

Editorial Notes

REFERENCES IN TEXT

Section 297c of this title, referred to in subsec. (a)(2)(A), was repealed by Pub. L. 105-392, title I, §123(3), Nov. 13, 1998, 112 Stat. 3562.

AMENDMENTS

2010—Subsecs. (a)(3), (c). Pub. L. 111-148 substituted “this part” for “this subpart”.

1992—Subsec. (a)(3). Pub. L. 102-408 struck out “(A)” after “(3)”, substituted “available for allotment until expended.” for “available for allotment in such fiscal year and in the fiscal year succeeding the fiscal year.” and “this subpart.” for “this subpart, except that in making such allotments, the Secretary shall give priority to schools of nursing which established student loan funds under this subpart after September 30, 1975.”, and struck out subpar. (B) which read as follows: “With respect to funds available pursuant to subparagraph (A), any such funds returned to the Secretary and not allotted by the Secretary, during the period of availability specified in such subparagraph, shall be available to carry out section 297j of this title and, for such purpose, shall remain available until expended.”

1988—Subsec. (a)(3). Pub. L. 100-607 designated existing provisions as subpar. (A) and added subpar. (B).

1985—Subsec. (a). Pub. L. 99-92 amended subsec. (a) generally, substituting provisions relating to application for allotment, reduction or adjustment of amount requested in application, reallocation, and availability of funds for allotment during fiscal years for provisions relating to determination of amount of allotment.

Subsec. (b). Pub. L. 99-92 amended subsec. (b) generally, substituting provisions relating to payment to a loan fund of a school of allotments for provisions relating to application for allotment, adjustment or reduction of amount requested in application, and reallocation.

1975—Subsec. (a). Pub. L. 94-63, §941(h)(1), (4)(A)(i), (i)(4), substituted “subpart” for “part” wherever appearing, struck out “(whether as Federal capital contributions or as loans to schools under section 297f of this title)” before “which are in excess”, and substituted references to section 847 of the Act for references to section 824, which had previously been translated as section 297c of this title, requiring no further translations in text as a result of renumbering of the Public Health Service Act.

Subsec. (b)(1). Pub. L. 94-63, §941(h)(4)(A)(ii), struck out “, and for loans pursuant to section 297f of this title,” after “contributions”.

Subsec. (b)(2). Pub. L. 94-63, §941(h)(2), struck out “of Health, Education, and Welfare” after “Secretary”.

Subsec. (c). Pub. L. 94-63, §941(h)(1), substituted “subpart” for “part”.

1968—Subsec. (a). Pub. L. 90-490 substituted a new formula for distribution of Federal funds among schools of nursing by providing for allotment of funds among the schools entirely on the basis of their relative enrollments for former provisions which allocated funds among the States, 50 per centum on the basis of relative number of high school graduates, and 50 per centum on the basis of relative number of students enrolled in schools of nursing, and provided for determination of number of persons enrolled in such schools for most recent year for which satisfactory data are available to the Secretary.

1966—Subsec. (a). Pub. L. 89-751, §6(c)(1), authorized allotment of appropriations for payment as Federal capital contributions or as loans to schools under section 297f of this title, and directed that funds available in any fiscal year for payment to schools under this part (whether as Federal capital contributions or as loans to schools under section 297f of this title) which are in excess of the amount appropriated pursuant to section 297c of this title for that year shall be allotted among States and among schools within States in such manner as the Secretary determines will best carry out the purposes of this part.

Subsec. (b)(1). Pub. L. 89-751, §6(c)(2), substituted “schools of nursing in a State must file applications for Federal capital contributions, and for loans pursuant to section 297f of this title, from the allotment of such State under the first two sentences of subsection (a) of this section” for “schools of nursing with which he has in effect agreements under this part must file applications for Federal capital contributions to their loan funds pursuant to section 297a(b)(2)(A) of this title”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1988 AMENDMENT

Pub. L. 100-607, title VII, §713(h)(2), Nov. 4, 1988, 102 Stat. 3161, provided that: “Except as provided in Public Law 100-436 [Sept. 20, 1988, 102 Stat. 1680, see Tables for classification], the amendment made by paragraph (1) [amending this section] shall take effect as if such amendment had been effective on September 30, 1988, and as if section 843 of the Public Health Service Act [42 U.S.C. 297j], as added by section 715 of this title, had been effective on such date.”

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99-92 effective Oct. 1, 1985, see section 10(a) of Pub. L. 99-92, set out as a note under section 297a of this title.

EFFECTIVE DATE OF 1975 AMENDMENT

Amendment by Pub. L. 94-63 effective July 1, 1975, see section 942 of Pub. L. 94-63, set out as a note under section 297a of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Pub. L. 89-751, §6(e)(1), Nov. 3, 1966, 80 Stat. 1236, provided that: “The amendments made by this section [amending this section and sections 297c, 297e, and 297f of this title] shall be effective in the case of payments to student loan funds made after the enactment of this Act [Nov. 3, 1966], except in the case of payments pursuant to commitments (made prior to enactment of this Act) to make loans under section 827 of the Public Health Service Act [42 U.S.C. 297f] as in effect prior to the enactment of this Act.”

APPLICABILITY OF REORG. PLAN NO. 3 OF 1966

Pub. L. 89-751, §9, Nov. 3, 1966, 80 Stat. 1240, provided that: “The amendments made by this Act [enacting former sections 295h to 295h-5 and 298c to 298c-8 of this title and amending this section, former sections 292b, 294d, 294n to 294p, 296, and 297c, section 297e, former section 297f, and section 298 of this title, and section 1717 of Title 12, Banks and Banking] shall be subject to the provisions of Reorganization Plan Numbered 3 of 1966 [42 U.S.C. 202 note].”

§ 297e. Distribution of assets from loan funds**(a) Capital distribution of balance of loan fund**

If a school terminates a loan fund established under an agreement pursuant to section 297a(b) of this title, or if the Secretary for good cause terminates the agreement with the school, there shall be a capital distribution as follows:

(1) The Secretary shall first be paid an amount which bears the same ratio to such balance in such fund on the date of termination of the fund as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 297a(b)(2)(A) of this title bears to the total amount in such fund derived from such Federal capital contributions and from funds deposited therein pursuant to section 297a(b)(2)(B) of this title.

(2) The remainder of such balance shall be paid to the school.

(b) Payment of principal or interest on loans

If a capital distribution is made under subsection (a), the school involved shall, after such capital distribution, pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by the school in payment of principal or interest on loans made from the loan fund established under section 297a(b) of this title as determined by the Secretary under subsection (a).

(c) Payment of balance of loan fund

(1) Within 90 days after the termination of any agreement with a school under section 297a of this title or the termination in any other manner of a school's participation in the loan program under this part,¹ such school shall pay to the Secretary from the balance of the loan fund of such school established under section 297a of this title, an amount which bears the same ratio to the balance in such fund on the date of such termination as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 297a(b)(2)(A) of this title bears to the total amount in such fund on such date derived from such Federal capital contributions and from funds deposited in the fund pursuant to section 297a(b)(2)(B) of this title. The remainder of such balance shall be paid to the school.

(2) A school to which paragraph (1) applies shall pay to the Secretary after the date on which payment is made under such paragraph and not less than quarterly, the same proportionate share of amounts received by the school after the date of termination referred to in paragraph (1) in payment of principal or interest on loans made from the loan fund as was determined for the Secretary under such paragraph.

(July 1, 1944, ch. 373, title VIII, § 839, formerly § 826, as added Pub. L. 88-581, § 2, Sept. 4, 1964, 78 Stat. 916; amended Pub. L. 89-751, § 6(d), Nov. 3, 1966, 80 Stat. 1235; Pub. L. 90-490, title II, § 222(f), Aug. 16, 1968, 82 Stat. 785; Pub. L. 92-52, § 3(b), July 9, 1971, 85 Stat. 145; Pub. L. 92-158, § 6(d)(1), Nov. 18, 1971, 85 Stat. 478; renumbered § 839 and amended Pub. L. 94-63, title IX, §§ 936(d), 941(h)(1), (2), (4)(B), (i)(1), (5), July 29, 1975, 89 Stat. 363, 365, 366; Pub. L. 96-32, § 7(j), July 10, 1979, 93 Stat. 84; Pub. L. 96-76, title I, § 109(c), Sept. 29, 1979, 93 Stat. 580; Pub. L. 97-35, title XXVII, § 2757(d), Aug. 13, 1981, 95 Stat. 931; Pub. L. 99-92, § 8(f), Aug. 16, 1985, 99 Stat. 399; Pub. L. 100-607, title VII, § 713(i), Nov. 4, 1988, 102 Stat. 3161; Pub. L. 102-408, title II, § 208(b), Oct. 13, 1992, 106 Stat. 2075; Pub. L. 105-392, title I, § 133(e), Nov. 13, 1998, 112 Stat. 3577; Pub. L. 111-148, title V, § 5310(b)(5), Mar. 23, 2010, 124 Stat. 631.)

Editorial Notes**REFERENCES IN TEXT**

This part, referred to in subsec. (c)(1), was in the original "this subpart" and was translated to reflect the probable intent of Congress and the redesignation of subpart II of part B of this subchapter as part E of this subchapter by Pub. L. 105-392, title I, § 123(2), Nov. 13, 1998, 112 Stat. 3562.

¹ See References in Text note below.

AMENDMENTS

2010—Pub. L. 111-148 made technical amendment to section and subsec. (a) designations resulting in no change in text.

1998—Subsec. (a). Pub. L. 105-392, § 133(e)(1)(A), added introductory provisions and struck out former introductory provisions which read as follows: "After September 30, 1996, and not later than December 31, 1999, there shall be a capital distribution of the balance of the loan fund established under an agreement pursuant to section 297a of this title by each school as follows:".

Subsec. (a)(1). Pub. L. 105-392, § 133(e)(1)(B), substituted "on the date of termination of the fund" for "at the close of September 30, 1999,".

Subsec. (b). Pub. L. 105-392, § 133(e)(2), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: "After December 31, 1999, each school with which the Secretary has made an agreement under this subpart shall pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by the school after September 30, 1999, in payment of principal or interest on loans made from the loan fund established pursuant to such agreement as was determined for the Secretary under subsection (a) of this section."

1992—Subsec. (a). Pub. L. 102-408, § 208(b)(2), substituted "1999" for "1994" in introductory provisions and in par. (1).

Pub. L. 102-408, § 208(b)(1), substituted "1996" for "1991" in introductory provisions.

Subsec. (b). Pub. L. 102-408, § 208(b)(2), substituted "1999" for "1994" in two places.

1988—Subsec. (a). Pub. L. 100-607, § 713(i)(1)(A), which directed substitution of "1994" for "1991" in text preceding par. (1), was executed by making the substitution for "1991" the second time appearing to reflect the probable intent of Congress.

Subsec. (a)(1). Pub. L. 100-607, § 713(i)(1)(B), substituted "1994" for "1991".

Subsec. (b). Pub. L. 100-607, § 713(i)(2), substituted "1994" for "1991" in two places.

1985—Subsecs. (a), (b). Pub. L. 99-92, § 8(f)(1), substituted "1991" for "1987" wherever appearing.

Subsec. (c). Pub. L. 99-92, § 8(f)(2), added subsec. (c).

1981—Pub. L. 97-35 substituted "1987" for "1983" wherever appearing.

1979—Subsec. (a). Pub. L. 96-76, § 109(c)(1), substituted "September 30, 1983, and not later than December 31, 1983" for "September 30, 1980, and not later than December 31, 1981". Prior to amendment, subsec. (a) referred to "December 31, 1980" rather than to "December 31, 1981" as cited in directory language of Pub. L. 96-76. See below for explanation of amendment by Pub. L. 96-32.

Pub. L. 96-32 substituted "December 31, 1980" for "September 30, 1977".

Subsec. (a)(1). Pub. L. 96-76, § 109(c)(2), substituted "1983" for "1980".

Subsec. (b). Pub. L. 96-76, § 109(c)(3), substituted "1983" for "1980" wherever appearing.

1975—Subsec. (a). Pub. L. 94-63, §§ 936(d), 941(h)(2), (i)(5), substituted "September 30, 1980" for "June 30, 1977" wherever appearing, struck out "of Health, Education, and Welfare" after "Secretary", and substituted references to section 835 of the Act for references to section 822, which had previously been translated as section 297a of this title, requiring no further translations in text as a result of renumbering of the Public Health Service Act.

Subsec. (b). Pub. L. 94-63, §§ 936(d), 941(h)(1), (4)(B), substituted "subpart" for "part", "September 30, 1980" for "June 30, 1977", and "December 31, 1980" for "September 30, 1977" and struck out provisions relating to payments from revolving fund established by section 297f(d) of this title.

1971—Pub. L. 92-158 substituted "1977" for "1975" wherever appearing.

Pub. L. 92-52 substituted "1975" for "1974" wherever appearing.

1968—Pub. L. 90-490 substituted “1974” for “1972” wherever appearing.

1966—Subsec. (a). Pub. L. 89-751, §6(d)(1), (2), substituted “an agreement pursuant to section 297a(b) of this title” for “this part” in opening provisions, and in par. (1) substituted “such balance” for “the balance”.

Subsec. (b). Pub. L. 89-751, §6(d)(3), inserted “(other than so much of such fund as relates to payments from the revolving fund established by section 297f(d) of this title)”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99-92 effective Oct. 1, 1985, see section 10(a) of Pub. L. 99-92, set out as a note under section 297a of this title.

EFFECTIVE DATE OF 1975 AMENDMENT

Amendment by section 936(d) of Pub. L. 94-63 effective July 1, 1975, see section 905 of Pub. L. 94-63, set out as a note under section 297a of this title.

Amendment by section 941(h)(1), (2), (4)(B), (i)(1), (5) of Pub. L. 94-63 effective July 1, 1975, see section 942 of Pub. L. 94-63, set out as a note under section 297a of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89-751 effective in the case of payments to student loan funds made after Nov. 3, 1966, except in the case of payments pursuant to commitments (made prior to Nov. 3, 1966) to make loans under section 297f of this title as in effect prior to Nov. 3, 1966, see section 6(e)(1) of Pub. L. 89-751, set out as a note under section 297d of this title.

§ 297f. Repealed. Pub. L. 94-63, title IX, §36(e)(1), July 29, 1975, 89 Stat. 363

Section, act July 1, 1944, ch. 373, title VIII, §827, as added Sept. 4, 1964, Pub. L. 88-581, §2, 78 Stat. 917; amended Nov. 3, 1966, Pub. L. 89-751, §6(a), 80 Stat. 1233; Aug. 16, 1968, Pub. L. 90-490, title II, §222(g), 82 Stat. 785; July 9, 1971, Pub. L. 92-52, §3(c), 85 Stat. 145; Nov. 18, 1971, Pub. L. 92-158, §6(d)(2), 85 Stat. 478, set out provisions relating to terms, conditions, limitations, manner of payment, etc., of loans to schools of nursing to capitalize student loan funds.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF REPEAL

Repeal effective July 1, 1975, see section 905 of Pub. L. 94-63, set out as an Effective Date of 1975 Amendment note under section 297a of this title.

AVAILABILITY OF NURSE TRAINING REVOLVING FUND FOR PAYMENT OF OBLIGATIONS DEPOSITS INTO FUND; TRANSFER OF EXCESS AMOUNTS TO GENERAL FUND OF TREASURY AUTHORIZATION OF APPROPRIATIONS

Pub. L. 94-63, title IX, §936(e)(2), (3), July 29, 1975, 89 Stat. 363, provided that:

“(2) The nurse training fund created within the Treasury by section 827(d)(1) of the Act [42 U.S.C. 297f(d)(1)] shall remain available to the Secretary of Health, Education, and Welfare [now Health and Human Services] for the purpose of meeting his responsibilities respecting participations in obligations acquired under section 827 of the Act [42 U.S.C. 297f]. The Secretary shall continue to deposit in such fund all amounts received by him as interest payments or repayments of principal on loans under such section 27[827]. If at any time the Secretary determines the moneys in the funds exceed the present and any reasonable prospective further requirements of such fund, such excess may be transferred to the general fund of the Treasury.

“(3) There are authorized to be appropriated without fiscal year limitation such sums as may be necessary to

enable the Secretary to make payments under agreements entered into under section 827(b) of the Act [42 U.S.C. 297f(b)] before the date of the enactment of this Act [July 29, 1975].”

CONVERSION OF FEDERAL CAPITAL CONTRIBUTION TO A LOAN UNDER SECTION 297f OF THIS TITLE

Pub. L. 89-751, §6(e)(2), Nov. 3, 1966, 80 Stat. 1236, authorized the Secretary of Health, Education, and Welfare to convert a Federal capital contribution to a student loan fund of a particular institution, made under this subchapter, from funds appropriated pursuant thereto for the fiscal year ending June 30, 1967, to a loan under section 297f of this title.

§ 297g. Modification of agreements; compromise, waiver or release

The Secretary may agree to modifications of agreements made under this part, and may compromise, waive, or release any right, title, claim, or demand of the United States arising or acquired under this part.

(July 1, 1944, ch. 373, title VIII, §840, formerly §828, as added Pub. L. 88-581, §2, Sept. 4, 1964, 78 Stat. 917; renumbered §840 and amended Pub. L. 94-63, title IX, §941(h)(1), (4)(C), (i)(1), July 29, 1975, 89 Stat. 365; Pub. L. 111-148, title V, §5310(b)(2), Mar. 23, 2010, 124 Stat. 631.)

Editorial Notes

AMENDMENTS

2010—Pub. L. 111-148 substituted “this part” for “this subpart” in two places.

1975—Pub. L. 94-63, §941(h)(1), (4)(C), substituted “subpart” for “part” in two places and struck out “or loans” after “agreements”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1975 AMENDMENT

Amendment by Pub. L. 94-63 effective July 1, 1975, see section 942 of Pub. L. 94-63, set out as a note under section 297a of this title.

§ 297h. Repealed. Pub. L. 99-92, § 9(a)(1), Aug. 16, 1985, 99 Stat. 400

Section, act July 1, 1944, ch. 373, title VIII, §841, formerly §829, as added Aug. 16, 1968, Pub. L. 90-490, title II, §222(h), 82 Stat. 785; renumbered §841 and amended July 29, 1975, Pub. L. 94-63, title IX, §941(i)(1), (6), 89 Stat. 365, 366, related to transfers to the scholarship program.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 1985, see section 10(a) of Pub. L. 99-92, set out as an Effective Date of 1985 Amendment note under section 297a of this title.

§ 297i. Procedures for appeal of terminations

In any case in which the Secretary intends to terminate an agreement with a school of nursing under this part, the Secretary shall provide the school with a written notice specifying such intention and stating that the school may request a formal hearing with respect to such termination. If the school requests such a hearing within 30 days after the receipt of such notice, the Secretary shall provide such school with a hearing conducted by an administrative law judge.