of such school, and may not, for any  
11 year of such attendance for which the scholarship is pro-  
12 vided, provide an amount exceeding the total amount re-  
13 quired for the year.

14 “(b) PREFERENCE IN PROVIDING SCHOLARSHIPS.—  
15 The Secretary may not make a grant to an entity under  
16 subsection (a) unless the health professions and nursing  
17 schools involved agrees that, in providing scholarships pur-  
18 suant to the grant, the school will give preference to stu-  
19 dents for whom the costs of attending the school would  
20 constitute a severe financial hardship and, notwithstand-  
21 ing other provisions of this section, to former recipients  
22 of scholarships under sections 736 and 740(d)(2)(B) (as  
23 such sections existed on the day before the date of enact-  
24 ment of this section).

25 “(c) AMOUNT OF AWARD.—In awarding grants to eli-  
26 gible entities that are health professions and nursing

1 schools, the Secretary shall give priority to eligible entities  
2 based on the proportion of graduating students going into  
3 primary care, the proportion of minority students, and the  
4 proportion of graduates working in medically underserved  
5 areas.

6 “(d) MAXIMUM SCHOLARSHIP AWARD.—The maxi-  
7 mum scholarship that an individual may receive in any  
8 year from an eligible entity that is a health professions  
9 and nursing schools shall be \$3,000.

10 “(e) AUTHORIZATION OF APPROPRIATIONS.—There  
11 are authorized to be appropriated to carry out this section,  
12 \$32,000,000 for each of the fiscal years 1996 through  
13 1999. Of the amount appropriated in any fiscal year, the  
14 Secretary shall ensure that not less than 16 percent shall  
15 be distributed to schools of nursing.

16 “(f) DEFINITIONS.—As used in this section:

17 “(1) ELIGIBLE ENTITIES.—The term ‘eligible  
18 entities’ means an entity that—

19 “(A) is a school of medicine, osteopathic  
20 medicine, dentistry, nursing (as defined in sec-  
21 tion 801), pharmacy, podiatric medicine, optom-  
22 etry, veterinary medicine, public health, or al-  
23 lied health, a school offering a graduate pro-  
24 gram in mental health practice, or an entity



1 providing programs for the training of physi-  
 2 cian assistant; and

3 “(B) is carrying out a program for recruit-  
 4 ing and retaining students from disadvantaged  
 5 backgrounds, including students who are mem-  
 6 bers of racial and ethnic minority groups.

7 “(2) ELIGIBLE INDIVIDUAL.—The term ‘eligible  
 8 individual’ means an individual who—

9 “(A) is from a disadvantaged background;

10 “(B) has a financial need for a scholar-  
 11 ship; and

12 “(C) is enrolled (or accepted for enroll-  
 13 ment) at an eligible health profession or nurs-  
 14 ing school as a full-time student in a program  
 15 leading to a degree in a health profession or  
 16 nursing.”.

17 **TITLE II—OFFICE OF MINORITY**  
 18 **HEALTH**

19 **SEC. 201. REVISION AND EXTENSION OF PROGRAMS OF OF-**  
 20 **FICE OF MINORITY HEALTH.**

21 (a) IN GENERAL.—Section 1707 of the Public Health  
 22 Service Act (42 U.S.C. 300u–6) is amended by striking  
 23 subsection (b) and all that follows and inserting the follow-  
 24 ing:

1       “(b) DUTIES.—With respect to improving the health  
2 of racial and ethnic minority groups, the Secretary, acting  
3 through the Deputy Assistant Secretary for Minority  
4 Health (in this section referred to as the ‘Deputy Assist-  
5 ant Secretary’), shall carry out the following:

6           “(1) Establish short-range and long-range goals  
7 and objectives and coordinate all other activities  
8 within the Public Health Service that relate to dis-  
9 ease prevention, health promotion, service delivery,  
10 and research concerning such individuals. The heads  
11 of each of the agencies of the Service shall consult  
12 with the Deputy Assistant Secretary to ensure the  
13 coordination of such activities.

14           “(2) Carry out the following types of activities  
15 by entering into interagency agreements with other  
16 agencies of the Public Health Service:

17           “(A) Support research, demonstrations and  
18 evaluations to test new and innovative models.

19           “(B) Increase knowledge and understand-  
20 ing of health risk factors.

21           “(C) Develop mechanisms that support  
22 better information dissemination, education,  
23 prevention, and service delivery to individuals  
24 from disadvantaged backgrounds, including in-

1 individuals who are members of racial or ethnic  
2 minority groups.

3 “(D) Ensure that the National Center for  
4 Health Statistics collects data on the health  
5 status of each minority group.

6 “(E) With respect to individuals who lack  
7 proficiency in speaking the English language,  
8 enter into contracts with public and nonprofit  
9 private providers of primary health services for  
10 the purpose of increasing the access of the indi-  
11 viduals to such services by developing and car-  
12 rying out programs to provide bilingual or in-  
13 terpretive services.

14 “(3) Support a national minority health re-  
15 source center to carry out the following:

16 “(A) Facilitate the exchange of informa-  
17 tion regarding matters relating to health infor-  
18 mation and health promotion, preventive health  
19 services, and education in the appropriate use  
20 of health care.

21 “(B) Facilitate access to such information.

22 “(C) Assist in the analysis of issues and  
23 problems relating to such matters.

24 “(D) Provide technical assistance with re-  
25 spect to the exchange of such information (in-

1           cluding facilitating the development of materials  
2           for such technical assistance).

3           “(4) Carry out programs to improve access to  
4           health care services for individuals with limited pro-  
5           ficiency in speaking the English language by facili-  
6           tating the removal of impediments to the receipt of  
7           health care that result from such limitation. Activi-  
8           ties under the preceding sentence shall include con-  
9           ducting research and developing and evaluating  
10          model projects.

11          “(5) Not later than June 8 of each year, the  
12          heads of the Public Health Service agencies shall  
13          submit to the Deputy Assistant Secretary a report  
14          summarizing the minority health activities of each of  
15          the respective agencies.

16          “(c) ADVISORY COMMITTEE.—

17                 “(1) IN GENERAL.—The Secretary shall estab-  
18                 lish an advisory committee to be known as the Advi-  
19                 sory Committee on Minority Health (in this sub-  
20                 section referred to as the ‘Committee’). The Deputy  
21                 Assistant Secretary shall consult with the Committee  
22                 in carrying out this section.

23                 “(2) DUTIES.—The Committee shall provide  
24                 advice to the Deputy Assistant Secretary carrying  
25                 out this section, including advice on the development

1 of goals and specific program activities under para-  
2 graphs (1) and (2) of subsection (b) for each racial  
3 and ethnic minority group.

4 “(3) CHAIR.—The Deputy Assistant Secretary  
5 shall serve as the chair of the Committee.

6 “(4) COMPOSITION.—

7 “(A) The Committee shall be composed of  
8 12 voting members appointed in accordance  
9 with subparagraph (B), and nonvoting, ex  
10 officio members designated in subparagraph  
11 (C).

12 “(B) The voting members of the Commit-  
13 tee shall be appointed by the Secretary from  
14 among individuals who are not officers or em-  
15 ployees of the Federal Government and who  
16 have expertise regarding issues of minority  
17 health. The racial and ethnic minority groups  
18 shall be equally represented among such mem-  
19 bers.

20 “(C) The nonvoting, ex officio members of  
21 the Committee shall be the directors of each of  
22 the minority health offices, and such additional  
23 officials of the Department of Health and  
24 Human Services as the Secretary determines to  
25 be appropriate.

1           “(5) TERMS.—Each member of the Committee  
2 shall serve for a term of 4 years, except that the  
3 Secretary shall initially appoint a portion of the  
4 members to terms of 1 year, 2 years, and 3 years.

5           “(6) VACANCIES.—If a vacancy occurs on the  
6 Committee, a new member shall be appointed by the  
7 Secretary within 90 days from the date that the va-  
8 cancy occurs, and serve for the remainder of the  
9 term for which the predecessor of such member was  
10 appointed. The vacancy shall not affect the power of  
11 the remaining members to execute the duties of the  
12 Committee.

13           “(7) COMPENSATION.—Members of the Com-  
14 mittee who are officers or employees of the United  
15 States shall serve without compensation. Members of  
16 the Committee who are not officers or employees of  
17 the United States shall receive compensation, for  
18 each day (including travel time) they are engaged in  
19 the performance of the functions of the Committee.  
20 Such compensation may not be in an amount in ex-  
21 cess of the daily equivalent of the annual maximum  
22 rate of basic pay payable under the General Sched-  
23 ule (under title 5, United States Code) for positions  
24 above GS-15.

1       “(d) CERTAIN REQUIREMENTS REGARDING DU-  
2 TIES.—

3           “(1) RECOMMENDATIONS REGARDING LAN-  
4 GUAGE AS IMPEDIMENT TO HEALTH CARE.—The  
5 Deputy Assistant Secretary for Minority Health  
6 shall consult with the Director of the Office of Refu-  
7 gee Health, the Director of the Office of Civil  
8 Rights, and the Director of the Office of Minority  
9 Health of the Health Resources and Services Admin-  
10 istration, and other appropriate offices, regarding  
11 recommendations for carrying out activities under  
12 subsection (b)(4).

13           “(2) EQUITABLE ALLOCATION REGARDING AC-  
14 TIVITIES.—

15           “(A) In making awards of grants, coopera-  
16 tive agreements, or contracts under this section  
17 or section 338A, 338B, 340A, 404, or 724, or  
18 part B of title VII, the Secretary, acting as ap-  
19 propriate through the Deputy Assistant Sec-  
20 retary or the Administrator of the Health Re-  
21 sources and Services Administration, shall en-  
22 sure that such awards are equitably allocated  
23 with respect to the various racial and minority  
24 populations.

1           “(B) With respect to grants, cooperative  
2 agreements, and contracts that are available  
3 under the sections specified in subparagraph  
4 (A), the Secretary shall—

5                   “(i) carry out activities to inform enti-  
6 ties, as appropriate, that the entities may  
7 be eligible for awards of such assistance;

8                   “(ii) provide technical assistance to  
9 such entities in the process of preparing  
10 and submitting applications for the awards  
11 in accordance with the policies of the Sec-  
12 retary regarding such application; and

13                   “(iii) inform populations, as appro-  
14 priate, that members of the populations  
15 may be eligible to receive services or other-  
16 wise participate in the activities carried out  
17 with such awards.

18           “(3) CULTURAL COMPETENCY OF SERVICES.—

19           The Secretary shall ensure that information and  
20 services provided pursuant to subsection (b) are pro-  
21 vided in the language, educational, and cultural con-  
22 text that is most appropriate for the individuals for  
23 whom the information and services are intended.

24           “(e) GRANTS AND CONTRACTS REGARDING DU-  
25 TIES.—



1           “(1) IN GENERAL.—In carrying out subsection  
2 (b), the Deputy Assistant Secretary may make  
3 awards of grants, cooperative agreements, and con-  
4 tracts to public and nonprofit private entities.

5           “(2) PROCESS FOR MAKING AWARDS.—The  
6 Deputy Assistant Secretary shall ensure that awards  
7 under paragraph (1) are made only on a competitive  
8 basis, and that a grant is awarded for a proposal  
9 only if the proposal has been recommended for such  
10 an award through a process of peer review and has  
11 been so recommended by the advisory committee es-  
12 tablished under subsection (c).

13           “(3) EVALUATION AND DISSEMINATION.—The  
14 Deputy Assistant Secretary, directly or through con-  
15 tracts with public and private entities, shall provide  
16 for evaluations of projects carried out with awards  
17 made under paragraph (1) during the preceding 2  
18 fiscal years. The report shall be included in the re-  
19 port required under subsection (f) for the fiscal year  
20 involved.

21           “(f) BIENNIAL REPORTS.—Not later than February  
22 1 of fiscal year 1996 and of each second year thereafter,  
23 the Deputy Assistant Secretary shall submit to the Com-  
24 mittee on Energy and Commerce of the House of Rep-  
25 resentatives, and to the Committee on Labor and Human

1 Resources of the Senate, a report describing the activities  
2 carried out under this section during the preceding 2 fiscal  
3 years and evaluating the extent to which such activities  
4 have been effective in improving the health of racial and  
5 ethnic minority groups. Each such report shall include the  
6 biennial reports submitted to the Deputy Assistant Sec-  
7 retary under section 201(b)(5) for such years by the heads  
8 of the Public Health Service agencies.

9 “(g) DEFINITION.—For purposes of this section:

10 “(1) The term ‘racial and ethnic minority  
11 group’ means American Indians (including Alaska  
12 Natives, Eskimos, and Aleuts); Asian Americans and  
13 Pacific Islanders; Blacks; and Hispanics.

14 “(2) The term ‘Hispanic’ means individuals  
15 whose origin is Mexican, Puerto Rican, Cuban,  
16 Central or South American, or any other Spanish-  
17 speaking country.

18 “(h) FUNDING.—For the purpose of carrying out this  
19 section, there are authorized to be appropriated  
20 \$21,000,000 for fiscal year 1996, such sums as may be  
21 necessary for each of the fiscal years 1997 and 1998, and  
22 \$19,000,000 for fiscal year 1999.”.

23 (b) MISCELLANEOUS AMENDMENT.—Section 1707 of  
24 the Public Health Service Act (42 U.S.C. 300u-6) is

1 amended in the heading for the section by striking “ES-  
2 TABLISHMENT OF”.

3 **TITLE III—SELECTED**  
4 **INITIATIVES**

5 **SEC. 301. PROGRAMS REGARDING BIRTH DEFECTS.**

6 Section 317C of the Public Health Service Act (42  
7 U.S.C. 247b–4) is amended to read as follows:

8 “PROGRAMS REGARDING BIRTH DEFECTS

9 “SEC. 317C. (a) The Secretary, acting through the  
10 Director of the Centers for Disease Control and Preven-  
11 tion, shall carry out programs—

12 “(1) to collect, analyze, and make available data  
13 on birth defects (in a manner that facilitates compli-  
14 ance with subsection (d)(2)), including data on the  
15 causes of such defects and on the incidence and  
16 prevalence of such defects; and

17 “(2) to operate regional centers for the conduct  
18 of applied epidemiological research on the prevention  
19 of such defects.

20 “(b) ADDITIONAL PROVISIONS REGARDING COLLEC-  
21 TION OF DATA.—

22 “(1) IN GENERAL.—In carrying out subsection  
23 (a)(1), the Secretary—

24 “(A) shall collect and analyze data by gen-  
25 der and by racial and ethnic group, including  
26 Hispanics, non-Hispanic whites, Blacks, Native

1 Americans, Asian Americans, and Pacific Is-  
2 landers;

3 “(B) shall collect data under subparagraph  
4 (A) from birth certificates, death certificates,  
5 hospital records, and such other sources as the  
6 Secretary determines to be appropriate; and

7 “(C) shall encourage States to establish or  
8 improve programs for the collection and analy-  
9 sis of epidemiological data on birth defects, and  
10 to make the data available.

11 “(2) NATIONAL CLEARINGHOUSE.—In carrying  
12 out subsection (a)(1), the Secretary shall establish  
13 and maintain a National Information Clearinghouse  
14 on Birth Defects to collect and disseminate to health  
15 professionals and the general public information on  
16 birth defects, including the prevention of such de-  
17 fects.

18 “(c) GRANTS AND CONTRACTS.—

19 “(1) IN GENERAL.—In carrying out subsection  
20 (a), the Secretary may make grants to and enter  
21 into contracts with public and nonprofit private enti-  
22 ties.

23 “(2) SUPPLIES AND SERVICES IN LIEU OF  
24 AWARD FUNDS.—

1           “(A) Upon the request of a recipient of an  
2           award of a grant or contract under paragraph  
3           (1), the Secretary may, subject to subparagraph  
4           (B), provide supplies, equipment, and services  
5           for the purpose of aiding the recipient in carry-  
6           ing out the purposes for which the award is  
7           made and, for such purposes, may detail to the  
8           recipient any officer or employee of the Depart-  
9           ment of Health and Human Services.

10           “(B) With respect to a request described  
11           in subparagraph (A), the Secretary shall reduce  
12           the amount of payments under the award in-  
13           volved by an amount equal to the costs of de-  
14           tailing personnel and the fair market value of  
15           any supplies, equipment, or services provided by  
16           the Secretary. The Secretary shall, for the pay-  
17           ment of expenses incurred in complying with  
18           such request, expend the amounts withheld.

19           “(3) APPLICATION FOR AWARD.—The Secretary  
20           may make an award of a grant or contract under  
21           paragraph (1) only if an application for the award  
22           is submitted to the Secretary and the application is  
23           in such form, is made in such manner, and contains  
24           such agreements, assurances, and information as the

1 Secretary determines to be necessary to carry out  
2 the purposes for which the award is to be made.

3 “(d) BIENNIAL REPORT.—Not later than February  
4 1 of fiscal year 1997 and of every second such year there-  
5 after, the Secretary shall submit to the Committee on En-  
6 ergy and Commerce of the House of Representatives, and  
7 the Committee on Labor and Human Resources of the  
8 Senate, a report that, with respect to the preceding 2 fis-  
9 cal years—

10 “(1) contains information regarding the inci-  
11 dence and prevalence of birth defects and the extent  
12 to which birth defects have contributed to the inci-  
13 dence and prevalence of infant mortality;

14 “(2) contains information under paragraph (1)  
15 that is specific to various racial and ethnic groups  
16 (including Hispanics, non-Hispanic whites, Blacks,  
17 Native Americans, and Asian Americans);

18 “(3) contains an assessment of the extent to  
19 which various approaches of preventing birth defects  
20 have been effective;

21 “(4) describes the activities carried out under  
22 this section; and

23 “(5) contains any recommendations of the Sec-  
24 retary regarding this section.”.

1 **SEC. 302. STATE OFFICES OF RURAL HEALTH.**

2 (a) IN GENERAL.—Section 338M of the Public  
3 Health Service Act (as so redesignated by section 132)  
4 is amended—

5 (1) in subsection (b)(1), in the matter preced-  
6 ing subparagraph (A), by striking “in cash”; and

7 (2) in subsection (j)(1)—

8 (A) by striking “and” after “1992,”; and

9 (B) by inserting before the period the fol-  
10 lowing: “, and such sums as may be necessary  
11 for each of the fiscal years 1996 through  
12 1997”; and

13 (3) in subsection (k), by striking  
14 “\$10,000,000” and inserting “\$20,000,000”.

15 (b) REPEAL.—Effective on October 1, 1997, section  
16 338M of the Public Health Service Act (as so redesignated  
17 by section 132) is repealed.

18 **SEC. 303. HEALTH SERVICES FOR PACIFIC ISLANDERS.**

19 Section 10 of the Disadvantaged Minority Health Im-  
20 provement Act of 1990 (42 U.S.C. 254c-1) is amended—

21 (1) in subsection (b)—

22 (A) in paragraph (2)—

23 (i) by inserting “, substance abuse”  
24 after “availability of health”; and

25 (ii) by striking “, including improved  
26 health data systems”;

1 (B) in paragraph (3)—

2 (i) by striking “manpower” and in-  
3 sserting “care providers”; and

4 (ii) by striking “by—” and all that  
5 follows through the end thereof and insert-  
6 ing a semicolon;

7 (C) by striking paragraphs (5) and (6);

8 (D) by redesignating paragraphs (7), and  
9 (8) as paragraphs (5) and (6), respectively;

10 (E) in paragraph (5) (as so redesignated),  
11 by striking “and” at the end thereof;

12 (F) in paragraph (6) (as so redesignated),  
13 by striking the period and inserting a semi-  
14 colon; and

15 (G) by inserting after paragraph (6) (as so  
16 redesignated), the following new paragraphs:

17 “(7) to provide primary health care, preventive  
18 health care, and related training to American Sa-  
19 moan health care professionals; and

20 “(8) to improve access to health promotion and  
21 disease prevention services for rural American  
22 Samoa.”;

23 (2) in subsection (f)—

24 (A) by striking “there is” and inserting  
25 “there are”; and



1 (B) by striking “\$10,000,000” and all that  
2 follows through “1993” and inserting  
3 “\$3,000,000 for fiscal year 1995, \$4,000,000  
4 for fiscal year 1996, and \$5,000,000 for fiscal  
5 year 1997”; and

6 (3) by adding at the end thereof the following  
7 new subsection:

8 “(g) STUDY AND REPORT.—

9 “(1) STUDY.—Not later than 180 days after  
10 the date of enactment of this subsection, the Sec-  
11 retary, acting through the Administrator of the  
12 Health Resources and Services Administration, shall  
13 enter into a contract with a public or nonprofit pri-  
14 vate entity for the conduct of a study to determine  
15 the effectiveness of projects funded under this sec-  
16 tion.

17 “(2) REPORT.—Not later than July 1, 1996,  
18 the Secretary shall prepare and submit to the Com-  
19 mittee on Labor and Human Resources of the Sen-  
20 ate and the Committee on Energy and Commerce of  
21 the House of Representatives a report describing the  
22 findings made with respect to the study conducted  
23 under paragraph (1).”.

1 **SEC. 304. DEMONSTRATION PROJECTS REGARDING ALZ-**  
2 **HEIMER'S DISEASE.**

3 (a) IN GENERAL.—Section 398(a) of the Public  
4 Health Service Act (42 U.S.C. 280c-3(a)) is amended—

5 (1) in the matter preceding paragraph (1), by  
6 striking “not less than 5, and not more than 15,”;

7 (2) in paragraph (2)—

8 (A) by inserting after “disorders” the fol-  
9 lowing: “who are living in single family homes  
10 or in congregate settings”; and

11 (B) by striking “and” at the end;

12 (3) by redesignating paragraph (3) as para-  
13 graph (4); and

14 (4) by inserting after paragraph (2) the follow-  
15 ing:

16 “(3) to improve the access of such individuals  
17 to home-based or community-based long-term care  
18 services (subject to the services being provided by  
19 entities that were providing such services in the  
20 State involved as of October 1, 1995), particularly  
21 such individuals who are members of racial or ethnic  
22 minority groups, who have limited proficiency in  
23 speaking the English language, or who live in rural  
24 areas; and”.

25 (b) DURATION.—Section 398A of the Public Health  
26 Service Act (42 U.S.C. 280c-4) is amended—

1 (1) in the heading for the section, by striking  
 2 **“LIMITATION”** and all that follows and inserting  
 3 **“REQUIREMENT OF MATCHING**  
 4 **FUNDS”**;

5 (2) by striking subsection (a);

6 (3) by redesignating subsections (b) and (c) as  
 7 subsections (a) and (b), respectively;

8 (4) in subsection (a) (as so redesignated), in  
 9 each of paragraphs (1)(C) and (2)(C), by striking  
 10 “third year” and inserting “third or subsequent  
 11 year”.

12 (c) AUTHORIZATION OF APPROPRIATIONS.—Section  
 13 398B(e) of the Public Health Service Act (42 U.S.C.  
 14 280c–5(e)) is amended by striking “and 1993” and insert-  
 15 ing “through 1998”.

## 16 **TITLE IV—MISCELLANEOUS** 17 **PROVISIONS**

18 **SEC. 401. TECHNICAL CORRECTIONS REGARDING PUBLIC**  
 19 **LAW 103–183.**

20 (a) AMENDATORY INSTRUCTIONS.—Public Law 103–  
 21 183 is amended—

22 (1) in section 601—

23 (A) in subsection (b), in the matter preced-  
 24 ing paragraph (1), by striking “Section 1201 of  
 25 the Public Health Service Act (42 U.S.C.

1           300d)” and inserting “Title XII of the Public  
2           Health Service Act (42 U.S.C. 300d et seq.)”;  
3           and

4                   (B) in subsection (f)(1), by striking “in  
5           section 1204(c)” and inserting “in section  
6           1203(c) (as redesignated by subsection (b)(2) of  
7           this section)”;

8           (2) in section 602, by striking “for the pur-  
9           pose” and inserting “For the purpose”; and

10           (3) in section 705(b), by striking “317D((l)(1))”  
11           and inserting “317D(l)(1)”.

12           (b) PUBLIC HEALTH SERVICE ACT.—The Public  
13           Health Service Act, as amended by Public Law 103–183  
14           and by subsection (a) of this section, is amended—

15                   (1) in section 317E(g)(2), by striking “making  
16           grants under subsection (b)” and inserting “carrying  
17           out subsection (b)”;

18                   (2) in section 318, in subsection (e) as in effect  
19           on the day before the date of the enactment of Pub-  
20           lic Law 103–183, by redesignating the subsection as  
21           subsection (f);

22                   (3) in subpart 6 of part C of title IV—

23                           (A) by transferring the first section 447  
24                           (added by section 302 of Public Law 103–183)  
25                           from the current placement of the section;

1 (B) by redesignating the section as section  
2 447A; and

3 (C) by inserting the section after section  
4 447;

5 (4) in section 1213(a)(8), by striking “provides  
6 for for” and inserting “provides for”;

7 (5) in section 1501, by redesignating the second  
8 subsection (c) (added by section 101(f) of Public  
9 Law 103–183) as subsection (d); and

10 (6) in section 1505(3), by striking “nonprivate”  
11 and inserting “private”.

12 (c) MISCELLANEOUS CORRECTION.—Section  
13 401(c)(3) of Public Law 103–183 is amended in the mat-  
14 ter preceding subparagraph (A) by striking “(d)(5)” and  
15 inserting “(e)(5)”.

16 (d) EFFECTIVE DATE.—This section is deemed to  
17 have taken effect immediately after the enactment of Pub-  
18 lic Law 103–183.

19 **SEC. 402. CERTAIN AUTHORITIES OF CENTERS FOR DIS-**  
20 **EASE CONTROL AND PREVENTION.**

21 (a) IN GENERAL.—Part B of title III of the Public  
22 Health Service Act is amended by inserting after section  
23 317H the following section:

1 “MISCELLANEOUS AUTHORITIES REGARDING CENTERS  
2 FOR DISEASE CONTROL AND PREVENTION

3 “SEC. 317I. (a) TECHNICAL AND SCIENTIFIC PEER  
4 REVIEW GROUPS.—The Secretary, acting through the Di-  
5 rector of the Centers for Disease Control and Prevention,  
6 may, without regard to the provisions of title 5, United  
7 States Code, governing appointments in the competitive  
8 service, and without regard to the provisions of chapter  
9 51 and subchapter III of chapter 53 of such title relating  
10 to classification and General Schedule pay rates, establish  
11 such technical and scientific peer review groups and sci-  
12 entific program advisory committees as are needed to  
13 carry out the functions of such Centers and appoint and  
14 pay the members of such groups, except that officers and  
15 employees of the United States shall not receive additional  
16 compensation for service as members of such groups. The  
17 Federal Advisory Committee Act shall not apply to the  
18 duration of such peer review groups. Not more than one-  
19 fourth of the members of any such group shall be officers  
20 or employees of the United States.

21 “(b) FELLOWSHIP AND TRAINING PROGRAMS.—The  
22 Secretary, acting through the Director of the Centers for  
23 Disease Control and Prevention, shall establish fellowship  
24 and training programs to be conducted by such Centers  
25 to train individuals to develop skills in epidemiology, sur-

1 veillance, laboratory analysis, and other disease detection  
2 and prevention methods. Such programs shall be designed  
3 to enable health professionals and health personnel trained  
4 under such programs to work, after receiving such train-  
5 ing, in local, State, national, and international efforts to-  
6 ward the prevention and control of diseases, injuries, and  
7 disabilities. Such fellowships and training may be adminis-  
8 tered through the use of either appointment or non-  
9 appointment procedures.”.

10 (b) EFFECTIVE DATE.—This section is deemed to  
11 have taken effect July 1, 1995.

12 **SEC. 403. ADMINISTRATION OF CERTAIN REQUIREMENTS.**

13 (a) IN GENERAL.—Section 2004 of Public Law 103-  
14 43 (107 Stat. 209) is amended by striking subsection (a).

15 (b) CONFORMING AMENDMENTS.—Section 2004 of  
16 Public Law 103-43, as amended by subsection (a) of this  
17 section, is amended—

18 (1) by striking “(b) SENSE” and all that follows  
19 through “In the case” and inserting the following:

20 “(a) SENSE OF CONGRESS REGARDING PURCHASE  
21 OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In  
22 the case”;

23 (2) by striking “(2) NOTICE TO RECIPIENTS OF  
24 ASSISTANCE” and inserting the following:

25 “(b) NOTICE TO RECIPIENTS OF ASSISTANCE”; and





1       been qualified to file an application under section  
2       605;

3               “(B) in the case of a facility which was not an  
4       affiliated hospital or outpatient facility but was a fa-  
5       cility with respect to which funds have been paid  
6       under paragraph (1) or (3) of such section 720(a),  
7       the owner of the facility ceases to be a public or  
8       nonprofit school; or

9               “(C) in the case of a facility which was a facil-  
10       ity with respect to which funds have been paid under  
11       such section 720(a)(2), the owner of the facility  
12       ceases to be a public or nonprofit entity;

13               “(2) the facility ceases to be used for the teach-  
14       ing or training purposes (or other purposes per-  
15       mitted under section 722 (as such section existed  
16       one day prior to the date of enactment of the Health  
17       Professions Education Extension Amendments of  
18       1992 (Public Law 102–408)) for which it was con-  
19       structed, or

20               “(3) the facility is used for sectarian instruction  
21       or as a place for religious worship,

22       the United States shall be entitled to recover from the  
23       owner of the facility the base amount prescribed by sub-  
24       section (c)(1) plus the interest (if any) prescribed by sub-  
25       section (c)(2).

1       “(b) NOTICE.—The owner of a facility which ceases  
2 to be a public or nonprofit agency, school, or entity as  
3 described in subparagraph (A), (B), or (C) of subsection  
4 (a)(1), as the case may be, or the owner of a facility the  
5 use of which changes as described in paragraph (2) or (3)  
6 of subsection (a), shall provide the Secretary written no-  
7 tice of such cessation or change of use within 10 days after  
8 the date on which such cessation or change of use occurs  
9 or within 30 days after the date of enactment of this sub-  
10 section, whichever is later.

11       “(c) AMOUNT.—

12           “(1) BASE AMOUNT.—The base amount that  
13 the United States is entitled to recover under sub-  
14 section (a) is the amount bearing the same ratio to  
15 the then value (as determined by the agreement of  
16 the parties or in an action brought in the district  
17 court of the United States for the district in which  
18 the facility is situated) of the facility as the amount  
19 of the Federal participation bore to the cost of con-  
20 struction.

21           “(2) INTEREST.—

22           “(A) IN GENERAL.—The interest that the  
23 United States is entitled to recover under sub-  
24 section (a) is the interest for the period (if any)  
25 described in subparagraph (B) at a rate (deter-

1           mined by the Secretary) based on the average  
2           of the bond equivalent rates of ninety-one-day  
3           Treasury bills auctioned during that period.

4           “(B) PERIOD.—The period referred to in  
5           subparagraph (A) is the period beginning—

6                   “(i) if notice is provided as prescribed  
7                   by subsection (b), 191 days after the date  
8                   on which the owner of the facility ceases to  
9                   be a public or nonprofit agency, school, or  
10                  entity as described in subparagraph (A),  
11                  (B), or (C) of subsection (a)(1), as the  
12                  case may be, or 191 days after the date on  
13                  which the use of the facility changes as de-  
14                  scribed in paragraph (2) or (3) of sub-  
15                  section (a); or

16                   “(ii) if notice is not provided as pre-  
17                   scribed by subsection (b), 11 days after the  
18                   date on which such cessation or change of  
19                   use occurs,

20                  and ending on the date the amount the United  
21                  States is entitled to recover is collected.

22           “(d) WAIVER.—The Secretary may waive the recov-  
23           ery rights of the United States under subsection (a)(2)  
24           with respect to a facility (under such conditions as the

1 Secretary may establish by regulation) if the Secretary de-  
2 termines that there is good cause for waiving such rights.

3 “(e) LIEN.—The right of recovery of the United  
4 States under subsection (a) shall not, prior to judgment,  
5 constitute a lien on any facility.”.

6 **SEC. 405. CLINICAL TRAINEESHIPS.**

7 Section 303(d)(1) of the Public Health Service Act  
8 (42 U.S.C. 242a(d)(1)) is amended by inserting “counsel-  
9 ing,” after “family therapy,”.

10 **SEC. 406. CONSTRUCTION OF REGIONAL CENTERS FOR RE-**  
11 **SEARCH ON PRIMATES.**

12 Section 481B(a) of the Public Health Service Act (42  
13 U.S.C. 287a–3(a)) is amended by striking “\$5,000,000”  
14 and inserting “\$2,500,000”.

15 **SEC. 407. REQUIRED CONSULTATION BY SECRETARY.**

16 The Secretary of Health and Human Services, re-  
17 garding the programs under parts B, C, D, and E of title  
18 VII, and parts B, C, and D of title VIII, of the Public  
19 Health Service Act, as amended by this Act, shall—

20 (1) publish in the Federal Register a general  
21 program description for the funding of awards under  
22 such parts;

23 (2) solicit and receive written and oral com-  
24 ments concerning such description, including the

1 holding of a public forum at which interested indi-  
2 viduals and groups may provide comment; and

3 (3) take into consideration information received  
4 under paragraph (2).

Passed the Senate September 28, 1996.

Attest:

*Secretary.*

S 555 ES—2

S 555 ES—3

S 555 ES—4

S 555 ES—5

S 555 ES—6

S 555 ES—7

S 555 ES—8

S 555 ES—9

S 555 ES—10

S 555 ES—11

S 555 ES—12

S 555 ES—13

S 555 ES—14

S 555 ES—15

S 555 ES—16

104<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**S. 555**

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**AN ACT**

To amend the Public Health Service Act to consolidate and reauthorize health professions and minority and disadvantaged health education programs, and for other purposes.