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PACKET VETOED  
(EFF. MIDNIGHT 1/4/75)  
MEMO OF DISAPPROVAL (DATED 1/24/75)  
ISSUED 1/3/75

THE WHITE HOUSE

ACTION

WASHINGTON

LAST DAY: January 4

December 31, 1974

MEMORANDUM FOR THE PRESIDENT

FROM: KEN COLE

SUBJECT: Enrolled Bill H.R. 17085 -- Nurse Training Act of 1974

BACKGROUND

H.R. 17085 would continue for Fiscal Years 1975, 1976, and 1977 the nurse training authorities of the Public Health Service Act originally designed to increase the supply of registered nurses. The bill would also expand the scope of existing authorities, provide continued high authorization levels and add new categorical programs for nurse practitioners and advanced nurse training.

The bill would authorize appropriations of \$654 million for Fiscal Years 1975 through 1977 compared to a spending level of about \$100 million planned by the Administration during the same period. If fully funded, the bill would add nearly \$140 million to the 1975 budget and \$185 million to the 1976 budget.

The Administration strongly opposed H.R. 17085, recommending instead that future assistance to nursing schools be in the form of grants on a special project basis. In an HEW letter to the House Minority Leader, these Administration objections were summarized, and it was stated that continued subsidies to encourage further expansion of nursing schools is certain to produce widespread unemployment of nurses. In fact, the aggregate supply is already close to if not already meeting aggregate market demand for staff registered nurses.

Additional information is provided in Paul O'Neill's enrolled bill report (Tab A).





### CURRENT SITUATION

Originally introduced in the House by Representative Rogers as a companion to his health manpower bill, H.R. 17085 was passed by voice vote on the final day of the 93rd Congress when House and Senate conferees were unable to reach agreement on broad health manpower legislation. Given this failure to agree, the health manpower debate will be resumed by the next Congress. Currently OMB and HEW are working to prepare legislation proposals for your consideration that would again address the health manpower problem in the broad context and support innovative projects for the health professions, including nursing.

### OPTIONS

1. Sign the bill.

PRO: Would be recognition of Congress' view that the Federal Government should continue to provide categorical support for nursing education.

CON: Would be inconsistent with the view that there is no shortage of active registered nurses and that Federal nurse training authority should be integrated with that for other health workers.

2. Withhold approval from the bill and issue the attached memorandum of disapproval.

PRO: Would be maintaining the position that nursing is an undergraduate field and that nursing students should seek Federal financial assistance from the general student aid programs of the Office of Education.

CON: Could be construed as lack of Administration commitment to an essential health profession.

### RECOMMENDATIONS

HEW (Weinberger): Disapproval -- "All of our information suggests that, far from being needed, increased enrollments are likely to mean increased nurse unemployment and training problems.

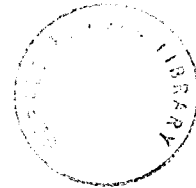


OMB (O'Neill): Disapproval -- "...there is little programmatic merit to H.R. 17085."  
Friedersdorf: Disapproval.  
(Vern Loen)  
Areeda: Approval -- "But veto if necessary to make our point."  
Cole: Disapproval.

DECISION: H.R. 17085

\_\_\_\_\_ 1. Sign  
(Tab C)

*DR7* 2. Pocket Veto  
(Sign Memorandum  
of Disapproval  
at Tab B)



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

DEC 29 1974

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 17085 - Nurse Training Act  
of 1974  
Sponsor - Rep. Rogers (D) Florida

Last Day for Action

January 4, 1975 - Saturday

Purpose

Extends for 3 years and expands the nurse training authorities of the Public Health Service Act; adds new nurse practitioner and advanced nurse training programs.

Agency Recommendations

Office of Management and Budget	Disapproval (Memorandum of Disapproval attached)
Department of Health, Education, and Welfare	Disapproval (Memorandum of Disapproval attached)

Discussion

H.R. 17085 would continue for fiscal years 1975, 1976, and 1977 the nurse training authorities of the Public Health Service (PHS) Act which are designed to increase the supply and improve the distribution of registered nurses. The bill would also expand the scope of the existing authorities, provide continued high authorization levels, and add new categorical programs for nurse practitioners and advanced nurse training.

H.R. 17085 was originally introduced in the House as a companion bill to H.R. 17084, Rep. Rogers' health manpower bill. Although both houses passed separate broad health



manpower legislation, House and Senate conferees were unable to reach agreement on a final health manpower bill. Strong efforts by various nursing groups to obtain enactment of nurse training legislation, however, coupled with the absence of major controversy between the two houses, resulted in Congressional approval of H.R. 17085 by voice vote on the final day of the 93rd Congress.

The Administration strongly opposed H.R. 17085, recommending instead that future assistance to nursing schools be in the form of grants on a special project basis. The Administration's health manpower bill would have terminated the separate categorical institutional and student aid programs for nursing schools. The Administration's position on H.R. 17085 was summarized in a December 4, 1974 letter from HEW to the House Minority Leader as follows:

"...we have continually objected to separate legislation for nurse training and a categorical program of subsidies to this undergraduate field. This bill not only continues separate capitation and special project support for nursing education, its total authorizations of \$142 million exceed the President's 1975 Budget by \$96.8 million. Continued capitation subsidies to encourage further expansion of nursing schools is certain to produce widespread unemployment of nurses. We must, therefore, oppose H.R. 17085 for its objectionable programmatic and budgetary features."

Major Provisions

The Administration proposed only (a) selective funding of special initiatives in nursing under the general health manpower authorities and (b) a gradual phaseout of categorical nursing student aid. The Administration explicitly did not seek an extension of any other nurse training programs.

The following is a summary of the major provisions of H.R. 17085.

Construction assistance. H.R. 17085 would continue the current program of construction grants and loan guarantees with interest subsidies through fiscal year 1977. The basic authority would remain essentially the same.



Capitation grants. The capitation grant program would be revised to provide higher capitation amounts for baccalaureate nursing programs (\$400 per student for baccalaureate programs, \$275 for associate degree programs, and \$250 for diploma hospital-based schools). In 1973, the actual capitation amount was less than \$200, based upon actual appropriations.

Financial distress. The financial distress grant program would be continued with a new requirement that the HEW Secretary must consult with the National Advisory Council on Nurse Training before approving or disapproving an application for a financial distress grant.

Special grants and contracts. Existing authority to make special project grants would be extended and revised to place emphasis on increasing nursing education opportunities for persons with disadvantaged backgrounds. At least 10 percent of the funds appropriated for these programs would be earmarked to identify and recruit disadvantaged students for nurse training. The bill would also revise the special projects authority to provide support for programs to upgrade nursing skills and to increase the supply of bilingual nurses. Again, the National Advisory Council on Nurse Training would be required to review all applications for project grants.

New nurse training programs. H.R. 17085 would authorize two new categorical programs--one for nurse practitioner training and one for advanced nurse training. The advanced nurse training program would be designed to emphasize the training of professional nurses to teach, to serve as administrators, or to practice in nursing specialties. Grants for the nurse practitioner program could be made to schools of medicine and to public health and public or nonprofit hospitals as well as to nursing schools. The bill would require HEW to prescribe guidelines for this program by March 1, 1975.

Assistance to nursing students. H.R. 17085 would continue for another three years the existing categorical programs of assistance to nursing students, including nurse traineeships, student scholarships, and student loans. The Administration has proposed to provide student aid through the needs-tested non-categorical programs of student assistance administered by HEW's Office of Education.



Other provisions. Among other general provisions, H.R. 17085 would limit the HEW Secretary's authority to decentralize the nurse training program by prohibiting grant or contract awards to be made by any HEW regional office. The bill would also require HEW to determine and report to Congress annually on the supply and distribution of nurses.

#### Budgetary impact

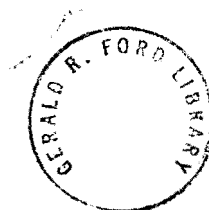
H.R. 17085 would authorize appropriations of \$654 million for fiscal years 1975 through 1977 compared to a spending level of about \$100 million planned by the Administration during the same period. A detailed comparison of authorization levels in H.R. 17085 and the proposed Administration budget estimates is provided in the Attachment.

#### Arguments for approval

1. Proponents of H.R. 17085 contend that a shortage of nurses nationwide and the need to upgrade and improve the quality of nursing education and training require the continuation of categorical Federal programs specifically designed to provide aid to nursing institutions and students. In urging the House to approve the bill, the Chairman of the House Subcommittee on Health stated: "This legislation builds upon the commitment by the Federal Government more than a decade ago that quality education is essential to the production of quality nurses and the recognition that the nursing profession is a vital asset to the health of this Nation."

2. Nursing schools, unlike medical schools, receive no significant amounts of research funds. Patient care dollars go to hospital-based schools only. It would be inequitable to support capitation and other forms of Federal support for medical schools, while denying it to nursing schools which are unable to obtain alternative sources of Federal funding.

3. The bulk of support for nursing schools comes from tuition and State and local funding. Since most nursing students come from low to middle income families, there are limits to how high tuition may be raised without cutting off opportunities for these students to enter nursing schools. Proponents of H.R. 17085 contend that Federal support for nursing education has made it possible for many young people to enter nursing who otherwise would not have been able to do so.





4. Approval of H.R. 17085 would not substantially alter the structure of current programs of Federal nurse training assistance. The bill's emphasis on targeting assistance to the disadvantaged, on retraining and advanced training, and on nurse practitioner programs would be consistent with Administration efforts to direct nurse training funds to areas of the greatest need.

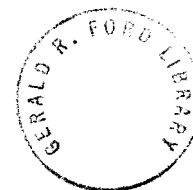
5. Disapproval of H.R. 17085 may be construed as a lack of commitment by the Administration to an important sector of the nation's health workers.

#### Arguments against approval

1. The alleged "shortage" of nurses nationwide cannot be reconciled with the recent large-scale increases in the numbers of active registered nurses: from 504,000 in 1959 to 777,000 in 1973, and projected by HEW to be from 1.0 to 1.1 million by 1980. This increased supply contradicts the basic argument that the proponents of nursing education have advanced to justify Federal operating subsidies to the nurse training institutions. Federal institutional operating subsidies provide only a small share of the average cost of educating nursing students and one-third of all nursing schools do not receive capitation support. Therefore Federal aid has not figured prominently in financing the large expansion in nurse training programs; the increased supply suggests that adequate incentives exist to attract sufficient numbers of students to the field in the future, even without major Federal support. Even in individual areas where shortages exist, the shortages could be overcome by higher wages and improved management techniques. Furthermore, H.R. 17085 would not address the distributional problem in any meaningful way.

2. The authorizations in H.R. 17085--amounting to more than \$650 million over three years--greatly exceed the level of funds which could efficiently and effectively be spent in this area. Based on HEW's prior experience with the health manpower programs, the high levels will encourage excessive appropriations which HEW, in all probability, would be required to spend. If fully funded, the bill would add nearly \$140 million to the 1975 Budget and \$185 million to the 1976 Budget.

3. From the Federal perspective, perpetuating separate nurse training authorities is inconsistent with the needed



priority to promote the interdisciplinary training and use of all members of the health care delivery "team." Support for special projects to encourage educational reform and innovation in nursing education--as well as integrated training of nurses with other health workers--can and should be provided under a single, comprehensive "special projects" authority, as the Administration proposed.

4. Nursing is an undergraduate field; nursing students can and should look for financial assistance to the general purpose undergraduate student aid programs made available generally through the Office of Education--especially guaranteed loans, and basic educational opportunity grants for financially hard-pressed students. These general purpose student assistance programs were not available when the nursing student assistance authorities first were adopted, but now that they are available they should be used to support nursing students as well as other undergraduate fields. Approval of H.R. 17085 would undesirably continue to single out the nursing field for special consideration.

#### Recommendation

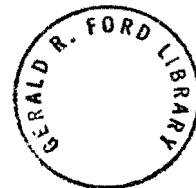
In its letter recommending disapproval of H.R. 17085, HEW states:

"In the Department's view, the enrolled bill is defective in five respects: (1) capitation and construction authorities are continued; (2) enrollment increases are required as a condition for receiving capitation funds; (3) geographic maldistribution is scarcely addressed; (4) the nursing bill is separated from the other health manpower training authorities, and (5) the authorization is larger than necessary."

\* \* \* \* \*

We concur in HEW's position. We believe there is little programmatic merit to H.R. 17085. Moreover, the high authorizations would make it increasingly difficult to maintain reasonable spending levels for nurse training activities. Accordingly, we recommend disapproval of H.R. 17085 and have attached for your consideration a proposed memorandum of disapproval--which builds upon HEW's proposed memorandum.

  
Director



Enclosures

H.R. 17085, "Nurse Training Act of 1974"  
Comparison of Authorization and Funding Levels

(\$ in millions)

	1974 <u>Actual</u>	1975		1976		1977
		<u>H.R. 17085 Authorization</u>	<u>Budget Request</u>	<u>H.R. 17085 Authorization</u>	<u>Presidential Decisions</u>	<u>H.R. 17085 Authorization</u>
<u>Institutional Aid:</u>						
Construction Grants .....	19	25	--	25	--	25
Interest subsidies .....	1	2	1	3	2	4
Capitation Grants .....	34	45	--	50	--	55
Financial Distress .....	5	5	--	5	--	5
Special Projects Grants .	19	20	20	25	16	30
Educational Grants and Contracts .....	7	--	--	--	--	--
Advanced Nurse Training .	--	20	--	25	--	30
Nurse Practitioner Training .....	--	20	--	25	--	30
<u>Student Aid:</u>						
Nurse Traineeships .....	13	20	--	25	--	30
Student Scholarships.....	19	--	6	--	4	--
Student Loans .....	23	30	18	35	9	40
Loan Repayments .....	2	--	2	--	2	--
	<u>142</u>	<u>187</u>	<u>47</u>	<u>218</u>	<u>33</u>	<u>249</u>





DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Honorable Roy L. Ash  
Director, Office of Management  
and Budget  
Washington, D. C. 20503

DEC 27 1974

Dear Mr. Ash:

This is in response to Mr. Rommel's request for a report on H.R. 17085, an enrolled bill "To amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training."

The enrolled bill proposes the following support for the undergraduate, graduate, and continuing education of registered nurses:

1. Construction (section 101 of the bill). This section would continue the award of grants for construction; add as a criterion for selection of awardees the capacity to provide graduate training; continue loan guarantees (raising coverage from 90 percent to 100 percent of interest and principal) and interest subsidies; permit the Secretary to sell obligations to the Secretary of the Treasury in order to replenish the loan guarantee and interest subsidy fund, but remove the restriction that would limit such issuances to amounts specified in the appropriation Acts; and broaden the class of lenders eligible for interest subsidies and loan guarantees to include the Federal Financing Bank.

2. Capitation Grants (section 201 of the bill). This section would alter the formula by which schools' capitation (per student) payments are computed as follows:

<u>School</u>	<u>This Act</u>	<u>1970 Act</u>
Baccalaureate	\$400 per year during last two years	ALL SCHOOLS: \$250 per year
Diploma	\$250 per year for each of the three years	except \$500 in the graduating year
Associate Degree	\$275 for only the last year of the two-year program	



The section also would eliminate enrollment bonus student authority but authorize "such sums" to phase out support for those enrolled under the present Act; and continue the requirement that schools must expand enrollments in order to be eligible for capitation.

3. Financial Distress Grants (section 301 of the bill). The section would authorize financial distress grants; contain conditions that recipient schools must agree to financial review and make commitments to improvements; require the Secretary to consult with the National Advisory Council on Nurse Training before making an award; and require the awardee schools to agree to maintenance of effort from non-Federal sources, but allow the Secretary to waive the requirement.

4. Special Projects Grants and Contracts (section 401 of the bill). This section would continue the existing special projects authority but would cut the list of eligible projects from 12 to 7 by combining some, dropping cooperative interdisciplinary training, greatly expanding assistance to the disadvantaged (including a restriction that not less than 10 percent of the special projects appropriation be used for this purpose), and breaking out separate sections for advanced nurse training (of teachers, administrators, supervisors, nurse clinicians and other categories the Secretary identifies) and for nurse practitioner training; and provide authority for the Secretary to set nurse practitioner training guidelines including provisions that awardee programs be in primary care, be at least a year long with at least four months in the classroom, and have a minimum enrollment of eight students.

Start-up grants for new programs (PHS Act, section 810) and grants and contracts for "full utilization of educational talent" (PHS Act, section 868) are repealed.

5. Student Assistance--

(a) Section 501 of the bill would continue traineeships for nurses receiving graduate training in teaching, administration, or supervision,



as nurse practitioners, or other specialties the Secretary identifies;

(b) section 502 would continue student loan authorities; and

(c) section 503 would continue scholarship grants.

6. Miscellaneous Matters. Section 601(k) (4) of the bill would restrict the Secretary's right to delegate to the Department's regional offices the review and comment function on grant and contract applications and the right to make a grant or enter into a contract. Section 701 would require the Department to conduct continuing analyses of supply, demand, distribution, full-time and part-time employment status, compensation, etc., of all registered nurses, and report to the Congress each February 1 beginning in 1976 on the needs and make legislative proposals to meet those needs.

In the Department's view, the enrolled bill is defective in five respects: (1) capitation and construction authorities are continued; (2) enrollment increases are required as a condition for receiving capitation funds; (3) geographic maldistribution is scarcely addressed; (4) the nursing bill is separated from the other health manpower training authorities, and (5) the authorization is larger than necessary.

In 1970, there was a generally recognized shortage of general duty registered nurses. Capitation and construction support authorities were viewed as providing incentives for the training institutions to expand. The schools responded, and, despite a reduction in the number and enrollment of diploma programs, the following growth has occurred:

	<u>Number of Programs</u>	<u>Students Enrolled</u>	<u>Admissions Per 100 Female High School Graduates</u>
1970	1,343	164,545	4.9
1971	1,350	187,551	5.4
1972	1,363	213,127	6.3
1973	1,359	232,589	6.8



Current estimates are that the number of active registered nurses will rise from 723,000 in 1970 to 1,099,000 in 1980 even without additional growth stimulation. This would suggest that our incentives for expansion have been successful, and continued investment in the current program is likely to buy less benefit for the Nation than the using of these scarce resources in other ways.

Such continuations would, however, buy continued training program expansion, especially in view of the mandated enrollment increases. This appears to be undesirable.

All of our information suggests that, far from being needed, increased enrollments are likely to mean increased nurse unemployment and training problems. Recent growth is reported to have created problems in the schools: services delivery sites for clinical training are becoming glutted, and a number of baccalaureate programs are finding that the universities in which their programs are located are beginning to resist further expansion because the programs are unbalancing the institutions' general educational objectives and putting strains on shared resources. In the RN employment market, a number of areas are beginning to report that some nurses--particularly the associate degree graduate (from the fastest growing class of programs)--are having serious difficulty in finding jobs. In January 1973, concerned about such unemployment, the American Nurses Association wrote a letter to the Department of Labor stating that the "shortage of staff nurses appears to be disappearing" and requesting "reconsideration" (*i.e.*, reduction or elimination) of special immigrant status for foreign nurses. Without care we could quite easily repeat the kind of overproduction we have seen in teaching and some sciences.

While aggregate supply is clearly close to if not meeting aggregate market demand for staff RNs, serious geographic maldistribution problems persist, with particular acuteness in the rural areas in the Southeastern and South Central States. For example, Georgia, South Carolina, and Kentucky



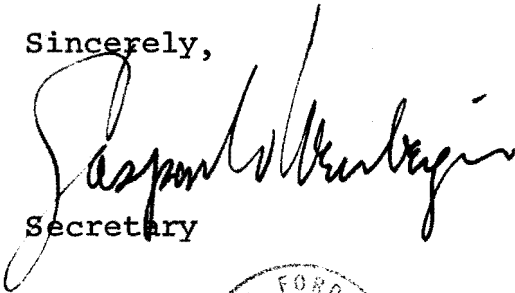
fall in the lowest quartile of States in terms of nurse-to-population ratios for both RNs and Licensed Practical Nurses. Arkansas and Alabama have ratios only 45 percent of the New England States' average. We find no reason to conclude that pockets of oversupply of nurses will push out to these underserved areas and believe that specially targeted initiatives are called for. The single minor category located in the Special Projects section of this bill is woefully inadequate.

Finally, by handling nurse training apart from the other manpower categories, this bill perpetuates the kind of fragmentation that results in inconsistency, gaps, and overlap, and sets policy precedents that may limit what we can subsequently do in other manpower areas.

As can be seen from the enclosed budget table, this bill proposes a total authorization of \$187 million for fiscal year 1975. The President's budget request for fiscal year 1975 was approximately \$46.2 million. The Administration had contemplated confining student support to assistance for the disadvantaged (since undergraduate nursing students can use the same Basic Opportunity Grant resources that are available to all undergraduate students) and using the large Special Projects funding for targeted geographic and specialty initiatives.

It is strongly recommended that the President withhold his approval from H.R. 17085.

Sincerely,

  
Secretary

Enclosures





	1974 <u>Appropriation</u>	1975		1976		1977
		<u>Authorized</u>	<u>Budget Request</u>	<u>Authorized</u>	<u>Pres. Allow.</u>	<u>Authorized</u>
Nursing support						
(a) Institutional assistance:						
(1) Capitation grants.....	34,343	45,000	-0-	50,000	-0-	55,000
(2) Start-up assistance.....	-0-	-0-	-0-	-0-	-0-	-0-
(3) Financial distress grants..	4,750	5,000	-0-	5,000	-0-	5,000
(4) Special projects.....	19,000	20,000	19,605	25,000	16,000	30,000
(5) Advanced Nurse Training....	-0-	20,000	-0-	25,000	-0-	30,000
(6) Nurse Practitioner	-0-	20,000	-0-	25,000	-0-	30,000
(b) Student assistance:						
(1) Direct loans.....	22,800	30,000	18,000 <sup>1/</sup>	35,000	9,000	40,000
(2) Scholarships.....	19,476	Formula	6,000	Formula	4,000	Formula
(3) Traineeships.....	13,016	20,000	-0-	25,000	-0-	30,000
(4) Loan repayments.....	800	Indefinite	1,600	Indefinite	2,500	Indefinite
(c) Construction assistance:						
(1) Grants.....	19,000	25,000	-0-	25,000	-0-	25,000
(2) Interest subsidies.....	1,000	2,000	1,000	3,000	1,000	4,000
(d) Educational assistance.....	7,191	---	-0-	---	-0-	---
(e) Congressional reports.....	-0-	--- <sup>2/</sup>	-0-	---	-0-	---
<b>TOTAL</b>	<b>141,376</b>	<b>187,000</b>	<b>46,205</b>	<b>218,000</b>	<b>32,500</b>	<b>249,000</b>

1/ Supplemental Appropriation Bill included \$22.8 million.

2/ No funds authorized. cost of such reports are estimated to be \$1.5 to \$2 million.



MEMORANDUM OF DISAPPROVAL

I have withheld my approval from H.R. 17085, a bill that would amend title VII of the Public Health Service Act to provide support for the training of nurses.

This Act inappropriately proposes large amounts of capitation and construction support for schools of nursing. Federal support has always been a small part of the total amount spent annually for nursing education. Largely as a result of substantial State, local, and private investments, sharp increases have been experienced in recent years in the numbers of general duty nurses produced to meet perceived shortages of such personnel. The number of baccalaureate and associate degree programs increased by nearly 25 percent during the period 1970-1973, while their enrollments grew nearly 75 percent. Without additional Federal stimulation, we expect that the number of active duty registered nurses will increase by over 50 percent during this decade.

One result of such growth has been scattered, but persistent, reports of registered nurse unemployment, particularly among graduates of associate degree training programs. The American Nurses' Association, aware of this situation, has urged steps to control supply. In January, 1973, the Association wrote to the Department of Labor that "Since it appears that the shortage of staff nurses is disappearing, now is the time to reconsider the special immigration status of (foreign-trained) nurses." To continue Federal support through capitation incentives-- as the proposed bill would mandate, is unnecessary.

Today's very different outlook is not reflected in this bill. We must concentrate Federal efforts on the shortage of certain nurse specialists, and persistent geographic maldistribution. However, H.R. 17085 would allocate less than one-third of its total authorization to these ~~problems~~ problems.



Moreover, it fails meaningfully to come to grips with the problem of geographic maldistribution.

I will propose legislation to provide the flexible authorities to do this on a demonstration basis. Support for innovative projects--involving the health professions, nursing, allied health, and public health--should be contained in a single piece of legislation to assure that decisions made in one sector are related to decisions made in another, and to advance the concept of an integrated health service delivery team. By separating out nursing from other health personnel categories, H.R. 17085 would perpetuate what has in the past been a fragmented approach.

The enrolled bill would also extend various special nursing student assistance provisions of current law. Nursing students are overwhelmingly undergraduates, and as such should be--and are--entitled to the same types of student assistance available generally under the Office of Education's programs for post-secondary education. These include, in particular, guaranteed loans and basic educational opportunity grants for ~~the~~ financially hard-pressed students. Categorical nursing student assistance activities are not appropriate and should be phased out, as the Administration has proposed.

Finally, H.R. 17085 would authorize appropriations levels that are greatly excessive--more than \$650 million over the three fiscal years covered by the bill. Federal spending for nurse education at such levels would be intolerable at a time when even high priority activities are being pressed to justify continued financial support.

I believe nurses have played and will continue to play an invaluable role in the delivery of health services as part



of a multidisciplinary team of health care providers. The Federal ~~government~~ <sup>taxpayer</sup> can and should selectively assist nursing schools to achieve educational reforms and innovations in support of that objective. The Administration's 1976 budget request will include funds for this purpose. Furthermore, I intend to urge the 94th Congress to enact comprehensive health personnel training legislation that will permit support of nurse training initiatives to meet the new problems of the 1970's.

THE WHITE HOUSE

December , 1974

THE WHITE HOUSE  
WASHINGTON

ACTION MEMORANDUM

LOG NO.:

Date: December 29, 1974

Time: 7:00 p.m.

FOR ACTION: Pam Needham  
Max Friedersdorf *Veto*  
Phil Areeda *sign comments*  
Paul Theis *ok*

cc (for information): Warren Hendrick  
Jerry Jones  
Jack Marsh

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time: 1:00 p.m.

SUBJECT:

Enrolled Bill H.R. 17085 - Nurse Training Act

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. R. COLE, JR.  
For the President

THE WHITE HOUSE  
WASHINGTON

Veto

MEMORANDUM FOR: WARREN HENDRIKS  
FROM: *Vern L. Fisher* MAX L. FRIEDERSDORF  
SUBJECT: Action Memorandum - Log No.  
Enrolled Bill H.R. 17085

The Office of Legislative Affairs concurs in the attached proposal and has no additional recommendations.

Attachment



Date: December 29, 1974

Time: 7:00 p.m.

FOR ACTION: Pam Needham  
Max Friedersdorf  
Phil Areeda  
Paul Theis

cc (for information): Warren Hendriks  
Jerry Jones  
Jack Marsh

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time: 1:00 p.m.

SUBJECT:

Enrolled Bill H.R. 17085 - Nurse Training Act

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

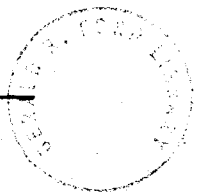
Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

*Veto if necessary to make our point against these  
too-specific programs. But reason #4 on p.5 of OMB  
memo suggests that approval would not cause significant  
harm. On balance, I would recommend signing*

*P. Areeda*



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks  
For the President

4. Approval of H.R. 17085 would not substantially alter the structure of current programs of Federal nurse training assistance. The bill's emphasis on targeting assistance to the disadvantaged, on retraining and advanced training, and on nurse practitioner programs would be consistent with Administration efforts to direct nurse training funds to areas of the greatest need.

5. Disapproval of H.R. 17085 may be construed as a lack of commitment by the Administration to an important sector of the nation's health workers.

#### Arguments against approval

1. The alleged "shortage" of nurses nationwide cannot be reconciled with the recent large-scale increases in the numbers of active registered nurses: from 504,000 in 1959 to 777,000 in 1973, and projected by HEW to be from 1.0 to 1.1 million by 1980. This increased supply contradicts the basic argument that the proponents of nursing education have advanced to justify Federal operating subsidies to the nurse training institutions. Federal institutional operating subsidies provide only a small share of the average cost of educating nursing students and one-third of all nursing schools do not receive capitation support. Therefore Federal aid has not figured prominently in financing the large expansion in nurse training programs; the increased supply suggests that adequate incentives exist to attract sufficient numbers of students to the field in the future, even without major Federal support. Even in individual areas where shortages exist, the shortages could be overcome by higher wages and improved management techniques. Furthermore, H.R. 17085 would not address the distributional problem in any meaningful way.

2. The authorizations in H.R. 17085--amounting to more than \$650 million over three years--greatly exceed the level of funds which could efficiently and effectively be spent in this area. Based on HEW's prior experience with the health manpower programs, the high levels will encourage excessive appropriations which HEW, in all probability, would be required to spend. If fully funded, the bill would add nearly \$140 million to the 1975 Budget and \$185 million to the 1976 Budget.

3. From the Federal perspective, perpetuating separate nurse training authorities is inconsistent with the needed





Date: December 29, 1974

Time: 7:00 p.m. *OK*

FOR ACTION: Pam Needham  
 Max Friedersdorf  
 Phil Areeda  
 Paul Theis ✓ *gc 1/30/74*

cc (for information): Warren Hendriks  
 Jerry Jones  
 Jack Marsh

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time: 1:00 p.m.

SUBJECT:

Enrolled Bill H.R. 17085 - Nurse Training Act

## ACTION REQUESTED:

 For Necessary Action For Your Recommendations Prepare Agenda and Brief Draft Reply For Your Comments Draft Remarks

## REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

1974 DEC 30 AM 8 45

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks  
 For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 921

Date: December 30, 1974

Time: 8:30 p.m.

FOR ACTION: Paul O'Neill  
Paul Theis ✓ - *gc 12/31/74*  
Phil Areeda  
Max Friedersdorf

cc (for information): Warren Hendriks  
Jerry Jones

*OK/AT*

FROM THE STAFF SECRETARY

DUE: Date: Tuesday, December 31

Time: 1:00 p.m.

SUBJECT:

Memorandum of Disapproval: H.R. 17085 - Nurse Training Act

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Record and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Attached is a revised version of the above memorandum of disapproval.

1974 DEC 31 AM 8 31



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks  
For the President

MEMORANDUM OF DISAPPROVAL

To the Congress:

I have withheld my approval from H.R. 17085, a bill that would amend Title VII of the Public Health Service Act to provide support for the training of nurses.

*This measure*  
H.R. 17085 would authorize <sup>excessive</sup> appropriations levels ~~that are~~ greatly excessive -- more than \$650 million over the three fiscal years covered by the bill. <sup>Such high</sup> Federal spending for nurse <sup>ing</sup> education ~~at such levels~~ would be intolerable at a time when even high priority activities are being pressed to justify ~~continued financial support~~ *their existence*.

*NOTE:*  
*Keep this statement* → I believe ~~nurses have played and will continue to play an~~ invaluable role in the delivery of health services. The Federal taxpayer can and should selectively assist nursing schools to achieve educational reforms and innovations in support of that objective. The Administration's 1976 budget request will include funds for this purpose. Furthermore, I intend to urge the 94th Congress to enact comprehensive health personnel training legislation that will permit support of nurse training initiatives to meet the new problems of the 1970's.

This Act ~~also~~ <sup>Student</sup> inappropriately proposes large amounts of ~~capitation~~ <sup>capitation</sup> and construction support for schools of nursing. ~~At~~ one time, when there was a recognized shortage of general duty registered nurses, Federal capitation and construction support authorities were viewed as providing incentives for the training institutions to expand. However, sharp increases have been experienced in recent years in the numbers of general duty nurses produced to meet those earlier shortages. The number of baccalaureate and associate degree programs increased by nearly 25 percent during the period 1970-1973, while their enrollments grew nearly 75 percent. Without any additional Federal stimulation, we expect that the number of active duty registered nurses will increase by over 50 percent during this decade.



*current*

Such an increase suggests that our incentives for expansion have been successful, and that continuation of the Federal ~~current~~ program is likely to be of less benefit to the nation than ~~the~~ using ~~the~~ these scarce resources in other ways. ~~For~~ one result of this expansion has been scattered, but persistent, reports of registered nurse unemployment, particularly among graduates of associate degree training programs. ~~To continue Federal support through capitation incentives -- as the proposed bill would mandate, is unnecessary and would result in a further oversupply of nurses in some parts of the country.~~

Today's very different outlook is not reflected in this bill. We must concentrate Federal efforts on the shortage of certain nurse specialists, and persistent geographic maldistribution. However, ~~the bill~~ would allocate less than one-third of its total authorization to these problems. Moreover, it fails ~~to~~ to come to grips with the problem of geographic maldistribution.

Support for innovative projects -- involving the health professions, nursing, allied health, and public health -- should be contained in a single piece of legislation to assure that decisions made in one sector ~~are~~ *related* to decisions made in another, and to advance the concept of an integrated health service delivery team. By separating out nursing from other health personnel categories, ~~the bill~~ *the bill* would perpetuate what has in the past been a fragmented approach.

The enrolled bill would also extend various special nursing student assistance provisions of current law. Nursing students are overwhelmingly undergraduates, and as such should be -- and are -- entitled to the same types of student assistance available generally under the Office of Education's programs for post-secondary education. These include, in particular, guaranteed loans and basic educational opportunity grants for financially hard-pressed students. Categorical nursing student assistance activities are not appropriate and should be phased out, as the Administration has proposed.

THE WHITE HOUSE  
December 30, 1974



MEMORANDUM OF DISAPPROVAL

I have withheld my approval from H.R. 17085, a bill that would amend Title VIII of the Public Health Service Act to provide support for the training of nurses.

This measure would authorize excessive appropriations levels -- more than \$650 million over the three fiscal years covered by the bill. Such high Federal spending for nursing education would be intolerable at a time when even high priority activities are being pressed to justify their existence.

I believe nurses have played and will continue to play an invaluable role in the delivery of health services. The Federal taxpayer can and should selectively assist nursing schools to achieve educational reforms and innovations in support of that objective. The Administration's 1976 budget request will include funds for this purpose. Furthermore, I intend to urge the 94th Congress to enact comprehensive health personnel training legislation that will permit support of nurse training initiatives to meet the new problems of the 1970's.

This act inappropriately proposes large amounts of student and construction support for schools of nursing. Without any additional Federal stimulation, we expect that the number of active duty registered nurses will increase by over 50 percent during this decade.

Such an increase suggests that our incentives for expansion have been successful, and that continuation of the current Federal program is likely to be of less benefit to the Nation than using these scarce resources in other ways. One result of this expansion has been scattered but persistent reports of registered nurse unemployment, particularly among graduates of associate degree training programs.





Today's very different outlook is not reflected in this bill. We must concentrate Federal efforts on the shortage of certain nurse specialists, and persistent geographic maldistribution. However, this proposal would allocate less than one-third of its total authorization to these problems. Moreover, it fails to come to grips with the problem of geographic maldistribution.

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THE WHITE HOUSE,



MEMORANDUM OF DISAPPROVAL

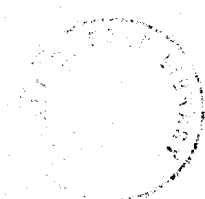
To the Congress:

I have withheld my approval from H.R. 17085, a bill that would amend Title VII of the Public Health Service Act to provide support for the training of nurses.

H.R. 17085 would authorize appropriations levels that are greatly excessive -- more than \$650 million over the three fiscal years covered by the bill. Federal spending for nurse education at such levels would be intolerable at a time when even high priority activities are being pressed to justify continued financial support.

I believe nurses have played and will continue to play an invaluable role in the delivery of health services. The Federal taxpayer can and should selectively assist nursing schools to achieve educational reforms and innovations in support of that objective. The Administration's 1976 budget request will include funds for this purpose. Furthermore, I intend to urge the 94th Congress to enact comprehensive health personnel training legislation that will permit support of nurse training initiatives to meet the new problems of the 1970's.

This Act also inappropriately proposes large amounts of capitation and construction support for schools of nursing. At one time, when there was a recognized shortage of general duty registered nurses, Federal capitation and construction support authorities were viewed as providing incentives for the training institutions to expand. However, sharp increases have been experienced in recent years in the numbers of general duty nurses produced to meet those earlier shortages. The number of baccalaureate and associate degree programs increased by nearly 25 percent during the period 1970-1973, while their enrollments grew nearly 75 percent. Without any additional Federal stimulation, we expect that the number of active duty registered nurses will increase by over 50 percent during this decade.



Such an increase suggests that our incentives for expansion have been successful, and that continuation of the Federal current program is likely to be of less benefit to the nation than the using of these scarce resources in other ways. In fact, one result of this expansion has been scattered, but persistent, reports of registered nurse unemployment, particularly among graduates of associate degree training programs. To continue Federal support through capitation incentives -- as the proposed bill would mandate, is unnecessary and would result in a further oversupply of nurses in some parts of the country.

Today's very different outlook is not reflected in this bill. We must concentrate Federal efforts on the shortage of certain nurse specialists, and persistent geographic maldistribution. However, H.R. 17085 would allocate less than one-third of its total authorization to these problems. Moreover, it fails meaningfully to come to grips with the problem of geographic maldistribution.

Support for innovative projects -- involving the health professions, nursing, allied health, and public health -- should be contained in a single piece of legislation to assure that decisions made in one sector are related to decisions made in another, and to advance the concept of an integrated health service delivery team. By separating out nursing from other health personnel categories, H.R. 17085 would perpetuate what has in the past been a fragmented approach.

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THE WHITE HOUSE  
December 30, 1974





THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 921

Date: December 30, 1974

Time: 8:30 p.m.

FOR ACTION: Paul O'Neill  
Paul Theis

cc (for information): Warren Hendriks  
Jerry Jones

*meeta no ok  
Friedland*

FROM THE STAFF SECRETARY

DUE: Date: Tuesday, December 31

Time: 1:00 p.m.

SUBJECT:

Memorandum of Disapproval: H.R. 17085 - Nurse Training Act

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Attached is a revised version of the above memorandum of disapproval. Also att



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. R. COLE, JR.  
For the President

MEMORANDUM OF DISAPPROVAL

To the Congress:

I have withheld my approval from H.R. 17085, a bill that would amend Title VII of the Public Health Service Act to provide support for the training of nurses.

H.R. 17085 would authorize appropriations levels that are greatly excessive -- more than \$650 million over the three fiscal years covered by the bill. Federal spending for nurse education at such levels would be intolerable at a time when even high priority activities are being pressed to justify continued financial support.

I believe nurses have played and will continue to play an invaluable role in the delivery of health services. The Federal taxpayer can and should selectively assist nursing schools to achieve educational reforms and innovations in support of that objective. The Administration's 1976 budget request will include funds for this purpose. Furthermore, I intend to urge the 94th Congress to enact comprehensive health personnel training legislation that will permit support of nurse training initiatives to meet the new problems of the 1970's.

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Such an increase suggests that our incentives for expansion have been successful, and that continuation of the Federal current program is likely to be of less benefit to the nation than the using of these scarce resources in other ways. In fact, one result of this expansion has been scattered, but persistent, reports of registered nurse unemployment, particularly among graduates of associate degree training programs. To continue Federal support through capitation incentives -- as the proposed bill would mandate, is unnecessary and would result in a further oversupply of nurses in some parts of the country.

Today's very different outlook is not reflected in this bill. We must concentrate Federal efforts on the shortage of certain nurse specialists, and persistent geographic maldistribution. However, H.R. 17085 would allocate less than one-third of its total authorization to these problems. Moreover, it fails meaningfully to come to grips with the problem of geographic maldistribution.

Support for innovative projects -- involving the health professions, nursing, allied health, and public health -- should be contained in a single piece of legislation to assure that decisions made in one sector are related to decisions made in another, and to advance the concept of an integrated health service delivery team. By separating out nursing from other health personnel categories, H.R. 17085 would perpetuate what has in the past been a fragmented approach.

The enrolled bill would also extend various special nursing student assistance provisions of current law. Nursing students are overwhelmingly undergraduates, and as such should be -- and are -- entitled to the same types of student assistance available generally under the Office of Education's programs for post-secondary education. These include, in particular, guaranteed loans and basic educational opportunity grants for financially hard-pressed students. Categorical nursing student assistance activities are not appropriate and should be phased out, as the Administration has proposed.

THE WHITE HOUSE  
December 30, 1974



THE WHITE HOUSE

WASHINGTON

December 31, 1974

MEMORANDUM FOR: WARREN HENDRIKS  
FROM: *Ken Lauer for* MAX L. FRIEDERSDORF  
SUBJECT: Action Memorandum - Log No. 921

The Office of Legislative Affairs concurs with the Agencies  
that the enrolled bill should be vetoed.

Attachments



THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 921

Date: December 30, 1974

Time: 8:30 p.m.

FOR ACTION: Paul O'Neill  
Paul Theis  
Phil Areeda  
Max Friedersdorf ✓

cc (for information): Warren Hendriks  
Jerry Jones

FROM THE STAFF SECRETARY

DUE: Date: Tuesday, December 31

Time: 1:00 p.m.

SUBJECT:

Memorandum of Disapproval: H.R. 17085 - Nurse Training Act

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Attached is a revised version of the above memorandum of disapproval.



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren H. Hendriks  
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 921

Date: December 30, 1974

Time: 8:30 p.m.

FOR ACTION: Paul O'Neill  
Paul Theis  
Phil Areeda ✓  
Max Friedersdorf

cc (for information): Warren Hendriks  
Jerry Jones

FROM THE STAFF SECRETARY

DUE: Date: Tuesday, December 31

Time: 1:00 p.m.

SUBJECT:

Memorandum of Disapproval: H.R. 17085 - Nurse Training Act

ACTION REQUESTED:

\_\_\_\_\_ For Necessary Action

\_\_\_\_\_ For Your Recommendations

\_\_\_\_\_ Prepare Agenda and Brief

\_\_\_\_\_ Draft Reply

\_\_\_\_\_ For Your Comments

\_\_\_\_\_ Draft Remarks

REMARKS:

Attached is a revised version of the above memorandum of disapproval.

*No objection to this message  
of Pres. deals to veto  
P Areeda*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks  
For the President

EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

DEC 29 1974

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 17085 - Nurse Training Act  
of 1974  
Sponsor - Rep. Rogers (D) Florida

Last Day for Action

January 4, 1975 - Saturday

Purpose

Extends for 3 years and expands the nurse training authorities of the Public Health Service Act; adds new nurse practitioner and advanced nurse training programs.

Agency Recommendations

Office of Management and Budget	Disapproval (Memorandum of Disapproval attached)
Department of Health, Education, and Welfare	Disapproval (Memorandum of Disapproval attached)

Discussion

H.R. 17085 would continue for fiscal years 1975, 1976, and 1977 the nurse training authorities of the Public Health Service (PHS) Act which are designed to increase the supply and improve the distribution of registered nurses. The bill would also expand the scope of the existing authorities, provide continued high authorization levels, and add new categorical programs for nurse practitioners and advanced nurse training.

H.R. 17085 was originally introduced in the House as a companion bill to H.R. 17084, Rep. Rogers' health manpower bill. Although both houses passed separate broad health



manpower legislation, House and Senate conferees were unable to reach agreement on a final health manpower bill. Strong efforts by various nursing groups to obtain enactment of nurse training legislation, however, coupled with the absence of major controversy between the two houses, resulted in Congressional approval of H.R. 17085 by voice vote on the final day of the 93rd Congress.

The Administration strongly opposed H.R. 17085, recommending instead that future assistance to nursing schools be in the form of grants on a special project basis. The Administration's health manpower bill would have terminated the separate categorical institutional and student aid programs for nursing schools. The Administration's position on H.R. 17085 was summarized in a December 4, 1974 letter from HEW to the House Minority Leader as follows:

"...we have continually objected to separate legislation for nurse training and a categorical program of subsidies to this undergraduate field. This bill not only continues separate capitation and special project support for nursing education, its total authorizations of \$142 million exceed the President's 1975 Budget by \$96.8 million. Continued capitation subsidies to encourage further expansion of nursing schools is certain to produce widespread unemployment of nurses. We must, therefore, oppose H.R. 17085 for its objectionable programmatic and budgetary features."

#### Major Provisions

The Administration proposed only (a) selective funding of special initiatives in nursing under the general health manpower authorities and (b) a gradual phaseout of categorical nursing student aid. The Administration explicitly did not seek an extension of any other nurse training programs.

The following is a summary of the major provisions of H.R. 17085.

Construction assistance. H.R. 17085 would continue the current program of construction grants and loan guarantees with interest subsidies through fiscal year 1977. The basic authority would remain essentially the same.





Capitation grants. The capitation grant program would be revised to provide higher capitation amounts for baccalaureate nursing programs (\$400 per student for baccalaureate programs, \$275 for associate degree programs, and \$250 for diploma hospital-based schools). In 1973, the actual capitation amount was less than \$200, based upon actual appropriations.

Financial distress. The financial distress grant program would be continued with a new requirement that the HEW Secretary must consult with the National Advisory Council on Nurse Training before approving or disapproving an application for a financial distress grant.

Special grants and contracts. Existing authority to make special project grants would be extended and revised to place emphasis on increasing nursing education opportunities for persons with disadvantaged backgrounds. At least 10 percent of the funds appropriated for these programs would be earmarked to identify and recruit disadvantaged students for nurse training. The bill would also revise the special projects authority to provide support for programs to upgrade nursing skills and to increase the supply of bilingual nurses. Again, the National Advisory Council on Nurse Training would be required to review all applications for project grants.

New nurse training programs. H.R. 17085 would authorize two new categorical programs--one for nurse practitioner training and one for advanced nurse training. The advanced nurse training program would be designed to emphasize the training of professional nurses to teach, to serve as administrators, or to practice in nursing specialties. Grants for the nurse practitioner program could be made to schools of medicine and to public health and public or nonprofit hospitals as well as to nursing schools. The bill would require HEW to prescribe guidelines for this program by March 1, 1975.

Assistance to nursing students. H.R. 17085 would continue for another three years the existing categorical programs of assistance to nursing students, including nurse traineeships, student scholarships, and student loans. The Administration has proposed to provide student aid through the needs-tested non-categorical programs of student assistance administered by HEW's Office of Education.



Other provisions. Among other general provisions, H.R. 17085 would limit the HEW Secretary's authority to decentralize the nurse training program by prohibiting grant or contract awards to be made by any HEW regional office. The bill would also require HEW to determine and report to Congress annually on the supply and distribution of nurses.

### Budgetary impact

H.R. 17085 would authorize appropriations of \$654 million for fiscal years 1975 through 1977 compared to a spending level of about \$100 million planned by the Administration during the same period. A detailed comparison of authorization levels in H.R. 17085 and the proposed Administration budget estimates is provided in the Attachment.

### Arguments for approval

1. Proponents of H.R. 17085 contend that a shortage of nurses nationwide and the need to upgrade and improve the quality of nursing education and training require the continuation of categorical Federal programs specifically designed to provide aid to nursing institutions and students. In urging the House to approve the bill, the Chairman of the House Subcommittee on Health stated: "This legislation builds upon the commitment by the Federal Government more than a decade ago that quality education is essential to the production of quality nurses and the recognition that the nursing profession is a vital asset to the health of this Nation."

2. Nursing schools, unlike medical schools, receive no significant amounts of research funds. Patient care dollars go to hospital-based schools only. It would be inequitable to support capitation and other forms of Federal support for medical schools, while denying it to nursing schools which are unable to obtain alternative sources of Federal funding.

3. The bulk of support for nursing schools comes from tuition and State and local funding. Since most nursing students come from low to middle income families, there are limits to how high tuition may be raised without cutting off opportunities for these students to enter nursing schools. Proponents of H.R. 17085 contend that Federal support for nursing education has made it possible for many young people to enter nursing who otherwise would not have been able to do so.



4. Approval of H.R. 17085 would not substantially alter the structure of current programs of Federal nurse training assistance. The bill's emphasis on targeting assistance to the disadvantaged, on retraining and advanced training, and on nurse practitioner programs would be consistent with Administration efforts to direct nurse training funds to areas of the greatest need.

5. Disapproval of H.R. 17085 may be construed as a lack of commitment by the Administration to an important sector of the nation's health workers.

#### Arguments against approval

1. The alleged "shortage" of nurses nationwide cannot be reconciled with the recent large-scale increases in the numbers of active registered nurses: from 504,000 in 1959 to 777,000 in 1973, and projected by HEW to be from 1.0 to 1.1 million by 1980. This increased supply contradicts the basic argument that the proponents of nursing education have advanced to justify Federal operating subsidies to the nurse training institutions. Federal institutional operating subsidies provide only a small share of the average cost of educating nursing students and one-third of all nursing schools do not receive capitation support. Therefore Federal aid has not figured prominently in financing the large expansion in nurse training programs; the increased supply suggests that adequate incentives exist to attract sufficient numbers of students to the field in the future, even without major Federal support. Even in individual areas where shortages exist, the shortages could be overcome by higher wages and improved management techniques. Furthermore, H.R. 17085 would not address the distributional problem in any meaningful way.

2. The authorizations in H.R. 17085--amounting to more than \$650 million over three years--greatly exceed the level of funds which could efficiently and effectively be spent in this area. Based on HEW's prior experience with the health manpower programs, the high levels will encourage excessive appropriations which HEW, in all probability, would be required to spend. If fully funded, the bill would add nearly \$140 million to the 1975 Budget and \$185 million to the 1976 Budget.

3. From the Federal perspective, perpetuating separate nurse training authorities is inconsistent with the needed



priority to promote the interdisciplinary training and use of all members of the health care delivery "team." Support for special projects to encourage educational reform and innovation in nursing education--as well as integrated training of nurses with other health workers--can and should be provided under a single, comprehensive "special projects" authority, as the Administration proposed.

4. Nursing is an undergraduate field; nursing students can and should look for financial assistance to the general purpose undergraduate student aid programs made available generally through the Office of Education--especially guaranteed loans, and basic educational opportunity grants for financially hard-pressed students. These general purpose student assistance programs were not available when the nursing student assistance authorities first were adopted, but now that they are available they should be used to support nursing students as well as other undergraduate fields. Approval of H.R. 17085 would undesirably continue to single out the nursing field for special consideration.

#### Recommendation

In its letter recommending disapproval of H.R. 17085, HEW states:

"In the Department's view, the enrolled bill is defective in five respects: (1) capitation and construction authorities are continued; (2) enrollment increases are required as a condition for receiving capitation funds; (3) geographic maldistribution is scarcely addressed; (4) the nursing bill is separated from the other health manpower training authorities, and (5) the authorization is larger than necessary."

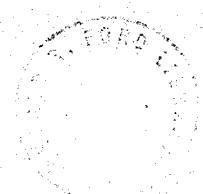
\* \* \* \* \*

We concur in HEW's position. We believe there is little programmatic merit to H.R. 17085. Moreover, the high authorizations would make it increasingly difficult to maintain reasonable spending levels for nurse training activities. Accordingly, we recommend disapproval of H.R. 17085 and have attached for your consideration a proposed memorandum of disapproval--which builds upon HEW's proposed memorandum.

Signed Paul H. O'Neill

*for* Director

Enclosures



H.R. 17085, "Nurse Training Act of 1974"  
Comparison of Authorization and Funding Levels

(\$ in millions)



1974 <u>Actual</u>	1975		1976		1977	
	<u>H.R. 17085 Authorization</u>	<u>Budget Request</u>	<u>H.R. 17085 Authorization</u>	<u>Presidential Decisions</u>	<u>H.R. 17085 Authorization</u>	
<u>Institutional Aid:</u>						
Construction Grants .....	19	25	--	25	--	25
Interest subsidies .....	1	2	1	3	2	4
Capitation Grants .....	34	45	--	50	--	55
Financial Distress .....	5	5	--	5	--	5
Special Projects Grants .	19	20	20	25	16	30
Educational Grants and Contracts .....	7	--	--	--	--	--
Advanced Nurse Training .	--	20	--	25	--	30
Nurse Practitioner Training .....	--	20	--	25	--	30
<u>Student Aid:</u>						
Nurse Traineeships .....	13	20	--	25	--	30
Student Scholarships.....	19	--	6	--	4	--
Student Loans .....	23	30	18	35	9	40
Loan Repayments .....	2	--	2	--	2	--
	<u>142</u>	<u>187</u>	<u>47</u>	<u>218</u>	<u>33</u>	<u>249</u>

MEMORANDUM OF DISAPPROVAL

I have withheld my approval from H.R. 17085, a bill that would amend title VII of the Public Health Service Act to provide support for the training of nurses.

This Act inappropriately proposes large amounts of capitation and construction support for schools of nursing. Federal support has always been a small part of the total amount spent annually for nursing education. Largely as a result of substantial State, local, and private investments, sharp increases have been experienced in recent years in the numbers of general duty nurses produced to meet perceived shortages of such personnel. The number of baccalaureate and associate degree programs increased by nearly 25 percent during the period 1970-1973, while their enrollments grew nearly 75 percent. Without additional Federal stimulation, we expect that the number of active duty registered nurses will increase by over 50 percent during this decade.

One result of such growth has been scattered, but persistent, reports of registered nurse unemployment, particularly among graduates of associate degree training programs. The American Nurses' Association, aware of this situation, has urged steps to control supply. In January, 1973, the Association wrote to the Department of Labor that "Since it appears that the shortage of staff nurses is disappearing, now is the time to reconsider the special immigration status of (foreign-trained) nurses." To continue Federal support through capitation incentives-- as the proposed bill would mandate, is unnecessary.

Today's very different outlook is not reflected in this bill. We must concentrate Federal efforts on the shortage of certain nurse specialists, and persistent geographic maldistribution. However, H.R. 17085 would allocate less than one-third of its total authorization to these crucial problems.





Moreover, it fails meaningfully to come to grips with the problem of geographic maldistribution.

I will propose legislation to provide the flexible authorities to do this on a demonstration basis. Support for innovative projects--involving the health professions, nursing, allied health, and public health--should be contained in a single piece of legislation to assure that decisions made in one sector are related to decisions made in another, and to advance the concept of an integrated health service delivery team. By separating out nursing from other health personnel categories, H.R. 17085 would perpetuate what has in the past been a fragmented approach.

The enrolled bill would also extend various special nursing student assistance provisions of current law. Nursing students are overwhelmingly undergraduates, and as such should be--and are--entitled to the same types of student assistance available generally under the Office of Education's programs for post-secondary education. These include, in particular, guaranteed loans and basic educational opportunity grants for the financially hard-pressed students. Categorical nursing student assistance activities are not appropriate and should be phased out, as the Administration has proposed.

Finally, H.R. 17085 would authorize appropriations levels that are greatly excessive--more than \$650 million over the three fiscal years covered by the bill. Federal spending for nurse education at such levels would be intolerable at a time when even high priority activities are being pressed to justify continued financial support.

I believe nurses have played and will continue to play an invaluable role in the delivery of health services as part

of a multidisciplinary team of health care providers. The Federal government can and should selectively assist nursing schools to achieve educational reforms and innovations in support of that objective. The Administration's 1976 budget request will include funds for this purpose. Furthermore, I intend to urge the 94th Congress to enact comprehensive health personnel training legislation that will permit support of nurse training initiatives to meet the new problems of the 1970's.

THE WHITE HOUSE

December , 1974





MEMORANDUM OF DISAPPROVAL

To the Congress:

I am withholding my approval from H.R. 17085, a bill that would amend title VII of the Public Health Service Act to provide support for the training of nurses.

This Act inappropriately proposes continuation of large amounts of capitation and construction support for schools of nursing. These authorities were introduced to stimulate these schools to produce more general duty nurses to meet perceived shortages of such personnel. The schools responded: the number of baccalaureate and associate degree programs increased by nearly 25 percent during the period 1970-1973 while their enrollments grew nearly 75 percent. With no further Federal stimulation for additional growth, we can expect that the number of active duty registered nurses will increase by over 50 percent during this decade.

One result of such growth has been scattered but persistent reports of RN unemployment, particularly among associate degree graduates. The American Nurses' Association, aware of this situation, has urged steps to control supply: in January, 1973, they wrote to the Department of Labor that "Since it appears that the shortage of staff nurses is disappearing, now is the time to reconsider the special immigration status of (foreign-trained) nurses." Continued growth as the proposed bill mandates through capitation almost assures repetition of the kind of excess supply that

has left thousands of elementary and secondary school teachers disillusioned over a lack of teaching opportunities.

Today's very different outlook is not reflected in this Act. We must switch our focus from 1970's problem of building more general nurse training capacity to the pressing problems of today--the shortage of certain nurse specialists, and persistent geographic maldistribution. This bill adequately addresses the former problem. It fails, however, to meaningfully come to grips with geographic maldistribution. We must find ways to redirect the existing training program structure which has resulted in very substantial inter- and intra-State differentials in nurse-to-population ratios. For example, Maine has the lowest registered nurse-to-population ratio of all the New England States; yet the ratios in Alabama, Mississippi, and Arkansas are less than 50 percent that of Maine.

If we are to effectively address the nursing problems of today, we must adopt the appropriate support and incentive mechanisms. By maintaining substantial capitation support and by allocating less than one-third of the total authorization to today's crucial problems, the bill submitted would have achieved little in relationship to the dollars expended, and possibly had serious negative impact.

Finally, when consideration of renewal legislation began, the Administration proposed that all health manpower education



support authorities--health professions, nursing, allied health, and public health--be contained in a single piece of legislation which would relate decisions made in one sector to decisions made in another. By separating out nursing from other manpower categories, this bill would perpetuate what has in the past been a fragmented manpower policy. Finally, it is inappropriate to make decisions on Federal support of nursing education which may run counter to policies adopted over the next few months for other health professionals.



THE WHITE HOUSE  
WASHINGTON

1:10 pm  
January 3, 1975

FOR THE RECORD:

John Ratchford advised me on this date that he was informed by Jerry Jones that this Memorandum of Disapproval for H. R. 17085 was signed by the President on January 2, 1975.

John Ratchford, in response to a query, also stated that it should be so dated (1/2/75). It was.

Tom Jones  
Records Office



MEMORANDUM OF DISAPPROVAL

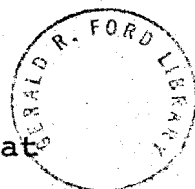
I have withheld my approval from H.R. 17085, a bill that would amend Title VIII of the Public Health Service Act to provide support for the training of nurses.

This measure would authorize excessive appropriations levels -- more than \$650 million over the three fiscal years covered by the bill. Such high Federal spending for nursing education would be intolerable at a time when even high priority activities are being pressed to justify their existence.

I believe nurses have played and will continue to play an invaluable role in the delivery of health services. The Federal taxpayer can and should selectively assist nursing schools to achieve educational reforms and innovations in support of that objective. The Administration's 1976 budget request will include funds for this purpose. Furthermore, I intend to urge the 94th Congress to enact comprehensive health personnel training legislation that will permit support of nurse training initiatives to meet the new problems of the 1970's.

This act inappropriately proposes large amounts of student and construction support for schools of nursing. Without any additional Federal stimulation, we expect that the number of active duty registered nurses will increase by over 50 percent during this decade.

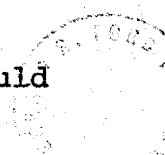
Such an increase suggests that our incentives for expansion have been successful, and that continuation of the current Federal program is likely to be of less benefit to the Nation than using these scarce resources in other ways. One result of this expansion has been scattered but persistent reports of registered nurse unemployment, particularly among graduates of associate degree training programs.



Today's very different outlook is not reflected in this bill. We must concentrate Federal efforts on the shortage of certain nurse specialists, and persistent geographic maldistribution. However, this proposal would allocate less than one-third of its total authorization to these problems. Moreover, it fails to come to grips with the problem of geographic maldistribution.

Support for innovative projects -- involving the health professions, nursing, allied health, and public health -- should be contained in a single piece of legislation to assure that decisions made in one sector relate to decisions made in another, and to advance the concept of an integrated health service delivery team. By separating out nursing from other health personnel categories, this bill would perpetuate what has in the past been a fragmented approach.

The enrolled bill would also extend various special nursing student assistance provisions of current law. Nursing students are overwhelmingly undergraduates, and as such should be -- and are -- entitled to the same types of student assistance available generally under the Office of Education's programs for post-secondary education. These include, in particular, guaranteed loans and basic educational opportunity grants for financially hard-pressed students. Categorical nursing student assistance activities are not appropriate and should be phased out, as the Administration has proposed.



*Gerald R. Ford*

THE WHITE HOUSE,  
January 2, 1975

## NURSE TRAINING ACT OF 1974

NOVEMBER 29, 1974.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. STAGGERS, from the Committee on Interstate and Foreign Commerce, submitted the following

### REPORT

[To accompany H.R. 17085]

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (H.R. 17085) to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

The amendment strikes out all after the enacting clause and inserts in lieu thereof a substitute which appears in italic type in the reported bill.

#### SUMMARY OF LEGISLATION

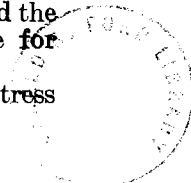
The legislation proposes to continue for three years the nurse training authorities of title VIII of the Public Health Service Act to maintain the supply and improve the distribution of registered nurses, with modifications to increase the numbers of nurses with advanced training, the most critical need in nursing. New authorities are added to provide funds to schools of nursing to assist with the expenses of preparing nurse practitioners to provide primary care, clinical nurse specialists, nurse teachers, and directors of nursing services.

The proposed legislation:

(1) continues the existing authority for grants for construction of teaching facilities for diploma, associate degree, and collegiate schools of nursing and for loan guarantees and interest subsidies to assist in financing such construction;

(2) continues existing authority whereby diploma, associate degree, and collegiate schools of nursing receive "capitation" support, based on the number of students in such schools, and modifies the capitation formula as it relates to level of support and the period for which different types of programs are eligible for support;

(3) continues the existing authority for financial distress grants to schools of nursing;



(4) modifies the existing authority for project grants to schools of nursing;

(5) adds new authority to assist schools of nursing in the establishment of advanced nurse training programs;

(6) adds new authority to assist schools of nursing in establishing programs for the training of nurse practitioners;

(7) continues the existing authority for traineeships for advanced training of professional nurses to become teachers, supervisors, clinical specialists and nurse practitioners;

(8) continues the existing authority for nursing student loans;

(9) continues the existing program for scholarships for nursing students;

(10) requires the Secretary of Health, Education, and Welfare to collect, analyze and report on a continuing basis, information respecting the supply and distribution of and requirements for nurses;

(11) prohibits the Secretary of Health, Education, and Welfare from delegating his authority to administer any program under this Act to any officer in any regional office.

#### COST OF LEGISLATION

As reported by the Committee, the bill provides for a three-year extension, with modifications, of the Nurse Training Act, with appropriation authorizations as shown in the following table.

TABLE 1.—NEW OBLIGATIONAL AUTHORITY REQUIRED FOR FISCAL YEARS 1975-77 UNDER NURSE TRAINING ACT OF 1974

[In millions of dollars]

	Fiscal year—			Total
	1975	1976	1977	
Construction:				
Grants.....	25	25	25	75
Interest subsidies.....	2	3	4	9
Capitation.....	45	50	55	150
Financial distress.....	5	5	5	15
Special projects (grants and contracts).....	20	25	30	75
Advanced nurse training (grants and contracts).....	20	25	30	75
Nurse practitioner programs (grants and contracts).....	20	25	30	75
Traineeships.....	15	20	25	60
Student loans.....	30	35	40	105
Scholarships.....	<sup>1</sup> (-)	<sup>1</sup> (-)	<sup>1</sup> (-)	<sup>1</sup> (-)
Total.....	182	213	244	639

<sup>1</sup> Formula: Amounts indicated are estimates of requirements for full funding of the statutory formula for allocation of funds among schools (\$3,000 times 1/10 the number of full-time students).

These authorizations may be compared favorably with an authorization for 1974 under the Act of \$254.5 million and an appropriation for 1974 of \$141.4 million.

#### LEGISLATIVE BACKGROUND

The legislative authority for existing programs under the Nurse Training Act (title VIII of the Public Health Service Act) expired on June 30, 1974. Funds appropriated in fiscal year 1974 were awarded in the last few days of the fiscal year, except for student assistance pro-



grams, and are being expended by nursing schools during school year 1974-1975.

On August 23, 1974, the President signed P.L. 93-385 which extended the legislative authority of the Nurse Training Act for student assistance programs (loans and scholarships) through fiscal year 1975.

On May 9, 1974, most members of the Subcommittee on Public Health and Environment introduced H.R. 14722 intended to revise and extend for three years the existing provisions of the Nurse Training Act. Hearings were conducted on May 20 and May 28, 1974, on H.R. 14722 as well as other major legislative proposals intended to amend provisions of the Health Manpower Act (title VII of the Public Health Service Act). Two of the proposals, an administration bill, H.R. 14930, and H.R. 14357, introduced by Representative Roy and others, would have repealed title VIII of the Public Health Service Act and consolidated some of its provisions into title VII.

On October 3, 1974, the Subcommittee ordered reported a clean bill which continued the legislative authority for nurse training programs within title VIII. This bill, H.R. 17085, was introduced by Representative Rogers and eight other members of the Subcommittee on Public Health and Environment. It was subsequently considered and ordered reported by unanimous voice vote of the full Committee on Interstate and Foreign Commerce on November 19, 1974.

#### HISTORY OF NURSE TRAINING LEGISLATION

The first comprehensive Federal legislation to provide funds for nursing education was the Nurse Training Act of 1964 (P.L. 88-581) which added title VIII, Nurse Training, to the Public Health Service Act. This Act authorized a balanced program of Federal assistance to students and schools of professional nursing, with grants for construction of nursing education facilities, special projects to improve nurse training, formula payments for diploma schools, and low-cost, partially cancelable loans for nursing students. The Professional Nurse Traineeship program, established in 1956, was continued under this title and broadened to include advanced preparation in clinical specialties. Amendments in 1966 authorized nursing education opportunity grants for needy students and contracts for full utilization of educational talent for nursing to foster recruitment of such students.

Title II of the Health Manpower Act of 1968 (P.L. 90-490) broadened the nurse training provisions and extended the authority for two fiscal years, 1970 and 1971. The purposes of special project grants were expanded, and eligibility of applicants was modified. This Act authorized basic support for all three types of schools of nursing (diploma, associate degree and collegiate) and amended the loan provisions and cancellation features. A new program of nursing scholarships was added to replace nursing education opportunity grants and provide more flexibility for schools in making available financial assistance to meet student needs.

The Nurse Training Act of 1971 expanded and extended Federal assistance to nursing education through June, 1974, with major additions: basic institutional support in the form of capitation grants (grants to schools based on the number of nursing students enrolled therein) to schools of nursing that agreed to expand their enrollments

or provide training to prepare certain types of nurse practitioners; financial distress grants for schools of nursing; and start-up grants for new nurse training programs. The 1971 Act also increased the maximum Federal share of costs for nursing school construction, provided authority for construction interim educational facilities, and authorized loan guarantees and interest subsidies for non-Federal loans for the building of nonprofit private nursing schools.

Contract authority was added to the authority for special project grants, and the authority for recruitment contracts was extended to include grants to accelerate recruitment and encourage full utilization of educational talent for nursing.

Major changes in the loan and scholarship provisions included increased annual ceilings on loans, extension of eligibility for loans and scholarships to half-time students, liberalized loan cancellation benefits, and Federal repayment of nursing education loans for service under specified circumstances.

Since the nurse training authorities of title VIII of the Public Health Service Act were established in 1964 more than \$700 million has been awarded for student scholarships, loans, and traineeships; for construction and basic support for nursing education programs; and for projects to improve nursing education and recruitment. Levels of funding for these programs in fiscal years 1964-71 and 1972-74 and grants and contracts awarded for this period are set forth below in tables 2, 3 and 4.

TABLE 2.—APPROPRIATION AUTHORIZATIONS, BUDGET REQUESTS, ACTUAL APPROPRIATIONS FOR NURSING TRAINING, 1964-71

[In thousands of dollars]

	1964	1965	1966	1967	1968	1969	1970	1971
<b>NURSING</b>								
<b>Construction:</b>								
Authorization.....	0	0	15,000	25,000	25,000	25,000	25,000	35,000
Budget request.....	0	0	15,000	25,000	25,000	8,000	8,000	8,000
Appropriation.....	0	0	15,000	25,000	25,000	8,000	8,000	9,500
<b>Institutional (formula) grants (payments to diploma schools, 1965 through 1969):</b>								
Authorization.....	0	4,000	7,000	10,000	10,000	10,000	35,000	40,000
Budget request.....	0	4,000	4,000	6,000	3,000	3,000	0	0
Appropriation.....	0	4,000	2,500	6,000	3,000	3,000	0	0
<b>Institutional grants—Project grants for improvement of nurse training:</b>								
Authorization.....	0	2,000	3,000	4,000	4,000	4,000	35,000	40,000
Budget request.....	0	2,000	3,000	4,000	4,000	4,000	7,000	11,000
Appropriation.....	0	2,000	3,000	4,000	4,000	4,000	8,400	11,500
<b>Advanced traineeships:</b>								
Authorization.....	(1)	8,000	9,000	10,000	11,000	12,000	15,000	19,000
Budget request.....	7,325	8,000	9,000	10,000	10,000	11,000	10,470	10,470
Appropriation.....	7,325	8,000	9,000	10,000	10,000	10,470	10,470	10,470
<b>Scholarships (nursing educational opportunity grants, 1967 through 1969):</b>								
Authorization.....	0	0	0	3,000	5,000	7,000	32,000	33,000
Budget request.....	0	0	0	750	5,000	6,800	12,000	17,000
Appropriation.....	0	0	0	500	5,000	6,500	7,178	17,000
<b>Student loans:</b>								
Authorization.....	0	3,100	8,900	16,900	25,300	30,900	20,000	21,000
Budget request.....	0	3,100	8,900	8,500	16,000	9,700	9,610	9,610
Appropriation.....	0	3,100	8,900	16,900	16,000	9,610	16,630	17,110

1 \$1,500,000 reserved until 1972.

2 \$35,000,000 and \$40,000,000 authorized for both formula and project grants with stipulation that \$15,000,000 of funds appropriated shall be available for project grants.

3 \$1,400,000 reserved.

4 Indefinite.

5 Reflects total amounts authorized by formula if full funding were available.

6 \$6,750,000 reserved.

TABLE 3.—APPROPRIATION AUTHORIZATIONS, BUDGET REQUESTS, ACTUAL APPROPRIATIONS FOR NURSE TRAINING, 1972-1974

[In thousands of dollars]

	1972	1973	1974
<b>Construction:</b>			
<b>Grants:</b>			
Authorization.....	35,000	40,000	45,000
Budget request.....	0	0	0
Appropriation.....	19,500	20,000	20,000
<b>Interest subsidies:</b>			
Authorization.....	1,000	2,000	4,000
Budget request.....	200	1,000	1,000
Appropriation.....	200	1,000	1,000
<b>Institutional grants (capitation):</b>			
Authorization.....	78,000	82,000	88,000
Budget request.....	0	33,500	0
Appropriation.....	31,500	38,500	36,150
<b>Institutional grants and contracts:</b>			
Special projects for improvement of nurse training (grants and contracts):			
Authorization.....	20,000	28,000	35,000
Budget request.....	11,500	19,000	15,000
Appropriation.....	19,000	25,000	20,000
Full utilization grants and contracts:			
Authorization.....	3,500	5,000	6,500
Budget request.....	540	2,000	0
Appropriation.....	2,000	2,000	1,000
Financial distress grants:			
Authorization.....	15,000	10,000	5,000
Budget request.....	0	2,000	0
Appropriation.....	10,000	10,000	5,000
Startup grants:			
Authorization.....	4,000	8,000	12,000
Budget request.....	0	2,000	0
Appropriation.....	0	2,000	0
<b>Advanced traineeships:</b>			
Authorization.....	20,000	22,000	24,000
Budget request.....	11,470	11,500	0
Appropriation.....	11,470	12,500	13,700
<b>Scholarships:</b>			
Authorization.....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Budget request.....	17,000	19,500	11,000
Appropriation.....	19,500	21,500	20,500
<b>Student loans:</b>			
Authorization.....	25,000	30,000	35,000
Budget request.....	9,610	21,000	21,000
Appropriation.....	21,000	24,000	24,000

<sup>1</sup> No specified amount—based on formula in the legislation.

TABLE 4.—GRANTS AND CONTRACTS AWARDED FOR NURSE TRAINING, 1965-74

Program	Years authorized	Number of grants and contracts <sup>1</sup>	Total award (in thousands) <sup>1</sup>
Construction of nurse education facilities.....	1966-74	224	\$144,368
Projects for improvement in nurse training.....	1965-74	717	92,586
Payments to diploma schools.....	1965-69	1,685	12,003
Nursing student loans.....	1965-74	8,099	154,208
Professional nurse traineeships.....	1965-74	1,572	109,085
Full utilization of nursing educational talent.....	1968-74	34	4,846
Nursing educational opportunity grants.....	1968-70	592	8,442
Nursing scholarships.....	1970-74	4,980	88,171
Capitation grants.....	1972-74	2,804	104,281
Financial distress grants.....	1972-74	173	11,290
Startup grants.....	1972-74	13	1,024

<sup>1</sup> Subject to final adjustment.

The provisions of title VIII of the Public Health Service Act have resulted in demonstrable gains in suitable facilities for nursing education, expanded and modernized clinical and academic curricula, and increased numbers of nursing education programs, faculty and students. The provisions have fostered recruitment of and assistance to

students from minority and socioeconomically disadvantaged backgrounds and encouraged upward mobility opportunities for licensed practical nurses and others with previous health service experience wishing to become registered nurses. The planning, development and accomplishments made possible under this title have provided insights and information about new educational approaches and curricula and indicated areas for future study, development and program direction.

#### PROPOSED LEGISLATION

The proposed legislation, H.R. 17085, continues the balanced program just described of support to schools and students with modifications designed to meet the greatest current needs in nursing—the preparation of nurse faculty, administrators, clinicians, and nurse practitioners. Support to schools includes grants and interest subsidy payment for construction of nursing education facilities, institutional support in the form of capitation grants, financial distress grants, special project grants and contracts for improvement in nurse training, and two new programs to assist collegiate schools of nursing with the development, expansion and operation of programs providing advanced nurse training and nurse practitioner training. Student support through the professional nurse traineeships, and nursing student loans and scholarship is continued.

#### CONSTRUCTION GRANTS, LOAN GUARANTEES AND INTEREST SUBSIDIES

The Nurse Training Act of 1964 authorized a program of matching grants to eligible collegiate, associate degree, and diploma programs for new construction, expansion, or renovation of nursing education facilities for fiscal years 1966 through 1969. The Health Manpower Act of 1968 continued the program for two years and increased the previously authorized maximum Federal share from 50 percent to 66 $\frac{2}{3}$  percent. The Act also authorized the inclusion of space for continuing education in the construction projects of baccalaureate and higher degree programs. The Nurse Training Act of 1971 extended this authority through 1974 and added a new program of guarantees and interest subsidies for non-Federal construction loans for nonprofit private schools of nursing.

From December, 1965, through June, 1974, 216 schools were awarded 224 construction grants—94 for baccalaureate and higher degree programs, 79 for associate degree programs, and 51 for diploma programs. Nine of the awards to baccalaureate and higher degree institutions included space for associate degree programs conducted within the same institutions. The Federal share of these grants approximated \$144 million.

More than 11,000 new first year places have been provided in schools of nursing and approximately 34,000 student places maintained with the construction made possible through these grants. Approximately 150 facilities are already completed and in use. Table 5 shows the distribution of nursing construction grants by type of nursing education program.

TABLE 5.—NURSE TRAINING CONSTRUCTION PROGRAM SUMMARY AS OF JUNE 30, 1974

Type of program	Number of grants awarded	Federal share of construction costs (thousands)	Increase in 1st year places	Student places maintained
Total .....	225	\$145, 659	11, 306	34, 112
Diploma .....	52	25, 010	817	7, 807
Associate .....	79	32, 527	4, 596	6, 285
Baccalaureate and higher degree .....	94	88, 122	5, 893	20, 020

These new facilities and teaching equipment, and the optimum learning environment they provide have improved the quality of the nursing education and resulted in expanded enrollments in the grantee institutions. Thirty of the programs receiving construction grants will be able to increase enrollments in associated masters programs preparing needed nurse teachers and clinicians.

Construction projects have also provided opportunities for sharing facilities and furthering interdisciplinary training. The expanded Health Science Complex at the University of Washington, whose reconstruction was accomplished in part with a nursing construction grant, affords the University's School of Nursing a totally new physical plant to replace its widely scattered and obsolete facilities. It provides improved facilities that are shared with the medical, pharmacy, and dentistry schools; and also expands the combined enrollment capacity in the four related health fields from 4,000 to 6,000 students. The complex process of cooperative planning for these educational facilities was detailed in "Cooperative Planning for a School of Nursing Within a Health Science Complex", a brochure published by the Division of Nursing of DHEW to assist other schools in similar situations.

The teaching facility built by the College of Nursing at Niagara University in New York expands its places for first-year students from 105 to 126, and the college anticipates tripling graduations to 1,037 during the decade 1972-81. In the interests of continuing education, it plans to sponsor twice-yearly programs in cancer nursing for registered and auxiliary nursing personnel.

The proposed legislation provides an additional \$75 million over three fiscal years in the form of direct grants for the construction of new facilities, including expansion of the capacity of a school to provide graduate training, and the replacement or rehabilitation of existing facilities for collegiate, associate degree, or diploma schools of nursing. It also provides \$9 million for interest subsidy payments over the three fiscal years to assist nonprofit private schools of nursing with construction of nursing education facilities.

The Committee recognizes that many new nursing education programs are in need of teaching space and that many facilities currently in use need renovation or replacement. If nursing schools are to provide quality education to large numbers of students and provide settings for innovative instruction, then adequate and appropriate facilities, space and equipment are essential. This is especially im-

portant for graduate programs where expansion is most needed, and the Committee has specifically stipulated that grants may be awarded for expansion of existing programs to provide graduate training.

#### CAPITATION GRANTS

Basic support grants for all types of nursing education programs were awarded for the first time in 1972. Section 806 of the Public Health Service Act, as amended by the Nurse Training Act of 1971, authorized annual "capitation" grants (grants to schools based on the number of nursing students enrolled therein) to nursing schools that agreed to expand their enrollments, and to those that trained specialized nurse practitioners. Funds were to be distributed according to a statutory formula. To be eligible for a grant, schools were required to provide assurances that they would meet the following three requirements specified in the law: (1) expansion of enrollment; (2) maintenance of effort in the expenditure of funds from non-Federal sources; and (3) submission of a plan for carrying out projects. In its first application for a capitation grant, a school included its plan to carry out, or establish and carry out, projects in at least three of eight specified categories during the year for which the grant was made and the succeeding twelve months.

More than \$100 million was awarded to eligible programs in the three fiscal years 1972-1974. In each of the three years approximately 95 percent of applicants for these grants met the eligibility requirements. The awards by type of program for each of the three years are shown in table 6.

TABLE 6.—NURSING CAPITATION GRANTS, NUMBER AND PERCENT OF AWARDS AND NUMBER AND PERCENT OF FUNDS BY TYPE OF PROGRAM IN FISCAL YEARS 1972, 1973, AND 1974

	1972		1973		1974	
	Number of awards	Percent of awards	Number of awards	Percent of awards	Number of awards	Percent of awards
Total.....	875	100	948	100	981	100
Diploma.....	263	30	209	22	181	18
Associate.....	311	36	408	43	445	45
Baccalaureate.....	246	28	273	29	291	30
Graduate.....	55	6	58	6	64	7
	Amount of funds	Percent of funds	Amount of funds	Percent of funds	Amount of funds	Percent of funds
Total.....	\$31, 439, 358	100	\$38, 500, 000	100	\$34, 341, 774	100
Diploma.....	8, 921, 283	28	8, 004, 766	21	5, 679, 508	17
Associate.....	9, 121, 615	29	13, 436, 990	35	12, 499, 413	36
Baccalaureate.....	12, 400, 912	40	15, 956, 976	41	15, 225, 821	44
Graduate.....	995, 548	3	1, 101, 268	3	937, 032	3

In authorizing capitation grants, the Committee recognized that while increasing the number of nurses graduated each year was an important step in meeting the health care needs of the United States, nurse training programs had the potential to make further contributions to correcting deficiencies in the health care system. Expanded enrollment in nursing schools was to be accompanied by the develop-

ment of programs responsive to national needs and priorities. These programs included training nurses for new roles or levels of nursing; establishing cooperative interdisciplinary training among schools of nursing; effecting significant nursing curriculum improvements with a view toward assumption of greater patient care responsibility; and encouraging minority group enrollment and retention. The 1971 Act specified eight major areas of recognized national need in which nursing schools receiving grants should develop projects. The selection of the categories reflected the priorities of the participating programs as well as project activities most suitable to all types of nursing programs: 60 percent of the projects selected were in three categories: 1) improving the curriculum, 2) providing educational opportunities for disadvantaged students, and 3) increasing the supply of adequately trained nursing personnel and promoting the full utilization of nursing skills. Although it is too soon to expect appreciable results in these activities, educational programs of all types report indications of positive changes especially from sharing resources and better utilization of faculty and facilities. More definitive changes are resulting as schools have more time to develop these activities.

Testimony presented during hearings indicated how through Federal capitation grants, schools at all levels have been able to study, develop and/or revise their curricula—to prepare students who can practice in a variety of settings and employ additional faculty and staff to serve the increase in enrollment and to research and develop new curricula. Capitation support has aided nursing schools in offering high quality nursing education—a quality which would not otherwise be achieved on tight operating budgets and should be continued.

The Committee has carefully considered the costs of the three types of initial nursing education programs as determined by the Institute of Medicine cost study, the nursing and non-nursing components of their curricula, the length and completion rates of the different types of programs, and the relative costs and number of graduate programs of nursing education. On the basis of these deliberations, the Committee has decided on a revised formula for capitation grants which provides a different per capita amount and different enrollment basis for the three types of initial nursing education programs, as follows:

(1) Each collegiate school of nursing will receive \$400 for each student enrolled in such school in each of the last two years of its program.

(2) Each associate degree school of nursing will receive \$275 for each student enrolled in such school in the last year of its program.

(3) Each diploma school of nursing will receive \$250 for each full-time student enrolled in such school.

Schools will still be required to meet the enrollment increase and maintenance of effort requirements to be eligible for capitation grants. The requirement of a plan for carrying out projects in at least three specified categories, and the provisions for enrollment bonus students and practitioner students in the capitation grant formula will be repealed. Support for advanced nurse training programs and nurse practitioner training programs is authorized by separate new sections of the proposed legislation.

## FINANCIAL DISTRESS GRANTS TO SCHOOLS OF NURSING

Assistance with costs of operation for schools of nursing in serious financial straits, and with costs of meeting accreditation requirements were among the purposes for which special project grants could be awarded under the Health Manpower Act of 1968. Fifteen grants were made for this purpose in fiscal years 1970 and 1971.

The Nurse Training Act of 1971 provided a separate authority for this type of assistance. Section 805(b) of the Public Health Service Act authorized financial distress grants to assist public or nonprofit private schools of nursing in serious financial straits to meet operational costs necessary to maintain quality educational programs or meet accreditation requirements. 125 financial distress grants totaling \$8.3 million were awarded under this new authority to 35 diploma programs, 38 associate degree programs, and 52 baccalaureate programs.

Funds appropriated for this program in fiscal year 1973 were made available in the spring of 1974, and schools with approved unfunded applications were asked to update application data to reflect current status. Nineteen awards totaling \$1.4 million were made to 2 diploma, 9 associate, and 8 baccalaureate programs.

Twenty-nine grants, totaling \$1.6 million, were awarded from 1974 funds to 6 diploma, 11 associate degree, and 12 baccalaureate programs.

In keeping with the intent of this provision, schools have used the awards: (1) to meet emergency situations such as damage caused by floods, (2) to maintain the quality of the nursing education program for a limited period pending availability of stable long-term support, or (3) to cover the costs of special efforts required to achieve program accreditation.

The proposed legislation provides \$15 million over three fiscal years to continue authority to provide assistance to schools of nursing which are in serious financial straits to meet operational costs necessary to maintain quality educational programs, or which have special need for financial assistance to meet accreditation requirements.

## SPECIAL PROJECTS FOR THE IMPROVEMENT OF NURSE TRAINING

Project grants for improvement in nurse training were first authorized by the Nurse Training Act of 1964 to assist schools of nursing in meeting the additional costs of projects designed to improve, strengthen, or expand nursing educational programs. Under the Health Manpower Act of 1968, the scope of the projects was broadened to include planning, development, and establishment of new programs of nursing education; eligibility was extended to public and nonprofit private agencies, organizations, and institutions. The Nurse Training Act of 1971 continued and further broadened the authority for special project grants and included authority for contracts for these purposes.

The special projects are the most significant of all the nurse training provisions in terms of effectiveness in improving nursing education nationwide. They have directly assisted the grantee schools and indirectly benefited the entire nursing education community as new information, publications, and multimedia instructional tools are disseminated for wider use and application. The purposes have been



broadened with each extension of the authority to permit and foster the kinds of activities most needed by nursing education—establishment of new programs, assistance with mergers, modification of programs from one type to another, and development of programs to prepare specialized nurse practitioners.

The following are examples of the kinds of cooperative planning and improvements in nursing education made possible with project grants.

Eleven schools of nursing in California and Nevada are working together in the development and implementation of new and innovative programs of graduate education in nursing. Emphasis is being given to maximum use of qualified faculty, library, and other resources, and on the development of new strategies for teaching and learning. An intercampus telecommunications system is utilized.

An arrangement between Iowa's only baccalaureate nursing education program and 11 institutions of higher education—four community colleges, two State-supported universities, and five private colleges—enabled students who would not have entered a baccalaureate program to take the first two years of work required for this degree locally. Through the work of the project in the public schools and in the community, private and State colleges, information has been shared and a climate created which affords the student an opportunity to make a decision on the basis of accurate information about baccalaureate education for the practice of nursing.

Another project grant is providing continuing education via telelectures to more than 3,000 nurses in West Virginia. The statewide nursing telelecture program, developed to meet the unique needs of the communities served is expected to continue after the three-year grant terminates. Leased telephone lines were provided at more than 80 sites comprising hospitals, schools of nursing, colleges, official health agencies, the State's Nurses' Association, and office of the University of West Virginia extension program. By the use of live or pre-taped lectures and live telephone exchange between lecturers and students, courses have been given on dynamic nursing management; the life process; cardiac, respiratory and cancer nursing; current health care challenges; and nursing and the law. Students earn academic or continuing education credit.

Special project funds have encouraged planning and cooperative efforts on the part of schools and agencies on local, State, and regional bases, and among educational programs of the same and different types. Baccalaureate and higher degree programs with the resources of senior colleges and universities have demonstrated leadership in these efforts. Grants and contracts have assisted in the establishment and development of new programs of basic, graduate, and specialized nursing education. Among the latter are those for pediatric nurse practitioners and nurse clinicians. These funds have also facilitated the introduction of preparation for expanded nurse roles into the curriculum of existing programs.

A total of 582 grants have been awarded under this authority. The following tabulation shows the number of grants completed and still underway in various categories.

TABLE 7.—NURSING SPECIAL PROJECT GRANTS, 1965-74

	Completed	Current
Category:		
Career development.....	10	44
Curriculum revision.....	94	65
Expanded clinical role.....	6	33
Faculty development.....	16	4
Instructional technology.....	62	21
New program.....	27	37
Program evaluation.....	14	8
Planning grants.....	61	24
Remedial services.....	15	39
Special financing.....	2	0
Total.....	307	275

The 1966 amendment to the nurse training authorities of the Public Health Service Act provided an opportunity to mount an active nursing education recruitment program, with special emphasis on attracting disadvantaged and minority students. Section 868, "Full Utilization of Educational Talent for the Nursing Profession," provided authority for contracts with educational and other public and non-profit institutions to encourage qualified young people of exceptional financial need to enter the nursing profession. Assistance was provided to schools and other groups to attack the problems of admission and retention of individuals who are financially or otherwise disadvantaged as a result of socioeconomic factors. The Nurse Training Act of 1971 broadened this authority to provide for upward mobility in nursing through recruitment of licensed practical nurses, ex-medical corpsmen, and others. This legislation authorized grants as well as contracts, and specific levels of appropriations for these purposes. Prior to 1972, contracts were funded through the direct operations of the Division of Nursing. From 1968 through 1974, \$4.8 million was awarded for 25 contracts and 9 grants.

Examples of programs for full use of nursing educational talent follow.

The National Student Nurses' Association's "Breakthrough to Nursing" project has yielded impressive results and highlighted problems in minority recruitment. Since this nationwide project began, it has enrolled 500 minority students in schools of nursing. Several hundred student nurse volunteers, many from minority groups, are working in 39 States publicizing nursing opportunities, identifying and motivating potential recruits, helping students to remain in school until graduation, and locating Black, Chicano, and Indian-American registered nurses to serve as role models for aspiring minority students. Another important aspect of the "Breakthrough" program was a manual prepared to help high school counselors recognize and encourage potential for nursing among members of disadvantaged groups.

Grants also assisted the establishment of two professional nursing education programs on Indian reservations, one for the Sioux at Rosebud and Pine Ridge, South Dakota, in cooperation with a nearby college, and one for the Navajos at Many Farms, Arizona. A contract with the Great Lakes Inter-Tribal Council launched an Indian nurse recruitment program to identify, encourage and help potential candi-

dates to enroll in nursing education programs throughout several States.

Recruitment materials directed to minority groups have been developed and are being shared with interested groups. These materials include brochures for minorities, men and older women, such as the well-known packet of recruitment materials entitled, "Nursing Careers Recruitment, A Multi-Impact Approach."

The Committee feels that several of the seven special projects described in existing law are either duplicative or vague in purpose and that the purposes of section 868, "Programs to Encourage Full Utilization of Nursing Educational Talent," should be incorporated into the special projects section. The proposed legislation therefore revises the existing special projects section and provides \$75 million over three fiscal years for grants and contracts to meet the costs of projects for the following purposes: (1) mergers of nurse training programs or development of cooperative arrangements among hospitals and academic institutions, (2) assisting new or modified programs of research in nursing education and curriculum improvement, (3) increasing opportunities for individuals from disadvantaged backgrounds, (4) continuing education for nurses, (5) retraining opportunities for nurses, and (6) increasing supply and improving distribution of nurses by geographic area or specialty group.

#### ADVANCED NURSE TRAINING PROGRAMS

The Committee, based on its hearings, recognizes a critical need for more nurses with advanced training. Many institutions which are now offering graduate programs in nursing must significantly expand these programs; other must be encouraged and assisted in developing such programs.

Institutions are naturally reluctant to establish new graduate programs which are expensive both to initiate and maintain. In the developmental phases of a university-based graduate program funds are needed for planning, consultation, research, and curriculum development. Highly qualified faculty must be secured or prepared to achieve the low student-faculty ratio needed for graduate education. Specialized practice settings must be found or developed for individualized experience in the various clinical specialties offered.

Clinical specialists in nursing are needed to give nursing care to match the sophisticated level of medical care now being provided as a result of clinical research and technological developments in open heart surgery, burn therapy and renal dialysis. Nurses in a burn therapy unit must be familiar with control of infection through external application of antibiotics, nutritional levels essential to survival, and the problem of oxygen loss. Coronary care units employing skilled nurses are effective in reducing in-hospital mortality of heart attack patients. The mortality rate is now typically about 20 percent, a reduction of 10 percent from that of a decade ago. The nurse, aided by modern monitoring equipment, is the key in these specialized patient care units.

In recognition of these needs the proposed legislation provides \$75 million over three fiscal years for grants and contracts for projects at

collegiate schools of nursing to plan, develop and operate, significantly expand, or maintain existing programs for the advanced training of graduates of all three types of nursing schools.

#### NURSE PRACTITIONER PROGRAMS

In 1971 this Committee noted that one way to increase the delivery of health care was through expanding the role of the nurse to include performing tasks which in the past had been done solely by physicians. The Nurse Training Act of 1971 therefore included authority for special projects to encourage the preparation of nurses for new roles as pediatric nurse and other types of nurse practitioners, and for additional capitation payments to schools with training programs for nurse practitioners and nurse midwives.

A nurse practitioner is a registered nurse who has successfully completed a program of study designed to expand her knowledge and clinical skills. She has expanded her level of responsibility in the provision of health care by combining selected services of the registered nurse and the physician in the delivery of primary health care. She provides comprehensive health care to individuals, families and groups in a variety of settings, including homes, clinics, offices, institutions, industry, schools, and others. She is prepared to assess the health status of individuals, make decisions about treatment in collaboration with physicians, and to provide routine care, counseling and teaching to patients and families. A nurse practitioner can thus substantially extend the delivery of health services in rural and other underserved areas.

The Committee was impressed with the testimony of the three nurse practitioners who gave firsthand accounts of the way care can be provided to rural and other isolated communities by nurses who had received the necessary additional training. For example, three clinics have been established in New Mexico with family nurse practitioners providing most of the care. Starting with a demonstration in a rural community medical center where physician backup was provided by phone and a physician visited twice a week, this model was successfully transferred to two urban settings. Over a six month period, there were 11,674 patient encounters at these three clinics with the family nurse practitioners handling almost ninety percent of the encounters.

On isolated Deer Isle, Maine, the family nurse practitioner is the first contact a patient has with the health care system. She evaluates the patients as the primary practitioner and decides if she can handle the problem alone. If necessary she contacts the physician and together they decide upon the appropriate course of action. The nurse makes 200-250 visits per month. One quarter of these visits are to elderly people who are frequently homebound and would otherwise have little or no contact with the health care system.

The Haywood-Moncure Health Center was established to improve health care in a depressed and under privileged agricultural area of North Carolina. Here family nurse practitioners are the primary providers of care to families. The family nurse practitioners work collaboratively with physicians through regularly scheduled conferences to plan patient care. The physicians have a case load of referred patients who the family nurse practitioners consider beyond their scope of prac-

tice and the family nurse practitioner concentrates on the "wellness" end of the illness-wellness continuum.

Such provision of services by nurse practitioners working either in a rural setting or in an inner-city area can help alleviate the existing maldistribution of health resources and bring needed health services to people who are not now getting them. To accomplish this many more nurses must receive training in the skills of primary care. More practitioners of nursing are needed who are prepared at advanced levels for independent and collaborative health care delivery in a variety of settings, for example, nurse-midwives and pediatric nurse practitioners. There is an especially critical need for nurses specially prepared to deal therapeutically with our large geriatric or elderly population—those who are institutionalized, as well as those living in the community. Nurses have shown great interest in this additional preparation and universities and colleges of nursing have responded in developing programs. Like all specialized preparation for health professionals, these programs are costly to establish, to maintain and to attend and financial assistance is needed for both the student and schools.

The proposed legislation therefore provides \$75 million over three fiscal years for grants and contracts for projects at collegiate schools of nursing to plan, develop and operate, significantly expand, or maintain existing programs for the training of nurse practitioners. The Secretary is directed to develop guidelines for such programs for nurse practitioner training after consultation with professional organizations.

#### NURSING STUDENT LOANS AND SCHOLARSHIPS

The Nursing Student Loan Program was designed to increase the number of nurses in practice by helping students finance costs of initial or graduate nursing education with long-term, low interest, loans that could be partially canceled through employment in nursing after graduation. Funds for this program were first authorized under the Nurse Training Act of 1964. This legislation made it possible for nursing students to borrow up to \$1,000 in any academic year for full-time study. Up to 50 percent of the loan could be canceled for full-time employment as a professional nurse in any public or non-profit private institution or agency.

The 1968 Act increased the maximum amount of a student loan to \$1,500, and required that in awarding loans preference should be given to licensed practical nurses as well as first year students. Up to 100 percent of the loan could be canceled for service as a professional nurse in a public or non-profit private hospital in an area designated by the Secretary as having a substantial shortage of nurses.

The Nurse Training Act of 1971 raised the maximum amount of the loan to \$2,500 per student and included half-time as well as full-time study. The rate of loan cancellation was improved and a new provision for loan repayment was added.

More than \$154 million has been awarded to schools of nursing for student loans since the beginning of the program. The number of schools participating in the loan program has increased from 426 in 1965 to 1,151 in 1974. The number of students receiving this assistance increased from 3,654 in 1965 to 26,250 in 1974.

The proposed legislation provides \$105 million over three fiscal years (and such sums as are necessary for the next three fiscal years to permit students who have received loans during such period to complete their education) to schools of nursing for Federal capital contributions to student loan funds. It also provides such sums as are necessary for the Secretary to make payments agreed to prior to enactment of this Act, and would defer loan repayment while the borrower is training to be a nurse anesthetist, in addition to the deferment available while pursuing other kinds of advanced nurse training.

The 1966 amendment to the Public Health Service Act added financial assistance for students of exceptional financial need in the form of Nursing Educational Opportunity Grants. Over the two-year period, fiscal years 1968 and 1969, approximately \$8.5 million was awarded for this form of scholarship assistance.

A new program of scholarships for nursing students authorized by the Health Manpower Act of 1968 replaced the opportunity grants. This provided greater support for the student and allowed the school greater flexibility in helping meet the student's needs. The Nurse Training Act of 1971 extended the authority for scholarships, and increased both the maximum student scholarship per year and the formula for scholarship grants to schools. It also extended eligibility to half-time students. The number of schools participating in the scholarship program increased from 677 in 1970 to 1,225 in 1974. The number of students assisted increased to an estimated 20,500.

The scholarship provision would provide up to an estimated \$201 million for three fiscal years for grants to schools of nursing. The scholarships are essential if needy students from disadvantaged backgrounds are to enter and complete nursing studies.

#### PROFESSIONAL NURSE TRAINEESHIPS

The Professional Nurse Traineeship program has been the major source of Federal financial assistance for registered nurses to obtain the advanced educational preparation necessary for leadership positions in nursing. This traineeship support has enabled nurses to obtain the necessary knowledge and skills to serve in positions as teachers, administrators, supervisors and clinical specialists.

Originally authorized by the Health Amendments Act of 1956 this program was incorporated into the Nurse Training Act of 1964 and the nurse training authorities of 1968 and 1971. Since the beginning of this program, more than 70,000 nurses have had traineeship aid for long-term full-time study and/or short-term intensive courses. More than half of the nurses who had traineeship aid for long-term study under the 1964 and 1968 legislation were preparing for teaching.

At the time the program was established, few nurses held a bachelor's degree; thus traineeship support was made available for study at the baccalaureate as well as the master's level. In recent years, as the number of baccalaureate graduates increased, in keeping with the intent of the program, an increasing proportion of traineeship assistance has been awarded to nurses studying at the master's and doctoral level. It is the Committee's intention that, because of the availability of loans and scholarships under this Act for baccalaureate study and

the pressing need for professional nurses with advanced training, priority consideration in the awarding of traineeships under this section shall be given to professional nurses holding a diploma or a bachelor's degree.

The proposed legislation provides \$60 million over three fiscal years for the cost of traineeships for the training of professional nurses to teach, to serve in administrative or supervisory capacities, and to serve as nurse practitioners or other nursing specialists. In making grants for traineeships, the Secretary shall give consideration to applications that conform to guidelines established for nurse practitioner programs.

## SECTION-BY-SECTION ANALYSIS

### SECTION 1. SHORT TITLE; REFERENCES TO ACT

Section (1) (a) provides that the Act may be cited as the "Nurse Training Act of 1974".

Section (1) (b) provides that whenever in the legislation an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference is to a section or other provision of the Public Health Service Act.

## TITLE I—CONSTRUCTION ASSISTANCE

### EXTENSION OF GRANTS AND LOAN GUARANTEES AND INTEREST SUBSIDIES

Section 101(a) (1) amends section 801 to extend appropriation authorizations for construction of teaching facilities for schools of nursing as follows: \$25 million for fiscal year 1975, \$25 million for fiscal year 1976, and \$25 million for fiscal year 1977.

Section 101(a) (2) amends section 802(c) (1) (A) to provide that in considering applications for grants, account shall be taken of relative effectiveness of proposed facilities in expanding the capacity of the school to provide graduate training.

Section 101(b) (1) (A) amends existing section 809(a) and (b), (redesignated as new section 805(a) and (b)), to extend for three fiscal years 1975 through 1977 the program of Federal guarantees of loans and interest subsidies made by non-Federal lenders to nonprofit private schools of nursing for construction of training facilities.

Section 101(b) (1) (B) amends existing section 809(a) (redesignated as section 805(a)) to strike out provision that no loan guarantee may apply to more than 90 per cent of the loss of principal of and interest on the loan.

Section 101(b) (2) amends existing section 809(e) (redesignated as 805(e)) to extend appropriation authorizations for three years for loan guarantees and interest subsidies. There are authorized to be appropriated from time to time amounts as may be necessary to provide the sums required for the fund, except that the amount appropriated for interest subsidy payments may not exceed \$2 million for fiscal year 1975, \$3 million for fiscal year 1976, and \$4 million for fiscal year 1977.

Section 101(c) adds authority for the Secretary to guarantee loans made by the Federal Financing Bank to nursing schools to the existing authority for guaranteeing such loans by non-Federal lenders.

#### TECHNICAL AMENDMENTS

Section 102(a) (1) amends title VIII by inserting after the heading for part A the following: "Subpart I—Construction Assistance".

Section 102(a) (2) changes the title of part A to "Assistance for Expansion and Improvement of Nurse Training".

Section 102(b) redesignates existing section 809 as new section 805.

### TITLE II—CAPITATION GRANTS

#### EXTENSION AND REVISION OF CAPITATION GRANTS

Section 201(a) amends existing section 806 (redesignated as section 810) by authorizing capitation payments to each collegiate school of nursing in the amount of \$400 for each student enrolled in each of the last two years of such school; to each associate degree school of nursing in the amount of \$275 for each student enrolled in the last year of such school; and to each diploma school of nursing in the amount of \$250 for each full-time student enrolled.

Section 201(b) (1) repeals existing subsections 806(c), (d), and (f) relating to enrollment bonus students and plan requirements for special projects in specific categories, and redesignates the remaining subsections accordingly.

Section 201(b) (2) amends section 806(f) (1) (as redesignated by 201(b) (1)) to authorize appropriations for capitation grants for three years in amounts of \$45 million for fiscal year 1975, \$50 million for fiscal year 1976, and \$55 million for fiscal year 1977.

Section 201(c) authorizes appropriation of such sums as necessary for continuation of payments for "enrollment bonus students" who were enrolled as first-year students in such schools for school years beginning before June 30, 1974.

#### TECHNICAL AMENDMENT

Section 202 amends title VIII by inserting after section 805 the title "Subpart II—Capitation Grants".

### TITLE III—FINANCIAL DISTRESS GRANTS

#### EXTENSION OF FINANCIAL DISTRESS GRANT PROGRAM

Section 301 amends title VIII by inserting after subpart II of part A a new "subpart III—Financial Distress Grants, and a new section 815 which extends and revises the financial distress grant authority now authorized under section 805 (b).

#### FINANCIAL DISTRESS GRANTS

*New section 815(a)* extends for three years authority for grants to assist schools of nursing which are in serious financial straits to meet operational cost necessary to maintain quality educational programs



or which have special need for financial assistance to meet accreditation standards. The Secretary may not approve or disapprove an application except after consultation with the National Advisory Council on Nurse Training.

*New section 815(b)* provides that an applicant for a grant must give assurances it will expend in carrying out its functions as a school during the fiscal year for which the grant is sought, an amount of funds (other than for construction) from non-Federal sources which is at least as great as the average amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the three fiscal years immediately preceding the year for which the grant is sought. The Secretary may, after consultation with National Advisory Council on Nurse Training, waive this requirement if such requirement would be inconsistent with new section 814(a).

*New section 805(c)* authorizes appropriations of \$5 million for each of the fiscal years 1975, 1976, and 1977.

## TITLE IV—SPECIAL PROJECT ASSISTANCE

### SPECIAL PROJECT GRANTS AND CONTRACTS

Section 401(a) amends title VIII by inserting after subpart III of part A a new "Subpart IV—Special Projects," and revises in a new section 820 the special project authority now authorized under existing section 805(a).

### SPECIAL PROJECT GRANTS AND CONTRACTS

*New section 820(a)* authorizes grants to public or nonprofit private schools of nursing and other public or nonprofit private entities, and contracts with any public or private entity to meet costs of special projects for specified purposes:

The Secretary is authorized to make grants or enter into contracts to meet costs of projects to—

(1) assist in—

(A) mergers between hospital training programs or between hospital training programs and academic institutions,

or

(B) other cooperative arrangements among hospitals and academic institutions,

leading to the establishment of nurse training programs;

(2) plan, develop, or establish new nurse training programs or programs of research in nursing education, significantly improve curriculums of schools of nursing, or modify existing programs of nursing education;

(3) increase nursing education opportunities for individuals from disadvantaged backgrounds, as determined in accordance with criteria prescribed by the Secretary, by—

(A) identifying, recruiting, and selecting such individuals,

(B) facilitating entry of such individuals into schools of nursing,

(C) providing counseling or other services designed to assist such individuals to complete successfully such regular course of education.

(D) providing preliminary education designed to assist such individuals to complete successfully such regular course of education,

(E) paying such stipends (including allowances for travel and dependents) as the Secretary may determine for such individuals for any period of nursing education, and

(F) publicizing existing sources of financial aid available to persons enrolled in schools of nursing or who are undertaking training necessary to qualify them to enroll in such schools;

(4) provide continuing education for nurses,

(5) provide retraining opportunities for nurses who desire to reenter the profession,

(6) help to increase the supply or improve the distribution by geographic area or by specialty group of trained nursing personnel.

Contracts may be entered into under this authority without regard to section 3648 of the Revised Statutes (prohibition against advanced payments) and section 3709 of the Revised Statutes (requirements of advertising).

*New section 820(b)* authorizes the Secretary, with the advice of the National Advisory Council on Nurse Training, to provide assistance to heads of other departments and agencies of the government to encourage and assist in the utilization of medical facilities under their jurisdiction for nurses training programs.

*New section 820(c)* provides that the Secretary may not approve or disapprove an application except after consultation with the National Advisory Council on Nurse Training. Applications must provide for such fiscal control and accounting procedures and reports, and access to records of applicant, as the Secretary may require.

*New section 820(d)* authorizes appropriations of \$20 million for fiscal year 1975, \$25 million for fiscal year 1976, and \$30 million for fiscal year 1977 for special project grants and contracts.

#### ADVANCED NURSE TRAINING PROGRAM

*New section 821(a)* provides authority for grants to or contracts with public and nonprofit private collegiate schools of nursing to meet costs of projects to (a) plan, develop, and operate, (b) significantly expand, or (c) maintain existing programs for the advanced training of professional nurses to be teachers, administrators or supervisors, or nursing specialists.

*New section 821(b)* authorizes appropriations of \$20 million for fiscal year 1975, \$25 million for fiscal year 1976, and \$30 million for fiscal year 1977 for this program.

#### ADVANCED NURSE TRAINING PROGRAMS

*New section 822(a)(1)* provides authority for grants to and contracts with public and nonprofit private collegiate schools of nursing to meet costs of projects to (a) plan, develop, and operate, (b) signifi-

cantly expand, or (c) maintain existing, programs for the training of nurse practitioners.

*New section 822(a)(2)* defines the term "programs for the training of nurse practitioners" to mean educational programs which meet guidelines (set forth in new section 822(a)(2)(B)) prescribed by the Secretary after consultation with appropriate professional nursing organizations, and which shall as a minimum require—

(1) a program of classroom instruction and supervised clinical practice directed toward preparing nurses to deliver primary health care;

(2) a minimum course of study of one academic year; and

(3) a minimum level of enrollment of not less than 25 students, and which shall have as their objective the education of nurses who will be qualified to effectively provide primary care.

*New section 822(b)* requires that any grant or contract to plan, develop, and operate a nurse practitioner program, or to expand or maintain such a program, must contain assurances satisfactory to the Secretary that such program meets the guidelines in effect under section 822(a)(2)(B).

*New section 822(c)* provides that costs may include preparation of faculty members in order to conform to guidelines in effect under section 822(a)(2)(B).

*New section 822(d)* authorizes appropriations for this section of \$20 million for fiscal year 1975, \$25 million for fiscal year 1976, and \$30 million for fiscal year 1977 for making grants and contracts.

Section 401(b) repeals existing section 810, "Start-up Grants for New Nurse Training Programs" and existing section 868, "Grants and Contracts to Encourage Full Utilization of Education Talent for the Nursing Profession."

## TITLE V—ASSISTANCE TO NURSING STUDENTS

### EXTENSION OF TRAINEESHIPS

Section 501(a) extends authority of existing section 821 (redesignated as new section 830) with appropriation authorizations of \$15 million for fiscal year 1975, \$20 million for fiscal year 1976, and \$25 million for fiscal year 1977 to cover costs of traineeships for the training of professional nurses.

Section 501(b) provides that the Secretary shall give special consideration to applications for traineeship programs which conform to guidelines established under new section 822 for nurse practitioners.

### EXTENSION OF STUDENT LOAN PROGRAM

Section 502(a) extends existing section 822(b)(4) (redesignated as new section 835) for three years (1975 through 1977) to continue the program of Federal capital contributions to school loan funds.

Section 502(b) amends existing section 823(b)(2)(B) (redesignated as new section 836) by adding training to be a nurse-anesthetist to listed types of training for which loan repayment may be deferred.

Section 502(c) amends existing section 824 (redesignated as new section 837) to provide appropriation authorizations (for student loan funds) of \$30 million for fiscal year 1975, \$35 million for fiscal year 1976, and \$40 million for fiscal year 1977. For fiscal year 1978 and each of the next two succeeding fiscal years, there are authorized to be appropriated such sums as necessary to enable students who received a loan before July 1, 1977, to continue or complete their education.

Section 502(d) amends existing section 826 (redesignated as new section 839) to extend for three years, until September 30, 1980, the requirement that there shall be a capital distribution of the balance of the student loan fund.

Section 502(e) repeals existing section 827, the authority to make loans to school loan funds from the Student Loan Revolving Fund, except that the fund shall remain available to the Secretary for the purpose of meeting his responsibilities under section 827 of the Public Health Service Act (as in effect before date of enactment of this Act.) There are authorized to be appropriated without fiscal year limitation such sums as necessary to make payments to schools to cover certain costs incurred in making student loans from borrowed funds while this provision was in effect.

#### EXTENSION OF SCHOLARSHIP PROGRAM

Section 503 extends the scholarship program of existing section 860 (redesignated as new section 845) for three years (fiscal year 1975 through fiscal year 1977).

### TITLE VI—TECHNICAL AND CONFORMING AMENDMENTS

#### TECHNICAL AND CONFORMING AMENDMENTS

Section 601 amends sections of title VIII by making technical and conforming amendments necessitated by the earlier titles of the proposed legislation to comply with redesignation of sections, changes necessary because of repeal of sections and addition of new sections, and by inserting appropriate subtitles.

Revises section 802, paragraph (5), relating to assurances concerning laborers and mechanics employed on construction projects.

Amends section 803(a), concerning amount of construction grants, by making minor editorial changes.

Redesignates sections 806, 807, and 821 as sections 810, 811, and 830, respectively.

Amends section 811 (as redesignated) to allow a grant only to a public or nonprofit private school of nursing.

Amends section 828 (redesignated section 840) by striking authority of Secretary to agree to modifications of loans under subpart II—Student Loans.

Transfers section 830 concerning loan forgiveness to section 823 (redesignated as section 836), loan provisions, and redesignates it as new subsection 823(j).

Redesignates section 822, 823, 824, 825, 826, 828, and 829 as sections 835, 836, 837, 838, 839, 840, and 841, respectively.

Redesignates part D as subpart III, and redesignates sections 860 and 861 as sections 845 and 846, respectively.

Amends by restating without material change section 846 (as redesignated) concerning transfer of moneys from scholarship program to student loan program.

Repeals section 869 which defines academic year.

Redesignates sections 841, 842, 843, 844, and 845 as sections 851, 852, 853, 854, and 855, respectively.

Amends part C of title VIII by adding a new section 856 which provides that the Secretary may delegate authority to administer any program under this title within a central office in the Department of Health, Education, and Welfare, but not to any regional office.

## TITLE VIII—MISCELLANEOUS

### INFORMATION RESPECTING THE SUPPLY AND DISTRIBUTION OF AND REQUIREMENTS FOR NURSES

Section 701(a) requires the Secretary to (1) determine on a continuing basis the supply, distribution, and current and future requirements for nursing personnel; (2) survey and gather data on a continuing basis on employment and compensation of nurses, numbers of nurses with advanced and specialty preparation, and foreign nurse graduates; and (3) develop procedures for determining nurse requirements for the United States and each State on both a current and projected basis.

The Committee anticipates that schools of nursing will participate in the collection of this data and assist in conducting local studies of nursing supply and distribution.

Section 701(b) requires the Secretary to report to the Congress not later than February 1, 1976, and annually thereafter, on the data, including an analysis and recommendations for legislation which will achieve adequate supplies and equitable distribution of nurses within the United States and within each State.

### AGENCY REPORTS

Agency reports were requested on H.R. 14722, a similar predecessor to H.R. 17085, on May 15, 1974, from the Department of Health, Education, and Welfare, the Office of Management and Budget, the Department of Defense, and the Veterans Administration. No reports had been received on the bill at the time of filing the Committee report.

### CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman) :

## PUBLIC HEALTH SERVICE ACT

\* \* \* \* \*

## TITLE VIII—NURSE TRAINING

PART A—[GRANTS] ASSISTANCE FOR EXPANSION AND IMPROVEMENT  
OF NURSE TRAINING*Subpart I—Construction Assistance*

## AUTHORIZATION OF APPROPRIATIONS FOR CONSTRUCTION GRANTS

SEC. 801. There are authorized to be appropriated for grants to assist in the construction of new facilities for collegiate, associate degree, or diploma schools of nursing, and for grants to assist in the replacement or rehabilitation of existing facilities for such schools, \$35,000,000 for the fiscal year ending June 30, 1972, \$40,000,000 for the fiscal year ending June 30, 1973, [and] \$45,000,000 for the fiscal year ending June 30, 1974, \$25,000,000 for the fiscal year ending June 30, 1975, \$25,000,000 for the fiscal year ending June 30, 1976, and \$25,000,000 for the fiscal year ending June 30, 1977.

## APPROVAL OF APPLICATIONS FOR CONSTRUCTION GRANTS

SEC. 802. (a) The Secretary may from time to time set dates (not earlier than in the fiscal year preceding the year for which a grant is sought) by which applications for grants under this [part] *subpart* for any fiscal year must be filed.

(b) A grant for a construction project under this [part] *subpart* may be made only if the application therefor is approved by the Secretary upon his determination that—

(1) the applicant is a public or nonprofit private school of nursing providing an accredited program of nursing education;

(2) the application contains or is supported by reasonable assurances that (A) for not less than twenty years (or in the case of interim facilities, within such shorter period as the Secretary shall by regulation prescribe) after completion of construction, the facility will be used for the purposes of the training for which it is to be constructed, and will not be used for sectarian instruction or as a place for religious worship, (B) sufficient funds will be available to meet the non-Federal share of the cost of constructing the facility, (C) sufficient funds will be available, when construction is completed, for effective use of the facility for the training for which it is being constructed, and (D) in the case of an application for a grant for construction to expand the training capacity of a school of nursing, the first-year enrollment at such school during the first full school year after the completion of the construction and for each of the nine years thereafter will exceed the highest first-year enrollment at such school for any of the five full school years preceding the year in which the application is made by at least 5 per centum of such highest first-year enrollment, or by five students, whichever is greater, and the requirements of

this clause (D) shall be in addition to the requirements of section [806(e) of this Act] 810(c), where applicable;

(3) (A) in the case of an application for a grant for construction of a new facility, such application is for aid in the construction of a new school of nursing, or construction which will expand the training capacity of an existing school of nursing, or (B) in the case of an application for a grant to assist in the replacement or rehabilitation of existing facilities, such application is for aid in construction which will replace or rehabilitate facilities of, or used by, an existing school of nursing, which facilities either are so obsolete as to require the school to curtail substantially either its enrollment or the quality of the training provided or are required to meet an increase in student enrollment;

(4) the plans and specifications are in accordance with regulations relating to minimum standards of construction and equipment; and

(5) the application contains or is supported by adequate [assurance that any laborer or mechanic] *assurances that all laborers and mechanics* employed by [any contractor or subcontractor] *contractors or subcontractors* in the performance of work on [the construction of the facility] *a project* will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the [Davis-Bacon Act, as amended (40 U.S.C. 276a-276a5). The] *Act of March 3, 1931 (40 U.S.C. 276a-276a-5, known as the Davis-Bacon Act), and the Secretary of Labor shall have [.]* with respect to [the] *such* labor standards [specified in this paragraph,] the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; [64 Stat. 1267] 5 U.S.C. Appendix) [.] and section 2 of the Act of June 13, 1934 [., as amended] (40 U.S.C. 276c).

Before approving or disapproving an application for a construction project under this [part] *subpart*, the Secretary shall secure the advice of the National Advisory Council on Nurse Training established by [section 841 (hereinafter in this part referred to as the "Council")] *section 851*. If a school of nursing applies for a grant in a fiscal year for a construction project to expand its training capacity and if under paragraph (2) of [subsection (e) of section 806] *section 810(c)* such school is not required to meet in such fiscal year the enrollment increase prescribed by such subsection because of limitations of physical facilities, the Secretary, after consultation with the National Advisory Council on Nurse Training, may waive (in whole or in part) the enrollment increase prescribed by paragraph (2) (D) of this subsection if the application for such construction project contains or is supported by reasonable assurances satisfactory to the Secretary that the number of first-year students enrolled at such school during the first full school year after the completion of such project and for each of the next nine school years thereafter will be not less than the number of first-year students that such school would be required to enroll under section [806(e)] 810(c) (without regard to paragraph (2) thereof) for a grant under section [806(a)] 810(a).

(c) In considering applications for grants, the Council and the Secretary shall take into account—

(1) (A) in the case of a project for a new school or the expansion of the facilities of an existing school, the relative effectiveness of the proposed facilities (i) in expanding the capacity for the training of first-year students of nursing in the field involved and in promoting an equitable geographical distribution of opportunities for such training (giving due consideration to population, relative unavailability of nurses of the kind to be trained by such school, and available resources in various areas of the Nation for training such nurses), or (ii) in expanding the capacity of the school to provide graduate training; or

(B) in the case of a project for replacement or rehabilitation of existing facilities of a school, the relative need for such replacement or rehabilitation to prevent curtailment of the school's enrollment or deterioration of the quality of the training provided by the school, and the relative size of any such curtailment and its effect on the geographical distribution of opportunities for training in the field of nursing involved (giving consideration to the factors mentioned above in [paragraph] subparagraph (A)); and

(2) in the case of an applicant in a State which has in existence a State or local area agency involved with planning for nurse training facilities, or which participates in a regional or other interstate agency involved with planning for nurse training facilities, the relationship of the application to the construction or training program which is being developed by such agency or agencies and, if such agency or agencies have reviewed such application, any comment thereon submitted by them.

#### AMOUNT OF CONSTRUCTION GRANT; PAYMENTS

【SEC. 803. (a) The amount of any grant for a construction project under this part shall be such amount as the Secretary determines to be appropriate after obtaining the advice of the Council; except that (A) in the case of a grant (i) for a project for a new school, (ii) for a project for new facilities for an existing school in cases where such facilities are of particular importance in providing a major expansion of training capacity, as determined in accordance with regulations, and (iii) for a project for major remodeling or renovation of an existing facility where such project is required to meet an increase in student enrollment such amount may not exceed 75 per centum of the necessary cost of construction, as determined by the Secretary, of such project; and (B) in the case of any other grant, such amount may not, except where the Secretary determines that unusual circumstances make a larger percentage (which may in no case exceed 75 per centum) necessary in order to effectuate the purposes of this part, exceed 67 per centum of the necessary cost of construction, as so determined, of the project with respect to which the grant is made.】

SEC. 803. (a) *The amount of any grant for a construction project under this subpart shall be such amount as the Secretary determines*



to be appropriate after obtaining the advice of the National Advisory Council on Nurse Training; except that—

(1) in the case of a grant—

(A) for a project for a new school,

(B) for a project for new facilities for an existing school in cases where such facilities are of particular importance in providing a major expansion of training capacity, as determined in accordance with regulations, or

(C) for a project for major remodeling or renovation of an existing facility where such project is required to meet an increase in student enrollment,

the amount of such grant may not exceed 75 per centum of the necessary cost of construction, as determined by the Secretary, of such project; and

(2) in the case of a grant for any other project, the amount of such grant may not, except where the Secretary determines that unusual circumstances make a larger percentage (which may in no case exceed 75 per centum) necessary in order to effectuate the purposes of this subpart, exceed 67 per centum of the necessary cost of construction, as so determined, of the project with respect to which the grant is made.

(b) Upon approval of any application for a grant for a construction project under this [part] subpart, the Secretary shall reserve, from any appropriation available therefor, the amount of such grant as determined under subsection (a); the amount so reserved may be paid in advance or by way of reimbursement, and in such installments consistent with construction progress, as the Secretary may determine. The Secretary's reservation of any amount under this section may be amended by him, either upon approval of an amendment of the application or upon revision of the estimated cost of construction of the facility.

(c) In determining the amount of any such grant under this [part] subpart, there shall be excluded from the cost of construction an amount equal to the sum of (1) the amount of any other Federal grant which the applicant has obtained or is assured of obtaining, with respect to the construction which is to be financed in part by grants authorized under this part, and (2) the amount of any non-Federal funds required to be expended as a condition of such other Federal grant.

#### RECAPTURE OF PAYMENTS

SEC. 804. If, within twenty years (or in the case of interim facilities, within such shorter period as the Secretary shall by regulation prescribe) after completion of any construction for which funds have been paid under this [part] subpart—

[(a)] (1) the applicant or other owner of the facility shall cease to be a public or nonprofit private school, or

[(b)] (2) the facility shall cease to be used for the training purposes for which it was constructed (unless the Secretary determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to do so), or

[(c)] (3) the facility is used for sectarian instruction or as a place for religious worship, the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated) of the facility, as the amount of the Federal participation bore to the cost of construction of such facility.

**[SPECIAL PROJECT GRANTS AND CONTRACTS; FINANCIAL DISTRESS GRANTS**

**[SEC. 805. (a)** From appropriations under section 808 the Secretary may make grants to public and other nonprofit private schools of nursing and other public or nonprofit private agencies, organizations and institutions, and enter into contracts with any public or private agencies, organizations, or institutions, to meet the costs of special projects to—

**[(1)** assist in—

**[(A)** mergers between hospital training programs or between hospital training programs and academic institutions, or

**[(B)** other cooperative arrangements among hospitals and academic institutions,

leading to the establishment of nurse training programs;

**[(2)** develop training programs, and train, for new roles, types, or levels of nursing personnel, including programs for the training of pediatric nurse practitioners or other types of nurse practitioners;

**[(3)** develop programs for cooperative interdisciplinary training among schools of nursing and schools of allied health, medicine, dentistry, osteopathy, optometry, podiatry, pharmacy, public health, or veterinary medicine, including training for the use of the team approach to the delivery of health services;

**[(4)** assist in increasing the supply, or improving the distribution of adequately trained nursing personnel or to promote the full utilization of nursing skills;

**[(5)** effect significant improvements in the curriculums of schools of nursing;

**[(6)** research, develop, or demonstrate advances in the various fields related to education in nursing;

**[(7)** plan, develop, or establish new programs or modifications of existing programs of nursing education;

**[(8)** increase educational opportunities for disadvantaged students;

**[(9)** provide continuing education for nurses;

**[(10)** provide appropriate retraining opportunities for nurses who (after periods of professional inactivity) desire again actively to engage in the nursing profession;

**[(11)** otherwise strengthen, improve or expand programs to train nursing personnel, or

[(12) help to increase the supply or improve the distribution by geographic area or by specialty group of adequately trained nursing personnel needed to meet the health needs of the Nation, including the need to increase the availability of personal health services and the need to promote preventive health care.

Contracts may be entered into under this subsection without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

[(b) The Secretary may also make grants from appropriations under section 808 to assist public or nonprofit private schools of nursing which are in serious financial straits to meet operational costs required to maintain quality educational programs or which have special need for financial assistance to meet accreditation requirements. Any such grant may be made upon such terms and conditions as the Secretary determines to be reasonable and necessary, including requirements that the school agree (1) to disclose any financial information or data deemed by the Secretary to be necessary to determine the sources or causes of that school's financial distress, (2) to conduct a comprehensive cost analysis study in cooperation with the Secretary, and (3) to carry out appropriate operational and financial reforms on the basis of information obtained in the course of the comprehensive cost analysis study or on the basis of other relevant information.

[(c) An application for a grant under subsection (b) must contain or be supported by assurances satisfactory to the Secretary that the applicant will expend in carrying out its functions as a school of nursing, during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which is at least as great as the average amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the three fiscal years immediately preceding the fiscal year for which such grant is sought. The Secretary may, after consultation with the National Advisory Council on Nurse Training, waive the requirement of the preceding sentence with respect to any school if he determines that the application of such requirement to such school would be inconsistent with the purposes of subsection (b).

[(d) The Secretary may, with the advice of the National Advisory Council on Nurse Training, provide assistance (including assistance under this section which may be provided without regard to section 807) to the heads of other departments and agencies of the Government to encourage and assist in the utilization of medical facilities under their jurisdiction for nurse training programs.]

#### LOAN GUARANTEES AND INTEREST SUBSIDIES

SEC. [809.] 805. (a) In order to assist nonprofit private schools of nursing to carry out construction projects for training facilities, the Secretary may, during the period beginning July 1, 1971, and ending with the close of June 30, [1974] 1977, guarantee (in accordance with this section and subject to subsection (f)) to non-Federal lenders *or the*

Federal Financing Bank making loans to such schools for such construction projects payment when due of the principal of and interest on any loan for construction of such facilities if the loan was made to a school which is eligible (as determined under regulations of the Secretary) for a grant under this [part] *subpart* to assist a construction project for such facilities. The Secretary may make commitments, on behalf of the United States, to make such loan guarantees prior to the making of such loans. No such loan guarantee [(1)] may, except under such special circumstances and under such conditions as are prescribed by regulations, apply to any amount which, when added to any grant for construction under this part or any other law of the United States, exceeds 90 per centum of the cost of construction of the project[, or (2) may apply to more than 90 per centum of the loss of principal of and interest on the loan].

(b) In the case of any nonprofit private school of nursing which is eligible (as determined under regulations of the Secretary) for a grant under this [part] *subpart* to assist a construction project for training facilities, and to whom a loan has been made by a non-Federal lender or the Federal Financing Bank to assist it in carrying out such project, the Secretary, during the period beginning July 1, 1971, and ending with the close of June 30, [1974] 1977, may, subject to subsection (f), pay to the holder of such loan (and for and on behalf of the school which received such loan) amounts sufficient to reduce by not to exceed 3 per centum per annum the net effective interest rate otherwise payable on such loan.

(c) A loan guarantee or interest subsidy payment may be made under this section only upon an application (submitted in such manner and containing such information as the Secretary may by regulations require) approved by the Secretary. The Secretary may not approve an application for a loan guarantee or interest subsidy payment unless he determines that the terms, conditions, security (if any), and schedule and amount of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States. The Secretary may not approve an application for a loan guarantee, unless he determines that the loan would not be available on reasonable terms and conditions without the guarantee under this section.

(d)(1) The United States shall be entitled to recover from any school of nursing for whom a loan guarantee was made under this section the amount of any payment made pursuant to such guarantee, unless the Secretary for good cause waives such right of recovery; and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

(2) To the extent permitted by paragraph (3), any terms and conditions applicable to a loan guarantee under this section may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

(3) Any loan guarantee made by the Secretary pursuant to this section shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

(e) There is established in the Treasury a loan guarantee and interest subsidy fund (hereinafter in this subsection referred to as the "fund") which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts, (1) to enable him to discharge his responsibilities under guarantees issued by him under this section, and (2) for interest subsidy payments authorized by this section. There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required for the fund; except that the amount appropriated for interest subsidy payments may not exceed \$1,000,000 in the fiscal year ending June 30, 1972, \$2,000,000 in the fiscal year ending June 30, 1973, [and] \$4,000,000 in the fiscal year ending June 30, 1974, \$2,000,000 for the fiscal year ending June 30, 1975, \$3,000,000 for the fiscal year ending June 30, 1976, and \$4,000,000 for the fiscal year ending June 30, 1977. There shall also be deposited in the fund amounts received by the Secretary or other property or assets derived by him from his operations under this section, including any money derived from the sale of assets. If at any time the sums in the fund are insufficient to enable the Secretary to discharge his responsibilities under guarantees issued by him under this section or to make interest subsidy payments authorized by this section, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury, but only in such amounts as may be specified from time to time in appropriation Acts. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes and other obligations issued hereunder and for that purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which the securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from the fund.

(f) (1) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this section may not exceed such limitations as may be specified in appropriation Acts.

(2) In any fiscal year no loan guarantee may be made under subsection (a) and no agreement to make interest subsidy payments may be entered into under subsection (b) if the making of such guarantee or the entering into of such agreement would cause the cumulative total of—

(A) the principal of the loans guaranteed under subsection (a) in such fiscal year, and

(B) the principal of the loans for which no guarantee has been made under subsection (a) and with respect to which an agreement to make interest subsidy payments is entered into under subsection (b) in such fiscal year.

to exceed the amount of grant funds obligated under this part in such fiscal year for construction grants; except that this paragraph shall not apply if the amount of grant funds so obligated in such fiscal year equal the sums appropriated for such fiscal year under section 801.

(g) The Secretary, with the consent of the Secretary of Housing and Urban Development, may obtain from the Department of Housing and Urban Development such assistance with respect to the administration of this section as will promote efficiency and economy thereof.

【SEC. 808. For payments under grants and contracts under section 805(a) there are authorized to be appropriated \$20,000,000 for the fiscal year ending June 30, 1972; \$28,000,000 for the fiscal year ending June 30, 1973; and \$35,000,000 for the fiscal year ending June 30, 1974. There are authorized to be appropriated \$15,000,000 for the fiscal year ending June 30, 1972, \$10,000,000 for the fiscal year ending June 30, 1973, and \$5,000,000 for the fiscal year ending June 30, 1974, to make grants under section 805(b), and, to the extent that sums appropriated under this sentence are not used for such grants, for grants under section 805(a).】

#### 【START-UP GRANTS FOR NEW NURSE TRAINING PROGRAMS】

【SEC. 810. (a) The Secretary may make grants to any public or nonprofit private entity to assist in meeting the costs of planning, developing, or initiating new programs of nurse training. In considering applications for grants under this section, the Secretary shall take into account—

【(1) the number of students proposed to be enrolled in such program, and

【(2) the other resources available to such program.

【(b) The Secretary shall give special consideration to each application for grant assistance under this section for a new program of nurse training which contains or is reasonably supported by assurances that, because of the use that the program will make of existing facilities (including Federal medical facilities), it will be able to accelerate the date on which it will begin its teaching program.

【(c) The amount of any grant under this section shall be determined by the Secretary, but in no event may any grant exceed \$100,000 for any fiscal year. Payments under such grants may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

[(d) There are authorized to be appropriated to carry out this section not to exceed \$4,000,000 for the fiscal year ending June 30, 1972, \$8,000,000 for the fiscal year ending June 30, 1973, and \$12,000,000 for the fiscal year ending June 30, 1974. Sums appropriated under this subsection shall remain available until expended.]

*Subpart II—Capitation Grants*

CAPITATION GRANTS

SEC. [806.] 810. (a) GRANT COMPUTATION.—The Secretary shall make annual grants to schools of nursing for the support of the education programs of such schools. The amount of the annual grant to each such school with an approved application shall be computed as follows:

[(1) Each such school shall receive—

[(A) \$250 for each full-time student enrolled in such school in such year (other than a student who will graduate from such school in such year);

[(B) \$500 for each full-time student enrolled in such school who will graduate in such year; and

[(C) \$100 for each enrollment bonus student (as determined under subsection (d)) enrolled in such school year in such year; and

[(2) Each such school which has a training program for the training of nurse midwives, family health nurses, pediatric nurse practitioners, or similar nurse practitioners shall receive—

[(A) \$250 for each full-time student enrolled in such program in such year (other than a student who will complete the training provided under such program in such year); and

[(B) \$900 for each full-time student enrolled in such program who will complete the training provided under such program in such year.]

(1) *Each collegiate school of nursing shall receive \$400 for each student enrolled in each of the last two years of such school in such year.*

(2) *Each associate degree school of nursing shall receive \$275 for each student enrolled in the last year of such school in such year.*

(3) *Each diploma school of nursing shall receive \$250 for each full-time student enrolled in such school in such year.*

(b) APPORTIONMENT OF APPROPRIATIONS.—If the total of the grants to be made under subsection (a) for any fiscal year to schools with approved applications exceeds the amounts appropriated under subsection (i) for such grants, the amount of the grant for that fiscal year to each such school shall be an amount which bears the same ratio to the amount determined for the school for that fiscal year under subsection (a) as the total of the amounts appropriated under subsection (i) for that year bears to the amount required to make grants to each school in accordance with subsection (a).

**[(c) ENROLLMENT BONUS STUDENT DEFINED.**—For purposes of subsection (a), a full-time student enrolled for any school year in a school of nursing shall be considered to be an enrollment bonus student if—

**[(1)** he enrolled in such school as a first-year student for a school year beginning after June 30, 1971; and

**[(2)** the size of the class of first-year students which enrolled in such school for such school year met the applicable requirement of subsection (d) (1) (A) or (d) (2) (A), and the application of such school for a grant under this section for the fiscal year in which such school year began met the applicable requirement of subsection (d) (1) (B) or (d) (2) (B).

Any student who is considered to be an enrollment bonus student for the school year for which he enrolled as a first-year student in a school shall be considered to be an enrollment bonus student for each school year thereafter for which he is enrolled in such school (other than as a student enrolled in a training program described in subsection (a) (2)).

**[(d) CLASS SIZE AND APPLICATION REQUIREMENTS FOR GRANTS FOR BONUS ENROLLMENT STUDENTS.**—

**[(1) School year 1971–1972.**—If the school year for which a class enrolled as a class of first-year students in a school was the first school year beginning after June 30, 1971—

**[(A)** the number of students who enrolled in such class for such school year must exceed the number of first-year students who enrolled in such school for the preceding school year by 5 per centum of such number or by five students, whichever is greater; and

**[(B)** the application of such school for a grant under this section for the fiscal year ending June 30, 1972, contains or is supported by reasonable assurances that, for the first school year beginning after June 30, 1972 and for each school year thereafter, the number of students enrolled in such school as a class of first-year students will not be less than a number equal to the sum of—

**[(i)** the minimum enrollment of first-year students required under subparagraph (A); and

**[(ii)** 5 per centum of the average of the first-year enrollment of full-time students in such school for the two school years having the highest such enrollment during the five school years during the period of July 1, 1966, through June 30, 1971, or ten students, whichever is greater.

**[(2) School years after school year 1971–1972.**—If the school year for which a class enrolled as a class of first-year students in a school was any school year beginning after June 30, 1972—

**[(A)** the number of students who enrolled in such class for such school year—

**[(i)** if such school has not previously received a grant for bonus enrollment students, must be not less than the sum of (I) the minimum number of first-year students which such school is required pursuant to subsection (e) (or would be required pursuant to subsection (e) except



for paragraph (2) thereof) to enroll for such school year, and (II) 5 per centum of that number or 5 students whichever is greater; or

[(ii) if such school has previously qualified for a bonus enrollment grant under this section, must be not less than the sum of (I) the minimum number of students which such school was required, pursuant to paragraph (1)(B) or (2)(B) (as the case may be), to assure the Secretary would be enrolled for such school year, and (II) 5 per centum of that number or 5 students, whichever is greater; and

[(B) the application of such school for a grant under this section for the fiscal year in which such school year begins contains or is supported by reasonable assurances that, for the first school year beginning after the close of such fiscal year and for each fiscal year thereafter, the number of students enrolled in such school as a class of first-year students will not be less than the minimum number of students such school was required under subparagraph (A) to enroll as first-year students.]

**[(e)] (c) MAINTENANCE OF EFFORT AND ENROLLMENT INCREASE REQUIREMENTS.—**

(1) The Secretary shall not make a grant under this section to any school in a fiscal year beginning after June 30, 1971, unless the application for such grant contains or is supported by reasonable assurances satisfactory to the Secretary—

(A) that for the first school year beginning after the close of the fiscal year in which such grant is made and for each school year thereafter during which such a grant is made the first-year enrollment of full-time students in such school will exceed the average of the first-year enrollment of such students in such school for the two school years having the highest such enrollment during the five school years during the period July 1, 1966, through June 30, 1971, by at least 5 per centum of such average first-year enrollment, or by ten students, whichever is greater; and

(B) that the applicant will expend in carrying out its function as a school of nursing, during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which is at least as great as the average amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the 3 fiscal years immediately preceding the fiscal year for which such grant is sought.

The requirements of subparagraph (A) shall be in addition to the requirements of section 802(b)(2)(D) of this Act, where applicable.

(2) The Secretary is authorized to waive (in whole or in part) the provisions of paragraph (1)(A) if he determines, after consultation with the National Advisory Council on Nurse Training, that the required increase in first-year enrollment of full-time

students in a school cannot, because of limitations of physical facilities available to the school for training or because of other relevant factors, be accomplished without lowering the quality of training provided therein.

**[(f) PLAN REQUIREMENT.—**

**[(1)** In the case of a school which has not received a grant under subsection (a) in a fiscal year beginning after June 30, 1971, an application by such school for such a grant for a fiscal year beginning after that date may not be approved by the Secretary unless the application contains or is accompanied by a plan to carry out, or establish and carry out, during the two-school year period commencing not later than the first day of the fiscal year next following the fiscal year in which the grant is made, specific projects in at least three of the following categories of projects:

**[(A)** Projects to assist in—

**[(i)** mergers between hospital training programs or between hospital training programs and academic institutions, or

**[(ii)** affiliation agreements with hospitals or academic institutions;

leading to the establishment of nurse training programs.

**[(B)** Projects to train for new roles, types, or levels of nursing personnel, including programs for the training of pediatric nurse practitioners or other types of nurse practitioners, in cooperation with appropriate academic institutions or hospitals.

**[(C)** Projects to establish cooperative intradisciplinary training among schools of nursing with a view toward establishment of interchangeable curriculum or shared use of resources.

**[(D)** Projects to establish cooperative interdisciplinary training between schools of nursing and schools of allied health, medicine, dentistry, osteopathy, optometry, podiatry, pharmacy, public health, or veterinary medicine, including training for the use of the team approach to the delivery of health services.

**[(E)** Projects to assist in increasing the supply of adequately trained nursing personnel or to promote the full utilization of nursing skills.

**[(F)** Projects to effect significant improvements in the curricula of schools of nursing (including projects with a view toward the assumption of greater patient care responsibilities).

**[(G)** Projects to provide in-service or other training and education to upgrade the skills of licensed vocational or licensed practical nurses, nursing assistants, and aides, and other paraprofessional nursing personnel.

**[(H)** Projects to increase admissions to, and enrollment and retention in, such schools of qualified individuals who, due to socioeconomic factors, are financially or educationally disadvantaged.

[(2) The Secretary may make on-site inspections of any school, or require the supplying of information or data from any school, receiving a grant under subsection (a) to determine the extent to which such school is carrying out the specific projects required to be included in the plan submitted by such school (pursuant to paragraph (1)) in connection with its application for such grant.

[(3) The Secretary shall submit to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives two reports containing full and complete information as to the extent to which schools receiving grants under subsection (a) are carrying out the specific projects included in plans submitted by them pursuant to paragraph (1). The first such report shall be submitted not later than January 1, 1973, and the second such report shall be submitted not later than September 1, 1974.]

[(g)] (d) ENROLLMENT AND GRADUATION DETERMINATIONS.—

(1) For the purposes of this part and part D, regulations of the Secretary shall include provisions relating to determination of the number of students enrolled in a school, or in a particular year-class in a school, or the number of graduates, as the case may be, on the basis of estimates or on the basis of the number of students who were enrolled in a school, or in a particular year-class in a school, or were graduates, in an earlier year, as the case may be, or on such basis as he deems appropriate for making such determination, and shall include methods of making such determination when a school or a year-class was not in existence in an earlier year at a school.

(2) For purposes of this part and part D, the term "full-time students" (whether such term is used by itself or in connection with a particular year-class) means students pursuing a full-time course of study in an accredited program in a school of nursing.

[(h)] (e) APPLICATION FOR NEW SCHOOLS.—In the case of a new school of nursing which applies for a grant under this section in the fiscal year preceding the fiscal year in which it will admit its first class, the enrollment for purposes of subsection (a) shall be the number of full-time students which the Secretary determines, on the basis of assurance provided by the school, will be enrolled in the school, in the fiscal year after the fiscal year in which the grant is made.

[(i)] (f) AUTHORIZATION OF APPROPRIATIONS.—

(1) There are authorized to be appropriated \$78,000,000 for the fiscal year ending June 30, 1972, \$82,000,000 for the fiscal year ending June 30, 1973, [and] \$88,000,000 for the fiscal year ending June 30, 1974, \$45,000,000 for the fiscal year ending June 30, 1975, \$50,000,000 for the fiscal year ending June 30, 1976, and \$55,000,000 for the fiscal year ending June 30, 1977, for grants under this section.

(2) No funds appropriated under any provision of this Act (other than this subsection) may be used to make grants under this section.

## APPLICATIONS FOR GRANTS

SEC. [807] 811. (a) The Secretary may from time to time set dates (not earlier than in the fiscal year preceding the year for which a grant is sought) by which applications under [section 805, 806, or 810] *this subpart* for any fiscal year must be filed.

(b) The Secretary shall not approve or disapprove any application for a grant under this part except after consultation with the National Advisory Council on Nurse Training.

(c) A grant under [section 805, 806, or 810] *this subpart* may be made only if the application therefor—

(1) is from a public or nonprofit private school of nursing[, or, in the case of grants under section 805 or 810, a public or nonprofit private agency, organization, or institution];

(2) contains such additional information as the Secretary may require to make the determinations required of him under those sections and such assurances as he may find necessary to carry out the purposes of those sections; and

(3) provides for such fiscal control and accounting procedures and reports, and access to the records of the applicant, as the Secretary may require to assure proper disbursement of and accounting for Federal funds paid to the applicant under those sections.

*Subpart III—Financial Distress Grants*

## FINANCIAL DISTRESS GRANTS

SEC. 815. (a) *The Secretary may make grants to assist public or nonprofit private schools of nursing which are in serious financial straits to meet operational costs required to maintain quality educational programs or which have special need for financial assistance to meet accreditation requirements. Any such grant may be made upon such terms and conditions as the Secretary determines to be reasonable and necessary, including requirements that the school agree (1) to disclose any financial information or data deemed by the Secretary to be necessary to determine the sources or causes of that school's financial distress, (2) to conduct a comprehensive cost analysis study in cooperation with the Secretary, and (3) to carry out appropriate operational and financial reforms on the basis of information obtained in the course of the comprehensive cost analysis study or on the basis of other relevant information.*

(b) (1) *No grant may be made under subsection (a) unless an application therefor is submitted to and approved by the Secretary. The Secretary may not approve or disapprove such an application except after consultation with the National Advisory Council on Nurse Training.*

(2) *An application for a grant under subsection (a) must contain or be supported by assurances satisfactory to the Secretary that the applicant will expend in carrying out its functions as a school of nursing, during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which is at least as great as the aver-*

age amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the three fiscal years immediately preceding the fiscal year for which such grant is sought. The Secretary may, after consultation with the National Advisory Council on Nurse Training, waive the requirement of the preceding sentence with respect to any school if he determines that the application of such requirement to such school would be inconsistent with the purposes of subsection (a).

(c) For payments under grants under this section there are authorized to be appropriated \$5,000,000 for the fiscal year ending June 30, 1975, \$5,000,000 for the fiscal year ending June 30, 1976, and \$5,000,000 for the fiscal year ending June 30, 1977.

#### Subpart IV—Special Projects

##### SPECIAL PROJECT GRANTS AND CONTRACTS

SEC. 820. (a) The Secretary may make grants to public and other nonprofit private schools of nursing and other public or nonprofit private entities, and enter into contracts with any public or private entity, to meet the costs of special projects to—

(1) assist in—

(A) mergers between hospital training programs or between hospital training programs and academic institutions,

or  
(B) other cooperative arrangements among hospitals and academic institutions,

leading to the establishment of nurse training programs;

(2) plan, develop, or establish new nurse training programs or programs of research in nursing education, significantly improve curriculums of schools of nursing, or modify existing programs of nursing education;

(3) increase nursing education opportunities for individuals from disadvantaged backgrounds, as determined in accordance with criteria prescribed by the Secretary, by—

(A) identifying, recruiting, and selecting such individuals,

(B) facilitating entry of such individuals into schools of nursing,

(C) providing counseling or other services designed to assist such individuals to complete successfully their nursing education,

(D) providing, for a period prior to the entry of such individuals into the regular course of education at a school of nursing, preliminary education designed to assist them to complete successfully such regular course of education,

(E) paying such stipends (including allowances for travel and dependents) as the Secretary may determine for such individuals for any period of nursing education, and

(F) publicizing, especially to licensed vocational or practical nurses, existing sources of financial aid available to persons enrolled in schools of nursing or who are undertaking training necessary to qualify them to enroll in such schools;

(4) provide continuing education for nurses;

(5) provide appropriate retraining opportunities for nurses who (after periods of professional inactivity) desire again actively to engage in the nursing profession; or

(6) help to increase the supply or improve the distribution by geographic area or by specialty group of adequately trained nursing personnel needed to meet the health needs of the Nation, including the need to increase the availability of personal health services and the need to promote preventive health care.

Contracts may be entered into under this subsection without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

(b) The Secretary may, with the advice of the National Advisory Council on Nurse Training, provide assistance to the heads of other departments and agencies of the Government to encourage and assist in the utilization of medical facilities under their jurisdiction for nurse training programs.

(c) No grant or contract may be made under this section unless an application therefor has been submitted to and approved by the Secretary. The Secretary may not approve or disapprove such an application except after consultation with the National Advisory Council on Nurse Training. Such an application shall provide for such fiscal control and accounting procedures and reports, and access to the records of the applicant, as the Secretary may require to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section.

(d) For payments under grants and contracts under this section there are authorized to be appropriated \$20,000,000 for the fiscal year ending June 30, 1975, \$25,000,000 for the fiscal year ending June 30, 1976, and \$30,000,000 for the fiscal year ending June 30, 1977.

#### ADVANCED NURSE TRAINING PROGRAMS

SEC. 821. (a) (1) The Secretary may make grants to and enter into contracts with public and nonprofit private collegiate schools of nursing to meet the costs of projects to—

- (A) plan, develop, and operate,
- (B) significantly expand, or
- (C) maintain existing,

programs for the advanced training of professional nurses to teach in the various fields of nurse training; to serve in administrative or supervisory capacities, or to serve in other professional nursing specialties (including service as nurse clinicians) determined by the Secretary to require advanced training.

(b) For the purposes of making payments under grants and contracts under this section there are authorized to be appropriated \$20,000,000 for the fiscal year ending June 30, 1975, \$25,000,000 for the fiscal year ending June 30, 1976, and \$30,000,000 for the fiscal year ending June 30, 1977.

#### NURSE PRACTITIONER PROGRAMS

SEC. 822. (a) (1) The Secretary may make grants to and enter into contracts with public and nonprofit private collegiate schools of nursing to meet the costs of projects to—

- (A) plan, develop, and operate,
- (B) significantly expand, or
- (C) maintain existing,

programs for the training of nurse practitioners.

(2) (A) For purposes of this section, the term 'programs for the training of nurse practitioners' means educational programs which meet guidelines prescribed by the Secretary in accordance with subparagraph (B) and which have as their objective the education of nurses who will, upon completion of their studies in such a program, be qualified to effectively provide primary health care.

(B) On or before March 1, 1975, after consultation with appropriate professional nursing organizations, the Secretary shall prescribe guidelines for programs for nurse practitioners. Such guidelines shall, as a minimum, require—

(i) a program of classroom instruction and supervised clinical practice directed toward preparing nurses to deliver primary health care;

(ii) a minimum course of study of one academic year; and

(iii) a minimum level of enrollment in each year of not less than twenty-five students.

(b) No grant may be made or contract entered into to plan, develop, and operate a program for the training of nurse practitioners unless the application for the grant or contract contains assurances satisfactory to the Secretary that the program will upon its development meet the guidelines which are in effect under subsection (a) (2) (B); and no grant may be made or contract entered into to expand or maintain such a program unless the application for the grant or contract contains assurances satisfactory to the Secretary that the program meets the guidelines which are in effect under such subsection.

(c) The costs for which a grant or contract under this section may be made may include costs of preparation of faculty members in order to conform to the guidelines established under subsection (a) (2) (B).

(d) For the purposes of making payments under grants and contracts under this section there are authorized to be appropriated \$20,000,000 for the fiscal year ending June 30, 1975, \$25,000,000 for the fiscal year ending June 30, 1976, and \$30,000,000 for the fiscal year ending June 30, 1977.

## PART B—ASSISTANCE TO NURSING STUDENTS

### Subpart I—Traineeships

#### TRAINEESHIPS FOR ADVANCED TRAINING OF PROFESSIONAL NURSES

**[SEC. 821.** (a) There are authorized to be appropriated \$8,000,000 for the fiscal year ending June 30, 1965, \$9,000,000 for the fiscal year ending June 30, 1966, \$10,000,000 for the fiscal year ending June 30, 1967, \$11,000,000 for the fiscal year ending June 30, 1968, \$12,000,000 for the fiscal year ending June 30, 1969, \$15,000,000 for the fiscal year ending June 30, 1970, \$19,000,000 each for the fiscal year ending June 30, 1971, \$20,000,000 for the fiscal year ending June 30, 1972, \$22,000,000 for the fiscal year ending June 30, 1973, and \$24,000,000 for the fiscal year ending June 30, 1974, and the next fiscal year, to

cover the cost of traineeships for the training of professional nurses to teach in the various fields of nurse training (including practical nurse training), to serve in administrative or supervisory capacities, or to serve in other professional nursing specialties determined by the Secretary to require advanced training.]

SEC. 830. (a) *There are authorized to be appropriated \$20,000,000 for the fiscal year ending June 30, 1975, \$25,000,000 for the fiscal year ending June 30, 1976, and \$30,000,000 for the fiscal year ending June 30, 1977, to cover the costs of traineeships for the training of professional nurses—*

- (1) *to teach in the various fields of nurse training (including practical nurse training),*
- (2) *to serve in administrative or supervisory capacities,*
- (3) *to serve as nurse practitioners, or*
- (4) *to serve in other professional nursing specialties determined by the Secretary to require advanced training.*

(b) Traineeships under this section shall be awarded by the Secretary through grants to public or nonprofit private institutions providing the training. *In making grants for traineeships under this section, the Secretary shall give special consideration to applications for traineeship programs which conform to guidelines established by the Secretary under section 822 (a) (2) (B).*

(c) Payments to institutions under this section may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary. Such payments may be used only for traineeships and shall be limited to such amounts as the Secretary finds necessary to cover the costs of tuition and fees, and a stipend and allowances (including travel and subsistence expenses) for the trainees.

## *Subpart II—Student Loans*

### LOAN AGREEMENTS

SEC. [822.] 835. (a) The Secretary [of Health, Education, and Welfare] is authorized to enter into an agreement for the establishment and operation of a student loan fund in accordance with this [part] *subpart* with any public or nonprofit private school of nursing which is located in a State.

(b) Each agreement entered into under this section shall—

(1) provide for establishment of a student loan fund by the school;

(2) provide for deposit in the fund, except as provided in section [829.] 841, of (A) the Federal capital contributions paid [under this part] *from allotments under section 838* to the school by the Secretary, (B) an additional amount from other sources equal to not less than one-ninth of such Federal capital contributions, (C) collections of principal and interest on loans made from the fund, (D) collections pursuant to section [823.] 836 (f), and (E) any other earnings of the fund;

(3) provide that the fund, except as provided in section [829.] 841, shall be used only for loans to students of the school in accordance with the agreement and for costs of collection of such loans and interest thereon;



(4) provide that loans may be made from such fund only to students pursuing a full-time or half-time course of study at the school leading to a baccalaureate or associate degree in nursing or an equivalent degree or a diploma in nursing, or to a graduate degree in nursing, and that while the agreement remains in effect no such student who has attended such school before July 1, [1975,] 1977, shall receive a loan from a loan fund established under section 204 of the National Defense Education Act of 1958; and

(5) contain such other provisions as are necessary to protect the financial interests of the United States.

#### LOAN PROVISIONS

SEC. [823.] 836. (a) The total of the loans for any academic year (or its equivalent, as determined under regulations of the Secretary) made by schools of nursing from loan funds established pursuant to agreements under this [part] *subpart* may not exceed \$2,500 in the case of any student. The aggregate of the loans for all years from such funds may not exceed \$10,000 in the case of any student. In the granting of such loans, a school shall give preference to licensed practical nurses and to persons who enter as first-year students after enactment of this title.

(b) Loans from any such student loan fund by any school shall be made on such terms and conditions as the school may determine; subject, however, to such conditions, limitations, and requirements as the Secretary [of Health, Education, and Welfare] may prescribe (by regulation or in the agreement with the school) with a view to preventing impairment of the capital of such fund to the maximum extent practicable in the light of the objective of enabling the student to complete his course of study; and except that—

(1) such a loan may be made only to a student who (A) is in need of the amount of the loan to pursue a full-time or half-time course of study at the school leading to a baccalaureate or associate degree in nursing or an equivalent degree, or a diploma in nursing, or a graduate degree in nursing, and (B) is capable, in the opinion of the school, of maintaining good standing in such course of study;

(2) such a loan shall be repayable in equal or graduated periodic installments (with the right of the borrower to accelerate repayment) over the ten-year period which begins nine months after the student ceases to pursue a full-time or half-time course of study at a school of nursing, excluding from such 10-year period all (A) periods (up to three years) of (i) active duty performed by the borrower as a member of a uniformed service, or (ii) service as a volunteer under the Peace Corps Act, and (B) periods (up to five years) during which the borrower is pursuing a full-time course of study at a collegiate school of nursing leading to baccalaureate degree in nursing or an equivalent degree, or to graduate degree in nursing, or is otherwise pursuing advanced professional training in nursing (*or training to be a nurse anesthetist*);

(3) an amount up to 85 per centum of any such loan (plus interest thereon) shall be canceled for full-time employment as a

professional nurse (including teaching in any of the fields of nurse training and service as an administrator, supervisor, or consultant in any of the fields of nursing) in any public or nonprofit private agency, institution, or organization (including neighborhood health centers), at the rate of 15 per centum of the amount of such loan (plus interest) unpaid on the first day of such service for each of the first, second, and third complete year of such service, and 20 per centum of such amount (plus interest) for each complete fourth and fifth year of such service;

(4) the liability to repay the unpaid balance of such loan and accrued interest thereon shall be canceled upon the death of the borrower, or if the Secretary determines that he has become permanently and totally disabled;

(5) such a loan shall bear interest on the unpaid balance of the loan, computed only for periods during which the loan is repayable, at the rate of 3 per centum per annum;

(6) such a loan shall be made without security or endorsement, except that if the borrower is a minor and the note or other evidence of obligation executed by him would not, under the applicable law, create a binding obligation, either security or endorsement may be required;

(7) no note or other evidence of any such loan may be transferred or assigned by the school making the loan except that, if the borrower transfers to another school participating in the program under this part, such note or other evidence of a loan may be transferred to such other school.

(c) Where all or any part of a loan, or interest, is canceled under this section, the Secretary [of Health, Education, and Welfare] shall pay to the school an amount equal to the school's proportionate share of the canceled portion, as determined by the Secretary.

(d) Any loan for any year by a school from a student loan fund established pursuant to an agreement under this part shall be made in such installments as may be provided in regulations of the Secretary or such agreement and, upon notice to the Secretary by the School that any recipient of a loan is failing to maintain satisfactory standing, any or all further installments of his loan shall be withheld, as may be appropriate.

(e) An agreement under this part with any school shall include provisions designed to make loans from the student loan fund established thereunder reasonably available (to the extent of the available funds in such fund) to all eligible students in the school in need thereof.

(f) Subject to regulations of the Secretary, a school may assess a charge with respect to a loan from the loan fund established pursuant to an agreement under this part for failure of the borrower to pay all or any part of an installment when it is due and, in the case of a borrower who is entitled to deferment of the loan under subsection (b) (2) or cancellation of part or all of the loan under subsection (b) (3), for any failure to file timely and satisfactory evidence of such entitlement. The amount of any such charge may not exceed \$1 for the first month or part of a month by which such installment or evidence is late and \$2 for each such month or part of a month thereafter. The school may elect to add the amount of any such charge to the principal

amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

(g) A school may provide in accordance with regulations of the Secretary, that during the repayment period of a loan from a loan fund established pursuant to an agreement under this part payments of principal and interest by the borrower with respect to all the outstanding loans made to him from loan funds so established shall be at a rate equal to not less than \$15 per month.

(h) (1) In the case of any individual—

(A) who has received a baccalaureate or associate degree in nursing (or equivalent degree), a diploma in nursing, or a graduate degree in nursing;

(B) who obtained (A) one or more loans from a loan fund established under this part, or (B) any other educational loan for nurse training costs; and

(C) who enters into an agreement with the Secretary to serve as a nurse for a period of at least two years in an area in a State determined by the Secretary, after consultation with the appropriate State health authority (as determined by the Secretary by regulations), to have a shortage of and need for nurses;

the Secretary shall make payments in accordance with paragraph (2), for and on behalf of that individual, on the principal of and interest on any loan of that individual described in subparagraph (B) of this paragraph which is outstanding on the date the individual begins the service specified in the agreement described in subparagraph (C) of this paragraph.

(2) The payments described in paragraph (1) shall be made by the Secretary as follows:

(A) Upon completion by the individual for whom the payments are to be made of the first year of the service specified in the agreement entered into with the Secretary under paragraph (1), the Secretary shall pay 30 per centum of the principal of, and the interest on each loan of such individual described in paragraph (1) (B) which is outstanding on the date he began such practice.

(B) Upon completion by that individual of the second year of such service, the Secretary shall pay another 30 per centum of the principal of, and the interest on each such loan.

(C) Upon completion by that individual of a third year of such service, the Secretary shall pay another 25 per centum of the principal of, and the interest on each such loan.

(3) Notwithstanding the requirement of completion of practice specified in paragraph (2), the Secretary shall, on or before the due date thereof, pay any loan or loan installment which may fall due within the period of service for which the borrower may receive payments under this subsection, upon the declaration of such borrower, at such times and in such manner as the Secretary may prescribe (and supported by such other evidence as the Secretary may reasonably require), that the borrower is then engaged as described by paragraph (1) or paragraph (2) (C), and that the borrower will continue to be so engaged for the period required (in the absence of this paragraph) to

entitle the borrower to have made the payments provided by this subsection for such period; except that not more than 85 per centum of the principal of any such loan shall be paid pursuant to this paragraph.

(4) A borrower who fails to fulfill an agreement with the Secretary entered into under paragraph (1) or assurances provided pursuant to paragraph (2) (C) shall be liable to reimburse the Secretary for any payments made pursuant to paragraph (2) (A) or paragraph (3) in consideration of such agreement.

(i) Notwithstanding the amendment made by section 6(b) of the Nurse Training Act of 1971 to this section—

(A) any person who obtained one or more loans from a loan fund established under this part, who before the date of the enactment of the Nurse Training Act of 1971 became eligible for cancellation of all or part of such loans (including accrued interest) under this section (as in effect on the day before such date), and who on such date was not engaged in a service for which loan cancellation was authorized under this section (as so in effect), may at any time elect to receive such cancellation in accordance with this subsection (as so in effect); and

(B) in the case of any person who obtained one or more loans from a loan fund established under this part and who on such date was engaged in a service for which cancellation of all or part of such loans (including accrued interest) was authorized under this section (as so in effect), this section (as so in effect) shall continue to apply to such person for purposes of providing such loan cancellation until he terminates such service.

Nothing in this subsection shall be construed to prevent any person from entering into an agreement for loan cancellation under subsection (h) (as amended by section 6(b) (2) of the Nurse Training Act of 1971).

**[SEC. 830. (a)]** (j) Upon application by a person who received, and is under an obligation to repay, any loan made to such person as a nursing student, the Secretary may undertake to repay (without liability to the applicant) all or any part of such loan, and any interest or portion thereof outstanding thereon, upon his determination, pursuant to regulations establishing criteria therefor, that the applicant—

(1) failed to complete the nursing studies with respect to which such loan was made;

(2) is in exceptionally needy circumstances;

(3) is from a low-income or disadvantaged family as those terms may be defined by such regulations; and

(4) has not resumed, or cannot reasonably be expected to resume, such nursing studies within two years following the date upon which the applicant terminated the studies with respect to which such loan was made.

#### **[AUTHORIZATION OF APPROPRIATIONS FOR LOANS**

**[SEC. 824.** There are authorized to be appropriated to the Secretary of Health, Education, and Welfare for Federal capital contributions for student loan funds pursuant to section 822(b) (2) (A) \$3,100,000 for the fiscal year ending June 30, 1965, \$8,900,000 for the fiscal year

ending June 30, 1966, \$16,800,000 for the fiscal year ending June 30, 1967, \$25,300,000 for the fiscal year ending June 30, 1968, \$30,900,000 for the fiscal year ending June 30, 1969, \$20,000,000 for the fiscal year ending June 30, 1970, \$21,000,000 for the fiscal year ending June 30, 1971, \$25,000,000 for the fiscal year ending June 30, 1972, \$30,000,000 for the fiscal year ending June 30, 1973, and \$35,000,000 for the fiscal year ending June 3, 1974, and such sums for the fiscal year ending June 30, 1975, and each of the two succeeding fiscal years as may be necessary to enable students who have received a loan for any academic year ending before July 1, 1974, to continue or complete their education. Sums appropriated pursuant to this section for the fiscal year ending June 30, 1967, or any subsequent fiscal year shall be available to the Secretary (1) for payments into the fund established by section 827 (d), and (2) in accordance with agreements under this part, for Federal capital contributions to schools with which such agreements have been made, to be used, together with deposits in such funds pursuant to section 822 (b) (2) (B), for establishment and maintenance of student loan funds, and (3) for transfers pursuant to section 829.]

#### AUTHORIZATION OF APPROPRIATIONS FOR STUDENT LOAN FUNDS

SEC. 837. *There are authorized to be appropriated for allotments under section 838 to schools of nursing for Federal capital contributions to their student loan funds established under section 835, \$30,000,000 for the fiscal year ending June 30, 1975, \$35,000,000 for the fiscal year ending June 30, 1976, and \$40,000,000 for the fiscal year ending June 30, 1977. For the fiscal year ending June 30, 1978, and for each of the next two succeeding fiscal years there are authorized to be appropriated such sums as may be necessary to enable students who received a loan for any academic year ending before July 1, 1977, to continue or complete their education.*

#### ALLOTMENTS AND PAYMENTS OF FEDERAL CAPITAL CONTRIBUTIONS

SEC. [825.] 838. (a) From the sums appropriated pursuant to section [824] 837 for any fiscal year, the Secretary shall allot to each school an amount which bears the same ratio to the amount so appropriated as the number of persons enrolled on a full-time basis in such school bears to the total number of persons enrolled on a full-time basis in all schools of nursing in all the States. The number of persons enrolled on a full-time basis in schools of nursing for purposes of this section shall be determined by the Secretary for the most recent year for which satisfactory data are available to him. For purposes of allotments under this section, a school of nursing also includes any school with which the Secretary has, prior to the time the allotment is made, entered into an agreement for establishment of a student loan fund under this part. 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 827)] *subpart* which are in excess of the amount appropriated pursuant to section [824] 837 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.

(b)(1) The Secretary shall from time to time set dates by which schools of nursing in a State must file applications for Federal capital contributions, and for loans pursuant to section 827, from the allotment of such State under the first two sentences of subsection (a) of this section.

(2) If the total of the amounts requested for any fiscal year in such applications which are made by schools in a State exceeds the amount of the allotment of such State for that fiscal year, the amounts to be paid to the loan fund of each such school shall be reduced to whichever of the following is the smaller: (A) the amount requested in its application or (B) an amount which bears the same ratio to the amount of the allotment of such State as the number of students who will be enrolled full time in such school during such fiscal year bears to the total number of students who will be enrolled full time in all such schools in such State during such year. Amounts remaining after allotment under the preceding sentence shall be redistributed in accordance with clause (B) of such sentence among schools which in their applications requested more than the amounts so paid to their loan funds, but with such adjustments as may be necessary to prevent the total paid to any such school's loan fund from exceeding the total so requested by it. If the total of the amounts requested for any fiscal year in such applications which are made by schools in a State is less than the amount of the allotment of such State for that fiscal year, the Secretary may reallocate the remaining amount from time to time, on such date or dates as he may fix, to other States in proportion to the original allotments to such States under subsection (a) for such year. For the purpose of this section, the number of students who graduated from secondary schools in each State during a fiscal year and the number of students who will be enrolled full time in schools of nursing in each State shall be estimated by the Secretary [of Health, Education, and Welfare] on the basis of the best information available to him; and in making such estimates, the number of students enrolled full time in any collegiate school of nursing shall be deemed to be twice their actual number.

(c) The Federal capital contributions to a loan fund of a school under this part shall be paid to it from time to time in such installments as the Secretary determines will not result in unnecessary accumulations in the loan fund at such school.

#### DISTRIBUTION OF ASSETS FROM LOAN FUNDS

SEC. [826.] 839. (a) After June 30, [1977] 1980, and not later than September 30, [1977] 1980, there shall be a capital distribution of the balance of the loan fund established under an agreement pursuant to section [822] 835(b) by each school as follows:

(1) The Secretary [of Health, Education, and Welfare] shall first be paid an amount which bears the same ratio to such balance in such fund at the close of June 30, [1977] 1980, as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section [822] 835(b)(2)(A) bears to the total amount in such fund derived from such Federal capital contributions and from funds deposited therein pursuant to section [822] 835(b)(2)(B).

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

(b) After September 30, [1977] 1980, each school with which the Secretary has made an agreement under this part shall pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by the school after June 30, [1977] 1980, in payment of principal or interest on loans made from the loan fund established pursuant to such agreement [(other than so much of such funds as relates to payments from the revolving fund established by section 827(d))] as was determined for the Secretary under subsection (a).

#### [LOANS TO SCHOOLS

[SEC. 827. (a) (1) During the fiscal years ending June 30, 1967, and June 30, 1968, and each of the next six fiscal years, the Secretary may make loans, from the revolving fund established by subsection (d), to any public or nonprofit private school of nursing which is located in a State, to provide all or part of the capital needed by any such school for making loans to students under this section (other than capital needed to make the institutional contributions required of schools by section 822(b) (2) (B)). Loans to students from such borrowed sums shall be subject to the terms, conditions, and limitations set forth in section 823. The requirement in section 822(b) (2) (B) with respect to institutional contributions by schools to student loan funds shall not apply to loans made to school under this section.

[(2) A loan to a school under this section may be upon such terms and conditions, consistent with applicable provisions of section 822, as the Secretary deems appropriate. If the Secretary deems it to be necessary to assure that the purposes of this section will be achieved, these terms and conditions may include provisions making the school's obligation to the Secretary on such a loan payable solely from such revenues or other assets or security (including collections on loans to students) as the Secretary may approve. Such a loan shall bear interest at a rate which the Secretary determines to be adequate to cover (A) the cost of the funds to the Treasury as determined by the Secretary of the Treasury, taking into consideration the current average yields of outstanding marketable obligations of the United States having maturities comparable to the maturities of loans made by the Secretary under this section, and (B) probable losses.

#### [Payments to Schools To Cover Certain Costs Incurred in Making Student Loans From Borrowed Funds

[(b) If a school of nursing borrows any sums under this section, the Secretary shall agree to pay to the school (1) an amount equal to 90 per centum of the loss to the school from defaults on student loans made from such sums, (2) the amount by which the interest payable by the school on such sums exceeds the interest received by it on student loans made from such sums, (3) an amount equal to the amount of collection expenses authorized by section 822(b) (3) to be paid out of a student loan fund with respect to such sums and (4) the amount of principal which is canceled pursuant to section 823(b) (3) or (4) with respect to student loans made from such sums. There are authorized to be appropriated without fiscal-year limitation such sums as may be necessary to carry out the purposes of this subsection.

### 【Limitation on Loans

【(c) The total of the loans made in any fiscal year under this section shall not exceed the lesser of (1) such limitations as may be specified in appropriation Acts, and (2) the difference between \$35,000,000 and the amount of Federal capital contributions paid under this title for that year.

### 【Revolving Fund

【(d) (1) There is hereby created within the Treasury a nurse training fund (hereinafter in this section called "the fund") which shall be available to the Secretary without fiscal-year limitation as a revolving fund for the purposes of this section. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act, 31 U.S.C. 847-849) for wholly owned Government corporations.

【(2) The fund shall consist of appropriations paid into the fund pursuant to section 824, appropriations made pursuant to this subsection, all amounts received by the Secretary as interest payments or repayments of principal on loans under this section, and any other moneys, property, or assets derived by him from his operations in connection with this section (other than subsection (b)), including any moneys derived directly or indirectly from the sale of assets, or beneficial interests or participations in assets, of the fund.

【(3) All loans, expenses (other than normal administrative expenses), and payments pursuant to operations of the Secretary under this section (other than subsection (b)) shall be paid from the fund, including (but not limited to) expenses and payments of the Secretary in connection with the sale, under section 302(c) of the Federal National Mortgage Association Charter Act, of participations in obligations acquired under this section. From time to time, and at least at the close of each fiscal year, the Secretary shall pay from the fund into the Treasury as miscellaneous receipts interest on the cumulative amount of appropriations paid out for loans under this section, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding Treasury obligations of maturity comparable to the average maturity of loans made from the fund. Interest payments may be deferred with approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the fund, such excess may be transferred to the general fund of the Treasury.

【(4) In addition to the sums authorized to be appropriated by section 824, there are authorized to be appropriated to the fund established by this subsection \$2,000,000 for the fiscal year ending June 30, 1967.】



## ADMINISTRATIVE PROVISIONS

SEC. [828] 840. The Secretary may agree to modifications of agreements [or loans] made under this [part] *subpart*, and may compromise, waive, or release any right, title, claim, or demand of the United States arising or acquired under this part.

## TRANSFERS TO SCHOLARSHIP PROGRAM

SEC. [829] 841. Not to exceed 20 per centum of the amount paid to a school from the appropriation for any fiscal year for Federal capital contributions under an agreement under this part, or such larger percentage thereof as the Secretary may approve, may be transferred to the sums available to the school under [part D] *subpart III of this part* to be used for the same purpose as such sums. In the case of any such transfer, the amount of any funds which the school deposited in its student loan fund pursuant to section [822] 835 (b) (2) (B) with respect to the amount so transferred may be withdrawn by the school from such fund.

## [PART D] SUBPART III—SCHOLARSHIP GRANTS TO SCHOOLS OF NURSING

## SCHOLARSHIP GRANTS

SEC. [860.] 845. (a) The Secretary shall make grants as provided in this [part] *section* to each public or other nonprofit school of nursing for scholarships to be awarded annually by such school to students thereof.

(b) The amount of the grant under subsection (a) for the fiscal year ending June 30, [1972] 1975, and for each of the next two fiscal years to each such school shall be equal to \$3,000 multiplied by one-tenth of the number of full-time students of such school. For the fiscal year ending June 30, [1975] 1978, and for each of the two succeeding fiscal years, the grant under subsection (a) shall be such amount as may be necessary to enable such school to continue making payments under scholarship awards to students who initially received such awards out of grants made to the school for fiscal years ending before July 1, [1974] 1977.

(c) (1) Scholarships may be awarded by schools from grants under subsection (a)—

(A) only to individuals who have been accepted by them for enrollment, and individuals enrolled and in good standing, as full-time or half-time students, in the case of awards from such grants for the fiscal year ending June 30, [1972] 1975, and the next two fiscal years; and

(B) only to individuals enrolled and in good standing as full-time or half-time students who initially received scholarship awards out of such grants for a fiscal year ending prior to July 1, [1974] 1977, in the case of awards from such grants for the fiscal year ending June 30, [1975] 1978, and each of the two succeeding fiscal years.

(2) Scholarships from grants under subsection (a) for any school year shall be awarded only to students of exceptional financial need who need such financial assistance to pursue a course of study at the school for such year. Any such scholarship awarded for a school year shall cover such portion of the student's tuition, fees, books, equipment, and living expenses at the school making the award, but not to exceed \$2,000 for any year in the case of any student, as such school may determine the student needs for such year on the basis of his requirements and financial resources.

(d) Grants under subsection (a) shall be made in accordance with regulations prescribed by the Secretary after consultation with the National Advisory Council on Nurse Training.

(e) Grants under subsection (a) may be paid in advance or by way of reimbursement, and at such intervals as the Secretary may find necessary; and with appropriate adjustments on account of overpayments or underpayments previously made.

#### TRANSFERS TO STUDENT LOAN PROGRAM

SEC. [861] 846. Not to exceed 20 per centum of the amount paid to a school from the appropriation for any fiscal year for scholarships under this [part] section 845, or such larger percentage thereof as the Secretary may approve for such school for such year, may be transferred [to the sums available to the school under this part for (and to be regarded as) Federal capital contributions, to be used for the same purpose as such sums] *to the student loan fund of the school established under an agreement under section 835. Funds transferred under this section to such a student loan fund shall be considered as part of the Federal capital contributions to such fund.*

#### [GRANTS AND CONTRACTS TO ENCOURAGE FULL UTILIZATION OF EDUCATIONAL TALENT FOR THE NURSING PROFESSION

[SEC. 868. (a) To assist in meeting the need for additional professional personnel in the nursing professions, the Secretary is authorized to make grants to public or nonprofit health or educational entities or enter into contracts with such entities not to exceed \$100,000 per year per contract (without regard to section 3709 of the Revised Statutes (41 U.S.C. (5)) for the purpose of—

[(1) identifying individuals with a potential for education or training in the nursing profession (including veterans of the Armed Forces of the United States with training or experience in the health field, and individuals who due to socioeconomic factors are financially or otherwise disadvantaged) and encouraging and assisting them (A) to enroll in a school of nursing which is accredited as defined in section 843(f); or (B) if they are not qualified to enroll in such a school to undertake such postsecondary education or training as may be required to qualify them to enroll in such a school;

[(2) publicizing especially to licensed vocational nurses existing sources of financial aid available to persons enrolled in any such school or who are undertaking training necessary to qualify them to enroll in any such school; or

[(3) establishing such programs as the Secretary determines will enhance and facilitate the enrollment, pursuit, and completion of study by individuals referred to in clause (1) in such schools.

[(b) For the purpose of carrying out the provisions of this section, there is authorized to be appropriated \$3,500,000 for the fiscal year ending June 30, 1972; \$5,000,000 for the fiscal year ending June 30, 1973; and \$6,500,000 for the fiscal year ending June 30, 1974.

#### 【DEFINITION OF ACADEMIC YEAR

【SEC. 869. As used in this part “academic year” means an academic year or its equivalent as defined in regulations of the Secretary.】

#### PART C—GENERAL

##### NATIONAL ADVISORY COUNCIL ON NURSE TRAINING; REVIEW COMMITTEE

SEC. 【841】 851. [(a) (1)] (a). There is hereby established a National Advisory Council on Nurse Training, consisting of the Secretary or his delegate, who shall be Chairman, and the Commissioner of Education, both of whom shall be ex-officio members, and nineteen members appointed by the Secretary without regard to the civil service laws. Three of the appointed members shall be selected from full-time students enrolled in schools of nursing, four of the appointed members shall be selected from the general public and twelve shall be selected from among leading authorities in the various fields of nursing, higher, and secondary education, and from representatives of hospitals and other institutions and organizations which provide nursing services. The student-members of the Council shall be appointed for terms of one year and shall be eligible for reappointment to the Council.

【(2)】 (b) The Council shall advise the Secretary or his delegate in the preparation of general regulations and with respect to policy matters arising in the administration of this title, and in the review of applications for construction projects under *subpart I of part A*, of applications under section 805 and of applications under *subpart III of part A*.

【(b) The Secretary of Health, Education, and Welfare shall, prior to July 1, 1967, and without regard to the civil service laws, appoint a committee, consisting of members of the public, of various groups particularly interested in or expert in matters relating to education of various types of nurses, for the purpose of reviewing the programs authorized by this title and making recommendations with respect to continuation, extension, and modification of any of such programs. A report of the findings and recommendations of such committee shall be submitted to the Secretary not later than November 1, 1967, after which date such committee shall cease to exist. The Secretary shall submit such report, together with his comments and recommendations thereon to the Congress on or before January 1, 1968.】

##### NONINTERFERENCE WITH ADMINISTRATION OF INSTITUTIONS

SEC. 【842】 852. Nothing contained in this title shall be construed as authorizing any department, agency, officer, or employee of the United

States to exercise any direction, supervision, or control over, or impose any requirement or condition with respect to, the personnel, curriculum, methods of instruction, or administration of any institution.

#### DEFINITIONS

SEC. [843] 853. For purposes of this title—

[(a)] (1) The term “State” means a State, the Commonwealth of Puerto Rico, the District of Columbia, the Canal Zone, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

[(b)] (2) The term “school of nursing” means a collegiate, associate degree, or diploma school of nursing.

[(c)] (3) The term “collegiate school of nursing” means a department, division, or other administrative unit in a college or university which provides primarily or exclusively a program of education in professional nursing and allied subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing, and including advanced training related to such program of education provided by such school, but only if such program, or such unit, college or university is accredited.

[(d)] (4) The term “associate degree school of nursing” means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively a two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree, but only if such program, or such unit, college, or university is accredited.

[(e)] (5) The term “diploma school of nursing” means a school affiliated with a hospital or university, or an independent school, which provides primarily or exclusively a program of education in professional nursing and allied subjects leading to a diploma or to equivalent indicia that such program has been satisfactorily completed, but only if such program, or such affiliated school or such hospital or university or such independent school is accredited.

[(f)] (6) The term “accredited” when applied to any program of nurse education means a program accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Commissioner of Education and when applied to a hospital, school, college, or university (or a unit thereof) means a hospital, school, college, or university (or a unit thereof) which is accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Commissioner of Education, except that a program, or a hospital, school, college, or university (or unit thereof), which is not, at the time of the application under this title, eligible for accreditation by such a recognized body or bodies or State agency, shall be deemed accredited for purposes of this title in the following cases if the Commissioner of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the program, or the hospital, school, college, or university (or unit thereof), will meet the accreditation standards of such body or bodies [(1)] (A) in the case of an applicant under *subpart I of part A* for a grant for a project for construction of a new school (which shall include a school that has

not had a sufficient period of operation to be eligible for accreditation), [(A)] (i) upon completion of such project and other construction projects (if any) then under construction or planned and to be commenced within a reasonable time, or [(B)] (ii) if later, then prior to the beginning of the first academic year following the normal graduation date of the first entering class in such school; [(2)] (B) in the case of a school applying for a grant under section [806] 810 for any fiscal year, prior to the beginning of the first academic year following the normal graduation date of the class which is the entering class for such fiscal year (or is the first such class in such year if there is more than one); and [(3)] (C) in the case of a school seeking an agreement under [part B] section 835 for establishment of a student loan fund, prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school during the fiscal year in which the agreement with such school is made under [part B] section 835; except that the provisions of this clause (3) shall not apply for purposes of section [825] 838.

For the purpose of this paragraph, the Commissioner of Education shall publish a list of recognized accrediting bodies, and of State agencies, which he determines to be reliable authority as to the quality of training offered.

[(g)] (7) The term "nonprofit" as applied to any school, agency, organization, or institution means one which is a corporation or association, or is owned and operated by one or more corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

[(h)] (8) The term "secondary school" means a school which provides secondary education, as determined under State law except that it does not include any education provided beyond grade 12.

[(i)] (9) The terms "construction" and "cost of construction" include [(1)] (A) the construction of new buildings, and the acquisition, expansion, remodeling, replacement, and alteration of existing buildings, including architects' fees but not including the cost of acquisition of land (except in the case of acquisition of an existing building), off-site improvements, living quarters, or patient-care facilities, and [(2)] (B) equipping new buildings and existing buildings, whether or not acquired, expanded, remodeled, or altered. For purposes of this paragraph, the term "buildings" includes interim facilities.

[(j)] (10) The term "interim facilities" means teaching facilities designed to provide teaching space on a short-term (less than ten years) basis while facilities of a more permanent nature are being planned and constructed.

#### ADVANCE FUNDING

SEC. [844] 854. Any appropriation Act which appropriates funds for any fiscal year for grants, contracts, or other payments under this title may also appropriate for the next fiscal year the funds that are authorized to be appropriated for such payments for such next fiscal year; but no funds may be made available therefrom for obligation for such payments before the fiscal year for which such funds are authorized to be appropriated.

PROHIBITION AGAINST DISCRIMINATION BY SCHOOLS ON THE BASIS  
OF SEX

SEC. [845] 855. The Secretary may not make a grant, loan guarantee, or interest subsidy payment under this title to, or for the benefit of, any school of nursing unless the application for the grant, loan guarantee, or interest subsidy payment contains assurances satisfactory to the Secretary that the school will not discriminate on the basis of sex in the admission of individuals to its training programs. The Secretary may not enter into a contract under this title with any school unless the school furnishes assurances satisfactory to the Secretary that it will not discriminate on the basis of sex in the admission of individuals to its training programs.

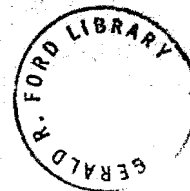
## DELEGATION

*“SEC. 856. The Secretary may delegate the authority to administer any program authorized by this title to the administrator of a central or regional office or offices in the Department of Health, Education, and Welfare, except that the authority—*

*“(1) to review, and prepare comments on the merit of, any application for a grant or contract under any program authorized by this title for purposes of presenting such application to the National Advisory Council on Nurse Training, or*

*“(2) to make such a grant or enter into such a contract, shall not be further delegated to any administrator of, or officer in, any regional office or offices.”.*





# Ninety-third Congress of the United States of America

AT THE SECOND SESSION

Begun and held at the City of Washington on Monday, the twenty-first day of January,  
one thousand nine hundred and seventy-four

## An Act

To amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SHORT TITLE; REFERENCE TO ACT

SECTION 1. (a) This Act may be cited as the "Nurse Training Act of 1974."

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

### TITLE I—CONSTRUCTION ASSISTANCE

#### EXTENSION OF GRANTS AND LOAN GUARANTEES AND INTEREST SUBSIDIES

SEC. 101. (a) (1) Section 801 is amended by striking out "and" after "1973,"; and by inserting before the period a comma and the following: "\$25,000,000 for the fiscal year ending June 30, 1975, \$25,000,000 for the fiscal year ending June 30, 1976, and \$25,000,000 for the fiscal year ending June 30, 1977".

(2) Section 809 (a) (1) (A) is amended (A) by inserting "(1)" after "proposed facilities", and (B) by inserting before the semicolon " or (ii) in expanding the capacity of the school to provide graduate training".

(b) (1) (A) Subsections (a) and (b) of section 809 are each amended by striking out "1974" and inserting in lieu thereof "1977".

(B) (i) The last sentence of subsection (a) of section 809 is amended (I) by striking out "(1)" and (II) by striking out all after "the project" and inserting in lieu thereof a period.

(ii) The amendment made by clause (i) shall apply with respect to loans guaranteed under subpart I of part A of title VIII of the Public Health Service Act after the date of the enactment of this Act.

(2) Subsection (e) of such section is amended by striking out "and" after "1973," and inserting after "1974" a comma and the following: "\$2,000,000 for the fiscal year ending June 30, 1975, \$3,000,000 for the fiscal year ending June 30, 1976, and \$4,000,000 for the fiscal year ending June 3, 1977", and by inserting a period after "Treasury" the second time it appears in the fourth sentence and by striking out the remainder of that sentence.

(c) (1) Subsection (a) of section 809 is amended by inserting "or the Federal Financing Bank" after "non-Federal lenders".

(2) Subsection (b) of section 809 is amended by inserting "or the Federal financing bank" after "non-Federal lender".

#### TECHNICAL AMENDMENTS

SEC. 102. (a) (1) Title VIII is amended by inserting after the heading for part A the following:

"Subpart I—Construction Assistance".

(2) The heading for part A is amended by striking out "GRANTS" and inserting in lieu thereof "ASSISTANCE".

(b) Section 809 is inserted after section 804 and is redesignated as section 805.

## TITLE II—CAPITATION GRANTS

### EXTENSION AND REVISION OF CAPITATION GRANTS

SEC. 201. (a) Section 806 (a) is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

“(1) Each collegiate school of nursing shall receive \$400 for each student enrolled in each of the last two years of such school in such year.

“(2) Each associate degree school of nursing shall receive \$275 for each student enrolled in the last year of such school in such year.

“(3) Each diploma school of nursing shall receive \$250 for each full-time student enrolled in such school in such year.”

(b) (1) Subsections (c), (d), and (f) of section 806 are repealed and subsections (e), (g), (h), and (i) are redesignated as subsections (c), (d), (e), and (f), respectively.

(2) Section 806 (f) (1) (as so redesignated by paragraph (1) of this subsection) is amended by striking out “and” after “1973,” and by inserting before “for grants” the following: \$45,000,000 for the fiscal year ending June 30, 1975, \$50,000,000 for the fiscal year ending June 30, 1976, and \$55,000,000 for the fiscal year ending June 30, 1977.”

(c) For the fiscal year ending June 30, 1975, and for each of the next two fiscal years, there are authorized to be appropriated such sums as may be necessary to continue to make annual grants to schools of nursing under section 806 (a) of the Public Health Service Act (as in effect before the date of the enactment of this Act) based on the number of enrollment bonus students (determined in accordance with subsections (c) and (d) of section 806 of such Act (as so in effect)), enrolled in such schools who were first-year students in such schools for school years beginning before June 30, 1974.

### TECHNICAL AMENDMENT

SEC. 202. Title VIII is amended by inserting after section 805 (as so redesignated by section 102 (b) of this Act) the following:

“Subpart II—Capitation Grants”.

## TITLE III—FINANCIAL DISTRESS GRANTS

### EXTENSION OF FINANCIAL DISTRESS GRANT PROGRAM

SEC. 301. Title VIII is amended by inserting after subpart II of part A. (as provided by title II of this Act), the following:

“Subpart III—Financial Distress Grants

### “FINANCIAL DISTRESS GRANTS

“SEC. 815. (a) The Secretary may make grants to assist public or nonprofit private schools of nursing which are in serious financial straits to meet operational costs required to maintain quality educational programs or which have special need for financial assistance to meet accreditation requirements. Any such grant may be made upon



such terms and conditions as the Secretary determines to be reasonable and necessary, including requirements that the school agree (1) to disclose any financial information or data deemed by the Secretary to be necessary to determine the sources or causes of that school's financial distress, (2) to conduct a comprehensive cost analysis study in cooperation with the Secretary, and (3) to carry out appropriate operational and financial reforms on the basis of information obtained in the course of the comprehensive cost analysis study or on the basis of other relevant information.

"(b)(1) No grant may be made under subsection (a) unless an application thereof is submitted to and approved by the Secretary. The after consultation with the National Advisory Council on Nurse Training.

"(2) An application for a grant under subsection (a) must contain or be supported by assurances satisfactory to the Secretary that the applicant will expend in carrying out its functions as a school of nursing, during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which is at least as great as the average amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the three fiscal years immediately preceding the fiscal year for which such grant is sought. The Secretary may, after consultation with the National Advisory Council on Nurse Training, waive the requirement of the preceding sentence with respect to any school if he determines that the application of such requirement to such school would be inconsistent with the purposes of subsection (a).

"(c) For payments under grants under this section there are authorized to be appropriated \$5,000,000 for the fiscal year ending June 30, 1975, \$5,000,000 for the fiscal year ending June 30, 1976, and \$5,000,000 for the fiscal year ending June 30, 1977."

~~TECHNICAL AMENDMENT~~

SEC. 302. Sections 805 and 808 (as in effect on the date before the date of the enactment of this Act) are repealed.

**TITLE IV—SPECIAL PROJECT ASSISTANCE**

**SPECIAL PROJECT GRANTS AND CONTRACTS**

SEC. 401. (a) Title VIII is amended by inserting after subpart III of part A (as added by section 301(a) of this Act) the following:

**"Subpart IV—Special Projects**

**"SPECIAL PROJECT GRANTS AND CONTRACTS**

"Sec. 820. (a) The Secretary may make grants to public and other nonprofit private schools of nursing and other public or nonprofit private entities, and enter into contracts with any public or private entity, to meet the costs of special projects to—

"(1) assist in—

"(A) mergers between hospital training programs or between hospital training programs and academic institutions, or

“(B) other cooperative arrangements among hospitals and academic institutions, leading to the establishment of nurse training programs;

“(2) plan, develop, or establish new nurse training programs or programs of research in nursing education, significantly improve curriculums of schools of nursing, or modify existing programs of nursing education;

“(3) increase nursing education opportunities for individuals from disadvantaged backgrounds, as determined in accordance with criteria prescribed by the Secretary, by—

“(A) identifying, recruiting, and selecting such individuals,

“(B) facilitating entry of such individuals into schools of nursing,

“(C) providing counseling or other services designed to assist such individuals to complete successfully their nursing education,

“(D) providing, for a period prior to the entry of such individuals into the regular course of education at a school of nursing, preliminary education designed to assist them to complete successfully such regular course of education,

“(E) paying such stipends (including allowances for travel and dependents) as the Secretary may determine for such individuals for any period of nursing education, and

“(F) publicizing, especially to licensed vocational or practical nurses, existing sources of financial aid available to persons enrolled in schools of nursing or who are undertaking training necessary to qualify them to enroll in such schools;

“(4) provide continuing education for nurses;

“(5) provide appropriate retraining opportunities for nurses who (after periods of professional inactivity) desire again actively to engage in the nursing profession;

~~“(6) help to increase the supply or improve the distribution by geographic area or by specialty group of adequately trained nursing personnel (including nursing personnel who are bilingual) needed to meet the health needs of the Nation, including the need to increase the availability of personal health services and the need to promote preventive health care; or~~

“(7) provide training and education to upgrade the skills of licensed vocational or practical nurses, nursing assistants, and other paraprofessional nursing personnel.

Contracts may be entered into under this subsection without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

“(b) The Secretary may, with the advice of the National Advisory Council on Nurse Training, provide assistance to the heads of other departments and agencies of the Government to encourage and assist in the utilization of medical facilities under their jurisdiction for nurse training programs.

“(c) No grant or contract may be made under this section unless an application therefor has been submitted to and approved by the Secretary. The Secretary may not approve or disapprove such an application except after consultation with the National Advisory Council on Nurse Training. Such an application shall provide for such fiscal control and accounting procedures and reports, and access to the records of the applicant, as the Secretary may require to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section.

“(d) For payments under grants and contracts under this section there are authorized to be appropriated \$20,000,000 for the fiscal year ending June 30, 1975, \$25,000,000 for the fiscal year ending June 30, 1976 and \$30,000,000 for the fiscal year ending June 30, 1977. Not less than 10 per centum of the funds appropriated under this subsection for any fiscal year shall be used for payments under grants and contracts to meet the costs of the special projects described in subsection (a) (3).

“ADVANCED NURSE TRAINING PROGRAMS

“SEC. 821. (a) (1) The Secretary may make grants to and enter into contracts with public and nonprofit private collegiate schools of nursing to meet the costs of projects to—

- “(A) plan, develop, and operate,
- “(B) significantly expand, or
- “(C) maintain existing,

programs for the advanced training of professional nurses to teach in the various fields of nurse training, to serve in administrative or supervisory capacities, or to serve in other professional nursing specialties (including service as nurse clinicians) determined by the Secretary to require advanced training.

“(b) For the purposes of making payments under grants and contracts under this section there are authorized to be appropriated \$20,000,000 for the fiscal year ending June 30, 1975, \$25,000,000 for the fiscal year ending June 30, 1976, and \$30,000,00 for the fiscal year ending June 30, 1977.

“NURSE PRACTITIONER PROGRAMS

“SEC. 822. (a) (1) the Secretary may make grants to and enter into contracts with public or nonprofit private schools of nursing, medicine, and public health, public or nonprofit private hospitals, and other public or nonprofit private entities to meet the cost of projects to—

- “(A) plan, develop, and operate,
- “(B) significantly expand, or
- “(C) maintain existing,

programs for the training of nurse practitioners.

“(2) (A) For purposes of this section, the term ‘programs for the training of nurse practitioners’ means educational programs which meet guidelines prescribed by the Secretary in accordance with subparagraph (B) and which have as their objective the education of nurses (including pediatric and geriatric nurses) who will, upon completion of their studies in such a program, be qualified to effectively provide primary health care.

“(B) On or before March 1, 1975, after consultation with appropriate educational organizations and professional nursing and medical organizations, the Secretary shall prescribe guidelines for programs for nurse practitioners. Such guidelines shall, as a minimum, require—

- “(i) a program of classroom instruction and supervised clinical practice directed toward preparing nurses to deliver primary health care;
- “(ii) a minimum course of study of one academic year of which at least four months must be classroom instruction; and
- “(iii) a minimum level of enrollment in each year of not less than eight students.

“(b) No grant may be made or contract entered into to plan, develop, and operate a program for the training of nurse practitioners unless

the application for the grant or contract contains assurances satisfactory to the Secretary that the program will upon its development meet the guidelines which are in effect under subsection (a) (2) (B); and no grant may be made or contract entered into to expand or maintain such a program unless the application for the grant or contract contains assurances satisfactory to the Secretary that the program meets the guidelines which are in effect under such subsection.

“(c) The costs for which a grant or contract under this section may be made may include costs of preparation of faculty members in order to conform to the guidelines established under subsection (a) (2) (B).

“(d) For the purposes of making payments under grants and contracts under this section there are authorized to be appropriated \$20,000,000 for the fiscal year ending June 30, 1975, \$25,000,000 for the fiscal year ending June 30, 1976, and \$30,000,000 for the fiscal year ending June 30, 1977.”

(b) Sections 810 and 868 are repealed.

## TITLE V—ASSISTANCE TO NURSING STUDENTS

### EXTENSION OF TRAINEESHIPS

SEC. 501. (a) Subsection (a) of section 821 (as in effect on the day before the date of the enactment of this Act) is amended to read as follows:

“(a) There are authorized to be appropriated \$20,000,000 for the fiscal year ending June 30, 1975, \$25,000,000 for the fiscal year ending June 30, 1976, and \$30,000,000 for the fiscal year ending June 30, 1977, to cover the costs of traineeships for the training of professional nurses—

“(1) to teach in the various fields of nurse training (including practical nurse training),

“(2) to serve in administrative or supervisory capacities,

“(3) to serve as nurse practitioners, or

“(4) to serve in other professional nursing specialties determined by the Secretary to require advanced training.”

(b) Subsection (b) of section 821 (as so in effect) is amended by adding at the end thereof the following: “In making grants for traineeships under this section, the Secretary shall give special consideration to applications for traineeship programs which conform to guidelines established by the Secretary under section 822(a) (2) (B).”

### EXTENSION OF STUDENT LOAN PROGRAM

SEC. 502. (a) Section 822(b) (4) (as in effect before the date of the enactment of this Act) is amended by striking out “1975” and inserting in lieu thereof “1977”.

(b) Section 823(b) (2) (B) is amended by inserting “(or training to be a nurse anesthetist)” after “professional training in nursing”.

(c) Effective July 1, 1974, section 824 is amended to read as follows:

### “AUTHORIZATION OF APPROPRIATIONS FOR STUDENT LOAN FUNDS

“SEC. 824. There are authorized to be appropriated for allotments under section 825 to schools of nursing for Federal capital contributions to their student loan funds established under section 822, \$30,000,000 for the fiscal year ending June 30, 1975, \$35,000,000 for the fiscal year ending June 30, 1976, and \$40,000,000 for the fiscal year ending June 30, 1977. For the fiscal year ending June 30, 1978, and for

each of the next two succeeding fiscal years there are authorized to be appropriated such sums as may be necessary to enable students who have received a loan for any academic year ending before July 1, 1977, to continue or complete their education.”.

(d) Section 826 is amended by striking out “1977” each place it occurs and inserting in lieu thereof “1980”.

(e) (1) Section 827 is repealed.

(2) The nurse training fund created within the Treasury by section 827(d) (1) of the Public Health Service Act shall remain available to the Secretary of Health, Education, and Welfare for the purpose of meeting his responsibilities respecting participations in obligations acquired under section 827 of such Act. 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 827. If at any time the Secretary determines the moneys in the fund 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 Public Health Service Act before the date of the enactment of this Act.

#### EXTENSION OF SCHOLARSHIP PROGRAM

SEC. 503. Effective July 1, 1974, section 860 is amended—

(1) by striking out “1972” in subsection (b) and in subsection (c) (1) (A) and inserting in lieu thereof “1975”;

(2) by striking out “1975” in the second sentence of subsection (b) and in subsection (c) (1) and inserting in lieu thereof “1978”; and

(3) by striking out “1974” in the second sentence of subsection (b) and in subsection (c) (1) (B) and inserting in lieu thereof “1977”.

#### TITLE VI—TECHNICAL AND CONFORMING AMENDMENTS

##### TECHNICAL AND CONFORMING AMENDMENTS

SEC. 601. (a) (1) Section 802 is amended—

(A) by striking out “this part” each place it occurs and inserting in lieu thereof “this subpart”;

(B) by striking out “subsection 806(e) of this Act” in subsection (b) (2) and inserting in lieu thereof “section 810(c)”;

(C) by striking out paragraph (5) of subsection (b) and inserting in lieu thereof the following:

“(5) the application contains or is supported by adequate assurances that all laborers and mechanics employed by contractors or subcontractors in the performance of work on a project will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a—276a-5, known as the Davis-Bacon Act), and the Secretary of Labor shall have with respect to such labor standards the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).”;



H. R. 17085—8

(D) by striking out "section 841 (hereinafter in this part referred to as the 'Council') in the first sentence following paragraph (5) of subsection (b) and inserting in lieu thereof "section 851";

(E) by striking out "subsection (e) of section 806" in the second sentence following such paragraph and inserting in lieu thereof "section 810(c)";

(F) by striking out "section 806(e)" in the last sentence following such paragraph and inserting in lieu thereof "section 810(c)";

(G) by striking out in such last sentence "806(a)" and inserting in lieu thereof "810(a)"; and

(H) by striking out "paragraph (A)" in subsection (c)(1)(B) and inserting in lieu thereof "subparagraph (A)".

(b)(1) Subsection (a) of section 803 is amended to read as follows:

"(a) The amount of any grant for a construction project under this subpart shall be such amount as the Secretary determines to be appropriate after obtaining the advice of the National Advisory Council on Nurse Training; except that—

"(1) in the case of a grant—

"(A) for a project for a new school,

"(B) for a project for new facilities for an existing school in cases where such facilities are of particular importance in providing a major expansion of training capacity, as determined in accordance with regulations, or

"(C) for a project for major remodeling or renovation of an existing facility where such project is required to meet an increase in student enrollment,

the amount of such grant may not exceed 75 per centum of the necessary cost of construction, as determined by the Secretary, of such project; and

"(2) in the case of a grant for any other project, the amount of such grant may not, except where the Secretary determines that unusual circumstances make a larger percentage (which may in no case exceed 75 per centum) necessary in order to effectuate the purposes of this subpart, exceed 67 per centum of the necessary cost of construction, as so determined, of the project with respect to which the grant is made."

(2) Subsections (b) and (c) of section 803 are each amended by striking out "this part" and inserting in lieu thereof "this subpart".

(c) Section 804 is amended (1) by striking out "this part" and inserting in lieu thereof "this subpart", and (2) by redesignating paragraphs (a), (b), and (c) as paragraphs (1), (2), and (3), respectively.

(d) Section 805 (as redesignated by section 102(b)) is amended by striking out "this part" each place it occurs and inserting in lieu thereof "this subpart".

(e) Section 806 is redesignated as section 810.

(f) Section 807 is redesignated as section 811 and is amended—

(1) by striking out "section 805, 806, or 810" in subsections

(a) and (c) and inserting in lieu thereof "this subpart"; and

(2) by amending paragraph (1) of subsection (c) to read as follows:

"(1) is from a public or nonprofit private school of nursing;".

(g)(1) Title VIII is amended by inserting after the heading for part B the following:

“Subpart I—Traineeships”.

(2) Section 821 (as amended by section 501) is redesignated as section 830.

(3) Title VIII is amended by inserting after section 830 (as so redesignated) the following:

“Subpart II—Student Loans”.

(h) Sections 822, 823, 825, 826, 828, and 830 (as in effect before the date of the enactment of this Act) are amended as follows:

(1) Sections 822(a), 823, 825, 826, and 828 are each amended by striking out “this part” and inserting in lieu thereof “this subpart”.

(2) Section 822(a), 823(b), 823(c), 825(b)(2), and 826(a)(1) are each amended by striking out “of Health, Education, and Welfare”.

(3) Section 822(b)(2)(A) is amended by striking out “under this part” and inserting in lieu thereof “from allotments under section 838”.

(4)(A) Section 825 is amended—

(i) by striking out “(whether as Federal capital contributions or as loans to schools under section 827)” in subsection (a); and

(ii) by striking out “, and for loans pursuant to section 827,” in subsection (b)(1).

(B) Section 826(b) is amended by striking out “(other than so much of such fund as relates to payments from the revolving fund established by section 827(d))”.

(C) Section 828 is amended by striking out “or loans”.

(5) Section 830 is—

(A) transferred to section 823 and inserted after subsection (i) of such section; and

(B) is amended by striking out “Sec. 830. (a)” and inserting in lieu thereof “(j)”.

(i)(1) Sections 822, 823, 824, 825, 826, 828, and 829 (as in effect on the day before the date of the enactment of this Act) are redesignated as sections 835, 836, 837, 838, 839, 840, and 841, respectively.

(2) Section 835 (as so redesignated) is amended (A) by striking out “829” each place it occurs and inserting in lieu thereof “841”, and (B) by striking out “823” and inserting in lieu thereof “836”.

(3) Section 837 (as so redesignated) is amended (A) by striking out “825” and inserting in lieu thereof “838”, and (B) by striking out “822” and inserting in lieu thereof “835”.

(4) Section 838 (as so redesignated) is amended by striking out “824” each place it occurs and inserting in lieu thereof “837”.

(5) Section 839 (as so redesignated) is amended by striking out “822” each place it occurs and inserting in lieu thereof “835”.

(6) Section 841 (as so redesignated) is amended (A) by striking out “822” and inserting in lieu thereof “835”, and (B) by striking out “part D” and inserting in lieu thereof “subpart III of this part”.

(j)(1) Part D of title VIII is inserted after subpart II of part B of such title and redesignated as subpart III; and sections 860 and 861 are redesignated as sections 845 and 846, respectively.

(2) Section 845(a) (as so redesignated) is amended by striking out “this part” and inserting in lieu thereof “this section”.

(3) Section 846 (as so redesignated) is amended (A) by striking out "this part" the first time it occurs and inserting in lieu thereof "section 845", and (B) by striking out "to the sums available to the school under this part for (and to be regarded as) Federal capital contributions, to be used for the same purpose as such sums" and inserting in lieu thereof "to the student loan fund of the school established under an agreement under section 835. Funds transferred under this section to such a student loan fund shall be considered as part of the Federal capital contributions to such fund".

(4) Section 869 is repealed.

(k) (1) Sections 841, 842, 843, 844, and 845 (as in effect on the day before the date of enactment of this Act) are redesignated as sections 851, 852, 853, 854, and 855, respectively.

(2) Section 851 (as so redesignated) is amended (A) by striking out "part A of applications under section 805" in subsection (a) (2) and inserting in lieu thereof "subpart I of part A, of applications under section 805, and of applications under subpart III of part A"; (B) by striking out subsection (b); (C) by striking out "(a)(1)" and inserting in lieu thereof "(a)"; and (D) by striking out "(2)" and inserting in lieu thereof "(b)".

(3) Section 853 (as so redesignated) is amended—

(A) by striking out "part A" in paragraph (f) and inserting in lieu thereof "subpart I of part A";

(B) by striking out "806" in paragraph (f) and inserting in lieu thereof "810";

(C) by striking out "part B" each place it occurs in paragraph (f) and inserting in lieu thereof "section 835";

(D) by striking out "825" in paragraph (f) and inserting in lieu thereof "838";

(E) by redesignating paragraphs (a) through (j) as paragraphs (1) through (10) respectively;

(F) by redesignating clauses (1), (2), and (3) of paragraph (6) (as so redesignated) as clauses (A), (B), and (C), respectively.

(G) by redesignating subclauses (A) and (B) of such paragraph (6) as subclauses (i) and (ii), respectively; and

(H) by redesignating clauses (1) and (2) of paragraph (9) (as so redesignated) as clauses (A) and (B), respectively.

(4) Part C is amended by adding at the end thereof the following:

"DELEGATION

"SEC. 856. The Secretary may delegate the authority to administer any program authorized by this title to the administrator of a central or regional office or offices in the Department of Health, Education, and Welfare, except that the authority—

"(1) to review, and prepare comments on the merit of, any application for a grant or contract under any program authorized by this title for purposes of presenting such application to the National Advisory Council on Nurse Training, or

"(2) to make such a grant or enter into such a contract, shall not be further delegated to any administrator of, or officer in, any regional office or offices."



TITLE VII—MISCELLANEOUS

INFORMATION RESPECTING THE SUPPLY AND DISTRIBUTION OF AND  
REQUIREMENTS FOR NURSES

SEC. 701. (a) (1) Using procedures developed in accordance with paragraph (3), the Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the "Secretary") shall determine on a continuing basis—

(A) the supply (both current and projected and within the United States and within each State) of registered nurses, licensed practical and vocational nurses, nurse's aides, registered nurses with advanced training or graduate degrees, and nurse practitioners;

(B) the distribution, within the United States and within each State, of such nurses so as to determine those areas of the United States which are oversupplied, undersupplied, or which have an adequate supply of such nurses in relation to the population of the area and the demand for the services which such nurses provide; and

(C) the current and future requirements for such nurses, nationally and within each State.

(2) The Secretary shall survey and gather data, on a continuing basis, on—

(A) the number and distribution of nurses, by type of employment and location of practice;

(B) the number of nurses who are practicing full time and those who are employed part time, within the United States and within each State;

(C) the average rates of compensation for nurses, by type of practice and location of practice;

(D) the activity status of the total number of registered nurses within the United States and within each State;

(E) the number of nurses with advanced training or graduate degrees in nursing, by specialty, including nurse practitioners, nurse clinicians, nurse researchers, nurse educators, and nurse supervisors and administrators; and

(F) the number of registered nurses entering the United States annually from other nations, by country of nurse training and by immigrant status.

(3) Within six months of the date of the enactment of this Act, the Secretary shall develop procedures for determining (on both a current and projected basis) the supply and distribution of and requirements for nurses within the United States and within each State.

(b) Not later than February 1, 1976, and February 1 of each succeeding year, the Secretary shall report to the Congress—

(1) his determinations under subsection (a) (1) and the data gathered under subsection (a) (2);

(2) an analysis of such determination and data; and

(3) recommendations for such legislation as the Secretary determines, based on such determinations and data, will achieve

(A) an equitable distribution of nurses within the United States and within each State, and (B) adequate supplies of nurses within the United States and within each State.

(c) The Office of Management and Budget may review the Secretary's report under this section before its submission to the Congress, but the Office may not revise the report or delay its submission, and it may submit to the Congress its comments (and those of other departments or agencies of the Government) respecting such report.

TECHNICAL AMENDMENTS

SEC. 702. (a) The Health Revenue Sharing and Health Services Act of 1974 is amended by striking out section 305 and by redesignating section 306 as section 305.

(b) Section 401(a) of such Act is amended by striking out "310" and inserting in lieu thereof "319"; and the section amended by such section 401(a) is amended by striking out "310" and inserting in lieu thereof "319".

*Speaker of the House of Representatives.*

*Vice President of the United States and  
President of the Senate.*

JANUARY 3, 1975

Office of the White House Press Secretary

THE WHITE HOUSE

## MEMORANDUM OF DISAPPROVAL

I have withheld my approval from H.R. 17085, a bill that would amend Title VIII of the Public Health Service Act to provide support for the training of nurses.

This measure would authorize excessive appropriations levels -- more than \$650 million over the three fiscal years covered by the bill. Such high Federal spending for nursing education would be intolerable at a time when even high priority activities are being pressed to justify their existence.

I believe nurses have played and will continue to play an invaluable role in the delivery of health services. The Federal taxpayer can and should selectively assist nursing schools to achieve educational reforms and innovations in support of that objective. The Administration's 1976 budget request will include funds for this purpose. Furthermore, I intend to urge the 94th Congress to enact comprehensive health personnel training legislation that will permit support of nurse training initiatives to meet the new problems of the 1970's.

This act inappropriately proposes large amounts of student and construction support for schools of nursing. Without any additional Federal stimulation, we expect that the number of active duty registered nurses will increase by over 50 percent during this decade.

Such an increase suggests that our incentives for expansion have been successful, and that continuation of the current Federal program is likely to be of less benefit to the Nation than using these scarce resources in other ways. One result of this expansion has been scattered but persistent reports of registered nurse unemployment, particularly among graduates of associate degree training programs.

Today's very different outlook is not reflected in this bill. We must concentrate Federal efforts on the shortage of certain nurse specialists, and persistent geographic maldistribution. However, this proposal would allocate less than one-third of its total authorization to these problems. Moreover, it fails to come to grips with the problem of geographic maldistribution.

Support for innovative projects -- involving the health professions, nursing, allied health, and public health -- should be contained in a single piece of legislation to assure that decisions made in one sector relate to decisions made in another, and to advance the concept of an integrated health service delivery team. By separating out nursing from other health personnel categories, this bill would perpetuate what has in the past been a fragmented approach.

more



The enrolled bill would also extend various special nursing student assistance provisions of current law. Nursing students are overwhelmingly undergraduates, and as such should be -- and are -- entitled to the same types of student assistance available generally under the Office of Education's programs for post-secondary education. These include, in particular, guaranteed loans and basic educational opportunity grants for financially hard-pressed students. Categorical nursing student assistance activities are not appropriate and should be phased out, as the Administration has proposed.

GERALD R. FORD

THE WHITE HOUSE,  
January 2, 1975.

# # #



December 24, 1974

Dear Mr. Director:

The following bills were received at the White House on December 24th:

S.J. Res. 40 ✓	S. 3481 ✓	H.R. 8978 ✓	H.R. 14600 ✓
S.J. Res. 133 ✓	S. 3548 ✓	H.R. 8981 ✓	H.R. 14689 ✓
S.J. Res. 262 ✓	S. 3934 ✓	H.R. 9182 ✓	H.R. 14718 ✓
S. 251 ✓	S. 3949 ✓	H.R. 9199 ✓	H.R. 15173 ✓
S. 356 ✓	S. 3976 ✓	H.R. 9588 ✓	H.R. 15223 ✓
S. 521 ✓	S. 4073 ✓	H.R. 9654 ✓	H.R. 15229 ✓
S. 544 ✓	S. 4206 ✓	H.R. 10212 ✓	H.R. 15322 ✓
S. 663 ✓	H.J. Res. 1178 ✓	H.R. 10701 ✓	H.R. 15977 ✓
S. 754 ✓	H.J. Res. 1180 ✓	H.R. 10710 ✓	H.R. 16045 ✓
S. 1017 ✓	H.R. 421 ✓	H.R. 10827 ✓	H.R. 16215 ✓
S. 1083 ✓	H.R. 1715 ✓	H.R. 11144 ✓	H.R. 16596 ✓
S. 1296 ✓	H.R. 1820 ✓	H.R. 11273 ✓	H.R. 16925 ✓
S. 1418 ✓	H.R. 2208 ✓	H.R. 11796 ✓	H.R. 17010 ✓
S. 2149 ✓	H.R. 2933 ✓	H.R. 11802 ✓	H.R. 17045 ✓
S. 2446 ✓	H.R. 3203 ✓	H.R. 11847 ✓	H.R. 17083 ✓
S. 2807 ✓	H.R. 3339 ✓	H.R. 11897 ✓	H.R. 17468 ✓
S. 2854 ✓	H.R. 5264 ✓	H.R. 12044 ✓	H.R. 17558 ✓
S. 2888 ✓	H.R. 5463 ✓	H.R. 12113 ✓	H.R. 17597 ✓
S. 2994 ✓	H.R. 5773 ✓	H.R. 12427 ✓	H.R. 17628 ✓
S. 3022 ✓	H.R. 7599 ✓	H.R. 12884 ✓	H.R. 17655 ✓
S. 3289 ✓	H.R. 7684 ✓	H.R. 13022 ✓	
S. 3358 ✓	H.R. 7767 ✓	H.R. 13296 ✓	
S. 3359 ✓	H.R. 8214 ✓	H.R. 13869 ✓	
S. 3394 ✓	H.R. 8322 ✓	H.R. 14449 ✓	
S. 3433 ✓	H.R. 8591 ✓	H.R. 14461 ✓	

Please let the President have reports and recommendations as to the approval of these bills as soon as possible.

Sincerely,

Robert D. Linder  
Chief Executive Clerk

The Honorable Roy L. Ash  
Director  
Office of Management and Budget  
Washington, D. C.



15  
December 24, 1974

Dear Mr. Director:

The following bills were received at the White House on December 24th:

S.J. Res. 40 ✓	S. 3481 ✓	H.R. 8958 ✓	H.R. 14600 ✓
S.J. Res. 133 ✓	S. 3548 ✓	H.R. 8981 ✓	H.R. 14689 ✓
S.J. Res. 262 ✓	S. 3934 ✓	H.R. 9182 ✓	H.R. 14718 ✓
S. 251 ✓	S. 3943 ✓	H.R. 9199 ✓	H.R. 15173 ✓
S. 356 ✓	S. 3976 ✓	H.R. 9588 ✓	H.R. 15223 ✓
S. 521 ✓	S. 4073 ✓	H.R. 9654 ✓	H.R. 15229 ✓
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S. 1083 ✓	H.R. 1715 ✓	H.R. 11144 ✓	H.R. 16596 ✓
S. 1296 ✓	H.R. 1820 ✓	H.R. 11273 ✓	H.R. 16925 ✓
S. 1418 ✓	H.R. 2208 ✓	H.R. 11796 ✓	H.R. 17010 ✓
S. 2149 ✓	H.R. 2933 ✓	H.R. 11802 ✓	H.R. 17045 ✓
S. 2446 ✓	H.R. 3203 ✓	H.R. 11847 ✓	H.R. 17085 ✓
S. 2807 ✓	H.R. 3339 ✓	H.R. 11897 ✓	H.R. 17468 ✓
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S. 2994 ✓	H.R. 5773 ✓	H.R. 12427 ✓	H.R. 17628 ✓
S. 3022 ✓	H.R. 7599 ✓	H.R. 12884 ✓	H.R. 17655 ✓
S. 3289 ✓	H.R. 7684 ✓	H.R. 13022 ✓	
S. 3358 ✓	H.R. 7767 ✓	H.R. 13296 ✓	
S. 3359 ✓	H.R. 8214 ✓	H.R. 13869 ✓	
S. 3394 ✓	H.R. 8322 ✓	H.R. 14449 ✓	
S. 3433 ✓	H.R. 8591 ✓	H.R. 14461 ✓	

Please let the President have reports and recommendations as to the approval of these bills as soon as possible.

Sincerely,

Robert D. Linder  
Chief Executive Clerk

The Honorable Roy L. Ash  
Director  
Office of Management and Budget  
Washington, D. C.

