

be necessary for each of fiscal years 2007 through 2010.

(July 1, 1944, ch. 373, title III, §338I, formerly §338H, as added Pub. L. 100-177, title II, §203, Dec. 1, 1987, 101 Stat. 999; renumbered §338I and amended Pub. L. 101-597, title II, §204, title III, §301, title IV, §401(b)[(a)], Nov. 16, 1990, 104 Stat. 3027, 3029, 3035; Pub. L. 105-392, title IV, §408, Nov. 13, 1998, 112 Stat. 3589; Pub. L. 107-251, title III, §315, Oct. 26, 2002, 116 Stat. 1653; Pub. L. 109-417, title II, §203(b), Dec. 19, 2006, 120 Stat. 2849; Pub. L. 110-355, §3(e), Oct. 8, 2008, 122 Stat. 3994.)

#### Editorial Notes

##### REFERENCES IN TEXT

Section 254c of this title, referred to in subsec. (d)(1)(A), was in the original a reference to section 330, meaning section 330 of act July 1, 1944, which was omitted in the general amendment of subpart I (§254b et seq.) of this part by Pub. L. 104-299, §2, Oct. 11, 1996, 110 Stat. 3626. Sections 2 and 3(a) of Pub. L. 104-299 enacted new sections 330 and 330A of act July 1, 1944, which are classified, respectively, to sections 254b and 254c of this title.

##### PRIOR PROVISIONS

A prior section 338I of act July 1, 1944, was 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.

##### AMENDMENTS

2008—Subsec. (h). Pub. L. 110-355, §3(e)(1), substituted “50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, Palau, the Marshall Islands, and the Commonwealth of the Northern Mariana Islands” for “several States”.

Subsec. (i)(1). Pub. L. 110-355, §3(e)(2), substituted “2008, and such sums as may be necessary for each of fiscal years 2009 through 2012.” for “2002 and such sums as may be necessary for each of fiscal years 2003 through 2006.”

2006—Subsec. (j). Pub. L. 109-417 added subsec. (j).

2002—Subsec. (a)(1). Pub. L. 107-251, §315(1), added par. (1) and struck out heading and text of former par. (1). Text read as follows: “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 services in health professional shortage areas.”

Subsec. (e)(1). Pub. L. 107-251, §315(2), added par. (1) and struck out former par. (1) which read as follows: “to submit to the Secretary reports providing the same types of information regarding the program operated pursuant to such subsection as reports submitted pursuant to subsection (i) of section 254l-1 of this title provide regarding the Loan Repayment Program under such section; and”.

Subsec. (i)(1). Pub. L. 107-251, §315(3), added par. (1) and struck out heading and text of former par. (1). Text read as follows: “For the purpose of making grants under subsection (a) of this section, there is authorized to be appropriated \$10,000,000 for each of the fiscal years 1991 through 1995, and such sums as may be necessary for each of the fiscal years 1998 through 2002.”

1998—Subsec. (i)(1). Pub. L. 105-392 inserted “, and such sums as may be necessary for each of the fiscal years 1998 through 2002” before period at end.

1990—Pub. L. 101-597, §401(b)[(a)], substituted reference to health professional shortage area for reference to health manpower shortage area wherever appearing in subssecs. (a)(1), (2) and (c)(1), (3)(B)(ii).

Pub. L. 101-597, §301, amended section generally, substituting present provisions for provisions which re-

lated to: in subsec. (a), grants; in subsec. (b), applications; in subsec. (c), Federal share; and in subsec. (d), authorization of appropriations.

#### § 254r. Grants to State Offices of Rural Health

##### (a) In general

The Secretary, acting through the Director of the Federal Office of Rural Health Policy (established under section 912 of this title), shall make grants to each State Office of Rural Health for the purpose of improving health care in rural areas.

##### (b) Requirement of matching funds

###### (1) In general

Subject to paragraph (2), the Secretary may not make a grant under subsection (a) unless the State office of rural health involved agrees, with respect to the costs to be incurred in carrying out the purpose described in such subsection, to provide non-Federal contributions toward such costs in an amount equal to \$3 for each \$1 of Federal funds provided in the grant.

###### (2) Waiver or reduction

The Secretary may waive or reduce the non-Federal contribution if the Secretary determines that requiring matching funds would limit the State office of rural health’s ability to carry out the purpose described in subsection (a).

##### (3) Determination of amount of non-Federal contribution

Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

##### (c) Certain required activities

Recipients of a grant under subsection (a) shall use the grant funds for purposes of—

(1) maintaining within the State office of rural health a clearinghouse for collecting and disseminating information on—

(A) rural health care issues;

(B) research findings relating to rural health care; and

(C) innovative approaches to the delivery of health care in rural areas;

(2) coordinating the activities carried out in the State that relate to rural health care, including providing coordination for the purpose of avoiding redundancy in such activities; and

(3) identifying Federal and State programs regarding rural health, and providing technical assistance to public and nonprofit private entities regarding participation in such programs.

##### (d) Requirement regarding annual budget for office

The Secretary may not make a grant under subsection (a) unless the State involved agrees that, for any fiscal year for which the State office of rural health receives such a grant, the office operated pursuant to subsection (a) of this

section will be provided with an annual budget of not less than \$150,000.

**(e) Certain uses of funds**

**(1) Restrictions**

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

(A) to provide health care (including providing cash payments regarding such care);

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

(i) within the State to provide technical and other nonfinancial assistance under section 254c(f) of this title;

(ii) under a memorandum of agreement entered into with the State office of rural health under section 254c(h) of this title; or

(iii) under a grant under section 254q-1 of this title;

(C) to purchase medical equipment, to purchase ambulances, aircraft, or other vehicles, or to purchase major communications equipment;

(D) to purchase or improve real property; or

(E) to carry out any activity regarding a certificate of need.

**(2) Authorities**

Activities for which a State office of rural health may expend a grant under subsection (a) include—

(A) paying the costs of maintaining an office of rural health for purposes of subsection (a);

(B) subject to paragraph (1)(B)(iii), paying the costs of any activity carried out with respect to recruiting and retaining health professionals to serve in rural areas of the State; and

(C) providing grants and contracts to public and nonprofit private entities to carry out activities authorized in this section.

**(3) Limit on indirect costs**

The Secretary may impose a limit of no more than 15 percent on indirect costs claimed by the recipient of the grant.

**(f) Reports**

The Secretary may not make a grant under subsection (a) unless the State office of rural health involved agrees—

(1) to submit to the Secretary reports or performance data containing such information as the Secretary may require regarding activities carried out under this section; and

(2) to submit such a report or performance data not later than September 30 of each fiscal year immediately following any fiscal year for which the State office of rural health has received such a grant.

**(g) Requirement of application**

The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances,

and information as the Secretary determines to be necessary to carry out such subsection.

**(h) Noncompliance**

The Secretary may not make payments under subsection (a) to a State office of rural health for any fiscal year subsequent to the first fiscal year of such payments unless the Secretary determines that, for the immediately preceding fiscal year, the State office of rural health has complied with each of the agreements made by the State office of rural health under this section.

**(i) Authorization of appropriations**

**(1) In general**

For the purpose of making grants under subsection (a), there are authorized to be appropriated \$12,500,000 for each of fiscal years 2023 through 2027.

**(2) Availability**

Amounts appropriated under paragraph (1) shall remain available until expended.

(July 1, 1944, ch. 373, title III, §338J, as added Pub. L. 101-597, title III, §302, Nov. 16, 1990, 104 Stat. 3032; amended Pub. L. 105-392, title III, §301, Nov. 13, 1998, 112 Stat. 3585; Pub. L. 115-408, §2, Dec. 31, 2018, 132 Stat. 5384; Pub. L. 117-356, §2, Jan. 5, 2023, 136 Stat. 6282.)

**Editorial Notes**

**PRIOR PROVISIONS**

A prior section 254r, act July 1, 1944, ch. 373, title III, §338I, formerly title VII, §757, as added Aug. 1, 1977, Pub. L. 95-83, title III, §307(n)(1), 91 Stat. 392; amended Dec. 17, 1980, Pub. L. 96-537, §3(d), 94 Stat. 3174; renumbered §338G, Aug. 13, 1981, Pub. L. 97-35, title XXVII, §2709(a), 95 Stat. 908; Oct. 30, 1984, Pub. L. 98-551, §3, 98 Stat. 2817; renumbered §338I, Dec. 1, 1987, Pub. L. 100-177, title II, §201(1), 101 Stat. 992; Nov. 4, 1988, Pub. L. 100-607, title VI, §629(a)(3), 102 Stat. 3146, which related to Indian Health Scholarships and was classified to section 294y-1 of this title prior to renumbering by Pub. L. 97-35, was repealed by Pub. L. 100-713, title I, §104(b)(1), Nov. 23, 1988, 102 Stat. 4787. For provisions continuing scholarships provided on or before Nov. 23, 1988, see section 104(b)(2) of Pub. L. 100-713.

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

**AMENDMENTS**

2023—Subsec. (i)(1). Pub. L. 117-356 substituted “fiscal years 2023 through 2027” for “fiscal years 2018 through 2022”.

2018—Pub. L. 115-408 amended section generally. Prior to amendment, section related to grants to States for operation of offices of rural health.

1998—Subsec. (b)(1). Pub. L. 105-392, §301(1), struck out “in cash” after “contributions” in introductory provisions.

Subsec. (j)(1). Pub. L. 105-392, §301(2), struck out “and” after “1992,” and inserted before period at end “, and such sums as may be necessary for each of the fiscal years 1998 through 2002”.

Subsec. (k). Pub. L. 105-392, §301(3), substituted “\$36,000,000” for “\$10,000,000”.

**Statutory Notes and Related Subsidiaries**

**COMMUNICATIONS FOR RURAL HEALTH PROVIDERS**

Pub. L. 102-538, title I, §154, formerly §134, Oct. 27, 1992, 106 Stat. 3541, renumbered §154 by Pub. L. 103-66,

title VI, § 6001(a)(2), Aug. 10, 1993, 107 Stat. 379, directed Secretary of Commerce, in conjunction with Secretary of Health and Human Services, to establish an advisory panel to develop recommendations for the improvement of rural health care through the collection of information needed by providers and the improvement in the use of communications to disseminate such information and, not later than 1 year after establishment of Panel to prepare and submit to Congress a report summarizing the recommendations made by the Panel.

Similar provisions were contained in Pub. L. 101-555, § 3, Nov. 15, 1990, 104 Stat. 2760.

#### § 254s. Native Hawaiian Health Scholarships

##### (a) Eligibility

Subject to the availability of funds appropriated under the authority of subsection (d), the Secretary shall provide funds to Papa Ola Lokahi for the purpose of providing scholarship assistance to students who—

- (1) meet the requirements of section 254l(b) of this title, and
- (2) are Native Hawaiians.

##### (b) Terms and conditions

(1) The scholarship assistance provided under subsection (a) shall be provided under the same terms and subject to the same conditions, regulations, and rules that apply to scholarship assistance provided under section 254l of this title.

(2) The Native Hawaiian Health Scholarship program shall not be administered by or through the Indian Health Service.

##### (c) “Native Hawaiian” defined

For purposes of this section, the term “Native Hawaiian” means any individual who is—

- (1) a citizen of the United States,
- (2) a resident of the State of Hawaii, and
- (3) a descendant of the aboriginal people, who prior to 1778, occupied and exercised sovereignty in the area that now constitutes the State of Hawaii, as evidenced by—
  - (A) genealogical records,
  - (B) Kupuna (elders) or Kama’aina (long-term community residents) verification, or
  - (C) birth records of the State of Hawaii.

##### (d) Authorization of appropriations

There are authorized to be appropriated \$1,800,000 for each of the fiscal years 1990, 1991, and 1992 for the purpose of funding the scholarship assistance provided under subsection (a).

(July 1, 1944, ch. 373, title III, § 338K, formerly § 338J, as added Pub. L. 100-713, title I, § 106, Nov. 23, 1988, 102 Stat. 4787; renumbered § 338K, Pub. L. 101-597, title III, § 302, Nov. 16, 1990, 104 Stat. 3032; amended Pub. L. 101-644, title IV, § 401, Nov. 29, 1990, 104 Stat. 4668; Pub. L. 107-116, title V, § 514(b), Jan. 10, 2002, 115 Stat. 2220.)

#### Editorial Notes

##### AMENDMENTS

2002—Subsec. (a). Pub. L. 107-116, which directed the amendment of subsec. (a) by substituting “Papa Ola Lokahi” for “Kamehameha School/Bishop Estate”, was executed by making the substitution for “Kamehameha Schools/Bishop Estate” to reflect the probable intent of Congress.

1990—Subsec. (a). Pub. L. 101-644, which directed the general amendment of subsec. (a) of section 338J of the Public Health Service Act, was executed to subsec. (a)

of this section, to reflect the probable intent of Congress and the intervening renumbering of section 338J as 338K by Pub. L. 101-597. Prior to amendment, subsec. (a) read as follows: “Subject to the availability of funds appropriated under the authority of subsection (d) of this section, the Secretary shall provide scholarship assistance, pursuant to a contract with the Kamehameha Schools/Bishop Estate, to students who—

- “(1) meet the requirements of section 254l(b) of this title, and
- “(2) are Native Hawaiians.”

#### § 254t. Demonstration project

##### (a) Program authorized

The Secretary shall establish a demonstration project to provide for the participation of individuals who are chiropractic doctors or pharmacists in the Loan Repayment Program described in section 254l-1 of this title.

##### (b) Procedure

An individual that receives assistance under this section with regard to the program described in section 254l-1 of this title shall comply with all rules and requirements described in such section (other than subparagraphs (A) and (B) of section 254l-1(b)(1) of this title) in order to receive assistance under this section.

##### (c) Limitations

###### (1) In general

The demonstration project described in this section shall provide for the participation of individuals who shall provide services in rural and urban areas.

###### (2) Availability of other health professionals

The Secretary may not assign an individual receiving assistance under this section to provide obligated service at a site unless—

(A) the Secretary has assigned a physician (as defined in section 1395x(r) of this title) or other health professional licensed to prescribe drugs to provide obligated service at such site under section 254m or 254n of this title; and

(B) such physician or other health professional will provide obligated service at such site concurrently with the individual receiving assistance under this section.

###### (3) Rules of construction

###### (A) Supervision of individuals

Nothing in this section shall be construed to require or imply that a physician or other health professional licensed to prescribe drugs must supervise an individual receiving assistance under the demonstration project under this section, with respect to such project.

###### (B) Licensure of health professionals

Nothing in this section shall be construed to supersede State law regarding licensure of health professionals.

##### (d) Designations

The demonstration project described in this section, and any providers who are selected to participate in such project, shall not be considered by the Secretary in the designation of a health professional shortage area under section 254e of this title during fiscal years 2002 through 2004.