

100-177 and classified to section 254r of this title, prior to repeal by Pub. L. 100-713, title I, §104(b)(1), Nov. 23, 1988, 102 Stat. 4787.

Another prior section 338G of act July 1, 1944, was classified to section 254q of this title prior to repeal by Pub. L. 100-177, title II, §203, Dec. 1, 1987, 101 Stat. 999.

AMENDMENTS

1990—Subsec. (a)(1). Pub. L. 101-597, §401(b)[(a)], substituted reference to health professional shortage area for reference to health manpower shortage area.

1987—Subsec. (a). Pub. L. 100-177, §309(1), substituted subsec. (a) consisting of pars. (1) to (3) for former subsec. (a) consisting of pars. (1) and (2).

Subsec. (b). Pub. L. 100-177, §309(1), added subsec. (b) and struck out former subsec. (b) which read as follows: “The amount of the grant or loan under subsection (a) of this section to an individual shall be—

“(1) \$12,500 if the individual agrees to practice his profession in accordance with the agreement for a period of at least one year, but less than two years; or

“(2) \$25,000 if the individual agrees to practice his profession in accordance with the agreement for a period of at least two years.”

Subsec. (c). Pub. L. 100-177, §309(2), struck out “grant or” before “loan” in first sentence.

Subsec. (d)(1). Pub. L. 100-177, §309(3), substituted “under this section (as in effect prior to October 1, 1984)” for “under this section”, and made technical amendment to reference to section 254o(b) of this title to reflect renumbering of corresponding section of original act.

1983—Subsec. (d)(1). Pub. L. 97-414 substituted “section 254o(b)” for “section 254o(c)”.

1981—Subsec. (a). Pub. L. 97-35, §2709(f)(2)–(4), made numerous changes to reflect renumbering of subpart sections, among them inserting references to section 254k of this title and striking out references to section 294v of this title, and added applicability to loans.

Subsec. (b). Pub. L. 97-35, §2709(f)(5), inserted applicability to loans.

Subsec. (c). Pub. L. 97-35, §2709(f)(6), inserted provisions relating to loans and interest rates, etc.

Subsec. (d). Pub. L. 97-35, §2709(f)(7), restructured and revised criteria determining amount of liability of individual within 60 days after the date of notice instead of within 120 days after the date of notice.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective Oct. 1, 1977, see section 408(b)(1) of Pub. L. 94-484, set out in part as a note under section 254l of this title.

EFFECTIVE DATE; SAVINGS PROVISION; CREDIT FOR PERIOD OF INTERNSHIP OR RESIDENCY BEFORE SEPTEMBER 30, 1977, TOWARDS SERVICE OBLIGATION

See section 408(b)(2) of Pub. L. 94-484, set out as a note under section 254l of this title.

§ 254q. Authorization of appropriations

(a) Authorization of appropriations

For the purpose of carrying out this section,¹ there is authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the following:

- (1) For fiscal year 2010, \$320,461,632.
- (2) For fiscal year 2011, \$414,095,394.
- (3) For fiscal year 2012, \$535,087,442.
- (4) For fiscal year 2013, \$691,431,432.
- (5) For fiscal year 2014, \$893,456,433.
- (6) For fiscal year 2015, \$1,154,510,336.
- (7) For fiscal year 2016, and each subsequent fiscal year, the amount appropriated for the

¹ So in original. Probably should be “subpart.”

preceding fiscal year adjusted by the product of—

(A) one plus the average percentage increase in the costs of health professions education during the prior fiscal year; and

(B) one plus the average percentage change in the number of individuals residing in health professions shortage areas designated under section 254f of this title during the prior fiscal year, relative to the number of individuals residing in such areas during the previous fiscal year.

(b) Scholarships for new participants

Of the amounts appropriated under subsection (a) for a fiscal year, the Secretary shall obligate not less than 10 percent for the purpose of providing contracts for—

(1) scholarships under this subpart to individuals who have not previously received such scholarships; or

(2) scholarships or loan repayments under the Loan Repayment Program under section 254l-1 of this title to individuals from disadvantaged backgrounds.

(c) Scholarships and loan repayments

With respect to certification as a nurse practitioner, nurse midwife, or physician assistant, the Secretary shall, from amounts appropriated under subsection (a) for a fiscal year, obligate not less than a total of 10 percent for contracts for both scholarships under the Scholarship Program under section 254l of this title and loan repayments under the Loan Repayment Program under section 254l-1 of this title to individuals who are entering the first year of a course of study or program described in section 254l(b)(1)(B) of this title that leads to such a certification or individuals who are eligible for the loan repayment program as specified in section 254l-1(b) of this title for a loan related to such certification.

(July 1, 1944, ch. 373, title III, §338H, formerly §338G, as added Pub. L. 100-177, title II, §203, Dec. 1, 1987, 101 Stat. 999; renumbered §338H and amended Pub. L. 101-597, title II, §§204, 205, Nov. 16, 1990, 104 Stat. 3027, 3028; Pub. L. 107-251, title III, §314, Oct. 26, 2002, 116 Stat. 1652; Pub. L. 110-355, §3(a)(2), Oct. 8, 2008, 122 Stat. 3993; Pub. L. 111-148, title V, §5207, Mar. 23, 2010, 124 Stat. 612.)

Editorial Notes

PRIOR PROVISIONS

A prior section 254q, act July 1, 1944, ch. 373, title III, §338G, formerly title VII, §756, as added Oct. 12, 1976, Pub. L. 94-484, title IV, §408(b)(1), 90 Stat. 2288; renumbered §338F and amended Aug. 13, 1981, Pub. L. 97-35, title XXVII, §2709(a), (g), 95 Stat. 908, 912; renumbered §338G, Dec. 1, 1987, Pub. L. 100-177, title II, §201(2), 101 Stat. 992, authorized appropriations for fiscal years 1978 to 1987, prior to repeal by Pub. L. 100-177, §203.

A prior section 338H of act July 1, 1944, was renumbered section 338I by Pub. L. 101-597 and is classified to section 254q-1 of this title.

AMENDMENTS

2010—Subsec. (a). Pub. L. 111-148 amended subsec. (a) generally. Prior to amendment, subsec. (a) related to authorization of appropriations for the purposes of carrying out this subpart as follows: for fiscal year 2008,

\$131,500,000; for fiscal year 2009, \$143,335,000; for fiscal year 2010, \$156,235,150; for fiscal year 2011, \$170,296,310; and for fiscal year 2012, \$185,622,980.

2008—Subsec. (a). Pub. L. 110-355 substituted “appropriated—” for “appropriated \$146,250,000 for fiscal year 2002, and such sums as may be necessary for each of fiscal years 2003 through 2006.” and added pars. (1) to (5).

2002—Pub. L. 107-251 amended section generally. Prior to amendment, section related to annual report to Congress, authorization of appropriations for fiscal years 1991 through 2000, and reservation of percentage of appropriated amounts for scholarships for new participants and for first-year study in certain fields.

1990—Subsec. (a). Pub. L. 101-597, § 205(a), substituted “March 1” for “January 20” and “5 fiscal years” for “3 fiscal years” wherever appearing.

Subsec. (b). Pub. L. 101-597, § 205(b), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “There are authorized to be appropriated such sums as may be necessary for scholarships and loan repayments under this subpart.”

§ 254q-1. Grants to States for loan repayment programs

(a) In general

(1) Authority for grants

The Secretary, acting through the Administrator of the Health Resources and Services Administration, may make grants to States for the purpose of assisting the States in operating programs described in paragraph (2) in order to provide for the increased availability of primary health care services in health professional shortage areas. The National Advisory Council established under section 254j of this title shall advise the Administrator regarding the program under this section.

(2) Loan repayment programs

The programs referred to in paragraph (1) are, subject to subsection (c), programs of entering into contracts under which the State involved agrees to pay all or part of the principal, interest, and related expenses of the educational loans of health professionals in consideration of the professionals agreeing to provide primary health services in health professional shortage areas.

(3) Direct administration by State agency

The Secretary may not make a grant under paragraph (1) unless the State involved agrees that the program operated with the grant will be administered directly by a State agency.

(b) Requirement of matching funds

(1) In general

The Secretary may not make a grant under subsection (a) unless the State agrees that, with respect to the costs of making payments on behalf of individuals under contracts made pursuant to paragraph (2) of such subsection, the State will make available (directly or through donations from public or private entities) non-Federal contributions in cash toward such costs in an amount equal to not less than \$1 for each \$1 of Federal funds provided in the grant.

(2) Determination of amount of non-Federal contribution

In determining the amount of non-Federal contributions in cash that a State has pro-

vided pursuant to paragraph (1), the Secretary may not include any amounts provided to the State by the Federal Government.

(c) Coordination with Federal program

(1) Assignments for health professional shortage areas under Federal program

The Secretary may not make a grant under subsection (a) unless the State involved agrees that, in carrying out the program operated with the grant, the State will assign health professionals participating in the program only to public and nonprofit private entities located in and providing health services in health professional shortage areas.

(2) Remedies for breach of contracts

The Secretary may not make a grant under subsection (a) unless the State involved agrees that the contracts provided by the State pursuant to paragraph (2) of such subsection will provide remedies for any breach of the contracts by the health professionals involved.

(3) Limitation regarding contract inducements

(A) Except as provided in subparagraph (B), the Secretary may not make a grant under subsection (a) unless the State involved agrees that the contracts provided by the State pursuant to paragraph (2) of such subsection will not be provided on terms that are more favorable to health professionals than the most favorable terms that the Secretary is authorized to provide for contracts under the Loan Repayment Program under section 254l-1 of this title, including terms regarding—

(i) the annual amount of payments provided on behalf of the professionals regarding educational loans; and

(ii) the availability of remedies for any breach of the contracts by the health professionals involved.

(B) With respect to the limitation established in subparagraph (A) regarding the annual amount of payments that may be provided to a health professional under a contract provided by a State pursuant to subsection (a)(2), such limitation shall not apply with respect to a contract if—

(i) the excess of such annual payments above the maximum amount authorized in section 254l-1(g)(2)(A) of this title for annual payments regarding contracts is paid solely from non-Federal contributions under subsection (b); and

(ii) the contract provides that the health professional involved will satisfy the requirement of obligated service under the contract solely through the provision of primary health services in a health professional shortage area that is receiving priority for purposes of section 254f-1(a)(1) of this title and that is authorized to receive assignments under section 254f of this title of individuals who are participating in the Scholarship Program under section 254l of this title.

(d) Restrictions on use of funds

The Secretary may not make a grant under subsection (a) unless the State involved agrees that the grant will not be expended—

(1) to conduct activities for which Federal funds are expended—