

108TH CONGRESS  
2D SESSION

# S. 2613

To amend the Public Health Service Act to establish a scholarship and loan repayment program for public health preparedness workforce development to eliminate critical public health preparedness workforce shortages in Federal, State, and local public health agencies.

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## IN THE SENATE OF THE UNITED STATES

JULY 7, 2004

Mr. HAGEL (for himself and Mr. DURBIN) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To amend the Public Health Service Act to establish a scholarship and loan repayment program for public health preparedness workforce development to eliminate critical public health preparedness workforce shortages in Federal, State, and local public health agencies.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Public Health Pre-  
5 paredness Workforce Development Act of 2004”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

1           (1) The ability of the public health system to  
2 prevent, respond to, and recover from bioterrorism  
3 or acute outbreaks of infectious diseases and other  
4 health threats and emergencies depends upon the ex-  
5 istence of adequate numbers of well-trained public  
6 health professionals in Federal, State, and local pub-  
7 lic health departments. The public health system has  
8 an aging staff nearing retirement with no clear pipe-  
9 line of highly-skilled and capable employees to fill  
10 the void. The average age of the State public health  
11 workforce is 47, 7 years older than the average age  
12 of the nation's workforce. More than 50 percent of  
13 the States cite the lack of qualified individuals or in-  
14 dividuals willing to relocate as being a major barrier  
15 to preparedness.

16           (2) The National Association of State Personnel  
17 Executives reports that State governments could lose  
18 more than 30 percent of their workforce to retire-  
19 ment, private-sector employers, and alternative ca-  
20 reers by 2006. The rates for State public health de-  
21 partments are as high as 45 percent.

22           (3) The ratio of public health workers to the  
23 population has dropped from 219 per 100,000 in  
24 1980 to 158 per 100,000 in 2000.

1 (4) Approximately 42 percent of the current ep-  
 2 idemiology workforce in State and territorial health  
 3 departments lacks formal academic training in epi-  
 4 demiology.

5 (5) Thirteen State public health laboratories  
 6 are without doctoral-level molecular scientists on  
 7 staff, 23 have only one, and only 15 States have any  
 8 staff redundancy at this level.

9 (6) Public health nurses comprise the largest  
 10 segment of the public health workforce. The leaders  
 11 of State public health nursing average more than 30  
 12 years service and are very close to retirement. In one  
 13 State nearly 40 percent of the public health nursing  
 14 workforce is eligible for retirement today.

15 **SEC. 3. PUBLIC HEALTH WORKFORCE SCHOLARSHIP AND**  
 16 **LOAN REPAYMENT PROGRAM.**

17 Part E of Title VII of the Public Health Service Act  
 18 (42 U.S.C. 294n et seq.) is amended by adding at the end  
 19 the following:

20 **“Subpart 3—Public Health Workforce Scholarship**  
 21 **and Loan Repayment Program**

22 **“SEC. 780. PUBLIC HEALTH WORKFORCE SCHOLARSHIP**  
 23 **PROGRAM.**

24 “(a) ESTABLISHMENT.—The Secretary shall estab-  
 25 lish the Public Health Workforce Scholarship Program

1 (referred to in this section as the ‘Program’) to assure  
2 an adequate supply of public health professionals to elimi-  
3 nate critical public health preparedness workforce short-  
4 ages in Federal, State, and local public health agencies.

5 “(b) ELIGIBILITY.—To be eligible to participate in  
6 the Program, an individual shall—

7 “(1) be accepted for enrollment, or be enrolled,  
8 as a full-time student—

9 “(A) in an accredited (as determined by  
10 the Secretary) educational institution in a State  
11 or territory; and

12 “(B) in a course of study or program, of-  
13 fered by such institution and approved by the  
14 Secretary, leading to a health professions de-  
15 gree (graduate, undergraduate, or associate) or  
16 certificate, which may include laboratory  
17 sciences, epidemiology, environmental health,  
18 health communications, information sciences, or  
19 public administration;

20 “(2) be a United States citizen;

21 “(3) submit an application to the Secretary to  
22 participate in the Program; and

23 “(4) sign and submit to the Secretary, at the  
24 time of the submittal of such application, a written  
25 contract (described in subsection (d)) to serve, upon

1 the completion of the course of study or program in-  
2 volved, for the applicable period of obligated service  
3 in the full-time employment of a Federal, State, or  
4 local public health agency.

5 “(c) DISSEMINATION OF INFORMATION.—

6 “(1) APPLICATION AND CONTRACT FORMS.—

7 The Secretary shall disseminate application forms  
8 and contract forms to individuals desiring to partici-  
9 pate in the Program. The Secretary shall include  
10 with such forms—

11 “(A) a fair summary of the rights and li-  
12 abilities of an individual whose application is  
13 approved (and whose contract is accepted) by  
14 the Secretary, including in the summary a clear  
15 explanation of the damages to which the United  
16 States is entitled to recover in the case of the  
17 individual’s breach of the contract; and

18 “(B) information relating to the service ob-  
19 ligation and such other information as may be  
20 necessary for the individual to understand the  
21 individual’s prospective participation in the Pro-  
22 gram.

23 “(2) INFORMATION FOR SCHOOLS.—The Sec-  
24 retary shall distribute to health professions schools  
25 and other appropriate accredited academic institu-

1 tions and relevant Federal, State, and local public  
2 health agencies, materials providing information on  
3 the Program and shall encourage such schools, insti-  
4 tutions, and agencies to disseminate such materials  
5 to potentially eligible students.

6 “(3) UNDERSTANDABILITY AND TIMING.—The  
7 application form, contract form, and all other infor-  
8 mation furnished by the Secretary under this section  
9 shall—

10 “(A) be written in a manner calculated to  
11 be understood by the average individual apply-  
12 ing to participate in the Program; and

13 “(B) be made available by the Secretary on  
14 a date sufficiently early to ensure that such in-  
15 dividuals have adequate time to carefully review  
16 and evaluate such forms and information.

17 “(d) CONTRACT.—The written contract (referred to  
18 in this section) between the Secretary and an individual  
19 shall contain—

20 “(1) an agreement on the part of the Secretary  
21 that the Secretary will provide the individual with a  
22 scholarship for a period of years (not to exceed 4  
23 academic years) during which the individual shall  
24 pursue an approved course of study or program to

1 prepare the individual to serve in the public health  
2 workforce;

3 “(2) an agreement on the part of the individual  
4 that the individual will—

5 “(A) maintain enrollment in the approved  
6 course of study or program described in sub-  
7 section (b)(1) until the individual completes  
8 that course of study or program;

9 “(B) while enrolled in the course of study  
10 or program, maintain an acceptable level of aca-  
11 demic standing (as determined under regula-  
12 tions of the Secretary by the educational insti-  
13 tution offering such course of study or pro-  
14 gram); and

15 “(C) immediately upon graduation, serve  
16 in the full-time employment of a Federal, State,  
17 or local public health agency in a position re-  
18 lated to the course of study or program for  
19 which the contract was awarded for a period of  
20 time (referred to in this section as the ‘period  
21 of obligated service’) equal to the greater of—

22 “(i) 1 year for each academic year for  
23 which the individual was provided a schol-  
24 arship under the Program; or

25 “(ii) 2 years;

1           “(3) an agreement by both parties as to the na-  
2           ture and extent of the scholarship assistance, which  
3           may include—

4                   “(A) payment of the tuition expenses of  
5           the individual;

6                   “(B) payment of all other reasonable edu-  
7           cational expenses of the individual including  
8           fees, books, equipment and laboratory expenses;  
9           and

10                  “(C) payment of a stipend of not more  
11           than \$1,200 per month for each month of the  
12           academic year involved (indexed to account for  
13           increases in the Consumer Price Index); and

14           “(4) a provision that any financial obligation of  
15           the United States arising out of a contract entered  
16           into under this section and any obligation of the in-  
17           dividual which is conditioned thereon, is contingent  
18           upon funds being appropriated for scholarships  
19           under this section;

20                  “(5) a statement of the damages to which the  
21           United States is entitled for the individual’s breach  
22           of the contract; and

23                  “(6) such other statements of the rights and li-  
24           abilities of the Secretary and of the individual, not  
25           inconsistent with the provisions of this section.

1       “(e) POSTPONING OBLIGATED SERVICE.—With re-  
2 spect to an individual receiving a degree or certificate from  
3 a school of medicine, public health, nursing, osteopathic  
4 medicine, dentistry, veterinary medicine, optometry, po-  
5 diatry, pharmacy, psychology, or social work under a  
6 scholarship under the Program, the date of the initiation  
7 of the period of obligated service may be postponed, upon  
8 the submission by the individual of a petition for such  
9 postponement and approval by the Secretary, to the date  
10 on which the individual completes an approved internship,  
11 residency, or other relevant public health preparedness ad-  
12 vanced training program.

13       “(f) ADMINISTRATIVE PROVISIONS.—

14           “(1) CONTRACTS WITH INSTITUTIONS.—The  
15 Secretary may contract with an educational institu-  
16 tion in which a participant in the Program is en-  
17 rolled, for the payment to the educational institution  
18 of the amounts of tuition and other reasonable edu-  
19 cational expenses described in subsection (d)(3).

20           “(2) EMPLOYMENT CEILINGS.—Notwith-  
21 standing any other provision of law, individuals who  
22 have entered into written contracts with the Sec-  
23 retary under this section, while undergoing academic  
24 training, shall not be counted against any employ-



1 ciate) or certificate relating to laboratory sciences,  
2 epidemiology, environmental health, health commu-  
3 nications, information sciences, or public administra-  
4 tion; or

5 “(B) have graduated, within 10 years, from an  
6 accredited educational institution in a State or terri-  
7 tory and received a health professions degree (grad-  
8 uate, undergraduate, or associate) or certificate,  
9 which may include a degree (graduate, under-  
10 graduate, or associate) or certificate relating to lab-  
11 oratory sciences, epidemiology, environmental health,  
12 health communications, information sciences, or  
13 public administration;

14 “(2)(A) in the case of an individual described in  
15 paragraph (1)(A), have accepted employment with a  
16 Federal, State, or local public health agency, as rec-  
17 ognized by the Secretary, to commence upon gradua-  
18 tion; or

19 “(B) in the case of an individual described in  
20 paragraph (1)(B), be employed by, or have accepted  
21 employment with, a Federal, State, or local govern-  
22 mental public health agency, as recognized by the  
23 Secretary;

24 “(3) be a United States citizen;

1           “(4) submit an application to the Secretary to  
2 participate in the Program; and

3           “(5) sign and submit to the Secretary, at the  
4 time of the submittal of such application, a written  
5 contract (described in subsection (d)) to serve for  
6 the applicable period of obligated service in the full-  
7 time employment of a Federal, State, or local public  
8 health agency.

9           “(c) DISSEMINATION OF INFORMATION.—

10           “(1) APPLICATION AND CONTRACT FORMS.—  
11 The Secretary shall disseminate application forms  
12 and contract forms to individuals desiring to partici-  
13 pate in the Program. The Secretary shall include  
14 with such forms—

15           “(A) a fair summary of the rights and li-  
16 abilities of an individual whose application is  
17 approved (and whose contract is accepted) by  
18 the Secretary, including in the summary a clear  
19 explanation of the damages to which the United  
20 States is entitled to recover in the case of the  
21 individual’s breach of the contract; and

22           “(B) information relating to the service ob-  
23 ligation and such other information as may be  
24 necessary for the individual to understand the

1 individual's prospective participation in the Pro-  
2 gram.

3 “(2) INFORMATION FOR SCHOOLS.—The Sec-  
4 retary shall distribute to health professions schools  
5 and other appropriate accredited academic institu-  
6 tions and relevant Federal, State, and local public  
7 health agencies, materials providing information on  
8 the Program and shall encourage such schools, insti-  
9 tutions, and agencies to disseminate such materials  
10 to potentially eligible students.

11 “(3) UNDERSTANDABILITY AND TIMING.—The  
12 application form, contract form, and all other infor-  
13 mation furnished by the Secretary under this section  
14 shall—

15 “(A) be written in a manner calculated to  
16 be understood by the average individual apply-  
17 ing to participate in the Program; and

18 “(B) be made available by the Secretary on  
19 a date sufficiently early to ensure that such in-  
20 dividuals have adequate time to carefully review  
21 and evaluate such forms and information.

22 “(d) CONTRACT.—The written contract (referred to  
23 in this section) between the Secretary and an individual  
24 shall contain—

1           “(1) an agreement on the part of the Secretary  
2           that the Secretary will repay on behalf of the indi-  
3           vidual loans incurred by the individual in the pursuit  
4           of the relevant public health preparedness workforce  
5           educational degree or certificate in accordance with  
6           the terms of the contract;

7           “(2) an agreement on the part of the individual  
8           that the individual will serve, immediately upon  
9           graduation in the case of an individual described in  
10          subsection (b)(1)(A) service, or in the case of an in-  
11          dividual described in subsection (b)(1)(B) continue  
12          to serve, in the full-time employment of a Federal,  
13          State, or local public health agency in a position re-  
14          lated to the course of study or program for which  
15          the contract was awarded for a period of time (re-  
16          ferred to in this section as the ‘period of obligated  
17          service’) equal to the greater of—

18                           “(i) 3 years; or

19                           “(ii) such longer period of time as de-  
20                           termined appropriate by the Secretary and  
21                           the individual;

22          “(3) an agreement, as appropriate, on the part  
23          of the individual to relocate for the entire period of  
24          obligated service to a political jurisdiction designated  
25          by the Secretary to be a priority service area in ex-

1 change for an additional loan repayment incentive  
2 amount that does not exceed 20 percent of the indi-  
3 vidual's eligible loan repayment award per academic  
4 year such that the total of the loan repayment and  
5 the incentive amount shall not exceed  $\frac{1}{3}$  of the eligi-  
6 ble loan balance per year;

7       “(4) in the case of an individual described in  
8 subsection (b)(1)(A) who is in the final year of study  
9 and who has accepted employment with a Federal,  
10 State, or local public health agency upon graduation,  
11 an agreement on the part of the individual to com-  
12 plete the education or training, maintain an accept-  
13 able level of academic standing (as determined by  
14 the education institution offering the course of study  
15 or training), and agree to the period of obligated  
16 service;

17       “(5) a provision that any financial obligation of  
18 the United States arising out of a contract entered  
19 into under this section and any obligation of the in-  
20 dividual that is conditioned thereon, is contingent on  
21 funds being appropriated for loan repayments under  
22 this section;

23       “(6) a statement of the damages to which the  
24 United States is entitled, under this section for the  
25 individual's breach of the contract; and

1           “(7) such other statements of the rights and li-  
2           abilities of the Secretary and of the individual, not  
3           inconsistent with this section.

4           “(e) PAYMENTS.—

5           “(1) IN GENERAL.—A loan repayment provided  
6           for an individual under a written contract under the  
7           Program shall consist of payment, in accordance  
8           with paragraph (2), on behalf of the individual of  
9           the principal, interest, and related expenses on gov-  
10          ernment and commercial loans received by the indi-  
11          vidual regarding the undergraduate or graduate edu-  
12          cation of the individual (or both), which loans were  
13          made for—

14                   “(A) tuition expenses; or

15                   “(B) all other reasonable educational ex-  
16                   penses, including fees, books, and laboratory ex-  
17                   penses, incurred by the individual.

18           “(2) PAYMENTS FOR YEARS SERVED.—

19           “(A) IN GENERAL.—For each year of obli-  
20           gated service that an individual contracts to  
21           serve under subsection (d) the Secretary may  
22           pay up to \$35,000 on behalf of the individual  
23           for loans described in paragraph (1). With re-  
24           spect to participants under the Program whose  
25           total eligible loans are less than \$105,000, the

1 Secretary shall pay an amount that does not ex-  
2 ceed 1/3 of the eligible loan balance for each  
3 year of obligated service of the individual.

4 “(B) REPAYMENT SCHEDULE.—Any ar-  
5 rangement made by the Secretary for the mak-  
6 ing of loan repayments in accordance with this  
7 subsection shall provide that any repayments  
8 for a year of obligated service shall be made no  
9 later than the end of the fiscal year in which  
10 the individual completes such year of service.

11 “(3) TAX LIABILITY.—For the purpose of pro-  
12 viding reimbursements for tax liability resulting  
13 from payments under paragraph (2) on behalf of an  
14 individual—

15 “(A) the Secretary shall, in addition to  
16 such payments, make payments to the indi-  
17 vidual in an amount not to exceed 39 percent  
18 of the total amount of loan repayments made  
19 for the taxable year involved; and

20 “(B) may make such additional payments  
21 as the Secretary determines to be appropriate  
22 with respect to such purpose.

23 “(4) PAYMENT SCHEDULE.—The Secretary  
24 may enter into an agreement with the holder of any  
25 loan for which payments are made under the Pro-

1       gram to establish a schedule for the making of such  
2       payments.

3       “(f) POSTPONING OBLIGATED SERVICE.—With re-  
4       spect to an individual receiving a degree or certificate from  
5       a school of medicine, public health, nursing, osteopathic  
6       medicine, dentistry, veterinary medicine, optometry, po-  
7       diatry, pharmacy, psychology, or social work, the date of  
8       the initiation of the period of obligated service may be  
9       postponed, upon the submission by the individual of a peti-  
10      tion for such postponement and approval by the Secretary,  
11      to the date on which the individual completes an approved  
12      internship, residency, or other relevant public health pre-  
13      paredness advanced training program.

14      “(g) ADMINISTRATIVE PROVISIONS.—

15           “(1) HIRING PRIORITY.—Notwithstanding any  
16           other provision of law, Federal, State, and local pub-  
17           lic health agencies may give hiring priority to any  
18           individual who has qualified for and is willing to exe-  
19           cute a contract to participate in the Program.

20           “(2) EMPLOYMENT CEILINGS.—Notwith-  
21           standing any other provision of law, individuals who  
22           have entered into written contracts with the Sec-  
23           retary under this section, who are serving as full-  
24           time employees of a State or local public health  
25           agency, or who are in the last year of public health

1 workforce academic preparation, shall not be counted  
2 against any employment ceiling affecting the Depart-  
3 ment or any other Federal agency.

4 “(h) BREACH OF CONTRACT.—An individual who  
5 fails to comply with the contract entered into under sub-  
6 section (d) shall be subject to the same financial penalties  
7 as provided for under section 338E for breaches of loan  
8 repayment contracts under section 338B.

9 **“SEC. 782. GRANTS FOR STATE AND LOCAL PROGRAMS.**

10 “(a) IN GENERAL.—For the purpose of operating  
11 State and local public health workforce loan repayment  
12 programs, the Secretary shall award a grant to any public  
13 health agency that receives public health preparedness co-  
14 operative agreements, or other successor cooperative  
15 agreements, from the Department of Health and Human  
16 Services.

17 “(b) REQUIREMENTS.—A State or local loan repay-  
18 ment program operated with a grant under subsection (a)  
19 shall incorporate all provisions of the Public Health Work-  
20 force Loan Repayment Program under section 781, in-  
21 cluding the ability to designate priority service areas with-  
22 in the relevant political jurisdiction.

23 “(c) ADMINISTRATION.—The head of the State or  
24 local office that receives a grant under subsection (a) shall

1 be responsible for contracting and operating the loan re-  
2 payment program under the grant.

3 “(d) **RULE OF CONSTRUCTION.**—Nothing in this sec-  
4 tion shall be construed to obligate or limit any State or  
5 local government entity from implementing independent or  
6 supplemental public health workforce development pro-  
7 grams within their borders.

8 **“SEC. 783. AUTHORIZATION OF APPROPRIATIONS.**

9 “(a) **SCHOLARSHIP PROGRAM.**—For the purpose of  
10 carrying out section 780, there is authorized to be appro-  
11 priated \$35,000,000 for fiscal year 2004, and such sums  
12 as may be necessary for each of fiscal years 2005 through  
13 2009.

14 “(b) **LOAN REPAYMENT PROGRAMS.**—

15 “(1) **IN GENERAL.**—For the purpose of car-  
16 rying out sections 781 and 782, there is authorized  
17 to be appropriated \$195,000,000 for fiscal year  
18 2004, and such sums as may be necessary for each  
19 of fiscal years 2005 through 2009.

20 “(2) **ALLOCATION.**—Not less than 80 percent  
21 of the amount appropriated under paragraph (1) in  
22 each fiscal year shall be made available to carry out  
23 section 782.

1 **“SEC. 784. SEVERABILITY.**

2        “If any provision of this subpart, or the application  
3 of such provision to any person or circumstance, is held  
4 to be unconstitutional, the remainder of this subpart and  
5 the application of the provisions of this subpart to any  
6 person or circumstance shall not be affected thereby.”.

○