

Public Law 100-607
100th Congress

An Act

Nov. 4, 1988
[S. 2889]

To amend the Public Health Service Act to establish certain health programs, to revise and extend certain health programs, and for other purposes.

Health Omnibus
Programs
Extension of
1988.
42 USC 201 note.

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

SECTION 1. SHORT TITLE; TABLE OF TITLES.

(a) **SHORT TITLE.**—This Act may be cited as the “Health Omnibus Programs Extension of 1988”.

(b) **TABLE OF TITLES.**—

Title I—National Institute on Deafness and Other Communication Disorders and Health Research Extension Act of 1988

Title II—Programs with Respect to Acquired Immune Deficiency Syndrome

Title III—Preventive Health, Health Services, and Health Promotion

Title IV—Organ Transplant Amendments of 1988

Title V—Food and Drug Administration

Title VI—Health Professions Reauthorization Act of 1988

Title VII—Nursing Shortage Reduction and Education Extension Act of 1988

Title VIII—Revision and Extension of Programs of Health Care for the Homeless

Title IX—Testing of Convicted Felons

National
Institute on
Deafness and
Other
Communication
Disorders and
Health
Research
Extension Act
of 1988.
42 USC 201
note.

TITLE I—NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS AND HEALTH RESEARCH EXTENSION ACT OF 1988

SEC. 100. SHORT TITLE; REFERENCES.

(a) **SHORT TITLE.**—This title may be cited as the “National Institute on Deafness and Other Communication Disorders and Health Research Extension Act of 1988”.

(b) **REFERENCES TO PUBLIC HEALTH SERVICE ACT.**—Except as otherwise specifically provided, any reference made in this title to an amendment or repeal of a section or other provision shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.).

Subtitle A—National Institute on Deafness and Other Communication Disorders

SEC. 101. ESTABLISHMENT AND TRANSFER OF FUNCTIONS.

Title IV (42 U.S.C. 281 et seq.) is amended—

42 USC 281.

(1) in section 401(b)(1)—

(A) by striking “and Communicative” in subparagraph (J); and

(B) by adding at the end the following new subparagraph:

“(M) The National Institute on Deafness and Other Communication Disorders”;

(2) in the heading for subpart 10 of part C, by striking “and Communicative”;

(3) in section 457—

(A) by striking “and Communicative”; and

(B) by striking “disorder, stroke,” and all that follows and inserting “and disorder and stroke.”; and

(4) in Part C, by adding at the end the following new subpart:

42 USC 285j.

“Subpart 13—National Institute on Deafness and Other Communication Disorders

“PURPOSE OF THE INSTITUTE

“SEC. 464. The general purpose of the National Institute on Deafness and Other Communication Disorders (hereafter referred to in this subpart as the ‘Institute’) is the conduct and support of research and training, the dissemination of health information, and other programs with respect to disorders of hearing and other communication processes, including diseases affecting hearing, balance, voice, speech, language, taste, and smell.

Research and development.
42 USC 285m.

“NATIONAL DEAFNESS AND OTHER COMMUNICATION DISORDERS PROGRAM

“SEC. 464A. (a) The Director of the Institute, with the advice of the Institute’s advisory council, shall establish a National Deafness and Other Communication Disorders Program (hereafter in this section referred to as the ‘Program’). The Director or the Institute shall, with respect to the Program, prepare and transmit to the Director of NIH a plan to initiate, expand, intensify and coordinate activities of the Institute respecting disorders of hearing (including tinnitus) and other communication processes, including diseases affecting hearing, balance, voice, speech, language, taste, and smell. The plan shall include such comments and recommendations as the Director of the Institute determines appropriate. The Director of the Institute shall periodically review and revise the plan and shall transmit any revisions of the plan to the Director of NIH.

42 USC 285m-1.

“(b) Activities under the Program shall include—

“(1) investigation into the etiology, pathology, detection, treatment, and prevention of all forms of disorders of hearing and other communication processes, primarily through the support of basic research in such areas as anatomy, audiology, biochemistry, bioengineering, epidemiology, genetics, immunology, microbiology, molecular biology, the neurosciences, otolaryngology, psychology, pharmacology, physiology, speech and language pathology, and any other scientific disciplines that can contribute important knowledge to the understanding and elimination of disorders of hearing and other communication processes;

“(2) research into the evaluation of techniques (including surgical, medical, and behavioral approaches) and devices (including hearing aids, implanted auditory and nonauditory prosthetic devices and other communication aids) used in diagnosis, treatment, rehabilitation, and prevention of disorders of hearing and other communication processes;

Research and development.

“(3) research into prevention, and early detection and diagnosis, of hearing loss and speech and language disturbances (including stuttering) and research into preventing the effects of such disorders on learning and learning disabilities with extension of programs for appropriate referral and rehabilitation;

“(4) research into the detection, treatment, and prevention of disorders of hearing and other communication processes in the growing elderly population with extension of rehabilitative programs to ensure continued effective communication skills in such population;

“(5) research to expand knowledge of the effects of environmental agents that influence hearing or other communication processes; and

“(6) developing and facilitating intramural programs on clinical and fundamental aspects of disorders of hearing and all other communication processes.

“DATA SYSTEM AND INFORMATION CLEARINGHOUSE

42 USC 285m-2.

“SEC. 464B. (a) The Director of the Institute shall establish a National Deafness and Other Communication Disorders Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with disorders of hearing or other communication processes, including where possible, data involving general populations for the purpose of identifying individuals at risk of developing such disorders.

“(b) The Director of the Institute shall establish a National Deafness and Other Communication Disorders Information Clearinghouse to facilitate and enhance, through the effective dissemination of information, knowledge and understanding of disorders of hearing and other communication processes by health professionals, patients, industry, and the public.

“MULTIPURPOSE DEAFNESS AND OTHER COMMUNICATION DISORDERS CENTER

42 USC 285m-3.

“SEC. 464C. (a) The Director of the Institute shall, after consultation with the advisory council for the Institute, provide for the development, modernization, and operation (including care required for research) of new and existing centers for studies of disorders of hearing and other communication processes. For purposes of this section, the term ‘modernization’ means the alteration, remodeling, improvement, expansion, and repair of existing buildings and the provision of equipment for such buildings to the extent necessary to make them suitable for use as centers described in the preceding sentence.

“(b) Each center assisted under this section shall—

“(1) use the facilities of a single institution or a consortium of cooperating institutions; and

“(2) meet such qualifications as may be prescribed by the Secretary.

“(c) Each center assisted under this section shall, at least, conduct—

“(1) basic and clinical research into the cause, diagnosis, early detection, prevention, control and treatment of disorders of hearing and other communication processes and complications resulting from such disorders, including research into rehabili-

tative aids, implantable biomaterials, auditory speech processors, speech production devices, and other otolaryngologic procedures;

“(2) training programs for physicians, scientists, and other health and allied health professionals;

“(3) information and continuing education programs for physicians and other health and allied health professionals who will provide care for patients with disorders of hearing or other communication processes; and

“(4) programs for the dissemination to the general public of information—

“(A) on the importance of early detection of disorders of hearing and other communication processes, of seeking prompt treatment, rehabilitation, and of following an appropriate regimen; and

“(B) on the importance of avoiding exposure to noise and other environmental toxic agents that may affect disorders of hearing or other communication processes.

“(d) A center may use funds provided under subsection (a) to provide stipends for health professionals enrolled in training programs described in subsection (c)(2).

“(e) Each center assisted under this section may conduct programs—

“(1) to establish the effectiveness of new and improved methods of detection, referral, and diagnosis of individuals at risk of developing disorders of hearing or other communication processes; and

“(2) to disseminate the results of research, screening, and other activities, and develop means of standardizing patient data and recordkeeping.

“(f) The Director of the Institute shall, to the extent practicable, provide for an equitable geographical distribution of centers assisted under this section. The Director shall give appropriate consideration to the need for centers especially suited to meeting the needs of the elderly, and of children (particularly with respect to their education and training), affected by disorders of hearing or other communication processes.

“(g) Support of a center under this section may be for a period not to exceed seven years. Such period may be extended by the Director of the Institute for one or more additional periods of not more than five years if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director, with the advice of the Institute’s advisory council, if such group has recommended to the Director that such period should be extended.”

Health care
professionals.
Education.

Aged persons.
Children and
youth.

Subtitle B—Biotechnology Information

SEC. 105. ESTABLISHMENT OF NATIONAL CENTER FOR BIOTECHNOLOGY INFORMATION.

Part D of title IV (42 U.S.C. 286 et seq.) is amended by adding at the end the following new subpart:

“Subpart 3—National Center for Biotechnology Information**“PURPOSE, ESTABLISHMENT, FUNCTIONS, AND FUNDING OF THE NATIONAL CENTER FOR BIOTECHNOLOGY INFORMATION**

Research and
development.
42 USC 286c.

“SEC. 478. (a) In order to focus and expand the collection, storage, retrieval, and dissemination of the results of biotechnology research by information systems, and to support and enhance the development of new information technologies to aid in the understanding of the molecular processes that control health and disease, there is established the National Center for Biotechnology Information (hereinafter in this section referred to as the ‘Center’) in the National Library of Medicine.

“(b) The Secretary, through the Center and subject to section 465(d), shall—

“(1) design, develop, implement, and manage automated systems for the collection, storage, retrieval, analysis, and dissemination of knowledge concerning human molecular biology, biochemistry, and genetics;

“(2) perform research into advanced methods of computer-based information processing capable of representing and analyzing the vast number of biologically important molecules and compounds;

“(3) enable persons engaged in biotechnology research and medical care to use systems developed under paragraph (1) and methods described in paragraph (2); and

“(4) coordinate, as much as is practicable, efforts to gather biotechnology information on an international basis.

“(c) For the purpose of performing the duties specified in subsection (b), there are authorized to be appropriated \$8,000,000 for fiscal year 1989 and such sums as may be necessary for fiscal year 1990. Funds appropriated under this subsection shall remain available until expended.”

Appropriation
authorization.

Subtitle C—National Institutes of Health**SEC. 111. APPOINTMENT AND AUTHORITY OF THE DIRECTOR.**

Section 402(b)(6) (42 U.S.C. 282(b)(6)) is amended by inserting “and scientific program advisory committees” after “scientific peer review groups”.

SEC. 112. REPORT OF DIRECTOR OF NIH.

Section 403 (42 U.S.C. 283) is amended—

(1) in paragraph (3), by striking out “and”;

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3), the following new paragraph:

“(4) a description of the health related behavioral research that has been supported by the National Institutes of Health in the preceding 2-year period, and a description of any plans for future activity in such area; and”.

Subtitle D—General Provisions Respecting National Research Institutes

SEC. 116. APPOINTMENT AND AUTHORITY OF THE DIRECTORS.

Section 405 (42 U.S.C. 284) is amended—

(1) in subsection (b), in the matter preceding subparagraph (A) of paragraph (1), by striking “the human diseases” and inserting “human diseases”; and

(2) in subsection (c)—

(A) by amending paragraph (3) to read as follows:

“(3) may, in consultation with the advisory council for the Institute and the approval of the Director of NIH, establish technical and scientific peer review groups in addition to those established under section 402(b)(6); and”;

(B) by striking “and” at the end of paragraph (2); and

(C) by adding at the end the following new paragraph:

“(4) may publish, or arrange for the publication of, information with respect to the purpose of the Institute without regard to section 501 of title 44, United States Code.”.

SEC. 117. ADVISORY COUNCILS.

(a) **VOTING STATUS.**—Section 406(b)(1) (42 U.S.C. 284a(b)(1)) is amended by adding at the end the following: “The ex officio members shall be nonvoting members.”.

(b) **APPOINTMENT OF MEMBERS.**—Section 406(b)(3)(A) (42 U.S.C. 284a(b)(3)(A)) is amended by inserting after “(including” the following: “not less than two individuals who are leaders in the fields of”.

(c) **TERMINATION OF MEMBERSHIPS.**—Section 406(h)(2)(A)(v) (42 U.S.C. 284a(h)(2)(A)(v)) is amended—

(1) by inserting “shall be nonvoting members and” after “the Board”; and

(2) by striking out “and the Assistant Secretary of Defense for Health Affairs” and inserting in lieu thereof “the Assistant Secretary of Defense for Health Affairs, and the Director of the Office of Energy Research of the Department of Energy”.

SEC. 118. AUTHORIZATION OF APPROPRIATIONS.

(a) **IN GENERAL.**—Paragraphs (1) and (2) of section 408(a) (42 U.S.C. 284c(a)) are amended to read as follows:

“(1)(A) For the National Cancer Institute (other than its programs under section 412), there are authorized to be appropriated \$1,500,000,000 for fiscal year 1989 and such sums as may be necessary for fiscal year 1990.

“(B) For the programs under section 412, there are authorized to be appropriated \$100,000,000 for fiscal year 1989 and such sums as may be necessary for fiscal year 1990.

“(2)(A) For the National Heart, Lung, and Blood Institute (other than its program under section 419), there are authorized to be appropriated \$1,100,000,000 for fiscal year 1989 and such sums as may be necessary for fiscal year 1990. Of the amounts appropriated for the National Heart, Lung, and Blood Institute (other than its program under section 419) for a fiscal year, the Secretary shall make available not less than 15 percent for programs respecting diseases of the lung and not less than 15

percent for programs respecting blood diseases and blood resources.

“(B) For the program of the National Heart, Lung, and Blood Institute under section 419 there is authorized to be appropriated \$101,000,000 for fiscal year 1989 and such sums as may be necessary for fiscal year 1990.”

(b) **APPLICABILITY OF CERTAIN PROVISIONS TO NURSES AND ALLIED HEALTH PROFESSIONALS.**—Section 408(b) (42 U.S.C. 284c(b)) is amended by adding at the end the following new paragraph:

“(5) For fiscal year 1989 and subsequent fiscal years, amounts made available to the National Institutes of Health shall be available for payment of nurses and allied health professionals in accordance with payment authorities, scheduling options, benefits, and other authorities provided under chapter 73 of title 38, United States Code, for nurses of the Veterans’ Administration.”

Subtitle E—National Cancer Institute

SEC. 121. PURPOSE.

Section 410 (42 U.S.C. 285) is amended by inserting “, rehabilitation from cancer,” after “treatment of cancer”.

SEC. 122. SPECIAL AUTHORITIES OF THE DIRECTOR.

Section 413 (42 U.S.C. 285a-2(b)) is amended—

(1) in subsection (a)—

(A)(i) in the first sentence, by striking “information and education center” and inserting “information and education program”; and

(ii) in the second sentence, by inserting after “between the Institute” the following: “and the public and between the Institute and”; and

(B) by inserting “(1)” after the subsection designation and adding at the end the following new paragraph:

“(2) In carrying out paragraph (1), the Director of the Institute shall—

Public
information.

“(A) provide public and patient information and education programs, providing information that will help individuals take personal steps to reduce their risk of cancer, to make them aware of early detection techniques and to motivate appropriate utilization of those techniques, to help individuals deal with cancer if it strikes, and to provide information to improve long-term survival;

“(B) continue and expand programs to provide physicians and the public with state-of-the-art information on the treatment of particular forms of cancers, and to identify those clinical trials that might benefit patients while advancing knowledge of cancer treatment;

“(C) assess the incorporation of state-of-the-art cancer treatments into clinical practice and the extent to which cancer patients receive such treatments and include the results of such assessments in the biennial reports required under section 407;

“(D) maintain and operate the International Cancer Research Data Bank, which shall collect, catalog, store, and disseminate insofar as feasible the results of cancer research and treatment undertaken in any country for the use of any person involved in cancer research and treatment in any country; and

“(E) to the extent practicable, in disseminating the results of such cancer research and treatment, utilize information systems available to the public.”; and

(2) in subsection (b)—

(A) in paragraph (5), by striking “with the approval of” and inserting “after consultation with”; and

(B)(i) by adding “and” at the end of paragraph (8); and
(ii) by striking paragraph (9) and redesignating paragraph (10) as paragraph (9).

SEC. 123. NATIONAL CANCER RESEARCH AND DEMONSTRATION CENTERS.

Section 414(a)(1) (42 U.S.C. 285a-3(a)(1)) is amended by inserting “control,” after “prevention.”.

Subtitle F—National Heart, Lung, and Blood Institute

SEC. 126. INFORMATION AND EDUCATION.

The second sentence of section 420 (42 U.S.C. 285b-2) is amended to read as follows: “In carrying out this section, the Director of the Institute shall place special emphasis upon the utilization of collaborative efforts with both the public and private sectors to—

“(1) increase the awareness and knowledge of health care professionals and the public regarding the prevention of heart and blood vessel, lung, and blood diseases and the utilization of blood resources; and

“(2) develop and disseminate to health professionals, patients and patient families, and the public information designed to encourage adults and children to adopt healthful practices concerning the prevention of such diseases.”.

Health care
professionals.

SEC. 127. RESOURCES PROGRAM.

Section 421 (42 U.S.C. 285b-3) is amended—

(1) in subsection (a)(1)(D), by inserting “and rehabilitation from” after “treatment of”; and

(2) in subsection (b), by striking out “, after approval of” in paragraph (1) and inserting “after consultation with”;

SEC. 128. NATIONAL RESEARCH AND DEMONSTRATION CENTERS.

Section 422(a)(1) (42 U.S.C. 285b-4(a)(1)) is amended—

(1) in subparagraph (A), by inserting “and rehabilitation” after “treatment”; and

(2) in subparagraph (B), by inserting “and rehabilitation” after “treatment”.

SEC. 129. INTERAGENCY TECHNICAL COMMITTEE.

Subpart 2 of part C of title IV (42 U.S.C. 285b et seq.) is amended by striking section 423 and redesignating section 424 as section 423.

42 USC 288b-5,
285b-6.

Subtitle G—National Institute of Diabetes and Digestive and Kidney Diseases

SEC. 131. ADVISORY BOARDS.

Section 430 (42 U.S.C. 285c-4) is amended by striking subsection (k) and redesignating subsection (l) as subsection (k).

Subtitle H—National Institute of Arthritis and Musculoskeletal and Skin Diseases

SEC. 136. NATIONAL ARTHRITIS AND MUSCULOSKELETAL DISEASES PROGRAMS.

Section 436 (42 U.S.C. 285d-1) is amended—

(1) in the section heading, by inserting “AND SKIN” after “MUSCULOSKELETAL”;

(2) in the first sentence of subsection (a), by inserting “and skin” after “musculoskeletal” each place it appears;

(3) in subsection (b)—

(A) in the matter preceding paragraph (1), by inserting “and skin” after “musculoskeletal” each place it appears;

(B) in paragraph (1), by inserting “and skin” after “musculoskeletal” each place it appears; and

(C) in paragraph (2), by inserting “and skin” after “musculoskeletal”; and

(4) in subsection (c), by inserting “and skin” after “musculoskeletal”.

SEC. 137. MULTIPURPOSE DISEASE CENTERS.

Section 441(b)(2)(A) (42 U.S.C. 285d-6(b)(2)(A)) is amended by inserting “and rehabilitation from” after “treatment of”.

Subtitle I—National Institute on Aging

SEC. 141. CENTERS OF GERIATRIC RESEARCH AND TRAINING.

Subpart 5 of part C of title IV (42 U.S.C. 285e et seq.) is amended by adding at the end the following new section:

“CENTERS OF GERIATRIC RESEARCH AND TRAINING

“SEC. 445A. (a) The Director of the Institute shall enter into cooperative agreements with, and make grants to, public and private nonprofit entities for the development or expansion of centers of excellence in geriatric research and training of researchers.

“(b) Each center developed or expanded under this section shall—
 “(1) utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research and training qualifications as may be prescribed by the Director; and

“(2) conduct—

“(A) research into the aging processes and into the diagnosis and treatment of diseases, disorders, and complications related to aging; and

Contracts.
 Grants.
 42 USC 285e-3.

“(B) programs to develop individuals capable of conducting research concerning aging and concerning such diseases, disorders, and complications.

“(c) In making cooperative agreements and grants under this section for the development or expansion of centers, the Director of the Institute shall ensure that, to the extent practicable, any such centers are distributed equitably among the principal geographic regions of the United States.”.

SEC. 142. TRANSFER OF CERTAIN PROVISIONS WITH RESPECT TO ALZHEIMER'S DISEASE AND RELATED DEMENTIAS.

(a) **IN GENERAL.**—Sections 931, 941, 942, 951, and 952 of the Alzheimer's Disease and Related Dementias Services Research Act of 1986 (42 U.S.C. 11201 et seq.) are—

- (1) transferred to subpart 5 of part C of title IV (42 U.S.C. 285e et seq.);
- (2) redesignated as sections 445B through 445F, respectively; and
- (3) in the appropriate sequence, inserted after section 445A (42 U.S.C. 285e-2).

42 USC 11231,
11241, 11242,
11281, 11282.
42 USC
285e-4—285e-8.

(b) **AVAILABILITY OF APPROPRIATIONS.**—With respect to amounts made available in appropriation Acts for the purpose of carrying out the programs transferred by subsection (a) to the Public Health Service Act, such subsection may not be construed to affect the availability of such funds for such purpose.

42 USC 285e-4
note.

(c) **TECHNICAL AND CONFORMING AMENDMENTS TO ALZHEIMER'S DISEASE AND RELATED DEMENTIAS SERVICES RESEARCH ACT OF 1986.**—

(1) The Alzheimer's Disease and Related Dementias Services Research Act of 1986 (42 U.S.C. 11201 et seq.) is amended—

(A) by striking sections 932 and 953;

42 USC 11232,
11283.

(B) by striking the part designation and the heading for part D;

(C) by striking the part designation and the heading for part F;

(D) by redesignating parts E and G as parts D and E, respectively; and

(E) in section 912(b)(1), in the first sentence, by striking “part E” and inserting “part D”.

42 USC 11212.

(2) Part D of of the Alzheimer's Disease and Related Dementias Services Research Act of 1986 (as redesignated by paragraph 1(D) of this subsection) is amended—

(A) by striking section 943;

(B) by redesignating sections 944 through 949C as sections 931 through 939, respectively;

(C) by striking the subpart designation and the heading for subpart 1; and

(D) by redesignating subparts 2 through 4 as subparts 1 through 3, respectively.

42 USC 11243.
42 USC 11251 et
seq., 11261 et
seq., 11271 et seq.

(d) **TECHNICAL AND CONFORMING AMENDMENTS TO PUBLIC HEALTH SERVICE ACT.**—Subpart 5 of part C of title IV (42 U.S.C. 285e et seq.), as amended by subsection (a), is further amended—

(1) in section 445B—

(A) in subsection (a), in the first sentence, by striking “the National Institute on Aging” and inserting “the Institute”;

(B) in subsection (b)—

(i) by striking “the National Institute on Aging” and inserting “the Institute”; and

42 USC 285e-4.

- (ii) by striking “of the Public Health Service Act”;
 (C) in subsection (c), by striking “the National Institute on Aging” and inserting “the Institute”; and
 (D) in subsection (d), by striking “the National Institute on Aging” and inserting “the Institute”;
- 42 USC 285e-5. (2) in section 445C—
 (A) in subsection (a), by striking “the National Institute on Aging” and inserting “the Institute”;
 (B) in subsection (b)—
 (i) in paragraph (1), in the first sentence—
 (I) by striking “this Act” and inserting “the Alzheimer’s Disease and Related Dementias Services Research Act of 1986”; and
 (II) by striking “the National Institute on Aging” and inserting “the Institute”;
 (ii) in paragraph (1), in subparagraph (B), by striking “of the Public Health Service Act”; and
 (iii) in paragraph (2), by striking “the National Institute on Aging” and inserting “the Institute”; and
 (C) in subsection (c), by striking “the National Institute on Aging” and inserting “the Institute”;
- 42 USC 285e-6. (3) in section 445D—
 (A) by striking “the National Institute on Aging” and inserting “the Institute”; and
 (B) by striking “this subpart” and inserting “section 445C and this section”;
- 42 USC 285e-7. (4) in section 445E—
 (A) in subsection (a), by striking “the National Institute on Aging” and inserting “the Institute”; and
 (B) in subsection (c)—
 (i) by striking “the National Institute on Aging” and inserting “the Institute”; and
 (ii) by striking “part E” and inserting “part D”; and
- 42 USC 285e-8. (5) in section 445F—
 (A) in subsection (a), by striking “the National Institute on Aging” and inserting “the Institute”; and
 (B) in subsection (d), in the first sentence, by striking “the National Institute on Aging” and inserting “the Institute”.

Subtitle J—National Library of Medicine

SEC. 146. AUTHORIZATION OF APPROPRIATIONS.

Grants.
 Contracts.

(a) **IN GENERAL.**—The first sentence of section 469 (42 U.S.C. 286b) is amended to read as follows: “For the purpose of grants and contracts under sections 472 through 476, there are authorized to be appropriated \$14,000,000 for fiscal year 1989 and such sums as may be necessary for fiscal year 1990.”

(b) **GRANT AMOUNT.**—Section 474(b)(2) (42 U.S.C. 286b-5(b)(2)) is amended by striking out “\$500,000” and inserting in lieu thereof “\$750,000”.

Subtitle K—Awards and Training

SEC. 151. NATIONAL RESEARCH SERVICE AWARDS.

Section 487(d) (42 U.S.C. 288(d)) is amended—

(1) in the matter preceding paragraph (1), by amending the first sentence to read as follows: "For the purpose of making payments under National Research Service Awards and under grants for such Awards, there are authorized to be appropriated \$300,000,000 for fiscal year 1989 and such sums as may be necessary for fiscal year 1990."; and

(2) in paragraph (3), by inserting after "made available" the first place it appears the following: "to the Secretary, acting through the Administrator of the Health Resources and Services Administration,".

Grants.
Appropriation
authorization.

Subtitle L—Fetal Research Moratorium

SEC. 156. EXTENSION OF MORATORIUM.

Section 498(c) (42 U.S.C. 289g(c)) is amended—

(1) in paragraph (2), by striking "thirty-six month period beginning on the date of enactment of this section" and inserting "24-month period beginning on the date of the enactment of the National Institute on Deafness and Other Communication Disorders and Health Research Extension Act of 1988"; and

(2) in paragraph (3), by striking "1988" and inserting "1990".

SEC. 157. BOARD AND STUDY.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 381(e) (42 U.S.C. 275(e)) is amended by striking "and" after "1987," and inserting before the period the following: ", \$2,000,000 for fiscal year 1989, and \$2,500,000 for fiscal year 1990".

(b) **STUDY.**—Section 498(c)(1) (42 U.S.C. 289g(c)(1)) is amended by striking "thirty months after the date of enactment of this section" and inserting "24 months after the date of the enactment of the National Institute on Deafness and Other Communication Disorders and Health Research Extension Act of 1988".

Subtitle M—Miscellaneous

SEC. 161. STUDY OF THYROID MORBIDITY FOR HANFORD, WASHINGTON.

42 USC 241 note.

(a) **IN GENERAL.**—In carrying out the purposes of section 301 of the Public Health Service Act (42 U.S.C. 241), the Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control (hereafter referred to in this section as the "Director"), shall conduct a study of thyroid morbidity of the population (including Indian tribes and tribal organizations) in the vicinity of Hanford, in the State of Washington, during the years 1944 through 1957.

(b) **PEER REVIEW.**—As soon as is practicable after the date of the enactment of this Act, the Director shall establish a peer review committee that shall, along with the Centers for Disease Control, make any determinations as to the conduct of the study required under this section.

(c) **CONTRACTS.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), the Director may contract out any portion of the study required under this section if the Director considers such appropriate, except that such contractor shall not have any direct or indirect

interest in the outcome of such study including, contracts with the Department of Energy.

Contracts.

(2) **RELATIONSHIPS.**—Contractors that currently are parties to contracts with the Department of Energy (or who have previously been parties to such) shall be given consideration pursuant to paragraph (1), except that the Director shall make a determination in each such circumstance that the relationship of the contractor with the Department of Energy does not represent a conflict of interest or the appearance of such a conflict regarding the conduct of the study required under this section.

Oregon.
Washington.

(d) **REPORT.**—Not later than 42 months after the date of enactment of this section, the Director shall transmit a report including such study to the Congress, the chief executive officers of the States of Oregon and Washington, and the governing officials of the Indian tribes in the vicinity of Hanford, Washington.

42 USC 241 note.

SEC. 162. NATIONAL COMMISSION ON SLEEP DISORDERS RESEARCH.

(a) **ESTABLISHMENT.**—Not later than 90 days after the date of enactment of this Act, the Secretary of Health and Human Services (hereafter in this section referred to as the “Secretary”), after consultation with the Director of the National Institutes of Health, shall establish a National Commission on Sleep Disorders Research (hereafter in this section referred to as the “Commission”).

(b) **COMPOSITION.**—

(1) **APPOINTED MEMBERS.**—The Commission shall be composed of 10 members to be appointed as follows:

(A) Six members shall be appointed by the Secretary from among scientists, physicians, and other health professionals who are not in the employment of the Federal Government, and who have primary expertise in sleep disorders research or medicine.

(B) Two members shall be appointed by the Secretary from the general public, of whom one of which shall have personal or close family experience with sleep disorders.

(C) Two members shall be appointed by the Secretary from among the personnel of the National Institutes of Health, and such members interest shall be in the field of sleep disorders research.

(2) **EX OFFICIO MEMBERS.**—The Director of the National Institutes of Health, the Director of the National Institute of Neurological and Communicative Disorders and Stroke, the Directors of the National Heart, Lung and Blood Institute, the National Institute on Mental Health, the National Institute on Aging, the National Institute on Child Health and Human Development, the Director of the Center for Disease Control, the Chief Medical Director of the Veterans' Administration, and the Secretary of Defense shall be ex officio members of the Commission, or their designees.

(c) **CHAIRPERSON.**—The members of the Commission shall select a Chairperson from among the appointed members of the Commission.

(d) **MEETINGS.**—Not later than 60 days after the establishment of the Commission, the Commission shall meet as directed by the Secretary, and thereafter shall meet at the call of the Chairperson of the Commission, but in no event shall the Commission meet less often than three times during the life of the Commission. The

Commission may hold such hearings, take such testimony, and sit and act at such time and places as the Commission considers appropriate.

(e) PERSONNEL.—

(1) EXECUTIVE SECRETARY.—

(A) APPOINTMENT.—The Commission may appoint and fix the compensation of an executive secretary to effectively carry out the functions of the Commission.

(B) COMPENSATION.—The executive secretary shall be appointed subject to title 5, United States Code, governing appointments in the competitive service, and shall receive compensation in accordance with chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) ADDITIONAL PERSONNEL.—The Secretary shall, to the extent practicable, provide the Commission with such additional professional and clerical staff, such information, and the services of such consultants as the Commission determines to be necessary to carry out its functions effectively.

(f) COMPENSATION.—

(1) OFFICERS OR EMPLOYEES OF THE FEDERAL GOVERNMENT.—Members of the Commission who are officers or employees of the Federal Government shall serve as members of the Commission without compensation in addition to that received in their regular public employment.

(2) NON-FEDERAL GOVERNMENT MEMBERS.—Members of the Commission who are not officers or employees of the Federal Government shall receive compensation at a rate not to exceed the daily equivalent of the annual rate in effect for Grade GS-18 of the General Schedule for each day (including traveltime) that such members are engaged in the performance of their duties as members of the Commission.

(3) EXPENSES.—All members of the Commission, while serving away from their homes or regular places of business in the performance of services for the Commission, shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for persons in Government Service employed intermittently.

(g) DUTIES.—

(1) STUDY.—The Commission shall—

(A) conduct a comprehensive study of the present state of knowledge of the incidence, prevalence, morbidity, and mortality resulting from sleep disorders, and of the social and economic impact of such disorders;

(B) evaluate the public and private facilities and resources (including trained personnel and research activities) available for the diagnosis, prevention, and treatment of, and research into, such disorders; and

(C) identify programs (including biological, physiological, behavioral, environmental, and social programs) by which improvement in the management and research into sleep disorders can be accomplished.

(2) DEVELOPMENT OF PLAN.—Based on the study conducted under paragraph (1), the Commission shall develop a long-range plan for the use and organization of national resources to effectively deal with sleep disorders research and medicine.

(3) **COOPERATION.**—Each Federal entity administering programs and activities related to sleep disorders shall, on request, assist the Commission in carrying out its duties under this subsection.

(h) **DEVELOPMENT OF ESTIMATES.**—The Commission shall recommend, for each of the Institutes of the National Institutes of Health whose activities are to be affected by the long-range plan, estimates of the expenditures needed to carry out each Institute's part of the overall program. Such estimates shall be prepared for the fiscal year beginning immediately after completion of the plan under subsection (g)(2) and for each of the next 2 fiscal years.

(i) **REPORT.**—Not later than 18 months after the initial meeting of the Commission (as prescribed by subsection (d)), the Commission shall prepare and submit to the appropriate Committees of Congress, a final report describing—

(1) the long-range plan developed under subsection (g);

(2) the expenditure estimates required under subsection (h); and

(3) any recommendations of the Commission for legislation.

(j) **TERMINATION.**—The Commission shall cease to exist on the 30th day following the date of the submission of the final report under subsection (i).

SEC. 163. MISCELLANEOUS AMENDMENTS.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended—

42 USC 242a,
241.

(1)(A) with respect to section 303(a), by transferring the matter after and below paragraph (2) of such section to section 301;

(B) by designating such matter as subsection (d); and

(C) by adding subsection (d) (as so designated) at the end of section 301;

(2) in section 301(d) (as so designated)—

(A) in the first sentence, by striking "research on mental health, including" and inserting the following: "biomedical, behavioral, clinical, or other research (including research on mental health, including)"; and

(B) by striking "drugs," and inserting "drugs"; and

42 USC 254c.

(3) in section 330, by redesignating the second subsection (j) (as added by section 4 of Public Law 100-386) as subsection (k).

AIDS
Amendments of
1988.

TITLE II—PROGRAMS WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

42 USC 201 note.

SEC. 200. SHORT TITLE.

This title may be cited as the "AIDS Amendments of 1988".

Subtitle A—Research Programs

SEC. 201. ESTABLISHMENT OF CERTAIN PROGRAMS.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended—

(1) by redesignating title XXIII as title XXV;

(2) by redesignating sections 2301 through 2303 as sections 2501 through 2503, respectively;

42 USC 300cc—
300cc-2,
300aaa—
300aaa-2.

- (3) by redesignating sections 2306 through 2316 as sections 2504 through 2514, respectively; and
 (4) by inserting after title XXII the following new title:

42 USC
 300cc-15,
 300aaa-3—
 300aaa-13.

“TITLE XXIII—RESEARCH WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

“PART A—ADMINISTRATION OF RESEARCH PROGRAMS

“SEC. 2301. REQUIREMENT OF ANNUAL COMPREHENSIVE REPORT ON ALL EXPENDITURES BY SECRETARY WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.

42 USC 300cc.

“(a) **IN GENERAL.**—Not later than December 1 of each fiscal year, the Secretary shall prepare and submit to the Congress a report on the expenditures by the Secretary of amounts appropriated for the preceding fiscal year with respect to acquired immune deficiency syndrome.

“(b) **INCLUSION OF CERTAIN INFORMATION.**—The report required in subsection (a) shall, with respect to acquired immune deficiency syndrome, include—

“(1) for each program, project, or activity with respect to such syndrome, a specification of the amount obligated by each office and agency of the Department of Health and Human Services;

“(2) a summary description of each such program, project, or activity;

“(3) a list of such programs, projects, or activities that are directed towards members of minority groups;

Minorities.

“(4) a description of the extent to which programs, projects, and activities described in paragraph (3) have been coordinated between the Director of the Office of Minority Health and the Director of the Centers for Disease Control;

“(5) a summary of the progress made by each such program, project, or activity with respect to the prevention and control of acquired immune deficiency syndrome;

“(6) a summary of the evaluations conducted under this title; and

“(7) any report required in this Act to be submitted to the Secretary for inclusion in the report required in subsection (a).

“SEC. 2302. REQUIREMENT OF EXPEDITING AWARDS OF GRANTS AND CONTRACTS FOR RESEARCH.

42 USC 300cc-1.

“(a) **IN GENERAL.**—The Secretary shall expedite the award of grants, contracts, and cooperative agreements for research projects relating to acquired immune deficiency syndrome (including such research projects initiated independently of any solicitation by the Secretary for proposals for such research projects).

“(b) **TIME LIMITATIONS WITH RESPECT TO CERTAIN APPLICATIONS.**—

“(1) With respect to programs of grants, contracts, and cooperative agreements described in subsection (a), any application submitted in response to a solicitation by the Secretary for proposals pursuant to such a program—

“(A) may not be approved if the application is submitted after the expiration of the 3-month period beginning on the date on which the solicitation is issued; and

“(B) shall be awarded, or otherwise finally acted upon, not later than the expiration of the 6-month period begin-

ning on the expiration of the period described in subparagraph (A).

“(2) If the Secretary makes a determination that it is not practicable to administer a program referred to in paragraph (1) in accordance with the time limitations described in such paragraph, the Secretary may adjust the time limitations accordingly.

“(c) **REQUIREMENTS WITH RESPECT TO ADJUSTMENTS IN TIME LIMITATIONS.**—With respect to any program for which a determination described in subsection (b)(2) is made, the Secretary shall—

“(1) if the determination is made before the Secretary issues a solicitation for proposals pursuant to the program, ensure that the solicitation describes the time limitations as adjusted by the determination; and

“(2) if the determination is made after the Secretary issues such a solicitation for proposals, issue a statement describing the time limitations as adjusted by the determination and individually notify, with respect to the determination, each applicant whose application is submitted before the expiration of the 3-month period beginning on the date on which the solicitation was issued.

“(d) **ANNUAL REPORTS TO CONGRESS.**—Except as provided in subsection (e), the Secretary shall annually prepare, for inclusion in the comprehensive report required in section 2301, a report—

“(A) summarizing programs for which the Secretary has made a determination described in subsection (b)(2), including a description of the time limitations as adjusted by the determination and including a summary of the solicitation issued by the Secretary for proposals pursuant to the program; and

“(B) summarizing applications that—

“(i) were submitted pursuant to a program of grants, contracts, or cooperative agreements referred to in paragraph (1) of subsection (b) for which a determination described in paragraph (2) of such subsection has not been made; and

“(ii) were not processed in accordance with the time limitations described in such paragraph (1).

“(e) **QUARTERLY REPORTS FOR FISCAL YEAR 1989.**—For fiscal year 1989, the report required in subsection (d) shall, not less than quarterly, be prepared and submitted to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

42 USC 300cc-2.

“**SEC. 2303. REQUIREMENTS WITH RESPECT TO PROCESSING OF REQUESTS FOR PERSONNEL AND ADMINISTRATIVE SUPPORT.**

“(a) **IN GENERAL.**—The Director of the Office of Personnel Management or the Administrator of General Services, as the case may be, shall respond to any priority request made by the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration, the Director of the Centers for Disease Control, the Commissioner of Food and Drugs, or the Director of the National Institutes of Health, not later than 21 days after the date on which such request is made. If the Director of the Office of Personnel Management or the Administrator of General Services, as the case may be, does not disapprove a priority request during the 21-day period, the request shall be deemed to be approved.

“(b) NOTICE TO SECRETARY AND TO ASSISTANT SECRETARY FOR HEALTH.—The Administrator of the Alcohol, Drug Abuse, and Mental Health Administration, the Director of the Centers for Disease Control, the Commissioner of Food and Drugs, and the Director of the National Institutes of Health, shall, respectively, transmit to the Secretary and the Assistant Secretary for Health a copy of each priority request made under this section by the agency head involved. The copy shall be transmitted on the date on which the priority request involved is made.

“(c) DEFINITION OF PRIORITY REQUEST.—For purposes of this section, the term ‘priority request’ means any request that—

“(1) is designated as a priority request by the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration, the Director of the Centers for Disease Control, the Commissioner of Food and Drugs, or the Director of the National Institutes of Health; and

“(2)(A) is made to the Director of the Office of Personnel Management for the allocation of personnel to carry out activities with respect to acquired immune deficiency syndrome; or

“(B) is made to the Administrator of General Services for administrative support or space in carrying out such activities.

“SEC. 2304. ESTABLISHMENT OF CLINICAL RESEARCH REVIEW COMMITTEE.

42 USC 300cc-3.

“(a) IN GENERAL.—After consultation with the Commissioner of Food and Drugs, the Secretary, acting through the Director of the National Institute of Allergy and Infectious Diseases, shall establish within such Institute an advisory committee to be known as the AIDS Clinical Research Review Committee (hereafter in this section referred to as the ‘Committee’).

“(b) COMPOSITION.—The Committee shall be composed of physicians whose clinical practice includes a significant number of patients with acquired immune deficiency syndrome.

“(c) DUTIES.—The Committee shall—

“(1) advise the Director of such Institute on appropriate research activities to be undertaken with respect to clinical treatment of such syndrome, including advice with respect to—

“(A) research on drugs for preventing or minimizing the development of symptoms or conditions arising from infection with the etiologic agent for such syndrome; and

“(B) research on the effectiveness of treating such symptoms or conditions with drugs that—

“(i) are not approved by the Commissioner of Food and Drugs for the purpose of treating such symptoms or conditions; and

“(ii) are being utilized for such purpose by individuals infected with such etiologic agent;

“(2)(A) review ongoing publicly and privately supported research on clinical treatment for acquired immune deficiency syndrome, including research on drugs described in paragraph (1); and

“(B) periodically issue, and make available to health care professionals, reports describing and evaluating such research.

“(3) conduct studies and convene meetings for the purpose of determining the recommendations among physicians in clinical practice on clinical treatment of acquired immune deficiency

Reports.

syndrome, including treatment with the drugs described in paragraph (1); and

“(4) conduct a study for the purpose of developing, with respect to individuals infected with the etiologic agent for acquired immune deficiency syndrome, a consensus among health care professionals on clinical treatments for preventing or minimizing the development of symptoms or conditions arising from infection with such etiologic agent.

“PART B—RESEARCH AUTHORITY

42 USC
300cc-11.

“SEC. 2311. CLINICAL EVALUATION UNITS AT NATIONAL INSTITUTES OF HEALTH.

“(a) **IN GENERAL.**—The Secretary, acting through the Director of the National Cancer Institute and the Director of the National Institute of Allergy and Infectious Diseases, shall for each such Institute establish a clinical evaluation unit at the Clinical Center at the National Institutes of Health. Each of the clinical evaluation units—

“(1) shall conduct clinical evaluations of experimental treatments for acquired immune deficiency syndrome developed within the preclinical drug development program; and

“(2) may conduct clinical evaluations of experimental treatments for such syndrome that are developed by any other national research institute of the National Institutes of Health or by any other entity.

“(b) **PERSONNEL AND ADMINISTRATIVE SUPPORT.**—

“(1) For the purposes described in subsection (a), the Secretary, acting through the Director of the National Institutes of Health, shall provide each of the clinical evaluation units required in such subsection—

“(A)(i) with not less than 50 beds; or

“(ii) with an outpatient clinical capacity equal to not less than twice the outpatient clinical capacity, with respect to acquired immune deficiency syndrome, possessed by the Clinical Center of the National Institutes of Health on June 1, 1988; and

“(B) with such personnel, such administrative support, and such other support services as may be necessary.

“(2) Facilities, personnel, administrative support, and other support services provided pursuant to paragraph (1) shall be in addition to the number or level of facilities, personnel, administrative support, and other support services that otherwise would be available at the Clinical Center at the National Institutes of Health for the provision of clinical care for individuals with diseases or disorders.

“(c) **AUTHORIZATION OF APPROPRIATIONS.**—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.

42 USC
300cc-12.

“SEC. 2312. USE OF INVESTIGATIONAL NEW DRUGS WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.

“(a) **ENCOURAGEMENT OF APPLICATIONS WITH RESPECT TO CLINICAL TRIALS.**—

“(1) If, in the determination of the Secretary, there is preliminary evidence that a new drug has effectiveness in humans with respect to the prevention or treatment of acquired immune

Federal
Register,
publication.

deficiency syndrome, the Secretary shall, through statements published in the Federal Register—

“(A) announce the fact of such determination; and

“(B) with respect to the new drug involved, encourage an application for an exemption for investigational use of the new drug under regulations issued under section 505(i) of the Federal Food, Drug, and Cosmetic Act.

“(2)(A) The AIDS Clinical Research Review Committee established pursuant to section 2304 shall make recommendations to the Secretary with respect to new drugs appropriate for determinations described in paragraph (1).

“(B) The Secretary shall, as soon as is practicable, determine the merits of recommendations received by the Secretary pursuant to subparagraph (A).

“(b) ENCOURAGEMENT OF APPLICATIONS WITH RESPECT TO TREATMENT USE IN CIRCUMSTANCES OTHER THAN CLINICAL TRIALS.—

“(1) In the case of a new drug with respect to which the Secretary has made a determination described in subsection (a) and with respect to which an exemption is in effect for purposes of section 505(i) of the Federal Food, Drug, and Cosmetic Act, the Secretary shall—

“(A) as appropriate, encourage the sponsor of the investigation of the new drug to submit to the Secretary, in accordance with regulations issued under such section, an application to use the drug in the treatment of individuals—

“(i) who are infected with the etiologic agent for acquired immune deficiency syndrome; and

“(ii) who are not participating in the clinical trials conducted pursuant to such exemption; and

“(B) if such an application is approved, encourage, as appropriate, licensed medical practitioners to obtain, in accordance with such regulations, the new drug from such sponsor for the purpose of treating such individuals.

“(2) If the sponsor of the investigation of a new drug described in paragraph (1) does not submit to the Secretary an application described in such paragraph (relating to treatment use), the Secretary shall, through statements published in the Federal Register, encourage, as appropriate, licensed medical practitioners to submit to the Secretary such applications in accordance with regulations described in such paragraph.

Federal
Register,
publication.

“(c) TECHNICAL ASSISTANCE WITH RESPECT TO TREATMENT USE.—In the case of a new drug with respect to which the Secretary has made a determination described in subsection (a), the Secretary may, directly or through grants or contracts, provide technical assistance with respect to the process of—

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“(1) submitting to the Secretary applications for exemptions described in paragraph (1)(B) of such subsection;

“(2) submitting to the Secretary applications described in subsection (b); and

“(3) with respect to sponsors of investigations of new drugs, facilitating the transfer of new drugs from such sponsors to licensed medical practitioners.

“(d) DEFINITION.—For purposes of this section, the term “new drug” has the meaning given such term in section 201 of the Federal Food, Drug, and Cosmetic Act.

42 USC
300cc-13.

Grants.
Contracts.

"SEC. 2313. COMMUNITY-BASED EVALUATIONS OF EXPERIMENTAL THERAPIES.

"(a) IN GENERAL.—After consultation with the Commissioner of Food and Drugs, the Director of the National Institutes of Health, acting through the National Institute of Allergy and Infectious Diseases, may make grants to public entities and nonprofit private entities concerned with acquired immune deficiency syndrome, and may enter into contracts with public and private such entities, for the purpose of planning and conducting, in the community involved, clinical trials of experimental treatments for infection with the etiologic agent for such syndrome that are approved by the Commissioner of Food and Drugs for investigational use under regulations issued under section 505 of the Federal Food, Drug, and Cosmetic Act.

"(b) REQUIREMENT OF CERTAIN PROJECTS.—

"(1) Financial assistance under subsection (a) shall include such assistance to community-based organizations and community health centers for the purpose of—

"(A) retaining appropriate medical supervision;

"(B) assisting with administration, data collection and record management; and

"(C) conducting training of community physicians, nurse practitioners, physicians' assistants and other health professionals for the purpose of conducting clinical trials.

"(2)(A) Financial assistance under subsection (a) shall include such assistance for demonstration projects designed to implement and conduct community-based clinical trials in order to provide access to the entire scope of communities affected by infections with the etiologic agent for acquired immune deficiency syndrome, including minorities, hemophiliacs and transfusion-exposed individuals, women, children, users of intravenous drugs, and individuals who are asymptomatic with respect to such infection.

"(B) The Director of the National Institutes of Health may not provide financial assistance under this paragraph unless the application for such assistance is approved—

"(i) by the Commissioner of Food and Drugs;

"(ii) by a duly constituted Institutional Review Board that meets the requirements of part 56 of title 21, Code of Federal Regulations; and

"(iii) by the Director of the National Institute of Allergy and Infectious Diseases.

"(c) PARTICIPATION OF PRIVATE INDUSTRY AND SCHOOLS OF MEDICINE.—Programs carried out with financial assistance provided under subsection (a) shall be designed to encourage private industry and schools of medicine to participate in, and to support, the clinical trials conducted pursuant to the programs.

"(d) REQUIREMENT OF APPLICATION.—The Secretary may not provide financial assistance under subsection (a) unless—

"(1) an application for the assistance is submitted to the Secretary;

"(2) with respect to carrying out the purpose for which the assistance is to be made, the application provides assurances of compliance satisfactory to the Secretary; and

"(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and

Health care
professionals.

Minorities.
Women.
Children and
youth.

information as the Secretary determines to be necessary to carry out this section.

“(e) AUTHORIZATION OF APPROPRIATIONS.—

“(1) For the purpose of carrying out subsection (b)(1), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.

“(2) For the purpose of carrying out subsection (b)(2), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.

“SEC. 2314. EVALUATION OF CERTAIN TREATMENTS.

42 USC
300cc-14.

“(a) ESTABLISHMENT OF PROGRAM.—

“(1) After consultation with the Clinical Research Review Committee established pursuant to section 2304, the Secretary shall establish a program for the evaluation of drugs that—

“(A) are not approved by the Commissioner of Food and Drugs for the purpose of treatments with respect to acquired immune deficiency syndrome; and

“(B) are being utilized for such purpose by individuals infected with the etiologic agent for such syndrome.

“(2) The program established under paragraph (1) shall include evaluations of the effectiveness and the risks of the treatment involved, including the risks of foregoing treatments with respect to acquired immune deficiency syndrome that are approved by the Commissioner of Food and Drugs.

“(b) AUTHORITY WITH RESPECT TO GRANTS AND CONTRACTS.—

“(1) For the purpose of conducting evaluations required in subsection (a), the Secretary may make grants to, and enter into cooperative agreements and contracts with, public and non-profit private entities.

“(2) Nonprofit private entities under paragraph (1) may include nonprofit private organizations that—

“(A) are established for the purpose of evaluating treatments with respect to acquired immune deficiency syndrome; and

“(B) consist primarily of individuals infected with the etiologic agent for such syndrome.

“(c) SCIENTIFIC AND ETHICAL GUIDELINES.—

“(1) The Secretary shall establish appropriate scientific and ethical guidelines for the conduct of evaluations carried out pursuant to this section. The Secretary may not provide financial assistance under subsection (b)(1) unless the applicant for such assistance agrees to comply with such guidelines.

“(2) The Secretary may establish the guidelines described in paragraph (1) only after consulting with—

“(A) physicians whose clinical practice includes a significant number of individuals with acquired immune deficiency syndrome;

“(B) individuals who are infected with the etiologic agent for such syndrome; and

“(C) other individuals with appropriate expertise or experience.

“(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.

42 USC
300cc-15.

"SEC. 2315. SUPPORT OF INTERNATIONAL EFFORTS.

"(a) GRANTS AND CONTRACTS FOR RESEARCH.—

"(1) Under section 307, the Secretary, acting through the Director of the National Institutes of Health—

"(A) shall, for the purpose described in paragraph (2), make grants to, enter into cooperative agreements and contracts with, and provide technical assistance to, international organizations concerned with public health; and

"(B) may, for such purpose, provide technical assistance to foreign governments.

"(2) The purpose referred to in paragraph (1) is promoting and expediting international research concerning the development and evaluation of vaccines and treatments for acquired immune deficiency syndrome.

"(b) GRANTS AND CONTRACTS FOR ADDITIONAL PURPOSES.—After consultation with the Administrator of the Agency for International Development, the Secretary, acting through the Director of the Centers for Disease Control, shall under section 307 make grants to, enter into contracts with, and provide technical assistance to, international organizations concerned with public health and may provide technical assistance to foreign governments, in order to support—

"(1) projects for training individuals with respect to developing skills and technical expertise for use in the prevention, diagnosis, and treatment of acquired immune deficiency syndrome; and

"(2) epidemiological research relating to acquired immune deficiency syndrome.

"(c) SPECIAL PROGRAMME OF WORLD HEALTH ORGANIZATION.—Support provided by the Secretary pursuant to this section shall be in furtherance of the global strategy of the World Health Organization Special Programme on Acquired Immunodeficiency Syndrome.

"(d) PREFERENCES.—In providing grants, cooperative agreements, contracts, and technical assistance under subsections (a) and (b), the Secretary shall—

"(1) give preference to activities under such subsections conducted by, or in cooperation with, the World Health Organization; and

"(2) with respect to activities carried out under such subsections in the Western Hemisphere, give preference to activities conducted by, or in cooperation with, the Pan American Health Organization or the World Health Organization.

"(e) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant or enter into a cooperative agreement or contract under this section unless—

"(1) an application for such assistance is submitted to the Secretary;

"(2) with respect to carrying out the purpose for which such assistance is to be provided, the application provides assurances of compliance satisfactory to the Secretary; and

"(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(f) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated

\$40,000,000 for fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990 and 1991.

“SEC. 2316. RESEARCH CENTERS.

42 USC
300cc-16.

“(a) IN GENERAL.—

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“(1) The Secretary, acting through the Director of the National Institute of Allergy and Infectious Diseases, may make grants to, and enter into contracts with, public and nonprofit private entities to assist such entities in planning, establishing, or strengthening, and providing basic operating support for, centers for basic and clinical research into, and training in, advanced diagnostic, prevention, and treatment methods for acquired immune deficiency syndrome.

“(2) A grant or contract under paragraph (1) shall be provided in accordance with policies established by the Secretary, acting through the Director of the National Institutes of Health, and after consultation with the advisory council for the National Institute of Allergy and Infectious Diseases.

“(3) The Secretary shall ensure that, as appropriate, clinical research programs carried out under paragraph (1) include as research subjects women, children, hemophiliacs, and minorities.

“(b) USE OF FINANCIAL ASSISTANCE.—

“(1) Financial assistance under subsection (a) may be expended for—

“(A) the renovation or leasing of space;

“(B) staffing and other basic operating costs, including such patient care costs as are required for clinical research;

“(C) clinical training with respect to acquired immune deficiency syndrome (including such training for allied health professionals); and

“(D) demonstration purposes, including projects in the long-term monitoring and outpatient treatment of individuals infected with the etiologic agent for such syndrome.

“(2) Financial assistance under subsection (a) may not be expended to provide research training for which National Research Service Awards may be provided under section 487.

“(c) DURATION OF SUPPORT.—Support of a center under subsection (a) may be for not more than five years. Such period may be extended by the Director for additional periods of not more than five years each if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period should be extended.

“(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.

42 USC
300cc-17.

“SEC. 2317. INFORMATION SERVICES.

“(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish, maintain, and operate a program with respect to information on research, treatment, and prevention activities relating to infection with the etiologic agent for acquired immune deficiency syndrome. The program shall, with respect to the agencies of the Department of Health and Human Services, be integrated and coordinated.

“(b) TOLL-FREE TELEPHONE COMMUNICATIONS FOR HEALTH CARE ENTITIES.—

“(1) After consultation with the Director of the Office of AIDS Research, the Administrator of the Health Resources and Services Administration, and the Director of the Centers for Disease Control, the Secretary shall provide for toll-free telephone communications to provide medical and technical information with respect to acquired immune deficiency syndrome to health care professionals, allied health care providers, and to professionals providing emergency health services.

“(2) Information provided pursuant to paragraph (1) shall include—

“(A) information on prevention of exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome; and

“(B) information contained in the data banks established in subsections (c) and (d).

“(c) DATA BANK ON RESEARCH INFORMATION.—

“(1) After consultation with the Director of the Office of AIDS Research, the Director of the Centers for Disease Control, and the National Library of Medicine, the Secretary shall establish a data bank of information on the results of research with respect to acquired immune deficiency syndrome conducted in the United States and other countries.

“(2) In carrying out paragraph (1), the Secretary shall collect, catalog, store, and disseminate the information described in such paragraph. To the extent practicable, the Secretary shall make such information available to researchers, physicians, and other appropriate individuals, of countries other than the United States.

“(d) DATA BANK ON CLINICAL TRIALS AND TREATMENTS.—

“(1) After consultation with the Commissioner of Food and Drugs, the Clinical Research Review Committee, and the Director of the Office of AIDS Research, the Secretary shall, in carrying out subsection (a), establish a data bank of information on clinical trials and treatments with respect to infection with the etiologic agent for acquired immune deficiency syndrome (hereafter in this section referred to as the ‘Data Bank’).

“(2) In carrying out paragraph (1), the Secretary shall collect, catalog, store, and disseminate the information described in such paragraph. The Secretary shall disseminate such information through information systems available to individuals infected with the etiologic agent for acquired immune deficiency syndrome, to other members of the public, to health care providers, and to researchers.

“(e) REQUIREMENTS WITH RESPECT TO DATA BANK.—The Data Bank shall include the following:

“(1) A registry of clinical trials of experimental treatments for acquired immune deficiency syndrome and related illnesses conducted under regulations promulgated pursuant to section 505 of the Federal Food, Drug and Cosmetic Act that provides a description of the purpose of each experimental drug protocol either with the consent of the protocol sponsor, or when a trial to test efficacy begins. Information provided shall include eligibility criteria and the location of trial sites, and must be forwarded to the Data Bank by the sponsor of the trial not later than 21 days after the approval by the Food and Drug Administration.

“(2) Information pertaining to experimental treatments for acquired immune deficiency syndrome that may be available under a treatment investigational new drug application that has been submitted to the Food and Drug Administration pursuant to part 312 of title 21, Code of Federal Regulations. The Data Bank shall also include information pertaining to the results of clinical trials of such treatments, with the consent of the sponsor, of such experimental treatments, including information concerning potential toxicities or adverse effects associated with the use or administration of such experimental treatment.

“SEC. 2318. DEVELOPMENT OF MODEL PROTOCOLS FOR CLINICAL CARE OF INFECTED INDIVIDUALS.

42 USC
300cc-18.

“(a) IN GENERAL.—

Grants.

“(1) The Secretary may make grants to public and nonprofit private entities for the establishment of projects to develop model protocols for the clinical care of individuals infected with the etiologic agent for acquired immune deficiency syndrome.

“(2) The Secretary may not make a grant under paragraph (1) unless—

“(A) the applicant for the grant is a provider of comprehensive primary care; or

“(B) the applicant for the grant agrees, with respect to the project carried out pursuant to paragraph (1), to enter into a cooperative arrangement with an entity that is a provider of comprehensive primary care.

“(b) REQUIREMENT OF PROVISION OF CERTAIN SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that, with respect to patients participating in the project carried out with the grant, services provided pursuant to the grant will include—

“(1) monitoring, in clinical laboratories, of the condition of such patients;

“(2) clinical intervention for infection with the etiologic agent for acquired immune deficiency syndrome, including measures for the prevention of conditions arising from the infection;

“(3) information and counseling on the availability of treatments for such infection approved by the Commissioner of Food and Drugs, on the availability of treatments for such infection not yet approved by the Commissioner, and on the reports issued by the Clinical Research Review Committee under section 2304(c)(2)(B);

“(4) support groups; and

“(5) information on, and referrals to, entities providing appropriate social support services.

“(c) LIMITATION ON IMPOSITION OF CHARGES FOR SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that, if the applicant will routinely impose a charge for providing services pursuant to the grant, the applicant will not impose the charge on any individual seeking such services who is unable to pay the charge.

“(d) EVALUATION AND REPORTS.—

“(1) The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to the project carried out pursuant to subsection (a), to submit to the Secretary—

“(A) information sufficient to assist in the replication of the model protocol developed pursuant to the project; and

“(B) such reports as the Secretary may require.

“(2) The Secretary shall provide for evaluations of projects carried out pursuant to subsection (a) and shall annually submit to the Congress a report describing such projects. The report shall include the findings made as a result of such evaluations and may include any recommendations of the Secretary for appropriate administrative and legislative initiatives with respect to the program established in this section.

“(e) **AUTHORIZATION OF APPROPRIATIONS.**—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.

42 USC
300cc-19.
Research and
development.

“SEC. 2319. NATIONAL BLOOD RESOURCE EDUCATION PROGRAM.

“After consultation with the Director of the National Heart, Lung, and Blood Institute and the Commissioner of Food and Drugs, the Secretary shall establish a program of research and education regarding blood donations and transfusions to maintain and improve the safety of the blood supply. Education programs shall be directed at health professionals, patients, and the community to—

“(1) in the case of the public and patients undergoing treatment—

“(A) increase awareness that the process of donating blood is safe;

“(B) promote the concept that blood donors are contributors to a national need to maintain an adequate and safe blood supply;

“(C) encourage blood donors to donate more than once a year; and

“(D) encourage repeat blood donors to recruit new donors;

“(2) in the case of health professionals—

“(A) improve knowledge, attitudes, and skills of health professionals in the appropriate use of blood and blood components;

“(B) increase the awareness and understanding of health professionals regarding the risks versus benefits of blood transfusion; and

“(C) encourage health professionals to consider alternatives to the administration of blood or blood components for their patients; and

“(3) in the case of the community, increase coordination, communication, and collaboration among community, professional, industry, and government organizations regarding blood donation and transfusion issues.

42 USC
300cc-20.
Contracts.
Grants.

“SEC. 2320. ADDITIONAL AUTHORITY WITH RESPECT TO RESEARCH.

“(a) **DATA COLLECTION WITH RESPECT TO NATIONAL PREVALENCE.**—

“(1) The Secretary, acting through the Director of the Centers for Disease Control, may, through representative sampling and other appropriate methodologies, provide for the continuous collection of data on the incidence in the United States of cases of acquired immune deficiency syndrome and of cases of infection with the etiologic agent for such syndrome. The Secretary may carry out the program of data collection directly or

through cooperative agreements and contracts with public and nonprofit private entities.

“(2) The Secretary shall encourage each State to enter into a cooperative agreement or contract under paragraph (1) with the Secretary in order to facilitate the prompt collection of the most recent accurate data on the incidence of cases described in such paragraph.

“(3) The Secretary shall ensure that data collected under paragraph (1) includes data on the demographic characteristics of the population of individuals with cases described in paragraph (1), including data on specific subpopulations at risk of infection with the etiologic agent for acquired immune deficiency syndrome.

“(4) In carrying out this subsection, the Secretary shall, for the purpose of assuring the utility of data collected under this section, request entities with expertise in the methodologies of data collection to provide, as soon as is practicable, assistance to the Secretary and to the States with respect to the development and utilization of uniform methodologies of data collection.

“(5) The Secretary shall provide for the dissemination of data collected pursuant to this section. In carrying out this paragraph, the Secretary may publish such data as frequently as the Secretary determines to be appropriate with respect to the protection of the public health. The Secretary shall publish such data not less than once each year.

“(b) EPIDEMIOLOGICAL AND DEMOGRAPHIC DATA.—

“(1) The Secretary, acting through the Director of the Centers for Disease Control, shall develop an epidemiological data base and shall provide for long-term studies for the purposes of—

“(A) collecting information on the demographic characteristics of the population of individuals infected with the etiologic agent for acquired immune deficiency syndrome; and

“(B) developing models demonstrating the long-term domestic and international patterns of the transmission of such etiologic agent.

“(2) The Secretary may carry out paragraph (1) directly or through grants to, or cooperative agreements or contracts with, public and nonprofit private entities, including Federal agencies.

“(c) LONG-TERM RESEARCH.—The Secretary may make grants to public and nonprofit private entities for the purpose of assisting grantees in conducting long-term research into treatments for acquired immune deficiency syndrome developed from knowledge of the genetic nature of the etiologic agent for such syndrome.

“(d) SOCIAL SCIENCES RESEARCH.—The Secretary, acting through the Director of the National Institute of Mental Health, may make grants to public and nonprofit private entities for the purpose of assisting grantees in conducting scientific research into the psychological and social sciences as such sciences relate to acquired immune deficiency syndrome.

“(e) AUTHORIZATION OF APPROPRIATIONS.—

“(1) For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.

“(2) Amounts appropriated pursuant to paragraph (1) to carry out subsection (c) shall remain available until expended.

"PART C—RESEARCH TRAINING

42 USC
300cc-31.
Health care
professionals.

"SEC. 2341. FELLOWSHIPS AND TRAINING.

"(a) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control, shall establish fellowship and training programs to be conducted by the Centers for Disease Control to train individuals to develop skills in epidemiology, surveillance, testing, counseling, education, information, and laboratory analysis relating to acquired immune deficiency syndrome. Such programs shall be designed to enable health professionals and health personnel trained under such programs to work, after receiving such training, in national and international efforts toward the prevention, diagnosis, and treatment of acquired immune deficiency syndrome.

"(b) PROGRAMS CONDUCTED BY NATIONAL INSTITUTE OF MENTAL HEALTH.—The Secretary, acting through the Director of the National Institute of Mental Health, shall conduct or support fellowship and training programs for individuals pursuing graduate or postgraduate study in order to train such individuals to conduct scientific research into the psychological and social sciences as such sciences relate to acquired immune deficiency syndrome.

"(c) RELATIONSHIP TO LIMITATION ON NUMBER OF EMPLOYEES.—Any individual receiving a fellowship or receiving training under subsection (a) or (b) shall not be included in any determination of the number of full-time equivalent employees of the Department of Health and Human Services for the purpose of any limitation on the number of such employees established by law prior to, on, or after the date of the enactment of the AIDS Federal Policy Act of 1988.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.

"PART D—SPECIAL AUTHORITIES OF THE DIRECTOR OF THE NATIONAL INSTITUTES OF HEALTH

42 USC
300cc-41.

"SEC. 2351. ESTABLISHMENT OF AUTHORITIES.

"(a) IN GENERAL.—In carrying out research with respect to acquired immune deficiency syndrome, the Secretary, acting through the Director of the National Institutes of Health—

"(1)(A) shall establish an office to be known as the Office of AIDS Research, which Office shall be headed by a Director appointed by the Director of the National Institutes of Health; and

"(B) shall provide administrative support and support services to the Director of such Office;

"(2) shall coordinate activities relating to acquired immune deficiency syndrome conducted by the national research institutes and the agencies of the National Institutes of Health;

"(3) shall develop and expand clinical trials of treatments and therapies for infection with the etiologic agent for acquired immune deficiency syndrome, including such clinical trials for women, infants, children, hemophiliacs, and minorities;

"(4) may establish or support the large-scale development and preclinical screening, production, or distribution of specialized biological materials and other therapeutic substances for

research relating to acquired immune deficiency syndrome and set standards of safety and care for persons using such materials;

“(5) may, in consultation with the advisory council for the appropriate national research institute of the National Institutes of Health, support—

“(A) research relating to acquired immune deficiency syndrome conducted outside the United States by qualified foreign professionals if such research can reasonably be expected to benefit the people of the United States;

“(B) collaborative research involving American and foreign participants; and

“(C) the training of American scientists abroad and foreign scientists in the United States;

“(6) may encourage and coordinate research relating to acquired immune deficiency syndrome conducted by any industrial concern that evidences a particular capability for the conduct of such research;

“(7)(A) may, in consultation with such advisory council, acquire, improve, repair, operate, and maintain laboratories, other research facilities, equipment, and such other real or personal property as the Director of the National Institutes of Health determines necessary;

“(B) may, in consultation with such advisory council, make grants for the construction or renovation of facilities; and

“(C) may, in consultation with such advisory council, acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34) by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the National Institutes of Health for a period not to exceed ten years; and

“(8) subject to section 405(b)(2) and without regard to section 3324 of title 31, United States Code, and section 3709 of the Revised Statutes (41 U.S.C. 5), may enter into such contracts and cooperative agreements with any public agency, or with any person, firm, association, corporation, or educational institution, as may be necessary to expedite and coordinate research relating to acquired immune deficiency syndrome.

“(b) REPORT TO SECRETARY.—The Director of the National Institutes of Health, acting through the Director of the Office of AIDS Research, shall each fiscal year prepare and submit to the Secretary, for inclusion in the comprehensive report required in section 2301(a), a report—

“(1) describing and evaluating the progress made in such fiscal year in research, treatment, and training with respect to acquired immune deficiency syndrome conducted or supported by the Institutes;

“(2) summarizing and analyzing expenditures made in such fiscal year for activities with respect to acquired immune deficiency syndrome conducted or supported by the National Institutes of Health; and

“(3) containing such recommendations as the Director considers appropriate.

“(c) PROJECTS FOR COOPERATION AMONG PUBLIC AND PRIVATE HEALTH ENTITIES.—In carrying out subsection (a), the Director of the National Institutes of Health shall establish projects to promote

Real property.

Grants.

District of
Columbia.
Public buildings
and grounds.

Contracts.

State and local
governments.
Research and
development.

cooperation among Federal agencies, State, local, and regional public health agencies, and private entities, in research concerning the diagnosis, prevention, and treatment of acquired immune deficiency syndrome.

“PART E—GENERAL PROVISIONS

42 USC
300cc-51.

“SEC. 2361. DEFINITION.

“For purposes of this title, the term ‘infection with the etiologic agent for acquired immune deficiency syndrome’ includes any condition arising from infection with such etiologic agent.”.

SEC. 202. AUTHORIZATION OF ADDITIONAL PERSONNEL.

(a) **IN GENERAL.**—Notwithstanding any other provision of law, the Secretary of Health and Human Services, shall, in accordance with the civil service and classification laws, appoint and fix the compensation of not less than 780 employees for the Public Health Service in addition to the number of employees assigned to such Service as of December 31, 1987.

(b) **REPORT.**—Not later than 90 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall report to the Congress on the allocation among the agencies of the Public Health Service of the 780 additional employees required in subsection (a).

(c) **LIMITATION OF AVAILABILITY OF APPROPRIATIONS.**—The requirement established in subsection (a) shall be carried out only to the extent of amounts made available in appropriations Acts for such purpose.

(d) **EXPIRATION OF REQUIREMENT.**—Effective October 1, 1990, this section is repealed.

42 USC 300cc
note.

SEC. 203. REQUIREMENT OF CERTAIN RESEARCH STUDIES.

(a) **MORTALITY RATES.**—After consultation with the Director of the National Center for Health Services Research and Health Care Technology Assessment, the Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control, shall conduct a study for the purpose of determining the mortality rates with respect to acquired immune deficiency syndrome among individuals of various groups at risk of such syndrome, among various geographic areas, and among individuals with varying financial resources for the payment of health care services.

(b) **USE OF CONSORTIA FOR RESEARCH AND DEVELOPMENT.**—The Secretary of Health and Human Services shall request the National Academy of Sciences and other similar appropriate nonprofit institutions to report to the Secretary findings made by such institutions with respect to—

(1) the manner in which research on, and the development of, vaccines and drugs for the prevention and treatment of acquired immune deficiency syndrome and related conditions can be enhanced by the establishment of consortia—

(A) designed to combine and share resources needed for such research and development; and

(B) consisting of businesses involved in such research and development, of nonprofit research institutions, or of combinations of such businesses and such institutions; and

(2) the appropriate participation, if any, of the Federal Government in such consortia.

(c) **REPORTS TO CONGRESS.**—The Secretary of Health and Human Services shall submit to the Congress a report describing the findings made as a result of each of the studies required or requested in this section. The report for the study required in subsection (a) shall be submitted not later than 18 months after the date of the enactment of this Act. The report for the study requested in subsection (b) shall be submitted not later than 1 year after such date.

SEC. 204. CONFORMING AMENDMENTS.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended—

- (1) in section 305(i), by striking “2313” each place it appears and inserting “2511”;
- (2) in section 465(f), by striking “2301” and inserting “2501”;
- and
- (3) in section 497, by striking “2301” and inserting “2501”.

Subtitle B—Health Services

SEC. 211. STATE FORMULA GRANTS, SUBACUTE CARE, AND COUNSELING AND TESTING.

The Public Health Service Act (42 U.S.C. 201 et seq.), as amended by section 201, is further amended by inserting after title XXIII the following new title:

**“TITLE XXIV—HEALTH SERVICES WITH RESPECT TO
ACQUIRED IMMUNE DEFICIENCY SYNDROME**

**“PART A—FORMULA GRANTS TO STATES FOR HOME AND COMMUNITY-
BASED HEALTH SERVICES**

“SEC. 2401. ESTABLISHMENT OF PROGRAM.

42 USC 300dd.

“(a) ALLOTMENTS FOR STATES.—For the purpose described in subsection (b), the Secretary shall for each of the fiscal years 1989 and 1990 make an allotment for each State in an amount determined in accordance with section 2408. The Secretary shall make payments each such fiscal year to each State from the allotment for the State if the Secretary approves for the fiscal year involved an application submitted by the State pursuant to section 2407.

“(b) PURPOSE OF GRANTS.—The Secretary may not make payments under subsection (a) for a fiscal year unless the State involved agrees to expend the payments only for the purpose of providing services in accordance with section 2402.

“(c) ELIGIBLE INDIVIDUAL DEFINED.—For purposes of this part:

“(1) The term ‘eligible individual’ means an individual infected with the etiologic agent for acquired immune deficiency syndrome who either is medically dependent or chronically dependent.

“(2) The term ‘medically dependent’ means, with respect to an individual, that the individual has been certified by a physician as—

“(A) requiring the routine use of appropriate medical services (which may include home intravenous drug therapy) to prevent or compensate for the individual’s serious deterioration, arising from infection with the etiologic agent for acquired immune deficiency syndrome, of physical health or cognitive function, and

“(B) being able to avoid long-term or repeated care as an inpatient or resident in a hospital, nursing facility, or other institution if home and community-based health services are provided to the individual.

“(3) The term ‘chronically dependent’ means, with respect to an individual, that the individual has been certified by a physician as—

“(A) being unable to perform, because of physical or cognitive impairment (without substantial assistance from another individual) arising from infection with the etiologic agent for acquired immune deficiency syndrome, at least 2 of the following activities of daily living: bathing, dressing, toileting, transferring, and eating, or

“(B) having a similar level of disability due to cognitive impairment (as defined by the Secretary).

“(d) HOME AND COMMUNITY-BASED HEALTH SERVICES DEFINED.—For purposes of this part, the term ‘home and community-based health services’—

“(1) means, with respect to an eligible individual, skilled health services furnished to the individual in the individual’s home pursuant to a written plan of care established by a health care professional for the provision of such services and items and services described in paragraph (2);

“(2) includes—

“(A) durable medical equipment,

“(B) homemaker/home health aide services and personal care services furnished in the individual’s home,

“(C) day treatment or other partial hospitalization services,

“(D) home intravenous drug therapy (including prescription drugs administered intravenously as part of such therapy), and

“(E) routine diagnostic tests administered in the individual’s home,

furnished pursuant to such plan of care; but

“(3) does not include, except as specifically provided in paragraph (2)—

“(A) diagnostic tests,

“(B) inpatient hospital services,

“(C) nursing facility services, and

“(D) prescription drugs.

42 USC 300dd-1. “SEC. 2402. PROVISIONS WITH RESPECT TO CARRYING OUT PURPOSE OF GRANTS.

“(a) REQUIRED USES OF FUNDS.—The Secretary may not make payments under section 2401(a) unless the State involved agrees that the State will—

“(1) provide for home and community-based health services for eligible individuals pursuant to written plans of care established by health care professionals for providing such services to such individuals;

“(2) provide for the identification, location, and provision of outreach to eligible individuals;

“(3) provide for coordinating the provision of services under this part with the provision of similar or related services by public and private entities; and

“(4) give priority to the provision of outreach and home and community-based services to eligible individuals with low incomes.

“(b) **AUTHORITY FOR GRANTS AND CONTRACTS.**—A State may make payment for services under subsection (a) through grants to public and nonprofit private entities and through contracts with public and private entities. In providing such financial assistance, a State shall give priority to public and nonprofit private entities that have demonstrated experience in delivering home and community-based health services to individuals with the etiologic agent for acquired immune deficiency syndrome.

“**SEC. 2403. REQUIREMENT OF SUBMISSION OF DESCRIPTION OF INTENDED USES OF GRANT.** 42 USC 300dd-2.

“The Secretary may not make payments under section 2401(a) to a State for a fiscal year unless—

“(1) the State submits to the Secretary a description of the purposes for which the State intends to expend such payments for the fiscal year;

“(2) such description provides information relating to the services and activities to be provided, including a description of the manner in which such services and activities will be coordinated with any similar services and activities of public and private entities; and

“(3) such description includes information relating to (A) the process for determining which eligible individuals are medically dependent or chronically dependent and (B) the process for establishing written plans of care for the provision of home and community-based health services under this part.

“**SEC. 2404. RESTRICTIONS ON USE OF GRANT.** 42 USC 300dd-3.

“(a) **IN GENERAL.**—The Secretary may not make payments under section 2401(a) for a fiscal year to a State unless the State agrees that the payments will not be expended—

“(1) to provide for items or services described in section 2401(d)(3);

“(2) to make cash payments to intended recipients of services;

“(3) to purchase or improve real property (other than minor remodeling of existing improvements to real property) or to purchase major medical equipment; or

“(4) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

“(b) **LIMITATION ON ADMINISTRATIVE EXPENSES.**—The Secretary may not make payments under section 2401(a) for a fiscal year unless the State involved agrees that the State will not expend more than 5 percent of the payments made to the State under such section for administrative expenses with respect to carrying out the purpose of this part.

“(c) **LIMITATION ON TOTAL PAYMENTS.**—

“(1) Before March 1, 1989, for fiscal year 1989 and before September 1 of 1989 for fiscal year 1990, the Secretary shall determine and publish the national average monthly payments, for extended care services under part A of title XVIII of the Social Security Act, for each resident of a skilled nursing facility the Secretary estimates will be paid in the fiscal year.

“(2) The Secretary may not make payments under section 2401(a) for a fiscal year to a State to the extent that the average

monthly payments for eligible individuals provided home and community-based health services under this part in the State exceeds 65 percent of the national average monthly payments determined and published for the fiscal year under paragraph (1).

42 USC 300dd-4. "SEC. 2405. REQUIREMENT OF REPORTS AND AUDITS BY STATES.

"(a) REPORTS.—

"(1) The Secretary may not make payments under section 2401(a) for a fiscal year unless the State involved agrees to prepare and submit to the Secretary, by not later than January 1 following the fiscal year, an annual report in such form and containing such information as the Secretary determines (after consultation with the States and the Comptroller General of the United States) to be necessary for—

"(A) securing a record and a description of the purposes for which payments received by the State pursuant to section 2401(a) were expended and of the recipients of such payments;

"(B) determining whether the payments were expended in accordance with the purpose of this part; and

"(C) determining the percentage of payments received pursuant to section 2401(a) that were expended by the State for administrative expenses during the fiscal year involved.

"(2) Each report by a State under paragraph (1) for a fiscal year also shall include—

"(A) information on the number and type of eligible individuals provided home and community-based health services by the State under this part for the fiscal year;

"(B) information on the types of home and community-based health services so provided;

"(C) information on the average monthly costs of such services and a comparison of such costs with costs of providing services in hospitals, nursing facilities, and similar institutions; and

"(D) such other information as the Secretary may require to provide for an evaluation of the program under this part and its cost-effectiveness.

"(b) AUDITS.—

"(1) The Secretary may not make payments under section 2401(a) for a fiscal year unless the State involved agrees to establish such fiscal control and fund accounting procedures as may be necessary to ensure the proper disbursement of, and accounting for, amounts received by the State under such section.

"(2) The Secretary may not make payments under section 2401(a) for a fiscal year unless the State involved agrees that—

"(A) the State will provide for—

"(i) a financial and compliance audit of such payments; or

"(ii) a single financial and compliance audit of each entity administering such payments;

"(B) the audit will be performed biennially and will cover expenditures in each fiscal year; and

"(C) the audit will be conducted in accordance with standards established by the Comptroller General of the United

States for the audit of governmental organizations, programs, activities, and functions.

“(3) The Secretary may not make payments under section 2401(a) for a fiscal year unless the State involved agrees that, not later than 30 days after the completion of an audit under paragraph (2), the State will provide a copy of the audit report to the State legislature.

“(4) For purposes of paragraph (2), the term ‘financial and compliance audit’ means an audit to determine whether the financial statements of an audited entity present fairly the financial position, and the results of financial operations, of the entity in accordance with generally accepted accounting principles, and whether the entity has complied with laws and regulations that may have a material effect upon the financial statements.

“(c) **AVAILABILITY TO PUBLIC.**—The Secretary may not make payments under section 2401(a) unless the State involved agrees to make copies of the reports and audits described in this section available for public inspection.

“(d) **EVALUATIONS BY COMPTROLLER GENERAL.**—The Comptroller General of the United States shall, from time to time, evaluate the expenditures by the States of payments under section 2401(a) in order to assure that expenditures are consistent with the provisions of this part.

“**SEC. 2406. ADDITIONAL REQUIRED AGREEMENTS.**

42 USC 300dd-5.

“(a) **IN GENERAL.**—The Secretary may not make payments under section 2401(a) for a fiscal year unless the State involved agrees that—

“(1) the legislature of the State will conduct public hearings on the proposed use and distribution of the payments to be received from the allotments for each such fiscal year;

“(2)(A) the State will, to the maximum extent practicable, ensure that services provided to an individual pursuant to the program involved will be provided without regard to the ability of the individual to pay for such services and without regard to the current or past health condition of the individual;

“(B) if any charges are imposed for the provision of home and community-based health services for which assistance is provided under this part, such charges (i) will be pursuant to a public schedule of charges, (ii) will not be imposed on any eligible individual with an income that does not exceed 100 percent of the official poverty line, and (iii) for an eligible individual with an income that exceeds 100 percent of the official poverty line, will be adjusted to reflect the income of the individual;

“(3) the State will provide for periodic independent peer review to assess the quality and appropriateness of home and community-based health services provided by entities that receive funds from the State pursuant to section 2401(a);

“(4) the State will permit and cooperate with Federal investigations undertaken under section 2409(e);

“(5) the State will maintain State expenditures for home and community-based health services for individuals infected with the etiologic agent for acquired immune deficiency syndrome at a level equal to not less than the average level of such expenditures maintained by the State for the 2-year period preceding

the fiscal year for which the State is applying to receive payments; and

“(6) the State will not make payments from allotments made under section 2401(a) for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to that item or service (i) under any State compensation program, under an insurance policy, under any Federal or State health benefits program, or (ii) by an entity that provides health services on a prepaid basis.

42 USC 300dd-6. **“SEC. 2407. REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS AND ASSURANCES.**

“The Secretary may not make payments under section 2401(a) to a State for a fiscal year unless—

“(1) the State submits to the Secretary an application for the payments containing agreements in accordance with sections 2401 through 2406;

“(2) the agreements are made through certification from the chief executive officer of the State;

“(3) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary;

“(4) the application contains the description of intended expenditures required in section 2403; and

“(5) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

42 USC 300dd-7. **“SEC. 2408. DETERMINATION OF AMOUNT OF ALLOTMENTS FOR STATES.**

“(a) **MINIMUM ALLOTMENT.**—Subject to the extent of amounts made available in appropriations Acts, the amount of an allotment under section 2401(a) for—

“(1) each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, for a fiscal year shall be the greater of—

“(A) \$100,000, and

“(B) an amount determined under subsection (b); and

“(2) each territory of the United States (as defined in section 2413(5)) shall be \$25,000.

“(b) **DETERMINATION UNDER FORMULA.**—

“(1) The amount referred to in subsection (a)(1)(B) for a State is the product of—

“(A) an amount equal to the amount appropriated pursuant to section 2414(a) for the fiscal year involved; and

“(B) the ratio of the distribution factor for the State to the sum of the distribution factors for all the States.

“(2) In paragraph (1)(B), the term ‘distribution factor’ means, for a State, the product of—

“(A) the number in the State of additional cases of acquired immune deficiency syndrome, as indicated by the number of such cases reported to and confirmed by the Secretary for the most recent fiscal year for which such data are available, and

“(B) the ratio (based on the most recent available data) of (i) the average per capita income of individuals in the United States to (ii) the average per capita income of individuals in the State;

District of
Columbia.
Puerto Rico.

except that the distribution factors for all the States and territories shall be proportionally reduced to the extent necessary to assure that the total of the allotments under subsection (a) for all the States and territories for each fiscal year does not exceed the amount appropriated pursuant to section 2414(a) for the fiscal year.

“(c) INDIAN TRIBES.—

“(1) Upon the request of the governing body of an Indian tribe or tribal organization within a State to the Secretary, the Secretary shall—

“(A) reserve from the amount that otherwise would be allotted for the fiscal year to the State under subsection (a) an amount determined in accordance with paragraph (2); and

“(B) grant the amount reserved under subparagraph (A) to the Indian tribe or tribal organization serving eligible individuals who are members of the Indian tribe or tribal organization.

“(2) The amount reserved under paragraph (1)(A) shall be an amount equal to the product of—

“(A) the amount that otherwise would be allotted to the State under subsection (a) for the fiscal year; and

“(B) the Secretary’s estimate of the proportion of the number of additional cases described in subsection (b)(2)(A) that are attributable to members of the Indian tribe or tribal organization.

“(3) The Secretary may not make a grant under paragraph (1)(B) to an Indian tribe or tribal organization unless the Indian tribe or tribal organization submits to the Secretary an application meeting the requirements of such an application under section 2407.

“(d) DISPOSITION OF CERTAIN FUNDS APPROPRIATED FOR ALLOTMENTS.—

“(1) Amounts described in paragraph (2) shall, in accordance with paragraph (3), be allotted by the Secretary to States receiving payments under section 2401(a) for the fiscal year (other than any State referred to in paragraph (2)(B)).

“(2) The amounts referred to in paragraph (1) are any amounts that are not paid to States or territories under section 2401(a) as a result of—

“(A) the failure of any State or territory to submit an application under section 2407 within a reasonable time period established by the Secretary; or

“(B) any State or territory informing the Secretary that the State or territory does not intend to expend the full amount of the allotment made to the State or territory.

“(3) The amount of an allotment under paragraph (1) for a State for a fiscal year shall be an amount equal to the product of—

“(A) an amount equal to the amount described in paragraph (2) for the fiscal year involved; and

“(B) the ratio determined under subsection (b)(1)(B) for the State.

“SEC. 2409. FAILURE TO COMPLY WITH AGREEMENTS.

42 USC 300dd-8.

“(a) REPAYMENT OF PAYMENTS.—

“(1) The Secretary may, subject to subsection (c), require a State to repay any payments received by the State under section 2401(a) that the Secretary determines were not expended by the State in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 2407.

“(2) If a State fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against the amount of any payment due to be paid to the State under section 2401(a).

“(b) WITHHOLDING.—

“(1) The Secretary may, subject to subsection (c), withhold payments due under section 2401(a) if the Secretary determines that the State involved is not expending amounts received under such section in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 2407.

“(2) The Secretary shall cease withholding payments from a State under paragraph (1) if the Secretary determines that there are reasonable assurances that the State will expend amounts received under section 2401(a) in accordance with the agreements referred to in such paragraph.

“(c) OPPORTUNITY FOR HEARING.—Before requiring repayment of payments under subsection (a)(1), or withholding payments under subsection (b)(1), the Secretary shall provide to the State an opportunity for a hearing conducted within the State.

“(d) TECHNICAL VIOLATIONS.—The Secretary may not require repayment under subsection (a)(1), or withhold payments under subsection (b)(1), for a technical violation, as determined by the Secretary, of any agreement required to be contained in the application submitted by the State pursuant to section 2407.

“(e) INVESTIGATIONS.—

“(1) The Secretary shall conduct in the several States in each fiscal year investigations of the expenditure of payments received by the States under section 2401(a) in order to evaluate compliance with the agreements required to be contained in the applications submitted to the Secretary pursuant to section 2407.

“(2) Each State, and each entity receiving funds from payments made to a State under section 2401(a), shall make appropriate books, documents, papers, and records available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request therefor.

“(3)(A) In conducting any investigation in a State, the Secretary and the Comptroller General of the United States may not make a request for any information not readily available to the State, or to an entity receiving funds from payments made to the State under section 2401(a), or make an unreasonable request for information to be compiled, collected, or transmitted in any form not readily available.

“(B) Subparagraph (A) shall not apply to the collection, compilation, or transmittal of data in the course of a judicial proceeding.

Records.

"SEC. 2410. PROHIBITION AGAINST CERTAIN FALSE STATEMENTS.

42 USC 300dd-9.

"(a) IN GENERAL.—A person may not knowingly make or cause to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which amounts may be paid by a State from payments received by the State under section 2401(a).

"(b) CRIMINAL PENALTY FOR VIOLATION OF PROHIBITION.—Any person who violates a prohibition established in subsection (a) may for each violation be fined in accordance with title 18, United States Code, or imprisoned for not more than 5 years, or both.

"SEC. 2411. TECHNICAL ASSISTANCE AND PROVISION BY SECRETARY OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.42 USC
300dd-10.

"(a) TECHNICAL ASSISTANCE.—Upon the request of a State receiving payments under section 2401(a), the Secretary may, without charge to the State, provide to the State (or to any public or private entity designated by the State) technical assistance with respect to the planning, development, and operation of this part. The Secretary may provide such technical assistance directly, through contract, or through grants.

"(b) PROVISION BY SECRETARY OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.—

"(1) Upon the request of a State receiving payments under section 2401(a), the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the State in carrying out this part and, for such purpose, may detail to the State any officer or employee of the Department of Health and Human Services.

"(2) With respect to a request described in paragraph (1), the Secretary shall reduce the amount of payments under section 2401(a) to the State by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"SEC. 2412. REPORT BY SECRETARY.42 USC
300dd-11.

"Not later than March 1, 1990, the Secretary shall report to the Congress on the activities of the States under this part. Such report shall include a recommendation as to whether or not the program under this part should be extended beyond fiscal year 1990 and may include any recommendations of the Secretary for appropriate administrative and legislative initiatives.

"SEC. 2413. DEFINITIONS.42 USC
300dd-12.

"For purposes of this part:

"(1) The terms 'Indian tribe' and 'tribal organization' have the same meaning given such terms in sections 4(b) and 4(c) of the Indian Self-Determination and Education Assistance Act.

"(2) The term 'infected with the etiologic agent for acquired immune deficiency syndrome' includes any condition arising from infection with such etiologic agent.

"(3)(A) An individual is considered to have low income if the individual's income does not exceed 200 percent of the official poverty line.

"(B) The term 'official poverty line' refers, with respect to an individual, to the official poverty line defined by the Office of

Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981, applicable to a family of the size involved.

“(4)(A) The term ‘State’ means, except as provided in subparagraph (B), each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and each territory of the United States.

“(B) For purposes of section 2408(d), the term ‘State’ means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

“(5) The term ‘territory of the United States’ means each of the following: the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

42 USC
300dd-13.

“SEC. 2414. FUNDING.

“(a) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants under section 2401, there are authorized to be appropriated \$100,000,000 for each of the fiscal years 1989 and 1990.

“(b) AVAILABILITY TO STATES.—Any amounts paid to a State or territory under section 2401(a) shall remain available to the State or territory until the expiration of the 1-year period beginning on the date on which the State or territory receives such amounts.

42 USC
300dd-14.

“SEC. 2415. SUNSET.

“Effective with respect to appropriations made for any period after fiscal year 1990, part A of title XXIV of the Public Health Service Act is repealed.

“PART B—SUBACUTE CARE

42 USC
300dd-21.

“SEC. 2421. DEMONSTRATION PROJECTS.

“(a) As used in this section:

“(1) The term ‘patients infected with the human immunodeficiency virus’ means persons who have a disease, or are recovering from a disease, attributable to the infection of such person with the human immunodeficiency virus, and as a result of the effects of such disease, are in need of subacute-care services.

“(2) The term ‘subacute care’ means medical and health care services that are required for persons recovering from acute care episodes that are less intensive than the level of care provided in acute-care hospitals, and includes skilled nursing care, hospice care, and other types of health services provided in other long-term-care facilities.

“(b) The Secretary shall conduct three demonstration projects to determine the effectiveness and cost of providing the subacute-care services described in subsection (b) to patients infected with the human immunodeficiency virus, and the impact of such services on the health status of such patients.

“(c)(1) The services provided under each demonstration project shall be designed to meet the specific needs of patients infected with the human immunodeficiency virus, and shall include—

“(A) the care and treatment of such patients by providing—

“(i) subacute care;

“(ii) emergency medical care and specialized diagnostic and therapeutic services as needed and where appropriate,

either directly or through affiliation with a hospital that has experience in treating AIDS patients; and

“(iii) case management services to ensure, through existing services and programs whenever possible, appropriate discharge planning for patients; and

“(B) technical assistance, to other facilities in the region served by such facility, that is directed toward education and training of physicians, nurses, and other health-care professionals in the subacute care and treatment of patients infected with the human immunodeficiency virus.

“(2) Services provided under each demonstration project may also include—

“(A) hospice services;

“(B) outpatient care; and

“(C) outreach activities in the surrounding community to hospitals and other health-care facilities that serve patients infected with the human immunodeficiency virus.

“(d) The demonstration projects shall be conducted—

“(1) during a 4-year period beginning not later than 9 months after the date of enactment of this section; and

“(2) at sites that—

“(A) are geographically diverse and located in areas that are appropriate for the provision of the required and authorized services; and

“(B) have the highest incidence of AIDS cases and the greatest need for subacute-care services.

“(e) The Secretary shall evaluate the operations of the demonstration projects and shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate—

Reports.

“(1) not later than 18 months after the beginning of the first project, a preliminary report that contains—

“(A) a description of the sites at which the projects are being conducted and of the services being provided in each project; and

“(B) a preliminary evaluation of the experience of the projects in the first 12 months of operation; and

“(2) not later than 6 months after the completion of the last project, a final report that contains—

“(A) an assessment of the costs of subacute care for patients infected with the human immunodeficiency virus, including a breakdown of all other sources of funding for the care provided to cover subacute care; and

“(B) recommendations for appropriate legislative changes.

“(f) Each demonstration project shall provide for other research to be carried out at the site of such demonstration project including—

Research and development.

“(1) clinical research on the acquired immunodeficiency syndrome, concentrating on research on the neurological manifestations resulting from infection with the human immunodeficiency virus; and

“(2) the study of the psychological and mental health issues related to the acquired immunodeficiency syndrome.

“(g)(1) To carry out this section, there are authorized to be appropriated \$10,000,000 for fiscal year 1988 and such sums as are necessary for each of the fiscal years 1989 through 1991.

Appropriation authorization.

Contracts.
Veterans.

“(2) Amounts appropriated pursuant to paragraph (1) shall remain available until September 10, 1992.

“(h) The Secretary shall enter into an agreement with the Administrator of the Veterans’ Administration to ensure that appropriate provision will be made for the furnishing, through demonstration projects, of services to eligible veterans, under contract with the Veterans’ Administration pursuant to section 620 of title 38, United States Code.

“PART C—OTHER HEALTH SERVICES

“Subpart I—Counseling and Testing

42 USC
300dd-31.

“SEC. 2431. GRANTS FOR ANONYMOUS TESTING.

“The Secretary may make grants to the States for the purpose of providing opportunities for individuals—

“(1) to undergo counseling and testing with respect to the etiologic agent for acquired immune deficiency syndrome without being required to provide any information relating to the identity of the individuals; and

“(2) to undergo such counseling and testing through the use of a pseudonym.

42 USC
300dd-32.

“SEC. 2432. REQUIREMENT OF PROVISION OF CERTAIN COUNSELING SERVICES.

“(a) COUNSELING BEFORE TESTING.—The Secretary may not make a grant under section 2431 to a State unless the State agrees that, before testing an individual pursuant to such section, the State will provide to the individual appropriate counseling with respect to acquired immune deficiency syndrome (based on the most recent scientific data relating to such syndrome), including—

“(1) measures for the prevention of exposure to, and the transmission of, the etiologic agent for such syndrome;

“(2) the accuracy and reliability of the results of such testing;

“(3) the significance of the results of such testing, including the potential for developing acquired immune deficiency syndrome; and

“(4) encouraging individuals, as appropriate, to undergo testing for such etiologic agent and providing information on the benefits of such testing.

“(b) COUNSELING OF INDIVIDUALS WITH NEGATIVE TEST RESULTS.—The Secretary may not make a grant under section 2431 to a State unless the State agrees that, if the results of testing conducted pursuant to such section indicate that an individual is not infected with the etiologic agent for acquired immune deficiency syndrome, the State will review for the individual the information provided pursuant to subsection (a) with respect to such syndrome, including—

“(1) the information described in paragraphs (1) through (3) of such subsection; and

“(2) the appropriateness of further counseling, testing, and education of the individual with respect to acquired immune deficiency syndrome.

“(c) COUNSELING OF INDIVIDUALS WITH POSITIVE TEST RESULTS.—The Secretary may not make a grant under section 2431 to a State unless the State agrees that, if the results of testing conducted pursuant to such section indicate that the individual is infected with

the etiologic agent for acquired immune deficiency syndrome, the State will provide to the individual appropriate counseling with respect to such syndrome, including—

“(1) reviewing the information described in paragraphs (1) through (3) of subsection (a);

“(2) reviewing the appropriateness of further counseling, testing, and education of the individual with respect to acquired immune deficiency syndrome;

“(3) the importance of not exposing others to the etiologic agent for acquired immune deficiency syndrome;

“(4) the availability in the geographic area of any appropriate services with respect to health care, including mental health care and social and support services;

“(5) the benefits of locating and counseling any individual by whom the infected individual may have been exposed to the etiologic agent for acquired immune deficiency syndrome and any individual whom the infected individual may have exposed to such etiologic agent; and

“(6) the availability, if any, of the services of public health authorities with respect to locating and counseling any individual described in paragraph (4).

“(d) **RULE OF CONSTRUCTION WITH RESPECT TO COUNSELING WITHOUT TESTING.**—Agreements entered into pursuant to subsections (a) through (c) may not be construed to prohibit any grantee under section 2431 from expending the grant for the purpose of providing counseling services described in such subsections to an individual who will not undergo testing described in such section as a result of the grantee or the individual determining that such testing of the individual is not appropriate.

“(e) **USE OF FUNDS.**—

“(1) The purpose of this part is to provide for counseling and testing services to prevent and reduce exposure to, and transmission of, the etiologic agent for acquired immune deficiency syndrome.

“(2) All individuals receiving counseling pursuant to this part are to be counseled about the harmful effects of promiscuous sexual activity and intravenous substance abuse, and the benefits of abstaining from such activities.

“(3) None of the fund appropriated to carry out this part may be used to provide counseling that is designed to promote or encourage, directly, homosexual or heterosexual sexual activity or intravenous drug abuse.

“(4) Paragraph (3) may not be construed to prohibit a counselor who has already performed the counseling of an individual required by paragraph (2), to provide accurate information about means to reduce an individual's risk of exposure to, or the transmission of, the etiologic agent for acquired immune deficiency syndrome, provided that any informational materials used are not obscene.

“**SEC. 2433. FUNDING.**

“For the purpose of grants under section 2431, there are authorized to be appropriated \$100,000,000 for each of the fiscal years 1989 and 1990.

“Subpart II—Counseling and Mental Health Services

42 USC
300dd-41.

Grants.

“SEC. 2441. DEMONSTRATION PROJECTS FOR INDIVIDUALS WITH POSITIVE TEST RESULTS.

“(a) **IN GENERAL.**—The Secretary may make grants to public and nonprofit private entities for demonstration projects for the development, establishment, or expansion of programs to provide counseling and mental health treatment—

“(1) for individuals who experience serious psychological reactions as a result of being informed that the results of testing for the etiologic agent for acquired immune deficiency syndrome indicate that the individuals are infected with such etiologic agent; and

“(2) for the families of such individuals, and for others, who experience serious psychological reactions as a result of being informed of the results of such testing of such individuals.

“(b) **PREFERENCES IN MAKING GRANTS.**—In making grants under subsection (a), the Secretary shall give preference to applicants that are based at, or have relationships with, entities providing comprehensive health services to individuals who are infected with the etiologic agent for acquired immune deficiency syndrome.

“(c) **REQUIREMENT OF PROVISION OF INFORMATION ON PREVENTION.**—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that counseling provided pursuant to such subsection will include counseling relating to measures for the prevention of exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome.

“(d) **AUTHORITY FOR TRAINING.**—A grantee under subsection (a) may expend the grant to train individuals to provide the services described in such subsection.

“(e) **REQUIREMENT OF IDENTIFICATION OF NEEDS AND OBJECTIVES.**—The Secretary may not make a grant under subsection (a) unless the applicant for the grant submits to the Secretary—

“(1) information demonstrating that the applicant has, with respect to mental health treatment related to the etiologic agent for acquired immune deficiency syndrome, identified the need for such treatment in the area in which the program will be developed, established, or expanded; and

“(2) a description of—

“(A) the objectives established by the applicant for the conduct of the program; and

“(B) the method the applicant will use to evaluate the activities conducted under the program and to determine the extent to which such objectives have been met.

“(f) **REQUIREMENT OF APPLICATION.**—The Secretary may not make a grant under subsection (a) unless—

“(1) an application for the grant is submitted to the Secretary;

“(2) with respect to carrying out the purpose for which the grant is to be made, the application provides assurances of compliance satisfactory to the Secretary;

“(3) the application contains the information required to be submitted under subsection (e); and

“(4) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

“(g) **REQUIREMENT OF MINIMUM NUMBER OF GRANTS FOR FISCAL YEAR 1989.**—Subject to the extent of amounts made available in appropriations Acts, the Secretary shall, for fiscal year 1989, make not less than 6 grants under subsection (a).

“(h) **TECHNICAL ASSISTANCE AND ADMINISTRATIVE SUPPORT.**—The Secretary, acting through the Director of the National Institute of Mental Health, may provide technical assistance and administrative support to grantees under subsection (a).

“(i) **DEFINITION.**—For purposes of this section, the term ‘mental health treatment’ means individual, family or group services designed to alleviate distress, improve functional ability, or assist in changing dysfunctional behavior patterns.

“(j) **AUTHORIZATION OF APPROPRIATIONS.**—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.”.

Subtitle C—Prevention

SEC. 221. FORMULA GRANTS TO STATES.

The Public Health Service Act (42 U.S.C. 201 et seq.), as amended by section 211, is further amended by inserting after title XXIV the following new title:

“TITLE XV—PREVENTION OF ACQUIRED IMMUNE DEFICIENCY SYNDROME

“SEC. 2500. USE OF FUNDS.

42 USC 300ee.

“(a) **IN GENERAL.**—The purpose of this part is to provide for the establishment of education and information programs to prevent and reduce exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome.

“(b) **CONTENTS OF PROGRAMS.**—All programs of education and information receiving funds under this title shall include information about the harmful effects of promiscuous sexual activity and intravenous substance abuse, and the benefits of abstaining from such activities.

“(c) **LIMITATION.**—None of the funds appropriated to carry out this title may be used to provide education or information designed to promote or encourage, directly, homosexual or heterosexual sexual activity or intravenous substance abuse.

“(d) **CONSTRUCTION.**—Subsection (c) may not be construed to restrict the ability of an education program that includes the information required in subsection (b) to provide accurate information about various means to reduce an individual’s risk of exposure to, or the transmission of, the etiologic agent for acquired immune deficiency syndrome, provided that any informational materials used are not obscene.

“PART A—FORMULA GRANTS TO STATES

“SEC. 2501. ESTABLISHMENT OF PROGRAM.

42 USC
300ee-11.

“(a) **ALLOTMENTS FOR STATES.**—For the purpose described in subsection (b), the Secretary shall for each of the fiscal years 1989 through 1991 make an allotment for each State in an amount determined in accordance with section 2507. The Secretary shall

make payments each such fiscal year to each State from the allotment for the State if the Secretary approves for the fiscal year involved an application submitted by the State pursuant to section 2503.

Public
information.

“(b) PURPOSE OF GRANTS.—The Secretary may not make payments under subsection (a) for a fiscal year unless the State involved agrees to expend the payments only for the purpose of carrying out, in accordance with section 2502, public information activities with respect to acquired immune deficiency syndrome.

42 USC
300ee-12.

“SEC. 2502. PROVISIONS WITH RESPECT TO CARRYING OUT PURPOSE OF GRANTS.

Public
information.

“A State may expend payments received under section 2501(a)—

“(1) to develop, establish, and conduct public information activities relating to the prevention and diagnosis of acquired immune deficiency syndrome for those populations or communities in the State in which there are a significant number of individuals at risk of infection with the etiologic agent for such syndrome;

Public
information.

“(2) to develop, establish, and conduct such public information activities for the general public relating to the prevention and diagnosis of such syndrome;

Research and
development.

“(3) to develop, establish, and conduct activities to reduce risks relating to such syndrome, including research into the prevention of such syndrome;

“(4) to conduct demonstration projects for the prevention of such syndrome;

“(5) to provide technical assistance to public entities, to non-profit private entities concerned with such syndrome, to schools, and to employers, for the purpose of developing information programs relating to such syndrome;

Health care
professionals.
Education.

“(6) with respect to education and training programs for the prevention of such syndrome, to conduct such programs for health professionals (including allied health professionals), public safety workers (including emergency response employees), teachers, school administrators, and other appropriate education personnel;

“(7) to conduct appropriate programs for educating school-aged children with respect to such syndrome, after consulting with local school boards;

“(8) to make available to physicians and dentists in the State information with respect to acquired immune deficiency syndrome, including measures for the prevention of exposure to, and the transmission of, the etiologic agent for such syndrome (which information is updated not less than annually with the most recently available scientific data relating to such syndrome);

“(9) to carry out the initial implementation of recommendations contained in the guidelines and the model curriculum developed under section 2525; and

Grants.
Education.

“(10) to make grants to public entities, and to nonprofit private entities concerned with acquired immune deficiency syndrome, for the purpose of the development, establishment, and expansion of programs for education directed toward individuals at increased risk of infection with the etiologic agent for such syndrome and activities to reduce the risks of exposure to such etiologic agent, with preference to programs directed

toward populations in which there is significant evidence of such infection.

“SEC. 2503. REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS AND ASSURANCES.

42 USC
300ee-13.

“(a) IN GENERAL.—The Secretary may not make payments under section 2501(a) for a fiscal year unless—

“(1) the State involved submits to the Secretary a description of the purposes for which the State intends to expend the payments for the fiscal year;

“(2) the description identifies the populations, areas, and localities in the State with a need for the services for which amounts may be provided by the State under this part;

“(3) the description provides information relating to the programs and activities to be supported and services to be provided, including a description of the manner in which such programs and activities will be coordinated with any similar programs and activities of public and private entities; and

“(4) the State submits to the Secretary an application for the payments containing agreements in accordance with this part;

“(5) the agreements are made through certification from the chief executive officer of the State;

“(6) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary; and

“(7) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

“(b) OPPORTUNITY FOR PUBLIC COMMENT.—The Secretary may not make payments under section 2501(a) for a fiscal year unless the State involved agrees that, in developing and carrying out the description required in subsection (a), the State will provide public notice with respect to the description (including any revisions) and will facilitate comments from interested persons.

“SEC. 2504. RESTRICTIONS ON USE OF GRANT.

42 USC
300ee-14.

“(a) IN GENERAL.—The Secretary may not make payments under section 2501(a) for a fiscal year unless the State involved agrees that the payments will not be expended—

“(1) to provide inpatient services;

“(2) to make cash payments to intended recipients of services;

“(3) to purchase or improve real property (other than minor remodeling of existing improvements to real property) or to purchase major medical equipment; or

“(4) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

Real property.

“(b) LIMITATION ON ADMINISTRATIVE EXPENSES.—The Secretary may not make payments under section 2501(a) for a fiscal year unless the State involved agrees that the State will not expend more than 5 percent of the payments for administrative expenses with respect to carrying out the purpose described in section 2501(b).

“SEC. 2505. REQUIREMENT OF REPORTS AND AUDITS BY STATES.

42 USC
300ee-15.

“(a) REPORTS.—The Secretary may not make payments under section 2501(a) for a fiscal year unless the State involved agrees to prepare and submit to the Secretary an annual report in such form

and containing such information as the Secretary determines to be necessary for—

Records.

“(1) securing a record and a description of the purposes for which payments received by the State pursuant to such section were expended and of the recipients of such payments;

“(2) determining whether the payments were expended in accordance with the needs within the State required to be identified pursuant to section 2503(a)(2);

“(3) determining whether the payments were expended in accordance with the purpose described in section 2501(b); and

“(4) determining the percentage of payments received pursuant to such section that were expended by the State for administrative expenses during the preceding fiscal year.

“(b) AUDITS.—

“(1) The Secretary may not payments under section 2501(a) for a fiscal year unless the State involved agrees to establish such fiscal control and fund accounting procedures as may be necessary to ensure the proper disbursement of, and accounting for, amounts received by the State under such section.

“(2) The Secretary may not payments under section 2501(a) for a fiscal year unless the State involved agrees that—

“(A) the State will provide for—

“(i) a financial and compliance audit of such payments; or

“(ii) a single financial and compliance audit of each entity administering such payments;

“(B) the audit will be performed biennially and will cover expenditures in each fiscal year; and

“(C) the audit will be conducted in accordance with standards established by the Comptroller General of the United States for the audit of governmental organizations, programs, activities, and functions.

“(3) The Secretary may not make payments under section 2501(a) for a fiscal year unless the State involved agrees that, not later than 30 days after the completion of an audit under paragraph (2), the State will provide a copy of the audit report to the State legislature.

“(4) For purposes of paragraph (2), the term ‘financial and compliance audit’ means an audit to determine whether the financial statements of an audited entity present fairly the financial position, and the results of financial operations, of the entity in accordance with generally accepted accounting principles, and whether the entity has complied with laws and regulations that may have a material effect upon the financial statements.

Reports.

“(c) AVAILABILITY TO PUBLIC.—The Secretary may not make payments under section 2501(a) for a fiscal year unless the State involved agrees to make copies of the reports and audits described in this section available for public inspection.

“(d) EVALUATIONS BY COMPTROLLER GENERAL.—The Comptroller General of the United States shall, from time to time, evaluate the expenditures by States of payments received under section 2501(a) in order to ensure that expenditures are consistent with the provisions of this part.

“SEC. 2506. ADDITIONAL REQUIRED AGREEMENTS.42 USC
300ee-16.

“The Secretary may not, except as provided in subsection (b), make payments under section 2501(a) for a fiscal year unless the State involved agrees that—

“(1) all programs conducted or supported by the State with such payments will establish objectives for the program and will determine the extent to which the objectives are met;

“(2) information provided under this part will be scientifically accurate and factually correct;

“(3) in carrying out section 2501(b), the State will give priority to programs described in section 2502(10) for individuals described in such section;

“(4) with respect to a State in which there is a substantial number of individuals who are intravenous substance abusers, the State will place priority on activities under this part directed at such substance abusers;

“(5) with respect to a State in which there is a significant incidence of reported cases of acquired immune deficiency syndrome, the State will—

“(A) for the purpose described in subsection (b) of section 2501, expend not less than 50 percent of payments received under subsection (a) of such section for a fiscal year—

“(i) to make grants to public entities, to migrant health centers (as defined in section 329(a)), to community health centers (as defined in section 330(a)), and to nonprofit private entities concerned with acquired immune deficiency syndrome; or

Grants.

“(ii) to enter into contracts with public and private entities; and

Contracts.

“(B) of the amounts reserved for a fiscal year by the State for expenditures required in subparagraph (A), expend not less than 50 percent to carry out section 2502(10) through grants to nonprofit private entities, including minority entities, concerned with acquired immune deficiency syndrome located in and representative of communities and subpopulations reflecting the local incidence of such syndrome;

(For purposes of this section, the term ‘significant percentage’ means at least a percentage of 1 percent of the number of reported cases of such syndrome in the United States);

“(6) with respect to programs carried out pursuant to section 2502(10), the State will ensure that any applicant for a grant under such section agrees—

“(A) that any educational or informational materials developed with a grant pursuant to such section will contain material, and be presented in a manner, that is specifically directed toward the group for which such materials are intended;

Education.

“(B) to provide a description of the manner in which the applicant has planned the program in consultation with, and of the manner in which such applicant will consult during the conduct of the program with—

“(i) appropriate local officials and community groups for the area to be served by the program;

“(ii) organizations comprised of, and representing, the specific population to which the education or prevention effort is to be directed; and

“(iii) individuals having expertise in health education and in the needs of the population to be served;

“(C) to provide information demonstrating that the applicant has continuing relationships, or will establish continuing relationships, with a portion of the population in the service area that is at risk of infection with the etiologic agent for acquired immune deficiency syndrome and with public and private entities in such area that provide health or other support services to individuals with such infection;

“(D) to provide a description of—

“(i) the objectives established by the applicant for the conduct of the program; and

“(ii) the methods the applicant will use to evaluate the activities conducted under the program to determine if such objectives are met; and

“(E) such other information as the Secretary may prescribe;

“(7) with respect to programs carried out pursuant to section 2502(10), the State will give preference to any applicant for a grant pursuant to such section that is located in, has a history of service in, and will serve under the program, any geographic area in which—

“(A) there is a significant incidence of acquired immune deficiency syndrome;

“(B) there has been a significant increase in the incidence of such syndrome; or

“(C) there is a significant risk of becoming infected with the etiologic agent for such syndrome;

“(8) the State will establish reasonable criteria to evaluate the effective performance of entities that receive funds from to payments made to the State under section 2501(a) and will establish procedures for procedural and substantive independent State review of the failure by the State to provide funds for any such entity; and

“(9) the State will permit and cooperate with Federal investigations undertaken in accordance with section 2509(e);

“(10) the State will maintain State expenditures for services provided pursuant to section 2501 at a level equal to not less than the average level of such expenditures maintained by the State for the 2-year period preceding the fiscal year for which the State is applying to receive payments.

42 USC
300ee-17.

“SEC. 2507. DETERMINATION OF AMOUNT OF ALLOTMENTS FOR STATES.

“(a) MINIMUM ALLOTMENT.—The allotment for a State under section 2501(a) for a fiscal year shall be the greater of—

“(1) the amount described in subsection (b); or

“(2) the amount determined in accordance with subsection (c).

“(b) DETERMINATION OF MINIMUM ALLOTMENT.—

“(1) If the total amount appropriated under section 2516(a) for a fiscal year exceeds \$100,000,000, the amount referred to in subsection (a)(1) is \$300,000 for the fiscal year.

“(2) If the total amount appropriated under section 2514(a) for a fiscal year equals or exceeds \$50,000,000, but is less than

\$100,000,000, the amount referred to in subsection (a)(1) is \$200,000 for the fiscal year.

“(3) If the total amount appropriated under section 2514(a) for a fiscal year is less than \$50,000,000, the amount referred to in subsection (a)(1) is \$100,000 for the fiscal year.

“(c) DETERMINATION UNDER FORMULA.—

“(1) The amount referred to in subsection (a)(2) is the sum of—

“(A) the amount determined under paragraph (2); and

“(B) the amount determined under paragraph (3).

“(2) The amount referred to in paragraph (1)(A) is the product of—

“(A) an amount equal to 50 percent of the amounts appropriated pursuant to section 2514(a); and

“(B) a percentage equal to the quotient of—

“(i) the population of the State involved; divided by

“(ii) the population of the United States.

“(3) The amount referred to in paragraph (1)(B) is the product of—

“(A) an amount equal to 50 percent of the amounts appropriated pursuant to section 2514(a); and

“(B) a percentage equal to the quotient of—

“(i) the number of additional cases of acquired immune deficiency syndrome reported to and confirmed by the Secretary for the State involved for the most recent fiscal year for which such data is available; divided by

“(ii) the number of additional cases of such syndrome reported to and confirmed by the Secretary for the United States for such fiscal year.

“(d) DISPOSITION OF CERTAIN FUNDS APPROPRIATED FOR ALLOTMENTS.—

“(1) Amounts described in paragraph (2) shall be allotted by the Secretary to States receiving payments under section 2501(a) for the fiscal year (other than any State referred to in paragraph (2)(C)). Such amounts shall be allotted according to a formula established by the Secretary. The formula shall be equivalent to the formula described in this section under which the allotment for the State for the fiscal year involved was determined.

“(2) The amounts referred to in paragraph (1) are any amounts that are not paid to States under section 2501(a) as a result of—

“(A) the failure of any State to submit an application under section 2507;

“(B) the failure, in the determination of the Secretary, of any State to prepare within a reasonable period of time such application in compliance with such section; or

“(C) any State informing the Secretary that the State does not intend to expend the full amount of the allotment made to the State.

“SEC. 2508. FAILURE TO COMPLY WITH AGREEMENTS.

“(a) REPAYMENT OF PAYMENTS.—

“(1) The Secretary may, subject to subsection (c), require a State to repay any payments received by the State under section 2501(a) that the Secretary determines were not expended by the State in accordance with the agreements required to be con-

42 USC
300ee-18.

tained in the application submitted by the State pursuant to section 2507.

"(2) If a State fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against the amount of any payment due to be paid to the State under section 2501(a).

"(b) WITHHOLDING.—

"(1) The Secretary may, subject to subsection (c), withhold payments due under section 2501(a) if the Secretary determines that the State involved is not expending amounts received under such section in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 2507.

"(2) The Secretary shall cease withholding payments from a State under paragraph (1) if the Secretary determines that there are reasonable assurances that the State will expend amounts received under section 2501(a) in accordance with the agreements referred to in such paragraph.

"(3) The Secretary may not withhold funds under paragraph (1) from a State for a minor failure to comply with the agreements referred to in such paragraph.

"(c) OPPORTUNITY FOR HEARING.—Before requiring repayment of payments under subsection (a)(1), or withholding payments under subsection (b)(1), the Secretary shall provide to the State an opportunity for a hearing conducted within the State.

"(d) PROMPT RESPONSE TO SERIOUS ALLEGATIONS.—The Secretary shall promptly respond to any complaint of a substantial or serious nature that a State has failed to expend amounts received under section 2501(a) in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 2507.

"(e) INVESTIGATIONS.—

"(1) The Secretary shall conduct in several States in each fiscal year investigations of the expenditure of payments received by the States under section 2501(a) in order to evaluate compliance with the agreements required to be contained in the applications submitted to the Secretary pursuant to section 2507.

"(2) The Comptroller General of the United States may conduct investigations of the expenditure of funds received under section 2501(a) by a State in order to ensure compliance with the agreements referred to in paragraph (1).

"(3) Each State, and each entity receiving funds from payments made to a State under section 2501(a), shall make appropriate books, documents, papers, and records available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request therefor.

"(4)(A) In conducting any investigation in a State, the Secretary and the Comptroller General of the United States may not make a request for any information not readily available to the State, or to an entity receiving funds from payments made to the State under section 2501(a), or make an unreasonable request for information to be compiled, collected, or transmitted in any form not readily available.

“(B) Subparagraph (A) shall not apply to the collection, compilation, or transmittal of data in the course of a judicial proceeding.

“SEC. 2509. PROHIBITION AGAINST CERTAIN FALSE STATEMENTS.

42 USC
300ee-19.

“(a) IN GENERAL.—

“(1) A person may not knowingly make or cause to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which amounts may be paid by a State from payments received by the State under section 2501(a).

“(2) A person with knowledge of the occurrence of any event affecting the right of the person to receive any amounts from payments made to the State under section 2501(a) may not conceal or fail to disclose any such event with the intent of fraudulently securing such amounts.

“(b) CRIMINAL PENALTY FOR VIOLATION OF PROHIBITION.—Any person who violates a prohibition established in subsection (a) may for each violation be fined in accordance with title 18, United States Code, or imprisoned for not more than 5 years, or both.

“SEC. 2510. TECHNICAL ASSISTANCE AND PROVISION BY SECRETARY OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.

42 USC
300ee-20.

“(a) TECHNICAL ASSISTANCE.—The Secretary may provide training and technical assistance to States with respect to the planning, development, and operation of any program or service carried out pursuant to this part. The Secretary may provide such technical assistance directly or through grants or contracts.

Contracts.

“(b) PROVISION BY SECRETARY OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.—

“(1) Upon the request of a State receiving payments under this part, the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the State in carrying out such part and, for such purpose, may detail to the State any officer or employee of the Department of Health and Human Services.

“(2) With respect to a request described in paragraph (1), the Secretary shall reduce the amount of payments under the program involved to the State by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

“SEC. 2511. EVALUATIONS.

42 USC
300ee-21.
Grants.
Contracts.

“The Secretary shall, directly or through grants or contracts, evaluate the services provided and activities carried out with payments to States under this part.

“SEC. 2512. REPORT BY SECRETARY.

42 USC
300ee-22.

“The Secretary shall annually prepare a report on the activities of the States carried out pursuant to this part. Such report may include any recommendations of the Secretary for appropriate administrative and legislative initiatives. The report shall be submitted to the Congress through inclusion in the comprehensive report required in section 2301.

42 USC
300ee-23.

“SEC. 2513. DEFINITION.

“For purposes of this part, the term ‘infection with the etiologic agent for acquired immune deficiency syndrome’ includes any condition arising from such etiologic agent.

42 USC
300ee-24.

“SEC. 2514. FUNDING.

“(a) **AUTHORIZATION OF APPROPRIATIONS.**—For the purpose of making allotments under section 2501(a), there are authorized to be appropriated \$165,000,000 for fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990 and 1991.

“(b) **AVAILABILITY TO STATES.**—Any amounts paid to a State under section 2501(a) shall remain available to the State until the expiration of the 1-year period beginning on the date on which the State receives such amounts.

“PART B—NATIONAL INFORMATION PROGRAMS

42 USC
300ee-31.

“SEC. 2521. AVAILABILITY OF INFORMATION TO GENERAL PUBLIC.

“(a) **COMPREHENSIVE INFORMATION PLAN.**—The Secretary, acting through the Director of the Centers for Disease Control, shall annually prepare a comprehensive plan, including a budget, for a National Acquired Immune Deficiency Syndrome Information Program. The plan shall contain provisions to implement the provisions of this title. The Director shall submit such plan to the Secretary. The authority established in this subsection may not be construed to be the exclusive authority for the Director to carry out information activities with respect to acquired immune deficiency syndrome.

“(b) CLEARINGHOUSE.—

“(1) The Secretary, acting through the Director of the Centers for Disease Control, may establish a clearinghouse to make information concerning acquired immune deficiency syndrome available to Federal agencies, States, public and private entities, and the general public.

“(2) The clearinghouse may conduct or support programs—

“(A) to develop and obtain educational materials, model curricula, and methods directed toward reducing the transmission of the etiologic agent for acquired immune deficiency syndrome;

“(B) to provide instruction and support for individuals who provide instruction in methods and techniques of education relating to the prevention of acquired immune deficiency syndrome and instruction in the use of the materials and curricula described in subparagraph (A); and

“(C) to conduct, or to provide for the conduct of, the materials, curricula, and methods described in paragraph (1) and the efficacy of such materials, curricula, and methods in preventing infection with the etiologic agent for acquired immune deficiency syndrome.

“(c) **TOLL-FREE TELEPHONE COMMUNICATIONS.**—The Secretary shall provide for the establishment and maintenance of toll-free telephone communications to provide information to, and respond to queries from, the public concerning acquired immune deficiency syndrome. Such communications shall be available on a 24-hour basis.

"SEC. 2522. PUBLIC INFORMATION CAMPAIGNS.42 USC
300ee-32.
Grants.
Contracts.

"(a) **IN GENERAL.**—The Secretary, acting through the Director of the Centers for Disease Control, may make grants to public entities, and to nonprofit private entities concerned with acquired immune deficiency syndrome, and shall enter into contracts with public and private entities, for the development and delivery of public service announcements and paid advertising messages that warn individuals about activities which place them at risk of infection with the etiologic agent for such syndrome.

"(b) **REQUIREMENT OF APPLICATION.**—The Secretary may not provide financial assistance under subsection (a) unless—

"(1) an application for such assistance is submitted to the Secretary;

"(2) with respect to carrying out the purpose for which the assistance is to be provided, the application provides assurances of compliance satisfactory to the Secretary; and

"(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"SEC. 2523. PROVISION OF INFORMATION TO UNDERSERVED POPULATIONS.42 USC
300ee-33.

"(a) **IN GENERAL.**—The Secretary may make grants to public entities, to migrant health centers (as defined in section 329(a)), to community health centers (as defined in section 330(a)), and to nonprofit private entities concerned with acquired immune deficiency syndrome, for the purpose of assisting grantees in providing services to populations of individuals that are underserved with respect to programs providing information on the prevention of exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome.

Grants.

"(b) **PREFERENCES IN MAKING GRANTS.**—In making grants under subsection (a), the Secretary shall give preference to any applicant for such a grant that has the ability to disseminate rapidly the information described in subsection (a) (including any national organization with such ability).

"SEC. 2524. AUTHORIZATION OF APPROPRIATIONS.42 USC
300ee-34.

"(a) **IN GENERAL.**—For the purpose of carrying out sections 2521 through 2523, there are authorized to be appropriated \$105,000,000 for fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990 and 1991.

"(b) **ALLOCATIONS.**—

"(1) Of the amounts appropriated pursuant to subsection (a), the Secretary shall make available \$45,000,000 to carry out section 2522 and \$30,000,000 to carry out this part through financial assistance to minority entities for the provision of services to minority populations.

"(2) After consultation with the Director of the Office of Minority Health and with the Indian Health Service, the Secretary, acting through the Director of the Centers for Disease Control, shall, not later than 90 days after the date of the enactment of this section, publish guidelines to provide procedures for applications for funding pursuant to paragraph (1) and for public comment."

National
Commission on
Acquired
Immune
Deficiency
Syndrome Act.
42 USC 300cc
note.

Subtitle D—National Commission on Acquired Immune Deficiency Syndrome

SEC. 241. SHORT TITLE.

This subtitle may be cited as the "National Commission on Acquired Immune Deficiency Syndrome Act".

SEC. 242. ESTABLISHMENT.

There is established a commission to be known as the "National Commission on Acquired Immune Deficiency Syndrome" (hereinafter in this Act referred to as the "Commission").

SEC. 243. DUTIES OF COMMISSION.

(a) **GENERAL PURPOSE OF THE COMMISSION.**—The Commission shall carry out activities for the purpose of promoting the development of a national consensus on policy concerning acquired immune deficiency syndrome (hereinafter in this subtitle referred to as "AIDS") and of studying and making recommendations for a consistent national policy concerning AIDS.

(b) **SUCCESSION.**—The Commission shall succeed the Presidential Commission on the Human Immunodeficiency Virus Epidemic, established by Executive Order 12601, dated June 24, 1987.

(c) **FUNCTIONS.**—The Commission shall perform the following functions:

(1) Monitor the implementation of the recommendations of the Presidential Commission on the Human Immunodeficiency Virus Epidemic, modifying those recommendations as the Commission considers appropriate.

(2) Evaluate the adequacy of, and make recommendations regarding, the financing of health care and research needs relating to AIDS, including the allocation of resources to various Federal agencies and State and local governments and the roles for and activities of private and public financing.

(3) Evaluate the adequacy of, and make recommendations regarding, the dissemination of information that is essential to the prevention of the spread of AIDS, and that recognizes the special needs of minorities and the important role of the family, educational institutions, religion, and community organizations in education and prevention efforts.

(4) Address any necessary behavioral changes needed to combat AIDS, taking into consideration the multiple moral, ethical, and legal concerns involved, and make recommendations regarding testing and counseling concerning AIDS, particularly with respect to maintaining confidentiality.

(5) Evaluate the adequacy of, and make recommendations regarding, Federal and State laws on civil rights relating to AIDS.

(6) Evaluate the adequacy of, and make recommendations, regarding the capability of the Federal Government to make and implement policy concerning AIDS (and, to the extent feasible to do so, other diseases, known and unknown, in the future), including research and treatment, the availability of clinical trials, education and the financing thereof, and including specifically—

(A) the streamlining of rules, regulations, and administrative procedures relating to the approval by the Food and Drug Administration of new drugs and medical devices, including procedures for the release of experimental drugs; and

(B) the advancement of administrative consideration by the Health Care Financing Administration relating to reimbursement for new drugs and medical devices approved by the Food and Drug Administration.

(7) Evaluate the adequacy of, and make recommendations regarding, international coordination and cooperation concerning data collection, treatment modalities, and research concerning AIDS.

SEC. 244. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—

(1) APPOINTMENT.—The Commission shall be composed of 15 members as follows:

(A) Five members shall be appointed by the President—

President of U.S.

(i) three of whom shall be—

(I) the Secretary of Health and Human Services;

(II) the Administrator of Veterans' Affairs; and

(III) the Secretary of Defense;

who shall be nonvoting members, except that, in the case of a tie vote by the Commission, the Secretary of Health and Human Services shall be a voting member; and

(ii) two of whom shall be selected from the general public on the basis of such individuals being specially qualified to serve on the Commission by reason of their education, training, or experience.

(B) Five members shall be appointed by the Speaker of the House of Representatives on the joint recommendation of the Majority and Minority Leaders of the House of Representatives.

(C) Five members shall be appointed by the President pro tempore of the Senate on the joint recommendation of the Majority and Minority Leaders of the Senate.

(2) CONGRESSIONAL COMMITTEE RECOMMENDATIONS.—In making appointments under subparagraphs (B) and (C) of paragraph (1), the Majority and Minority Leaders of the House of Representatives and the Senate shall duly consider the recommendations of the Chairmen and Ranking Minority Members of committees with jurisdiction over laws contained in chapter 17 of title 38, United States Code (relating to veterans' health care), title XIX of the Social Security Act (42 U.S.C. 1901 et seq.) (relating to Medicaid), and the Public Health Service Act (42 U.S.C. 201 et seq.) (relating to the Public Health Service).

(3) REQUIREMENTS OF APPOINTMENTS.—The Majority and Minority Leaders of the Senate and the House of Representatives shall—

(A) select individuals who are specially qualified to serve on the Commission by reason of their education, training, or experience; and

(B) engage in consultations for the purpose of ensuring that the expertise of the 10 members appointed by the Speaker of the House of Representatives and the President

pro tempore of the Senate shall provide as much of a balance as possible and, to the greatest extent possible, cover the fields of medicine, science, law, ethics, health-care economics, and health-care and social services.

(4) **TERM OF MEMBERS.**—Members of the Commission (other than members appointed under paragraph (1)(A)(i)) shall serve for the life of the Commission.

(5) **VACANCY.**—A vacancy on the Commission shall be filled in the manner in which the original appointment was made.

(b) **CHAIRMAN.**—Not later than 15 days after the members of the Commission are appointed, such members shall select a Chairman from among the members of the Commission.

(c) **QUORUM.**—Seven members of the Commission shall constitute a quorum, but a lesser number may be authorized by the Commission to conduct hearings.

(d) **MEETINGS.**—The Commission shall hold its first meeting on a date specified by the Chairman, but such date shall not be earlier than September 1, 1988, and not be later than 60 days after the date of the enactment of this Act, or September 30, 1988, whichever is later. After the initial meeting, the Commission shall meet at the call of the Chairman or a majority of its members, but shall meet at least three times each year during the life of the Commission.

(e) **PAY.**—Members of the Commission who are officers or employees or elected officials of a government entity shall receive no additional compensation by reason of their service on the Commission.

(f) **PER DIEM.**—While away from their homes or regular places of business in the performance of duties for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under sections 5702 and 5703 of title 5, United States Code.

(g) **DEADLINE FOR APPOINTMENT.**—Not earlier than July 11, 1988, and not later than 45 days after the date of the enactment of this Act, or August 1, 1988, whichever is later, the members of the Commission shall be appointed.

SEC. 245. REPORTS.

(a) INTERIM REPORTS.—

(1) **IN GENERAL.**—Not later than 1 year after the date on which the Commission is fully constituted under section 244(a), the Commission shall prepare and submit to the President and to the appropriate committees of Congress a comprehensive report on the activities of the Commission to that date.

(2) **CONTENTS.**—The report submitted under paragraph (1) shall include such findings, and such recommendations for legislation and administrative action, as the Commission considers appropriate based on its activities to that date.

(3) **OTHER REPORTS.**—The Commission shall transmit such other reports as it considers appropriate.

(b) FINAL REPORT.—

(1) **IN GENERAL.**—Not later than 2 years after the date on which the Commission is fully constituted under section 244(a), the Commission shall prepare and submit a final report to the President and to the appropriate committees of Congress.

(2) **CONTENTS.**—The final report submitted under paragraph (1) shall contain a detailed statement of the activities of the Commission and of the findings and conclusions of the Commis-

sion, including such recommendations for legislation and administrative action as the Commission considers appropriate.

SEC. 246. EXECUTIVE DIRECTOR AND STAFF.

(a) EXECUTIVE DIRECTOR.—

(1) **APPOINTMENT.**—The Commission shall have an Executive Director who shall be appointed by the Chairman, with the approval of the Commission, not later than 30 days after the Chairman is selected.

(2) **COMPENSATION.**—The Executive Director shall be compensated at a rate not to exceed the maximum rate of basic pay payable under GS-18 of the General Schedule as contained in title 5, United States Code.

(b) **STAFF.**—With the approval of the Commission, the Executive Director may appoint and fix the compensation of such additional personnel as the Executive Director considers necessary to carry out the duties of the Commission.

(c) **APPLICABILITY OF CIVIL SERVICE LAWS.**—The Executive Director and the additional personnel of the Commission appointed under subsection (b) may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(d) **CONSULTANTS.**—Subject to such rules as may be prescribed by the Commission, the Executive Director may procure temporary or intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals not to exceed \$200 per day.

(e) **DETAILED PERSONNEL AND SUPPORT SERVICES.**—Upon the request of the Commission for the detail of personnel, or for administrative and support services, to assist the Commission in carrying out its duties under this Act, the Secretary of Health and Human Services and the Administrator of Veterans' Affairs, either jointly or separately, may on a reimbursable basis (1) detail to the Commission personnel of the Department of Health and Human Services or the Veterans' Administration, respectively, or (2) provide to the Commission administrative and support services. The Secretary and the Administrator shall consult for the purpose of determining and implementing an appropriate method for jointly or separately detailing such personnel and providing such services.

SEC. 247. POWERS OF COMMISSION.

(a) **HEARINGS.**—For the purpose of carrying out this Act, the Commission may conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(b) **DELEGATION.**—Any member or employee of the Commission may, if authorized by the Commission, take any action that the Commission is authorized to take under this Act.

(c) **ACCESS TO INFORMATION.**—The Commission may secure directly from any executive department or agency such information as may be necessary to enable the Commission to carry out this Act, except to the extent that the department or agency is expressly prohibited by law from furnishing such information. On the request of the Chairman of the Commission, the head of such department or agency shall furnish nonprohibited information to the Commission.

(d) **MAILS.**—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

SEC. 248. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for fiscal year 1989 \$2,000,000, and such sums as may be necessary in any subsequent fiscal year, to carry out the purposes of this Act. Amounts appropriated pursuant to such authorization shall remain available until expended.

SEC. 249. TERMINATION.

The Commission shall cease to exist 30 days after the date on which its final report is submitted under section 245(b). The President may extend the life of the Commission for a period of not to exceed 2 years.

Subtitle E—General Provisions

42 USC 300ee-1
note.

SEC. 251. REQUIREMENT OF STUDY WITH RESPECT TO MINORITY HEALTH AND ACQUIRED IMMUNE DEFICIENCY SYNDROME.

(a) **IN GENERAL.**—The Secretary of Health and Human Services, acting through the Director of the Office of Minority Health, shall conduct a study for the purpose of determining—

(1) the level of knowledge within minority communities concerning acquired immune deficiency syndrome, the risks of the transmission of the etiologic agent for such syndrome, and the means of reducing such risk; and

(2) the effectiveness of Federal, State, and local prevention programs with respect to acquired immune deficiency syndrome in minority communities.

(b) **REPORT.**—The Secretary shall, not later than 12 months after the date of enactment of this Act, complete the study required in subsection (a) and submit to the Congress a report describing the findings made as a result of the study.

42 USC 300ee-1.

SEC. 252. ESTABLISHMENT OF OFFICE WITH RESPECT TO MINORITY HEALTH AND ACQUIRED IMMUNE DEFICIENCY SYNDROME.

The Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control, shall establish an office for the purpose of ensuring that, in carrying out the duties of the Secretary with respect to prevention of acquired immune deficiency syndrome, the Secretary develops and implements prevention programs targeted at minority populations and provides appropriate technical assistance in the implementation of such programs.

42 USC 300ee-2.

SEC. 253. INFORMATION FOR HEALTH AND PUBLIC SAFETY WORKERS.

(a) **DEVELOPMENT AND DISSEMINATION OF GUIDELINES.**—Not later than 90 days after the date of the enactment of this title, the Secretary of Health and Human Services (hereafter in this section referred to as the “Secretary”), acting through the Director of the Centers for Disease Control, shall develop, issue, and disseminate emergency guidelines to all health workers, public safety workers (including emergency response employees) in the United States concerning—

(1) methods to reduce the risk in the workplace of becoming infected with the etiologic agent for acquired immune deficiency syndrome; and

(2) circumstances under which exposure to such etiologic agent may occur.

(b) **USE IN OCCUPATIONAL STANDARDS.**—The Secretary shall transmit the guidelines issued under subsection (a) to the Secretary of Labor for use by the Secretary of Labor in the development of standards to be issued under the Occupational Safety and Health Act of 1970.

(c) **DEVELOPMENT AND DISSEMINATION OF MODEL CURRICULUM FOR EMERGENCY RESPONSE EMPLOYEES.**—

(1) Not later than 90 days after the date of the enactment of this title, the Secretary, acting through the Director of the Centers for Disease Control, shall develop a model curriculum for emergency response employees with respect to the prevention of exposure to the etiologic agent for acquired immune deficiency syndrome during the process of responding to emergencies.

(2) In carrying out paragraph (1), the Secretary shall consider the guidelines issued by the Secretary under subsection (a).

(3) The model curriculum developed under paragraph (1) shall, to the extent practicable, include—

(A) information with respect to the manner in which the etiologic agent for acquired immune deficiency syndrome is transmitted; and

(B) information that can assist emergency response employees in distinguishing between conditions in which such employees are at risk with respect to such etiologic agent and conditions in which such employees are not at risk with respect such etiologic agent.

(4) The Secretary shall establish a task force to assist the Secretary in developing the model curriculum required in paragraph (1). The Secretary shall appoint to the task force representatives of the Centers for Disease Control, representatives of State governments, and representatives of emergency response employees.

(5) The Secretary shall—

(A) transmit to State public health officers copies of the guidelines and the model curriculum developed under paragraph (1) with the request that such officers disseminate such copies as appropriate throughout the State; and

(B) make such copies available to the public.

SEC. 254. CONTINUING EDUCATION FOR HEALTH CARE PROVIDERS.

(a) **IN GENERAL.**—The Secretary of Health and Human Services (hereafter in this section referred to as the “Secretary”) may make grants to nonprofit organizations composed of, or representing, health care providers to assist in the payment of the costs of projects to train such providers concerning—

(1) appropriate infection control procedures to reduce the transmission of the etiologic agent for acquired immune deficiency syndrome; and

(2) the provision of care and treatment to individuals with such syndrome or related illnesses.

(b) **LIMITATION.**—The Secretary may make a grant under subsection (a) to an entity only if the entity will provide services under the

Public
information.
42 USC 300ee-3.

Grants.

Grants.

grant in a geographic area, or to a population of individuals, not served by a program substantially similar to the program described in subsection (a).

(c) REQUIREMENT OF MATCHING FUNDS.—

(1) The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to the costs to be incurred by the applicant in carrying out the purpose described in such subsection, to make available, directly or through donations from public or private entities, non-Federal contributions (in cash or in kind under paragraph (2)) toward such costs in an amount equal to not less than \$2 for each \$1 of Federal funds provided in such payments.

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

(d) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under subsection (a) unless—

(1) an application for the grant is submitted to the Secretary;

(2) with respect to carrying out the purpose for which the grant is to be made, the application provides assurances of compliance satisfactory to the Secretary; and

(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.

42 USC 300ee-4.

SEC. 255. TECHNICAL ASSISTANCE.

The Secretary of Health and Human Services shall provide technical assistance to public and nonprofit private entities carrying out programs, projects, and activities relating to acquired immune deficiency syndrome.

SEC. 256. MISCELLANEOUS PROVISIONS.

(a) PUBLIC HEALTH EMERGENCY FUND.—Section 319 of the Public Health Service Act (42 U.S.C. 247d) is amended—

(1) in subsection (a), by inserting “the Administrator of Health Resources and Services,” before “or the Director”; and

(2) in subsection (b)(1), by striking “\$30,000,000” the second place it appears and inserting in lieu thereof “\$45,000,000”.

Drugs and drug
abuse.
42 USC 300ee-5.

(b) CERTAIN USE OF FUNDS.—None of the funds provided under this Act or an amendment made by this Act shall be used to provide individuals with hypodermic needles or syringes so that such individuals may use illegal drugs, unless the Surgeon General of the United States determines that a demonstration needle exchange program would be effective in reducing drug abuse and the risk that the public will become infected with the etiologic agent for acquired immune deficiency syndrome.

42 USC 275 note.

(c) REPORT ON CERTAIN ETHICAL ISSUES.—The Congressional Bio-medical Ethics Board shall report to Congress within eighteen months from the effective date of this Act on the ethical issues

connected with the administration of nutrition and hydration to dying patients. This report shall include a review of State laws, regulations and court decisions on this topic. The report shall also discuss the arguments concerning the appropriate roles of the patient, the patient's family, the care provider, the State and the appropriate Federal role.

(d) STUDY OF STATE LAWS.—

(1) The Secretary of Health and Human Services shall conduct a study for the purpose of determining—

(A) the laws and policies of the States relating to confidentiality and disclosure of information with respect to records of the counseling and testing of individuals regarding the etiologic agent for acquired immune deficiency syndrome; and

(B) the laws and policies of the States relating to discrimination against individuals infected with such etiologic agent or regarded as being so infected.

(2) Not later than 6 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall complete the study required in subsection (a) and submit to the Congress a report describing the findings made as a result of the study.

Reports.

TITLE III—PREVENTIVE HEALTH, HEALTH SERVICES, AND HEALTH PRO- MOTION

Subtitle A—Preventive Health and Health Services

SEC. 301. BLOCK GRANTS.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 1901(a) of the Public Health Service Act (42 U.S.C. 300w(a)) is amended by striking “and” after “1986,” and by inserting before the period the following: “, \$110,000,000 for fiscal year 1989, and such sums as may be necessary for each of the fiscal years 1990 and 1991”.

(b) **USE OF ALLOTMENTS.**—Section 1904(a)(1) of the Public Health Service Act (42 U.S.C. 300w-3(a)(1)) is amended—

(1) in subparagraph (B), by inserting before the period the following: “and elevated serum cholesterol”;

(2) in subparagraph (C), by inserting before the period the following: “, including programs designed to reduce the incidence of chronic diseases”;

(3) in subparagraph (D), by inserting before the period the following: “, including immunization services”;

(4) in subparagraph (F), in the second sentence, by striking “systems (other” and all that follows and inserting the following: “systems, except that such amounts may be used for the payment of not more than 50 percent of the costs of purchasing communications equipment for the systems.”; and

(5) by inserting after subparagraph (G) the following new subparagraph:

“(H) Establishing and maintaining preventive health service programs for screening for, the detection, diagnosis, prevention, and referral for treatment of, and follow-up on compliance with treatment prescribed for, uterine cancer and breast cancer.”.

(c) **APPLICATION AND DESCRIPTION OF ACTIVITIES.**—Section 1905(d) of the Public Health Service Act (42 U.S.C. 300w-4(d)) is amended by adding at the end the following new sentence: “The description shall include a statement of the public health objectives expected to be achieved by the State through the use of the payments the State will receive under section 1903.”.

(d) **REPORTS AND AUDITS.**—

(1) Section 1906(a) of the Public Health Service Act (42 U.S.C. 300w-5(a)) is amended by adding at the end the following new paragraph:

“(3) Each annual report required in paragraph (1) shall include—

“(A) information and data on the number of individuals who received services provided through the use of payments under section 1903, the types of such services provided, the types of health care providers that delivered such services, and the cost of each type of such service;

“(B) such other information and data as the Secretary may require; and

“(C) an evaluation of the extent to which such services have been effective toward meeting the public health objectives described in the statement submitted to the Secretary pursuant to section 1905(d).”.

(2) Section 1906(b)(6) of the Public Health Service Act (42 U.S.C. 300w-5(b)(6)) is amended by striking “1983,” and inserting “1990.”.

SEC. 302. GRANTS FOR EMERGENCY MEDICAL SERVICES FOR CHILDREN.

(a) **DURATION OF GRANT.**—Section 1910(a) of the Public Health Service Act (42 U.S.C. 300w-9(a)) is amended in the second sentence by striking “shall be for” and all that follows and inserting the following: “shall be for not more than a two-year period, subject to annual evaluation by the Secretary.”.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—Section 1910(d) of the Public Health Service Act (42 U.S.C. 300w-9(d)) is amended by inserting before the period the following: “, \$3,000,000 for fiscal year 1989, \$4,000,000 for fiscal year 1990, and \$5,000,000 for fiscal year 1991”.

SEC. 303. REPEAL OF PROGRAM OF STATE PLANNING GRANTS.

Part A of title XIX of the Public Health Service Act (42 U.S.C. 300w et seq.) is amended by striking section 1910A.

Subtitle B—Programs With Respect to Sexually Transmitted Diseases, Health Information, and Health Promotion

SEC. 311. GRANTS FOR PREVENTION OF SEXUALLY TRANSMITTED DISEASES.

Section 318 of the Public Health Service Act (42 U.S.C. 247c) is amended—

- (1) in the title, by striking “and acquired immune deficiency syndrome”;
- (2) by striking subsections (d) and (f);
- (3) by redesignating subsection (e) as subsection (d) and subsection (g) as subsection (e); and
- (4) in subsection (d)(1) (as so redesignated)—
 - (A) in the first sentence—
 - (i) by striking “(b), (c), and (d)” and inserting “(b) and (c)”;
 - (ii) by striking “and” after “1986,”;
 - (iii) by striking the period and inserting a comma; and
 - (iv) by adding at the end the following: “\$78,000,000 for fiscal year 1989, and such sums as may be necessary for each of the fiscal years 1990 and 1991.”;
 - (B) in the third sentence, by striking “(b), (c), or (d)” and inserting “(b) or (c)”;
 - (C) by striking the last sentence.

SEC. 312. HEALTH INFORMATION AND HEALTH PROMOTION.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Title XVII of the Public Health Service Act (42 U.S.C. 300u et seq.) is amended—

(1) in section 1701(b)—

42 USC 300u.

(A) by striking “this title,” and inserting “sections 1701 through 1705,”; and

(B) by striking “and” after “1986,” and inserting before the period the following: “, and \$10,000,000 for each of the fiscal years 1989 through 1991”; and

(2) in section 1706(e), by striking “and” after “1986,” and inserting before the period the following: “, \$6,000,000 for fiscal year 1989, \$8,000,000 for fiscal year 1990, and \$10,000,000 for fiscal year 1991”.

42 USC 300u-5.

(b) **MODEL PROGRAMS FOR EMPLOYEE HEALTH PROMOTION AND DISEASE PREVENTION.**—

(1) Section 1701(a) of the Public Health Service Act (42 U.S.C. 300u(a)) is amended—

(A) by redesignating paragraphs (7) through (10) as paragraphs (8) through (11), respectively; and

(B) by inserting after paragraph (6) the following new paragraph:

“(7)(A) develop model programs through which employers in the public sector, and employers that are small businesses (as defined in section 3 of the Small Business Act), can provide for their employees a program to promote healthy behaviors and to discourage participation in unhealthy behaviors;

Small business.

“(B) provide technical assistance to public and private employers in implementing such programs (including private employers that are not small businesses and that will implement programs other than the programs developed by the Secretary pursuant to subparagraph (A)); and

“(C) in providing such technical assistance, give preference to small businesses.”

(2) Not later than 18 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall complete the development of the model programs required in section 1701(a)(7)(A) of the Public Health Service Act (as added by paragraph (1)(B) of this subsection).

42 USC 300u note.

(c) **TECHNICAL AND CONFORMING AMENDMENTS.**—Section 1701(a) of the Public Health Service Act (42 U.S.C. 300u) is amended—

(1) in paragraph (9) (as redesignated by subsection (b)(1)(A) of this section), by striking “paragraph (7)” and inserting “paragraph (8)”; and

(2) in the matter after and below paragraph (11)(D) (as so redesignated)—

(A) by striking the first sentence; and

(B) by striking “paragraph (10)” and inserting “paragraph (11)”.

Organ
Transplant
Amendments
Act of 1988.

TITLE IV—ORGAN TRANSPLANT AMENDMENTS OF 1988

SEC. 401. SHORT TITLE AND REFERENCE.

42 USC 201 note.

(a) **SHORT TITLE.**—This title may be cited as the “Organ Transplant Amendments Act of 1988”.

(b) **REFERENCE.**—Whenever in this title 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.

SEC. 402. ASSISTANCE FOR ORGAN PROCUREMENT ORGANIZATIONS.

(a) **ADDITIONAL GRANT AUTHORITY.**—Section 371(a) (42 U.S.C. 273(a)) is amended—

(1) in paragraph (2), by inserting “consolidation,” after “operation,”;

(2) by redesignating paragraph (3) as paragraph (4) and inserting after paragraph (2) the following new paragraph:

“(3) The Secretary may make grants for special projects designed to increase the number of organ donors.”; and

(3) in paragraph (4) (as redesignated in paragraph (2) of this subsection)—

(A) by striking “and” at the end of subparagraph (A);

(B) by striking the period at the end and inserting “and”;

(C) by adding at the end the following new subparagraph:

“(C) with respect to carrying out paragraph (3), give special consideration to proposals from existing organ procurement organizations.”.

(b) **LIMITATIONS ON ADDITIONAL GRANT AUTHORITY.**—Section 374(b)(3) (42 U.S.C. 274b(b)(3)) is amended in the first sentence by striking “section 371” and all that follows through “organizations” and inserting “paragraphs (2) and (3) of section 371(a)”.

(c) **DESCRIPTION OF ORGAN PROCUREMENT ORGANIZATION.**—

(1) Section 371(b) (42 U.S.C. 273(b)) is amended—

(A) in paragraph (1)(E)—

(i) by striking “size which” and inserting “size such that”; and

(ii) by striking “will include” and all that follows through “year” and inserting the following: “the organization can reasonably expect to procure organs from not less than 50 donors each year”;

(B) in paragraph (2)(C), by striking “372(b)(2)(D),” and inserting the following: “372(b)(2)(E), including arranging

for testing with respect to preventing the acquisition of organs that are infected with the etiologic agent for acquired immune deficiency syndrome,";

(C) in paragraph (2)(E)—

(i) by inserting "equitably" after "organs"; and

(ii) by striking "centers and"; and

(D) in paragraph (2)—

(i) by striking "and" at the end of subparagraph (I);

(ii) by striking the period at the end and inserting
", and"; and

(iii) by adding at the end the following new subparagraph:

"(K) assist hospitals in establishing and implementing protocols for making routine inquiries about organ donations by potential donors."

(2) Section 371(b)(1)(G)(i)(III) is amended by inserting before the comma the following: "or an individual with a doctorate degree in a biological science with knowledge, experience, or skill in the field of histocompatibility".

(3) The amendment made by paragraph (1)(A) shall not apply to an organ procurement organization designated under section 1138(b) of the Social Security Act until 2 years after the initial designation of the organization under such section.

42 USC 273 note.

(d) AUTHORIZATIONS OF APPROPRIATIONS.—Section 371(c) (42 U.S.C. 273(c)) is amended to read as follows:

"(c) For grants under subsection (a), there is authorized to be appropriated \$5,000,000 for each of the fiscal years 1988 through 1990."

SEC. 403. ORGAN PROCUREMENT AND TRANSPLANTATION NETWORK.

(a) DUTIES.—Section 372(b)(2) (42 U.S.C. 274(b)(2)) is amended—

(1)(A) by redesignating subparagraphs (B) through (H) as subparagraphs (C) through (I), respectively; and

(B) by adding after subparagraph (A) the following new subparagraph:

"(B) establish membership criteria and medical criteria for allocating organs and provide to members of the public an opportunity to comment with respect to such criteria,";

(2) in subparagraph (D) (as redesignated in paragraph (1)(A) of this subsection), by striking "organs which" and all that follows and inserting "organs,";

(3) in subparagraph (E) (as redesignated in paragraph (1)(A) of this subsection), strike "organs," and insert the following: "organs, including standards for preventing the acquisition of organs that are infected with the etiologic agent for acquired immune deficiency syndrome,";

(4) in subparagraph (F) (as redesignated in paragraph (1)(A) of this subsection), by striking "basis," and inserting the following: "basis (and, to the extent practicable, among regions or on a national basis)," and

(5)(A) by striking "and" at the end of subparagraph (H) (as redesignated in paragraph (1)(A) of this subsection);

(B) by striking the period at the end and inserting ", and"; and

(C) by adding at the end the following new subparagraph:

“(J) carry out studies and demonstration projects for the purpose of improving procedures for organ procurement and allocation.”

(b) **CONSIDERATION OF CRITICAL COMMENTS.**—Section 372 (42 U.S.C. 274) is amended by adding at the end the following new subsection:

“(c) The Secretary shall establish procedures for—

“(1) receiving from interested persons critical comments relating to the manner in which the Organ Procurement and Transplantation Network is carrying out the duties of the Network under subsection (b); and

“(2) the consideration by the Secretary of such critical comments.”

SEC. 404. REQUIREMENT OF ESTABLISHMENT OF BONE MARROW REGISTRY.

(a) **IN GENERAL.**—Section 373 (42 U.S.C. 274a) is amended—

(1) by inserting “(a)” after the section designation; and

(2) by adding at the end the following new subsection:

“(b)(1) Not later than October 1, 1988, the Secretary shall, by grant or contract, establish a registry of voluntary bone marrow donors.

“(2) For the purpose of carrying out paragraph (1), there are authorized to be appropriated \$1,500,000 for fiscal year 1989 and \$1,600,000 for fiscal year 1990.”

(b) **CONFORMING AMENDMENT.**—Section 373 (42 U.S.C. 274a) is amended in the title by inserting “AND BONE MARROW REGISTRY” after “REGISTRY”.

SEC. 405. ADMINISTRATION.

Section 375 (42 U.S.C. 274c) is amended—

(1) in the matter preceding paragraph (1), by striking “1985, 1986, 1987, and 1988,” and inserting “1985 through 1990,”; and

(2) in paragraph (4), by striking “one year” and all that follows through “annual report” and inserting the following: “not later than April 1 of each of the years 1989 and 1990, submit to the Congress a report”.

SEC. 406. REPORT.

Section 376 (42 U.S.C. 274d) is amended by striking “shall annually” and inserting the following: “shall, not later than October 1 of each year,”.

SEC. 407. FETAL ORGAN TRANSPLANTS.

Section 301(c)(1) of the National Organ Transplant Act (42 U.S.C. 274e(c)(1)) is amended to read as follows:

“(1) The term ‘human organ’ means the human (including fetal) kidney, liver, heart, lung, pancreas, bone marrow, cornea, eye, bone, and skin or any subpart thereof and any other human organ (or any subpart thereof, including that derived from a fetus) specified by the Secretary of Health and Human Services by regulation.”

SEC. 408. ESTABLISHMENT OF BLOCK GRANT PROGRAM.

(a) **IN GENERAL.**—Title XIX of the Public Health Service Act (42 U.S.C. 300w et seq.) is amended by adding at the end thereof the following new part:

Grants.
Contracts.

Appropriation
authorization.

Reports.

"PART D—IMMUNOSUPPRESSIVE DRUG THERAPY BLOCK GRANT**"SEC. 1931. DEFINITIONS.**

42 USC 300y-21.

"For purposes of this part:

"(1) ELIGIBLE PATIENT.—The term 'eligible patient' means an organ transplant patient who is not eligible to receive reimbursement for the cost of immunosuppressive drug therapy under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), under the State's medicaid plan under title XIX of such Act (42 U.S.C. 1396 et seq.), or under private insurance.

"(2) IMMUNOSUPPRESSIVE DRUG THERAPY.—The term 'immunosuppressive drug therapy' means drugs and biologicals that are to be used for the purpose of preventing the rejection of transplanted organs and tissues and that can be administered by the transplant patient.

"(3) TRANSPLANT CENTER.—The term 'transplant center' means a transplant center that is a member of the Organ Procurement and Transplantation Network established under section 372.

"SEC. 1932. AUTHORIZATION OF APPROPRIATIONS.

42 USC 300y-22.

"For the purpose of making allotments to States to carry out this part, there are authorized to be appropriated \$5,000,000 for each of the fiscal years 1988 through 1990.

"SEC. 1933. ALLOTMENTS.

42 USC 300y-23.

"(a) AMOUNT.—

"(1) IN GENERAL.—From amounts appropriated under section 1932 for each of the fiscal years 1988 through 1990, the Secretary shall allot to each State an amount that bears the same ratio to the total amount appropriated under such section for such fiscal year as the total number of eligible patients in the State bears to the total number of eligible patients in the United States.

State and local governments.

"(2) MINIMUM ALLOTMENT.—Notwithstanding paragraph (1), the allotment of any State in any fiscal year under this subsection shall not be less than \$50,000. If, under paragraph (1), the allotment of any State in any fiscal year will be less than \$50,000, the Secretary shall increase the allotment of such State to \$50,000 and shall proportionately reduce the allotments of all other States whose allotment exceeds \$50,000 in a manner that will insure that the allotment of each State in such fiscal year is at least \$50,000.

"(b) UNALLOTTED FUNDS.—

"(1) IN GENERAL.—Subject to paragraph (2), to the extent that all the funds appropriated under section 1932 for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

"(A) one or more States have not submitted an application or description of activities in accordance with section 1936 for such fiscal year;

"(B) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(C) some State allotments are offset or repaid under section 1906(b)(3) (as such section applies to this part pursuant to section 1936(d));

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for such fiscal year without regard to this subsection.

"(2) ORGAN TRANSPLANT CENTERS.—

"(A) APPLICATION.—If a State does not submit an application for an allotment or description of activities in accordance with section 1936 for a fiscal year or notifies the Secretary that the State does not intend to use the full amount of the allotment of the State, an organ transplant center in the State may submit an application in accordance with section 1936 for the amount of the allotment not allocated to the State.

"(B) ALLOTMENT.—Subject to subparagraph (C), if an applicant center complies with the requirements imposed on the State by this part, the Secretary shall provide to the center the amount of the allotment not allocated to the State.

"(C) MULTIPLE APPLICANTS.—If two or more applicant centers in a State meet the requirements of subparagraph (B), the Secretary shall divide among the eligible applicant centers in an equitable manner the amount of the allotment not allocated to the State.

"(D) DISTRIBUTION TO OTHER STATES.—If one or more centers in a State receive an allotment under this paragraph for a fiscal year, the allotment shall not be made available to remaining States under paragraph (1).

42 USC 300y-24.

"SEC. 1934. PAYMENTS UNDER ALLOTMENTS TO STATES.

"(a) IN GENERAL.—For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotments under section 1933 from amounts appropriated for that fiscal year.

"(b) CARRYOVER FUNDS.—Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

42 USC 300y-25.

"SEC. 1935. USE OF ALLOTMENTS.

"(a) IN GENERAL.—

"(1) USE.—Except as provided in subsections (b) and (c), amounts paid to a State under section 1934 from its allotment under section 1933 for any fiscal year shall be used by the State to provide immunosuppressive drug therapy for eligible patients.

"(2) METHODS.—A State may use amounts paid to the State under section 1934 from its allotment under section 1933 to provide immunosuppressive drug therapy for eligible patients—

"(A) by purchasing the drugs and biologicals for such therapy and distributing such drugs and biologicals to transplant centers or eligible patients;

"(B) by certifying that an individual is an eligible patient for purposes of this part and by reimbursing a transplant center for the costs of immunosuppressive drug therapy provided by such center to such individual;

"(C) by any other method prescribed by the Secretary by regulation (other than the method described in subsection (b)(1)).

“(3) **COPAYMENTS.**—A State may require an eligible patient to whom immunosuppressive drug therapy is provided with amounts paid to the State under this part to make copayments for part of the costs of such therapy, without regard to section 1916 of the Social Security Act (42 U.S.C. 1396o).

“(b) **LIMITATIONS.**—A State may not use amounts paid to it under section 1934 to—

“(1) make direct payments to organ transplant patients; or

“(2) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

“(c) **ADMINISTRATIVE COSTS.**—Not more than 10 percent of the total amount paid to any State under section 1934 from its allotment under section 1933 for any fiscal year may be used for administering the funds made available under section 1934. The State will pay from non-Federal sources the remaining costs of administering such funds.

“**SEC. 1936. APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS.** 42 USC 300y-26.

“(a) **APPLICATION REQUIRED.**—In order to receive an allotment for a fiscal year under section 1933, each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require. Each such application shall contain assurances that the State will meet the requirements of subsection (b).

State and local governments.

“(b) **REQUIREMENTS.**—As part of the annual application required by subsection (a), the chief executive officer of each State shall—

“(1) certify that the State agrees to use the funds allotted to the State under section 1933 in accordance with the requirements of this part;

“(2) agrees to cooperate with Federal investigations undertaken in accordance with section 1907 (as such section applies to this part pursuant to subsection (d) of this section); and

“(3) certify that the State agrees that Federal funds made available under section 1934 for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the activities for which funds are provided under such section and will in no event supplant such State, local, and other non-Federal funds.

“(c) **DESCRIPTION OF ACTIVITIES.**—

“(1) **IN GENERAL.**—The chief executive officer of a State shall, as part of the application required by subsection (a), also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1934 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported.

“(2) **PUBLIC COMMENT.**—The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal.

“(3) **REVISIONS.**—The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this part. Any revision shall be subject to paragraph (2).

“(d) **ADMINISTRATION.**—Unless inconsistent with this part, section 1903(b), section 1906(a), paragraphs (1) through (5) of section 1906(b), and sections 1907, 1908, and 1909 shall apply to this part in the same manner as such provisions apply to part A of this title.

“(e) **ADDITIONAL INFORMATION.**—Each annual report submitted by a State to the Secretary under section 1906(a) (as such section applies to this part pursuant to subsection (d) of this section) with respect to its activities under this part shall contain—

“(1) a specification of the number of eligible patients in the State receiving immunosuppressive drug therapy with amounts paid to the State under this part;

“(2) a description of the amount of any copayment required by the State under section 1935(a)(3); and

“(3) a certification that amounts paid to the State under this part are being used in accordance with this part.

42 USC 300y-27. **“SEC. 1937. TERMINATION DATE.**

“The amendments made under part D of this Act shall terminate effective January 1, 1991.”

42 USC 300y-21
note.

(b) **REPORT.**—

(1) **IN GENERAL.**—Not later than 24 months after the date of enactment of this Act, the Secretary of Health and Human Services shall prepare and transmit to the Congress a report concerning the impact of part D of title XIX of the Public Health Service Act (as added by section 407 of this title).

(2) **CONTENTS.**—The report shall contain—

(A) a description of the effect of the program established under such part on organ transplants in the United States;

(B) an analysis of the effects of such program on the costs of organ transplants and renal dialysis;

(C) an analysis of the extent to which amounts paid to States under such part are used for purposes other than the purposes specified by such part, including an analysis of the extent to which drugs and biologicals purchased with such amounts are provided to individuals who are not eligible patients under such part; and

(D) such recommendations as the Secretary considers appropriate, including recommendations as to whether financial assistance under such program should be continued during fiscal years after fiscal year 1990.

Food and Drug
Administration
Act of 1988.

TITLE V—FOOD AND DRUG ADMINISTRATION

21 USC 301 note. **SEC. 501. SHORT TITLE.**

This title may be cited as the “Food and Drug Administration Act of 1988”.

21 USC 393 note. **SEC. 502. FINDINGS.**

Congress finds that—

(1) the public health has been effectively protected by the presence of the Food and Drug Administration during the last eighty years;

(2) the presence and importance of the Food and Drug Administration must be guaranteed; and

(3) the independence and integrity of the Food and Drug Administration need to be enhanced in order to ensure the continuing protection of the public health.

SEC. 503. ESTABLISHMENT OF ADMINISTRATION BY LAW.

(a) **ESTABLISHMENT.**—Chapter IX of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 391 et seq.) is amended by adding at the end thereof the following new section:

“SEC. 903. FOOD AND DRUG ADMINISTRATION.

21 USC 393.

“(a) **IN GENERAL.**—There is established in the Department of Health and Human Services the Food and Drug Administration (hereinafter in this section referred to as the “Administration”).

“(b) **COMMISSIONER.**—

“(1) **APPOINTMENT.**—There shall be in the Administration a Commissioner of Food and Drugs (hereinafter in this section referred to as the “Commissioner”) who shall be appointed by the President by and with the advice and consent of the Senate.

President of U.S.

“(2) **GENERAL POWERS.**—The Secretary, through the Commissioner, shall be responsible for—

“(A) providing overall direction to the Food and Drug Administration and establishing and implementing general policies respecting the management and operation of programs and activities of the Food and Drug Administration;

“(B) coordinating and overseeing the operation of all administrative entities within the Administration;

“(C) research relating to foods, drugs, cosmetics, and devices in carrying out this Act;

Research and development.

“(D) conducting educational and public information programs relating to the responsibilities of the Food and Drug Administration; and

“(E) performing such other functions as the Secretary may prescribe.

“(c) **TECHNICAL AND SCIENTIFIC REVIEW GROUPS.**—The Secretary through the Commissioner of Food and Drugs may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, establish such technical and scientific review groups as are needed to carry out the functions of the Administration, including functions under the Federal Food, Drug, and Cosmetic Act, and appoint and pay the members of such groups, except that officers and employees of the United States shall not receive additional compensation for service as members of such groups.”

(b) **CONFORMING AMENDMENTS.**—Title 5, United States Code, is amended—

(1) in section 5316, by striking out the item relating to the Commissioner of Food and Drugs, Department of Health and Human Services; and

(2) in section 5315, by adding at the end thereof the following new item:

“Commissioner of Food and Drugs, Department of Health and Human Services”.

(c) **EFFECTIVE DATE.**—

21 USC 393 note.

(1) Except as provided in paragraph (2), the amendments made by this title shall take effect on the date of enactment of this Act.

(2) Section 903(b)(1) of the Federal Food, Drug, and Cosmetic Act (as added by subsection (a) of this section) shall apply to the appointments of Commissioners of Food and Drugs made after the date of enactment of this Act.

Health
Professions
Reauthorization
Act of 1988.

TITLE VI—HEALTH PROFESSIONS REAUTHORIZATION ACT OF 1988

SEC. 601. SHORT TITLE; REFERENCE.

42 USC 201 note.

(a) **SHORT TITLE.**—This Act may be cited as the “Health Professions Reauthorization Act of 1988”.

(b) **REFERENCE.**—Except as otherwise expressly provided, 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.

SEC. 602. FEDERAL PROGRAM OF INSURED LOANS TO GRADUATE STUDENTS IN HEALTH PROFESSIONS SCHOOLS.

(a) **ESTABLISHMENT OF ADDITIONAL CREDIT AUTHORITY.**—Section 728(a) (42 U.S.C. 294a(a)) is amended in the first sentence by striking “and” after “1987,” and by inserting before the period the following: “; \$325,000,000 for fiscal year 1989; \$375,000,000 for fiscal year 1990; and \$400,000,000 for fiscal year 1991”.

(b) **EXTENSION OF PERIOD FOR INSURANCE OF NEW LOANS.**—Section 728(a) (42 U.S.C. 294a(a)) is amended—

(1) by inserting before the period at the end of the second sentence the following: “, and if in any fiscal year no ceiling has been established, any difference carried over shall constitute the ceiling for making new loans and paying installments for such fiscal year.”; and

(2) in the third sentence by striking “1991,” and inserting “1994.”.

(c) **PROHIBITION AGAINST APPORTIONMENTS OF CREDIT AUTHORITY.**—Section 728(a) (42 U.S.C. 294a(a)) is amended by adding at the end the following new sentence: “The total principal amount of Federal loan insurance available under this subsection shall be granted by the Secretary without regard to any apportionment for the purpose of chapter 15 of title 31, United States Code, and without regard to any similar limitation.”.

(d) **PRIORITY IN PROVISION OF INSURANCE.**—Section 728(b) (42 U.S.C. 294a(b)) is amended by inserting “(1)” after the subsection designation and by adding at the end the following new paragraph:

“(2) In providing certificates of insurance under section 732 through comprehensive contracts, the Secretary shall give priority to eligible lenders that agree—

“(A) to make loans to students at interest rates below the rates prevailing, during the period involved, for loans covered by Federal loan insurance pursuant to this subpart; or

“(B) to make such loans under terms that are otherwise favorable to the student relative to the terms under which

eligible lenders are generally making such loans during such period.”

(e) **FREQUENCY OF COMPOUNDING OF INTEREST.**—Section 731(a)(2)(D) (42 U.S.C. 294d(a)(2)(D)) is amended by inserting “not more frequently than” after “compounded”.

(f) **DETERMINATION OF FINANCIAL NEED OF STUDENTS.**—Section 731 (42 U.S.C. 294d) is amended by adding at the end the following new subsection:

“(e) With respect to any determination of the financial need of a student for a loan covered by Federal loan insurance under this subpart, this subpart may not be construed to limit the authority of any school to make such allowances for students with special circumstances as the school determines appropriate.”

(g) **AUTHORITY FOR ASSIGNMENT OF LOANS WITH RESPECT TO SECONDARY MARKET.**—Section 732(d) (42 U.S.C. 294e(d)) is amended by striking “eligible lender, or” and inserting the following: “eligible lender (including a public entity in the business of purchasing student loans), or”.

(h) **CLARIFICATION WITH RESPECT TO REFERENCE TO HOLDERS OF FEDERALLY INSURED LOANS.**—Section 733(d) (42 U.S.C. 294f(d)) is amended in the first sentence by inserting “eligible lender or” before “holder”;

(i) **AMOUNT OF LOSS PURSUANT TO DEFAULT.**—Section 733(e)(2) (42 U.S.C. 294f(e)(2)) is amended by inserting before the semicolon the following: “, less the amount of any judgment collected pursuant to default proceedings commenced by the eligible lender or holder involved”.

(j) **CLARIFICATION WITH RESPECT TO EFFECT OF BANKRUPTCY.**—Section 733(g) (42 U.S.C. 294f(g)) is amended by inserting “any chapter of” before “title 11,”.

(k) **PROVISIONS WITH RESPECT TO ACTIONS FOR DEFAULT.**—

(1) Section 733(a) (42 U.S.C. 294f(a)) is amended by striking “(including, if appropriate, commencement of a suit)” and inserting the following: “(including, subject to subsection (h), commencement and prosecution of an action)”.

(2) Section 733 (42 U.S.C. 294f) is amended—

(A) in subsection (b), by adding at the end thereof the following new sentence: “The Secretary may sell without recourse to eligible lenders (or other entities that the Secretary determines are capable of dealing in such loans) notes or other evidence of loans received through assignment under the first sentence.”; and

(B) by adding at the end the following new subsections:

“(h)(1) With respect to the default by a borrower on any loan covered by Federal loan insurance under this subpart, the Secretary shall, under subsection (a), require an eligible lender or holder to commence and prosecute an action for such default unless—

“(A) in the determination of the Secretary—

“(i) the eligible lender or holder has made reasonable efforts to serve process on the borrower involved and has been unsuccessful with respect to such efforts, or

“(ii) prosecution of such an action would be fruitless because of the financial or other circumstances of the borrower;

“(B) for such loans made before the date of the enactment of the Health Professions Reauthorization Act of 1988, the loan involved was made in an amount of less than \$5,000; or

“(C) for such loans made after such date, the loan involved was made in an amount of less than \$2,500.

“(2) With respect to an eligible institution that has commenced an action pursuant to subsection (a), the Secretary shall make the payment required in such subsection, or deny the claim for such payment, not later than 60 days after the date on which the eligible institution notifies the Secretary that judgment has been entered with respect to the action.

“(i) The Secretary may establish reasonable limits for default rates for borrowers in each of the health professions identified in section 737(1). If the eligible institutions within any of the health professions, taken as a group, exceed such limits, the Secretary may suspend, terminate, or otherwise restrict the eligibility of such group of schools for borrowing under this section.”

(I) STATE DESIGNATIONS OF ELIGIBLE LENDERS.—Section 737(2) (42 U.S.C. 294j(2)) is amended—

(1) by striking “or” after “State,” the second place such term appears; and

(2) by inserting before the period the following: “, or a non-profit private entity designated by the State, regulated by the State, and approved by the Secretary”.

(m) REISSUANCE AND REFINANCING AGREEMENTS AUTHORIZED.—Subpart I of part C of title VII (42 U.S.C. 294 et seq.) is amended by adding at the end thereof the following new section:

42 USC 2941-1.

“SEC. 739A. REISSUANCE AND REFINANCING OF CERTAIN LOANS.

“(a) IN GENERAL.—Any borrower who received a loan insured under this subpart bearing an interest rate that is fixed at a rate in excess of 12 percent per year may enter into an agreement with the eligible lender that made such loan for the reissuance of such loan in order to permit the borrower to obtain for such loan the interest rate in effect for loans insurable under this subpart on the date the borrower submits an application to such lender for such reissuance.

“(b) PROCEDURES.—

“(1) DISCHARGE BY OBTAINING LOAN.—Any borrower who received a loan under this subpart bearing an interest rate that is fixed at a rate in excess of 12 percent per year may obtain a loan from an eligible lender (other than the original lender) for the purpose of discharging the loan from such original eligible lender. A loan made for such purpose—

“(A) shall bear interest at the interest rate in effect for loans insurable under this subpart on the date the borrower submits an application for a loan under this subsection; and

“(B) shall be applied to discharge the borrower from any remaining obligation to the original eligible lender with respect to the original loan.

“(2) CERTIFICATION.—Each new eligible lender may accept certification from the original eligible lender to the borrower’s original loan in lieu of presentation of the original promissory note.

“(c) TIME OF PAYMENT.—Any loan reissued under subsection (a) or refinanced under subsection (b) shall be payable during the repayment period applicable to the loan made under this subpart prior to the date of enactment of this section, and such reissuance or refinancing shall not result in the extension of the duration of the loan.

“(d) ADMINISTRATIVE COSTS.—An eligible lender reissuing a loan under subsection (a) or refinancing a loan under subsection (b) may charge a borrower an amount not in excess of \$100 to cover the administrative costs of such reissuance or refinancing.

“(e) INSURANCE.—The reissuance of a loan under subsection (a) or the refinancing of a loan under subsection (b) shall not affect any insurance applicable to such loan, and no additional insurance premium may be charged with respect to such loan.

“(f) NOTIFICATION.—Each holder of a loan made under this subpart shall, not later than January 1, 1989, in the case of loans made before the date of enactment of this section, notify the borrower of such loan—

“(1) of the reissuance or refinancing options for which the borrower is eligible under this section;

“(2) of those options which will be made available by the holder; and

“(3) that, with respect to any option that the holder will not make available, the holder will, to the extent practicable, refer the borrower to an eligible lender offering such option.

“(g) REGULATIONS.—The Secretary shall promulgate regulations to implement this section.

“(h) DEFINITION.—For purposes of this section, the term ‘eligible lender’ includes the Student Loan Marketing Association.”.

SEC. 603. FEDERAL CAPITAL CONTRIBUTIONS INTO STUDENT LOAN FUNDS.

(a) STANDARDS WITH RESPECT TO LOAN COLLECTION.—Section 740(c)(1) (42 U.S.C. 294m(c)(1)) is amended by adding at the end the following new sentence: “This subsection may not be construed to require such schools to reimburse the student loan fund under this subpart for loans that became uncollectible prior to August 1985 or to penalize such schools with respect to such loans.”.

(b) REDUCTION IN INTEREST RATE.—Section 741(e) (42 U.S.C. 294n(e)) is amended by striking “9” and inserting “5”.

(c) GRACE PERIOD FOR ALL FULL-TIME STUDENTS.—Section 741(c)(1) (42 U.S.C. 294n(c)(1)) is amended by striking “and” at the end of subparagraph (B) and by adding at the end the following new subparagraph:

“(D) during which the borrower is pursuing a full-time course of study at such a school; and”.

(d) STRIKING OF DATE CERTAIN WITH RESPECT TO DISTRIBUTION OF ASSETS OF LOAN FUNDS.—Section 743 (42 U.S.C. 294p) is amended—

(1) in subsection (a), by amending the matter preceding paragraph (1) to read as follows: “If a school terminates a loan fund established under an agreement pursuant to section 740(b), or if the Secretary for good cause terminates the agreement with the school, there shall be a capital distribution as follows:”; and

(2) by amending subsection (b) to read as follows:

“(b) If a capital distribution is made under subsection (a), the school involved shall, after the capital distribution, pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by the school in payment of principal or interest on loans made from the loan fund established pursuant to section 740(b) as was determined by the Secretary under subsection (a).”.

SEC. 604. LOAN REPAYMENT PROGRAM FOR ALLIED HEALTH PERSONNEL.

Part C of title VII (42 U.S.C. 294 et seq.) is amended by inserting after subpart II the following new subpart:

“Subpart III—Loan Repayment Program for Allied Health Personnel

42 USC 294r.

“SEC. 751. ESTABLISHMENT OF PROGRAM.

“(a) **IN GENERAL.**—The Secretary shall establish a program of entering into agreements with allied health personnel and with allied health professions students under which such individuals agree, in consideration of the agreement described in subsection (b) (relating to loan repayment), to serve as an allied health professional for a period of not less than two years in an Indian Health Service health center, in a Native Hawaiian health center, in a rural health clinic, in a rural health facility that is a sole community provider, in any other rural hospital, in a rural home health agency, in a rural or urban hospital that serves a substantial number of patients pursuant to title XIX of the Social Security Act, in a private nursing facility 60 percent of whose patients are patients pursuant to title XIX of such Act, in a public nursing facility, in a migrant health center, in a community health center, or in a health facility determined by the Secretary to have a critical shortage of nurses.

“(b) **PAYMENTS BY FEDERAL GOVERNMENT.**—The agreement referred to in subsection (a) is an agreement, made by the Federal Government in consideration of the agreement described in paragraph (1) with respect to service as an allied health professional, under which the Federal Government agrees to pay—

“(1) for the first year of such service, 30 percent of the balance of the principal and interest of the educational loans of the individual;

“(2) for the second year of such service, 30 percent of such balance; and

“(3) for the third year of such service, 25 percent of such balance.

“(c) **ADMINISTRATION.**—With respect to the National Health Service Corps Loan Repayment Program established in subpart III of part D of title III, the provisions of such subpart shall, except as inconsistent with this section, apply to the program established in this section in the same manner and to the same extent as such provisions apply to the National Health Service Corps Loan Repayment Program established in such subpart.

“(d) **AUTHORIZATION OF APPROPRIATIONS.**—For the purpose of carrying out this section, there are authorized to be appropriated \$2,000,000 for each of the fiscal years 1989 through 1991.”.

SEC. 605. SCHOLARSHIPS FOR FIRST-YEAR STUDENTS OF EXCEPTIONAL FINANCIAL NEED.

(a) **SCHOLARSHIPS FOR STUDENTS OF EXCEPTIONAL FINANCIAL NEED.**—Section 758 (42 U.S.C. 294z) is amended—

(1) in subsection (a), by striking out “and who are in their first year of study at such school”; and

(2) in subsection (b)—

(A) in paragraph (1), by striking out “in their first year of study at such school”;

(B) in paragraph (2)—

(i) by striking out “shall consist” and inserting in lieu thereof “may consist of all or part”; and

(ii) by inserting “not in excess” before “of \$400” in subparagraph (B);

(C) in paragraph (5), by inserting “maximum allowable” before “monthly stipend”; and

(D) by striking out paragraph (6).

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 758(d) (42 U.S.C. 294z(d)) is amended by striking “and” after “1987,” and inserting before the period the following: “, \$7,300,000 for fiscal year 1989, \$30,000,000 for fiscal year 1990, and \$30,000,000 for fiscal year 1991”.

SEC. 606. CAPITATION GRANTS FOR SCHOOLS OF PUBLIC HEALTH.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 770(e) (42 U.S.C. 295f) is amended by striking “and” after “1987,” and by inserting before the period the following: “, \$4,700,000 for fiscal year 1989, and \$3,000,000 for fiscal year 1990”.

(b) SUNSET PROVISION.—Part E of title VII (42 U.S.C. 295f et seq.) is amended by adding at the end the following new section:

“SEC. 773. SUNSET PROVISION.

“Effective October 1, 1990, this part is repealed.”.

SEC. 607. AUTHORIZATION OF APPROPRIATIONS FOR PROJECT GRANTS FOR ESTABLISHMENT OF DEPARTMENTS OF FAMILY MEDICINE.

Section 780(d) (42 U.S.C. 295g(d)) is amended—

(1) by striking “There” and inserting “For the purpose of carrying out this section, there”;

(2) by striking “and” after “1987,” and inserting after “1988” the following: “, and \$7,000,000 for each of the fiscal years 1989 through 1991”; and

(3) by striking “for payments under grants under subsection (a)”.

SEC. 608. AREA HEALTH EDUCATION CENTERS.

(a) MINIMUM NUMBER OF INDIVIDUALS IN CERTAIN INTERNSHIPS.—Section 781(d)(2)(C) (42 U.S.C. 295g-1(d)(2)(C)) is amended by striking “six” and inserting “four”.

(b) AUTHORIZATION OF APPROPRIATIONS FOR GENERAL PROGRAM OF AREA HEALTH EDUCATION CENTERS.—(1) Section 781(a) (42 U.S.C. 295g-1(a)) is amended by adding at the end of paragraph (2) the following new subparagraph:

“(C) In the case of the requirement that an area health education center be neither a school of medicine or osteopathy, the parent institution of such a school, nor a branch campus or other subunit of a school of medicine or osteopathy or its parent institution, or a consortium of such entities, to be eligible to enter into a contract under this section, the Secretary shall waive such requirement with respect to an area health education center having, at the time of initial application to enter into such contract under this section or a previous authorizing law, an operating program supported by both appropriations of a State legislature and local resources.”.

Contracts.

(2) Section 781(d)(2)(F) is amended by striking out “and nurse practitioners” and inserting in lieu thereof “, nurse practitioners, and nurse midwives”.

(3) Section 781(h) (as redesignated by subsection (c)(1) of this section) is amended in the first sentence—

(A) by striking "There are authorized" and all that follows through "this section" and inserting the following: "For the purpose of carrying out this section other than subsection (f), there are authorized to be appropriated"; and

(B) by striking "and" after "1987," and inserting before the period the following: ", \$18,700,000 for the fiscal year 1989, and \$20,000,000 for each of the fiscal years 1990 and 1991".

(c) HEALTH EDUCATION AND TRAINING CENTERS.—Section 781 (42 U.S.C. 295g-1) is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

(2) by adding after subsection (e) the following new subsection:

Contracts.

"(f)(1) The Secretary shall enter into contracts with schools of medicine and osteopathy for the purpose of planning, developing, establishing, maintaining, and operating health education and training centers—

Mexico.

"(A) to improve the supply, distribution, quality, and efficiency of personnel providing (in the United States) health services along the border between the United States and Mexico;

Minorities.
Urban areas.
Rural areas.

"(B) to improve the supply, distribution, quality, and efficiency of personnel providing, in other urban and rural areas (including frontier areas) of the United States, health services to any population group, including Hispanic individuals, that has demonstrated serious unmet health care needs; and

"(C) to encourage health promotion and disease prevention through public education in the areas described.

"(2) The Secretary may not enter into a contract under paragraph (1) unless the applicant for such assistance agrees, in carrying out the purpose described in such paragraph, to enter into arrangements with one or more public or nonprofit private entities in the State that have expertise in providing health education to the public.

Mexico.

"(3) The Secretary shall, after consultation with health education and training centers, designate the geographic area in which each such center will carry out the purpose described in paragraph (1). The service area of such a center shall be located entirely within the State in which the center is located. Each border health education and training center shall be located in a county (or other political subdivision) of the State in close proximity to the border between the United States and Mexico.

"(4) The Secretary may not enter into a contract under paragraph (1) unless the applicant for such assistance agrees—

"(A) to establish an advisory group comprised of health service providers, educators and consumers from the service area and of faculty from participating schools;

"(B) after consultation with such advisory group, to develop a plan for carrying out the purpose described in paragraph (1) in the service area;

"(C) to enter into contracts, as needed, with other institutions or entities to carry out such plan; and

"(D) to be responsible for the evaluation of the program.

"(5) The Secretary may not make a grant or enter into a contract under paragraph (1) unless the applicant for such assistance agrees—

“(A) to evaluate the specific service needs for health care personnel in the service area;

“(B) to assist in the planning, development, and conduct of training programs to meet the needs identified pursuant to subparagraph (A);

“(C) to conduct or support not less than one training and education program for physicians and one program for nurses for at least a portion of the clinical training of such students;

“(D) to conduct or support training in health education services, including training to prepare community health workers to implement health education programs in communities, health departments, health clinics, and public schools that are located in the service area;

“(E) to conduct or support continuing medical education programs for physicians and other health professionals (including allied health personnel) practicing in the service area;

“(F) to support health career educational opportunities designed to provide students residing in the service area with counseling, education, and training in the health professions;

“(G) with respect to border health education and training centers, to assist in coordinating its activities and programs carried out pursuant to paragraph (1)(A) with any similar programs and activities carried out in Mexico along the border between the United States and Mexico; and

“(H) to make available technical assistance in the service area in the aspects of health care organization, financing and delivery.

“(6) In carrying out this subsection, the Secretary shall ensure that—

“(A) not less than 75 percent of the total funds provided to a school or schools of medicine or osteopathy will be expended in the development and operation of the health education and training center in the service area of such program;

“(B) to the maximum extent feasible, the school of medicine or osteopathy will obtain from nongovernmental sources the amount of the total operating funds for such program which are not provided by the Secretary;

“(C) no grant or contract shall provide funds solely for the planning or development of a health education and training center program for a period in excess of two years;

“(D) not more than 10 percent of the annual budget of each program may be utilized for the renovation and equipping of clinical teaching sites; and

“(E) no grant or contract shall provide funds to be used outside the United States except as the Secretary may prescribe for travel and communications purposes related to the conduct of a border health education and training center.

“(7) For purposes of this subsection:

“(A) The term ‘border health education and training center’ means an entity that is a recipient of a contract under paragraph (1) and that is carrying out (or will carry out) the purpose described in subparagraph (A) of such paragraph.

“(B) The term ‘health education and training center’ means an entity that is a recipient of a contract under paragraph (1).

“(C) The term ‘service area’ means, with respect to a health education and training center, the geographic area designated for the center under paragraph (3).

Mexico.

“(8)(A) Of the amounts appropriated pursuant to subsection (h)(2) for a fiscal year, the Secretary shall make available 50 percent for allocations each fiscal year for applications approved by the Secretary for border health education and training centers. The amount of the allocation for each such center shall be determined in accordance with subparagraph (B).

“(B) The amount of an allocation under subparagraph (A) for a fiscal year shall be determined in accordance with a formula prescribed by the Secretary, which formula shall be based—

“(i) with respect to the service area of the border health education and training center involved, on the low-income population, including Hispanic individuals, along the border between the United States and Mexico and the growth rate of such population;

“(ii) on the need of such population for additional personnel to provide health care services along such border; and

“(iii) on the most current information concerning mortality and morbidity and other indicators of health status for such population.”.

42 USC 295g-1. (d) **AUTHORIZATION OF APPROPRIATIONS FOR HEALTH EDUCATION AND TRAINING CENTERS.**—Section 781(h) (as redesignated by subsection (c)(1) of this section) is amended by inserting “(1)” after the subsection designation and by adding at the end the following new paragraph:

“(2) For the purpose of carrying out subsection (f), there are authorized to be appropriated \$4,000,000 for fiscal year 1989, \$8,000,000 for fiscal year 1990, and \$12,000,000 for fiscal year 1991.”.

SEC. 609. AUTHORIZATION OF APPROPRIATIONS FOR GRANTS FOR TRAINING, TRAINEESHIPS, AND FELLOWSHIPS IN GENERAL INTERNAL MEDICINE AND GENERAL PEDIATRICS.

(a) **COORDINATION CRITERIA.**—Section 784(b) (42 U.S.C. 295g-4(b)) is amended by inserting before the period the following: “, and coordination of curriculum development and resident teaching activities with departments of family medicine where there is a department within the same school”.

(b) **AUTHORIZATIONS.**—Section 784(c) (42 U.S.C. 295g-4(c)) is amended—

(1) by striking “There” and all that follows through “section” and inserting “For the purpose of carrying out this section, there are authorized to be appropriated”; and

(2) by striking “and” after “1987,” and by inserting before the period the following: “, \$23,000,000 for fiscal year 1989, \$23,000,000 for fiscal year 1990, and \$25,000,000 for fiscal year 1991”.

SEC. 610. FAMILY MEDICINE AND GENERAL PRACTICE OF DENTISTRY.

42 USC 295g-6. (a) **GENERAL PRACTICE OF DENTISTRY.**—Part F of title VII (42 U.S.C. 295g et seq.) is amended—

(1) in section 786—

(A) in the title, by striking “AND GENERAL PRACTICE OF DENTISTRY”; and

(B) by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c), respectively; and

(2) by inserting after section 784 the following new section:

“SEC. 785. RESIDENCY PROGRAMS IN GENERAL PRACTICE OF DENTISTRY. 42 USC 295g-5.

“(a) IN GENERAL.—The Secretary may make grants to, and enter into contracts with, any public or nonprofit private school of dentistry or accredited postgraduate dental training institution—

Grants.
Contracts.

“(1) to plan, develop, and operate an approved residency program in the general practice of dentistry or an approved advanced educational program in the general practice of dentistry; and

“(2) to provide financial assistance (in the form of traineeships and fellowships) to participants in such a program who are in need of financial assistance and who plan to specialize in the practice of general dentistry.

“(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated \$4,000,000 for fiscal year 1989, \$6,000,000 for fiscal year 1990, and \$8,000,000 for fiscal year 1991.”

(b) AUTHORIZATION OF APPROPRIATIONS FOR FAMILY MEDICINE.—Section 786(c) (as redesignated by subsection (a)(1)(B) of this section) is amended to read as follows:

42 USC 295g-6.

“(c) For the purpose of carrying out this section, there are authorized to be appropriated \$37,900,000 for fiscal year 1989, \$40,000,000 for fiscal year 1990, and \$40,000,000 for fiscal year 1991.”

SEC. 611. EDUCATIONAL ASSISTANCE TO INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS.

Schools and colleges.

(a) AUTHORITY FOR STIPENDS FOR ADDITIONAL CATEGORIES OF STUDENTS.—Section 787(a)(2) (42 U.S.C. 295g-7(a)(2)) is amended—

(1) by striking “and” at the end of subparagraph (E);

(2) by striking the period at the end of subparagraph (F) and inserting “; and”; and

(3) by inserting after subparagraph (F) the following new paragraph:

“(G) paying such stipends as the Secretary may approve for such individuals for any period of education at any school described in subsection (a)(1), except schools of medicine, osteopathy, or dentistry.”

(b) INCREASED ENROLLMENTS.—Section 787 (42 U.S.C. 295g-7) is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by adding after subsection (a) the following:

“(b)(1) Schools of medicine, osteopathy, public health, dentistry, veterinary medicine, optometry, pharmacy, allied health, chiropractic, podiatry, and public and nonprofit schools that offer graduate programs in clinical psychology that receive a grant under subsection (a) shall, during a period of 3 years commencing on the date of the award of the grant, increase their first year enrollments of individuals from disadvantaged backgrounds by at least 20 percent over enrollments in the base year 1987.

“(2) The Secretary shall give priority for funding, in years subsequent to the expiration of the 3-year period described in paragraph (1)—

“(A) to schools that attain such increase in their first year enrollment by the end of such 3-year period, and

“(B) to schools that attain a 20 percent increase over such base year enrollment.

“(3) The requirement for at least a 20 percent increase in such enrollment shall apply only to those schools referred to in paragraph (1) that have a total enrollment of such individuals from disadvantaged backgrounds that is less than 200 percent of the national average total enrollment of such individuals in all schools of each health professions discipline.

“(4) Determination of both first year and total enrollment of such individuals shall be made by the Secretary in accordance with section 708.”

(c) **AUTHORIZATION OF APPROPRIATIONS.**—Section 787(c) (42 U.S.C. 295g-7(c)) (as so redesignated) is amended in the first sentence by striking “and” after “1987,” and by inserting before the period the following: “, \$31,200,000 for fiscal year 1989, \$34,000,000 for fiscal year 1990, and \$36,000,000 for fiscal year 1991”.

(d) **SET-ASIDES.**—Section 787(c) (42 U.S.C. 295g-7(c)) (as so redesignated) is amended in the second sentence by striking “Not less” and all that follows through “fiscal year” and inserting the following: “Of the amounts appropriated under this section for any fiscal year, 10 percent shall be obligated for community-based programs and 70 percent”.

(e) **STIPENDS.**—Section 787(c) (42 U.S.C. 295g-7(c)) (as so redesignated) is amended by adding at the end the following: “Such stipends shall be administered and awarded in the same manner and subject to the same regulations as scholarships under section 758.”

(f) **REPORT.**—Not later than September 30, 1991, the Secretary shall prepare and submit, to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report that develops a tracking system to evaluate—

(1) the success of the programs established under section 787 of the Public Health Service Act in enhancing the professional education of individuals from disadvantaged backgrounds; and

(2) the gains experienced by institutions in the retention of students from disadvantaged backgrounds.”

SEC. 612. RETENTION PROGRAM FOR HEALTH PROFESSIONS SCHOOLS WITH INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS.

Part F of title VII is amended by inserting after section 787 (42 U.S.C. 295g-7) the following new section:

“SEC. 787A. RETENTION PROGRAM FOR HEALTH PROFESSIONS SCHOOLS WITH INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS.

“(a) **ESTABLISHMENT.**—The Secretary shall establish a supplemental grant program to award grants to schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatry, pharmacy, or public health that demonstrate sufficient graduation of students from disadvantaged backgrounds.

“(b) **PAYMENT FORMULA.**—

“(1) **IN GENERAL.**—Payments to an eligible institution under this section shall be calculated in accordance with this subsection.

“(2) **ELIGIBLE INSTITUTIONS.**—An institution shall be eligible for funds under this section for a fiscal year in an amount determined under paragraph (5), if the disadvantaged graduate figure for the institution (as determined under paragraph (3))

42 USC 295g-7
note.

42 USC 295g-7a.

Grants.

exceeds the nondisadvantaged graduate figure for the institution (as determined under paragraph (4)).

“(3) **DISADVANTAGED GRADUATE FIGURE.**—For each fiscal year, the Secretary shall determine the disadvantaged graduate figure for the institution by dividing—

“(A) the number of students from disadvantaged backgrounds who graduated from the institution as part of such class; by

“(B) the number of students from disadvantaged backgrounds who matriculated into the institution as part of a class.

“(4) **NONDISADVANTAGED GRADUATE FIGURE.**—For each fiscal year, the Secretary shall determine the nondisadvantaged graduate figure for the institution by multiplying—

“(A) the quotient determined by dividing—

“(i) the number of students from nondisadvantaged backgrounds who graduated from the institution as part of such class; by

“(ii) the number of students from nondisadvantaged backgrounds who matriculated into the institution as part of a class; by

“(B) .9.

“(5) **AMOUNT OF GRANT.**—An institution determined to be eligible to receive a grant under this subsection shall be entitled to an amount determined by multiplying—

“(A) the quotient determined by dividing—

“(i) the total amount of funds made available to carry out this section during such preceding fiscal year; by

“(ii) the number of students from disadvantaged backgrounds who graduated from eligible institutions during the preceding fiscal year; by

“(B) the number of students from disadvantaged backgrounds who graduated from the eligible institution during such preceding fiscal year.

“(c) **USE OF FUNDS.**—Payment received by the institution under subsection (b) shall be used to provide—

“(1) financial aid services for individuals from disadvantaged backgrounds who choose to attend such institution;

“(2) retention services or for other retention purposes for individuals for disadvantaged backgrounds.

“(d) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this section, \$2,000,000 in each of the fiscal years 1990 and 1991.”

SEC. 613. TWO-YEAR SCHOOLS OF MEDICINE, INTERDISCIPLINARY TRAINING, AND CURRICULUM DEVELOPMENT.

(a) **SPECIAL PROJECTS.**—Section 788 (42 U.S.C. 295g-8(e)) is amended to read as follows:

“**SEC. 788. SPECIAL PROJECTS.**

“(a) **TWO-YEAR SCHOOLS.**—

“(1) **IN GENERAL.**—The Secretary may make grants to maintain and improve schools that provide the first or last 2 years of education leading to the degree of doctor of medicine or osteopathy. Grants provided under this paragraph to schools that were in existence on September 30, 1985, may be used for construction and the purchase of equipment.

Grants.

“(2) **ELIGIBILITY.**—To be eligible to apply for a grant under paragraph (1), the applicant must be a public or nonprofit school providing the first or last 2 years of education leading to the degree of doctor of medicine or osteopathy and be accredited by or be operated jointly with a school that is accredited by a recognized body or bodies approved for such purpose by the Secretary of Education.

Schools and colleges.

“(b) **FACULTY AND CURRICULUM DEVELOPMENT AND CLINICAL TRAINING SITES.**—

“(1) **GRANTS AND CONTRACTS.**—

“(A) **IN GENERAL.**—The Secretary may make grants to and enter into contracts with any health professions institution or any other public or private nonprofit entity for the development and implementation of model projects in areas such as faculty and curriculum development, and development of new clinical training sites.

“(B) **ALLOCATION OF FUNDS.**—Priority shall be given to schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, podiatry, public health, chiropractic, allied health, and to graduate programs at public and nonprofit private schools in health administration and clinical psychology in the allocation of funds under this subsection. Funds shall be allocated to each profession for award within that profession on the basis of competitive applications. Investigator-initiated projects should be encouraged. Funding priorities may be determined by the Secretary on consultation with the health professions schools and the National Advisory Council on the Health Professions Education.

“(C) **PEER REVIEW.**—Any application for a grant to institutions described in subparagraph (A) shall be subject to appropriate peer review by peer review groups composed principally of non-Federal experts. The Secretary may not approve an application unless a peer review group has recommended it for approval.

“(2) **HEALTH PROFESSIONS INSTITUTIONS AND ALLIED HEALTH INSTITUTIONS.**—

“(A) **SET-ASIDE.**—At least 75 percent of the amounts available for grants and contracts under this subsection from amounts appropriated under subsection (e) shall be obligated for grants to and contracts with health professions institutions and allied health institutions.

“(B) **PEER REVIEW.**—Any application for a grant to institutions described in subparagraph (A) shall be subject to appropriate peer review by peer review groups composed principally of non-Federal experts.

“(C) **PREREQUISITES.**—The Secretary may not approve or disapprove an application for a grant to an institution described in subparagraph (A) unless the appropriate peer review group required under subparagraph (B) has recommended such approval and the Secretary has consulted with the National Advisory Council on Health Professions Education with respect to such application.

“(c) **TRAINING IN PREVENTIVE MEDICINE.**—

“(1) **IN GENERAL.**—The Secretary may make grants to and enter into contracts with schools of medicine, osteopathy, and public health to meet the costs of projects—

Grants.
Contracts.

“(A) to plan and develop new residency training programs and to maintain or improve existing residency training programs in preventive medicine; and

“(B) to provide financial assistance to residency trainees enrolled in such programs.

“(2) ADMINISTRATION.—

“(A) AMOUNT.—The amount of any grant under paragraph (1) shall be determined by the Secretary.

“(B) APPLICATION.—No grant may be made under paragraph (1) unless an application therefor is submitted to and approved by the Secretary. Such an application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

Regulations.

“(C) ELIGIBILITY.—To be eligible for a grant under paragraph (1), the applicant must demonstrate to the Secretary that it has or will have available full-time faculty members with training and experience in the fields of preventive medicine and support from other faculty members trained in public health and other relevant specialties and disciplines.

“(D) OTHER FUNDS.—Schools of medicine, osteopathy, and public health may use funds committed by State, local, or county public health officers as matching amounts for Federal grant funds for residency training programs in preventive medicine.

“(d) PROGRAMS FOR PHYSICIAN ASSISTANTS.—

“(1) IN GENERAL.—The Secretary may make grants to and enter into contracts with public or nonprofit private schools of medicine and osteopathy and other public or nonprofit private entities to meet the costs of projects to plan, develop, and operate or maintain programs for the training of physician assistants (as defined in section 701(8)).

Grants.
Contracts.

“(2) APPLICATIONS.—No grant or contract may be made under paragraph (1) unless the application therefor contains or is supported by assurances satisfactory to the Secretary that the school or entity receiving the grant or contract has appropriate mechanisms for placing graduates of the training program with respect to which the application is submitted in positions for which they have been trained.

“(e) CERTAIN PROJECTS WITH RESPECT TO HOSPITALS AND SCHOOLS OF PODIATRIC MEDICINE.—The Secretary may make grants to, and enter into contracts with, public and nonprofit private hospitals and schools of podiatric medicine for the purpose of planning and implementing projects in primary care training for podiatric physicians in approved or provisionally approved residency programs which shall provide financial assistance in the form of traineeships to residents who participate in such projects and who plan to specialize in primary care.

“(f) AUTHORIZATIONS.—(1)(A) For the purpose of carrying out subsections (a), (b), and (e), there are authorized to be appropriated \$2,400,000 for fiscal year 1989, \$4,000,000 for fiscal year 1990, and \$4,000,000 for fiscal year 1991.

“(B) Of the amounts appropriated pursuant to subparagraph (A) for each of the fiscal years 1989 through 1991, the Secretary shall make available 20 percent of such amounts to carry out subsection (a) and 25 percent of such amounts to carry out subsection (e).

“(2)(A) For the purpose of carrying out subsection (c), there are authorized to be appropriated \$1,500,000 for fiscal year 1989, \$2,500,000 for fiscal year 1990, and \$4,000,000 for fiscal year 1991.

“(B) For the purpose of carrying out subsection (d), there are authorized to be appropriated \$4,500,000 for fiscal year 1989, \$5,200,000 for fiscal year 1990, and \$5,400,000 for fiscal year 1991.”.

SEC. 614. GRANTS FOR MINORITY EDUCATION.

42 USC 295g-8a, 295g-2. (a) REORGANIZATION.—Section 778A (42 U.S.C. 295g-8a) is transferred to immediately after section 781 (42 U.S.C. 295g-1) and redesignated as section 782.

42 USC 295g-2. (b) PERIOD OF GRANTS.—Subsection (b) of section 782 (as transferred and redesignated by subsection (a)) is amended by inserting after “(b)”, the following new sentence: “The Secretary may award grants for periods not to exceed 3 years.”.

(c) ELIGIBILITY.—Subsection (c) of section 782 (as transferred and redesignated by subsection (a)) is amended to read as follows:

“(c) Only health professions schools shall be eligible for a grant under this section, and to be eligible such schools must—

(1) be a school described in section 701(4); and

(2) have received a contract under section 788A for fiscal year 1987.”.

SEC. 615. GERIATRIC PROGRAMS.

(a) GERIATRIC EDUCATION CENTERS AND GERIATRIC TRAINING.—Part F of title VII is amended by inserting after section 788B (42 U.S.C. 295g-8b) the following new section:

42 USC 295g-9. “SEC. 789. GERIATRIC EDUCATION CENTERS AND GERIATRIC TRAINING.

“(a) GERIATRIC EDUCATION CENTERS.—

Grants.
Contracts.

“(1) IN GENERAL.—The Secretary may make grants to and enter into contracts with accredited health professions schools, including schools of allied health, referred to in section 701(4) or 701(10) and programs referred to in section 701(8) to assist in meeting the costs of such schools or programs of providing projects to—

“(A) improve the training of health professionals in geriatrics;

“(B) develop and disseminate curricula relating to the treatment of the health problems of elderly individuals;

“(C) expand and strengthen instruction in methods of such treatment;

“(D) support the training and retraining of faculty to provide such instruction;

“(E) support continuing education of health professionals and allied health professionals who provide such treatment; and

“(F) establish new affiliations with nursing homes, chronic and acute disease hospitals, ambulatory care centers, and senior centers in order to provide students with clinical training in geriatric medicine.

“(2) APPROVAL OF APPLICATIONS.—

“(A) PEER REVIEW.—Any application for a grant or contract under this subsection shall be subject to appropriate peer review by peer review groups composed principally of non-Federal experts.

“(B) PREREQUISITES.—The Secretary may not approve or disapprove an application for a grant or contract under this subsection unless the Secretary has received recommendations with respect to such application from the appropriate peer review group required under subparagraph (A) and has consulted with the National Advisory Council on Health Professions Education with respect to such application.

“(b) GERIATRIC TRAINING.—

“(1) IN GENERAL.—The Secretary may make grants to, and enter into contracts with, schools of medicine, schools of osteopathy, teaching hospitals, and graduate medical education programs, for the purpose of providing support (including residencies, traineeships, and fellowships) for geriatric training projects to train physicians and dentists who plan to teach geriatric medicine or geriatric dentistry.

Grants.
Contracts.

“(2) REQUIREMENTS.—Each project for which a grant or contract is made under this subsection shall—

“(A) be staffed by full-time teaching physicians who have experience or training in geriatric medicine;

“(B) be staffed, or enter into an agreement with an institution staffed by full-time or part-time teaching dentists who have experience or training in geriatric dentistry;

“(C) be based in a graduate medical education program in internal medicine or family medicine, or in a department of geriatrics in existence as of December 1, 1987;

“(D) provide participants in the project with exposure to a population of elderly individuals;

“(E) provide training in geriatrics and exposure to the physical and mental disabilities of elderly individuals through a variety of service rotations, such as geriatric consultation services, acute care services, dental services, geriatric psychiatry units, day and home care programs, rehabilitation services, extended care facilities, geriatric ambulatory care and comprehensive evaluation units, and community care programs for elderly mentally retarded individuals; and

“(F) provide training in geriatrics through one or both of the training options described in subparagraphs (A) and (B) of paragraph (3).

“(3) TRAINING OPTIONS.—The training options referred to in subparagraph (F) of paragraph (2) shall be as follows:

“(A) A 1-year retraining program in geriatrics for—

“(i) physicians who are faculty members in departments of internal medicine, family medicine, gynecology, geriatrics, and psychiatry at schools of medicine and osteopathy; and

“(ii) dentists who are faculty members at schools of dentistry or at hospital departments of dentistry.

“(B) A 1-year or 2-year internal medicine or family medicine fellowship program providing emphasis in geriatrics, which shall be designed to provide training in clinical geriatrics and geriatrics research for—

“(i) physicians who have completed graduate medical education programs in internal medicine, family medicine, psychiatry, neurology, gynecology, or rehabilitation medicine; and

“(ii) dentists who have completed post-doctoral dental education programs.

“(4) DEFINITIONS.—For purposes of this subsection:

“(A) GRADUATE MEDICAL EDUCATION PROGRAM.—The term ‘graduate medical education program’ means a program sponsored by a school of medicine, a school of osteopathy, a hospital, or a public or private institution that—

“(i) offers postgraduate medical training in the specialties and subspecialties of medicine; and

“(ii) has been accredited by the Accreditation Council for Graduate Medical Education or the American Osteopathic Association through its Committee on Postdoctoral Training.

“(B) POST-DOCTORAL DENTAL EDUCATION PROGRAM.—The term ‘post-doctoral dental education program’ means a program sponsored by a school of dentistry, a hospital, or a public or private institution that—

“(i) offers post-doctoral training in the specialties of dentistry, advanced education in general dentistry, or a dental general practice residency; and

“(ii) has been accredited by the Commission on Dental Accreditation.

“(c) AUTHORIZATION OF APPROPRIATIONS.—

“(1) GERIATRIC EDUCATION CENTERS.—For grants and contracts under subsection (a), there are authorized to be appropriated \$7,000,000 for fiscal year 1989, \$10,000,000 for fiscal year 1990, and \$13,000,000 for fiscal year 1991.

“(2) GERIATRIC TRAINING.—For grants and contracts under subsection (b), there are authorized to be appropriated \$7,000,000 for fiscal year 1989, \$10,000,000 for fiscal year 1990, and \$13,000,000 for fiscal year 1991.”

(b) CONFORMING AMENDMENTS.—Section 783 (42 U.S.C. 295g-3) is repealed.

SEC. 616. GENERAL PROVISIONS.

(a) MINIMUM AMOUNT OF GRANT FOR CERTAIN GRANTEEES.—Section 790 (42 U.S.C. 295g-10) is amended—

(1) in paragraph (3), by striking “The amount” and inserting the following: “Except as provided in paragraph (4), the amount”; and

(2) by adding at the end the following new paragraph:

“(4) With respect to grants under any of sections 780, 784, 785, and 786 for fiscal year 1989 and subsequent fiscal years, if an entity has been a grantee under the section involved for two consecutive fiscal years and the Secretary approves an application under such section from the entity for any subsequent consecutive fiscal year, the amount of the grant for such fiscal year may not be less than an amount equal to 20 percent of the average of the amounts received under such section by the entity for the consecutively preceding fiscal years.”

(b) REQUIREMENT OF PEER REVIEW FOR CERTAIN PROGRAMS.—Section 790 (42 U.S.C. 295g-10), as amended by subsection (a) of this section, is further amended by adding at the end the following new paragraph:

“(5)(A) Each application for a grant under any of sections 784 through 786 shall be submitted to a peer review group for an evaluation of the merits of the proposals made in the evalua-

tion. Each application for a grant under section 780 may be submitted to such peer review group for such an evaluation.

“(B) The Secretary shall establish such peer review groups as may be necessary to carry out subparagraph (A). The Secretary shall make appointments to the peer review groups from among appropriately qualified persons who are not officers or employees of the United States.

“(C) With respect to applications referred to in subparagraph (A), a peer review group established pursuant to such subparagraph shall report its findings and recommendations to the Secretary. The Secretary may not approve such an application unless a peer review group has recommended the application for approval.

“(D) This paragraph shall be carried out by the Secretary, acting through the Administrator of the Health Resources and Services Administration.”.

(c) CERTAIN PROVISIONS WITH RESPECT TO HISPANIC INDIVIDUALS AND OTHER MEMBERS OF MINORITY GROUPS.—

(1) Section 708(b)(2) (42 U.S.C. 292h(b)(2)) is amended by adding at the end the following new sentence: “Such studies shall include studies determining by specialty and geographic location the number of health professionals (including allied health professionals and health care administration personnel) who are members of minority groups, including Hispanics, and studies providing by specialty and geographic location evaluations and projections of the supply of, and requirements for, health professionals (including allied health professionals and health care administration personnel) to serve minority groups, including Hispanics.”.

(2)(A) The Secretary of Health and Human Services shall conduct a study for the purpose of determining—

42 USC 292h
note.

(i)(I) the extent to which health care is being provided to Hispanic individuals in medically underserved areas by health care professionals who are unable to communicate with such individuals in the most appropriate language and cultural context; and

(II) whether the extent of the provision of health care to Hispanic individuals by such health care professionals is detrimental to the health of such individuals; and

(ii)(I) the extent to which Hispanic individuals in medically underserved areas rely on allied health personnel as the primary source of health care;

(II) whether the extent of such reliance is detrimental to the health of such individuals; and

(III) if the extent of such reliance is detrimental to such individuals, whether area health education center programs (as defined in section 781(g), as redesignated by section 608(c)(1) of this Act) can be utilized with respect to providing appropriate health care to such individuals.

(B) The Secretary of Health and Human Services shall, not later than 1 year after the date of the enactment of this Act, complete the study required in subparagraph (A) and submit to the Congress a report describing the findings made as a result of the study.

Reports.

SEC. 617. SPECIAL PROJECTS.

Part F of title VII (42 U.S.C. 295f-2 et seq.) is amended by adding at the end the following new section:

42 USC 295g-11.

Contracts.

“SEC. 790A. SPECIAL PROJECTS.

“(a) GRANTS.—The Secretary may make grants to, and enter into contracts with, schools of public health for the costs of planning, developing, demonstrating, operating, and evaluating projects—

“(1) for preventive medicine;

“(2) for health promotion and disease prevention;

“(3) for increasing the enrollment in such schools of individuals from disadvantaged backgrounds (as determined in accordance with criteria established by the Secretary under section 787(a)); and

“(4) to improve access and quality in health care.

“(b) PROHIBITIONS.—The Secretary may not make a grant under subsection (a) unless—

“(1) an application for the grant is submitted to the Secretary;

“(2) with respect to carrying out the purpose for which the grant is to be made, the application provides assurances of compliance satisfactory to the Secretary; and

“(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

“(c) LIMITATIONS.—The Secretary may make a grant under this subsection only—

“(1) pursuant to the issuance of solicitations for such grants; and

“(2) if the application for such a grant has been recommended for approval by an appropriate peer review group.

“(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out subsection (a), there are authorized to be appropriated \$1,500,000 for fiscal year 1989, \$3,500,000 for fiscal year 1990, and \$5,000,000 for fiscal year 1991.”

SEC. 618. GRANTS FOR GRADUATE PROGRAMS IN HEALTH ADMINISTRATION.

(a) MINIMUM NUMBER OF STUDENTS.—Section 791(c)(2)(A)(i) (42 U.S.C. 295h(c)(2)(A)(i)) is amended—

(1) by striking “25” and inserting “15”; and

(2) by striking “except that” and all that follows through “in such school year”.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 791(d) (42 U.S.C. 295h(d)) is amended by striking “and” after “1987,” and by inserting before the period the following: “, \$1,420,000 for fiscal year 1989, \$1,420,000 for fiscal year 1990, and \$1,700,000 for fiscal year 1991”.

SEC. 619. AUTHORIZATION OF APPROPRIATIONS FOR TRAINEESHIPS FOR STUDENTS IN OTHER GRADUATE PROGRAMS.

Section 791A(c) (42 U.S.C. 295h-1a(c)) is amended by striking “and” before “\$500,000” and by inserting before the period the following: “; and \$500,000 for each of the fiscal years 1989 through 1991”.

SEC. 620. PROVISIONS WITH RESPECT TO GRADUATE PROGRAMS IN CLINICAL PSYCHOLOGY.**(a) DEFINITION OF GRADUATE PROGRAM IN CLINICAL PSYCHOLOGY.—**

(1) Section 701(4) (42 U.S.C. 292a(4)) is amended by inserting at the end the following new sentence: "The term 'graduate program in clinical psychology' means an accredited graduate program in a public or nonprofit private institution in a State which provides training leading to a doctoral degree in clinical psychology or an equivalent degree."

(2) Section 701 (42 U.S.C. 292a) is amended by striking paragraph (14).

(b) NATIONAL ADVISORY COUNCIL ON HEALTH PROFESSIONS EDUCATION.—Section 702(a) (42 U.S.C. 292b(a)) is amended—

(1) in the first sentence, by striking "twenty members appointed" and inserting "twenty-one members appointed"; and

(2) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking "twelve" and inserting "thirteen"; and

(B) in subparagraph (A), by inserting before the semicolon the following: "and graduate programs in clinical psychology".

(c) DISCRIMINATION ON BASIS OF SEX.—Section 704 (42 U.S.C. 292d) is amended—

(1) in the first sentence, by inserting after "allied health personnel" the following: ", or graduate program in clinical psychology"; and

(2) in the second sentence, by striking "school or training center" and inserting "school, training center, or graduate program".

SEC. 621. AUTHORIZATION OF APPROPRIATIONS FOR PUBLIC HEALTH TRAINEESHIPS.

Section 792(c) (42 U.S.C. 295h-1b(c)) is amended by striking "and" after "1987;" and by inserting before the period the following: "; \$4,100,000 for fiscal year 1989; \$4,200,000 for fiscal year 1990; and \$4,300,000 for fiscal year 1991".

SEC. 622. TRAINING OF HEALTH PROFESSIONALS WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.

Section 788B is amended to read as follows:

"SEC. 788B. TRAINING WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.

42 USC 295g-8b.

"(a) GRANTS.—The Secretary may make grants and enter into contracts to assist schools and academic health science centers in meeting the costs of projects—

Contracts.
Health care
professionals.

"(1) to train the faculty of schools and graduate departments of medicine, nursing, osteopathy, dentistry, public health, psychology, and allied health to teach health professions students to provide for the health care needs of individuals with acquired immune deficiency syndrome;

"(2) with respect to improving clinical skills in the diagnosis, treatment, and prevention of such syndrome, to educate and train the health professionals and clinical staff of schools of medicine, osteopathy, and dentistry; and

“(3) to develop and disseminate curricula relating to the care and treatment of individuals with acquired immune deficiency syndrome.

Minorities.

“(b) PREFERENCE.—In making grants under subsection (a), the Secretary shall give preference to projects which will—

“(1) train, or result in the training of, health professionals who will provide treatment for minority individuals with acquired immune deficiency syndrome and other individuals who are at high risk of contracting such syndrome; and

“(2) train, or result in the training of, minority health professionals and minority allied health professionals to provide treatment for individuals with acquired immune deficiency syndrome.

“(c) APPLICATION.—No grant or contract may be made under subsection (a) unless an application is submitted to the Secretary in such form, at such time, and containing such information, as the Secretary may prescribe.

“(d) PEER REVIEW.—

“(1) IN GENERAL.—An application for a grant or contract under subsection (a) shall be subject to appropriate peer review by peer review groups composed principally of non-Federal experts.

“(2) LIMITATION.—The Secretary may not approve an application for a grant or contract under subsection (a) unless the appropriate peer review group required under paragraph (1) has recommended such approval and the Secretary has consulted with the National Advisory Council on Health Professions Education with respect to such application.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for grants under subsection (a), such sums as may be necessary for each of the fiscal years 1989 through 1991.

“(f) DENTAL SCHOOLS.—

Grants.

“(1) IN GENERAL.—The Secretary may make grants to assist dental schools and programs described in section 788(e)(4)(B) with respect to oral health care to AIDS patients.

“(2) APPLICATION.—Each dental school or program described in section 788(e)(4)(B) may annually submit an application documenting the unreimbursed costs of oral health care provided to AIDS patients by that school or hospital during the prior year.

“(3) DISTRIBUTION.—The Secretary shall distribute the available funds among all eligible applicants, taking into account the number of AIDS patients served and the unreimbursed oral health care costs incurred by each institution as compared with the total number of patients served and costs incurred by all eligible applicants.

“(4) The Secretary shall not make a grant under this subsection if doing so would result in any reduction in State funding allocation for such purposes.

“(5) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subsection, there is authorized to be appropriated such sums as may be necessary in fiscal year 1990 and fiscal year 1991.”

SEC. 623. DEFINITIONS.

(a) SCHOOL OF ALLIED HEALTH.—Section 701(10) (42 U.S.C. 292a(10)) is amended—

(1) in the matter preceding subparagraph (A), by striking “university—” and inserting “university or hospital-based educational entity—”; and

(2) in subparagraph (B), by inserting before the semicolon the following: “(except that this subparagraph shall not apply to any hospital-based educational entity)”.

(b) **ALLIED HEALTH PROFESSIONALS.**—Section 701(13)(C) (42 U.S.C. 292a(13)(C)) is amended—

(1) by striking out “an individual” and inserting in lieu thereof “a health professional”;

(2) by striking out “or” before “a doctoral degree in clinical psychology”; and

(3) by inserting before the period the following: “, or a degree in social work or an equivalent degree”.

SEC. 624. ALLIED HEALTH PROJECT GRANTS AND CONTRACTS.

Section 796 (42 U.S.C. 295h-5) is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following new subsection:

“(a) The Secretary shall make grants to and enter into contracts with eligible entities to assist them in meeting the costs of planning, developing, establishing, operating, and evaluating projects relating to:

“(1) Improving and strengthening the effectiveness of allied health administration, program directors, facility, and clinical faculty.

“(2) Improving and expanding program enrollments in those professions in greatest demand and whose services are most needed by the elderly.

“(3) Interdisciplinary training programs that promote the effectiveness of allied health practitioners in geriatric assessment and the rehabilitation of the elderly.

“(4) Demonstration centers to emphasize innovative models to link allied health clinical practice, education, and research.

“(5) Adding and strengthening curriculum units in allied health programs to include knowledge and practice concerning prevention and health promotion, geriatrics, long-term care, home health and hospice care, and ethics.

“(6) The recruitment of individuals into allied health professions, including projects for—

“(A) the identification and recruitment of highly qualified individuals, including the provision of educational and work experiences for recruits at the secondary and collegiate levels;

“(B) the identification and recruitment of minority and disadvantaged students, including the provision of remedial and tutorial services prior and subsequent to admission, the provision of work-study programs for secondary students, and recruitment activities directed toward primary school students; and

“(C) the coordination and improvement of recruitment efforts among official and voluntary agencies and institutions, including official departments of education, at the city, county, and State, or regional level.”;

(2) by striking out subsection (c) and inserting in lieu thereof the following new subsection:

Research and development.

Schools and colleges.

Minorities. Disadvantaged persons.

Schools and
colleges.

“(c) For purposes of subsection (a), the term ‘eligible entities’ means entities which are—

“(1) schools, universities, or other educational entities which provide for allied health personnel education and training and which meet such standards as the Secretary may by regulation prescribe; or

“(2) other public or nonprofit private entities capable, as determined by the Secretary, of carrying out projects described in subsection (a).”; and

(3) by striking out subsection (d) and inserting in lieu thereof the following new subsection:

Appropriation
authorization.

“(d) For the purpose of making payments under grants and contracts under subsection (a), there are authorized to be appropriated \$2,000,000 for each of the fiscal years 1990 and 1991.”.

SEC. 625. TRAINEESHIPS FOR ADVANCED TRAINING OF ALLIED HEALTH PERSONNEL.

Section 797 (42 U.S.C. 295h-6) is amended to read as follows:

“SEC. 797. TRAINEESHIPS FOR ADVANCED TRAINING OF ALLIED HEALTH PERSONNEL.

Contracts.

“(a) **GRANTS.**—The Secretary may make grants to and enter into contracts with training centers for allied health professions to meet the costs of projects designed to—

“(1) plan, develop, establish, expand, and operate doctoral programs for the advanced speciality training of allied health professionals who plan to teach and conduct research in an allied health training program; and

“(2) provide financial assistance in the form of traineeships or fellowships to doctoral students who are participants in any such program and who plan to teach and conduct research in an allied health discipline or to post doctoral students who are continuing specialized study and research in an allied health discipline.

“(b) **LIMITATION.**—The Secretary shall limit grants and contracts made or entered into under subsection (a) to those allied health fields or specialties as the Secretary shall, from time to time, determine to have—

“(1) the most significant national or regional shortages of practitioners;

“(2) insufficient numbers of qualified faculty in entry level or advanced educational programs; and

“(3) a significant role in the care and rehabilitation of patients and clients who are elderly or disabled.

“(c) **AUTHORIZATION OF APPROPRIATIONS.**—For the purposes of making payments under grants under subsection (a), there are authorized to be appropriated \$2,000,000 for each of the fiscal years 1990 and 1991.

“(d) **AVAILABILITY OF FUNDS.**—Funds appropriated under this section for any fiscal year shall remain available until expended or through fiscal year 1991.”.

SEC. 626. ALLIED HEALTH PROFESSIONS DATA.

Section 708 (42 U.S.C. 292h) is amended by adding at the end the following:

Grants.
Contracts.

“(h)(1) In carrying out subsection (a), the Secretary may make grants, or enter into contracts and cooperative agreements with, and

provide technical assistance to, any nonprofit entity in order to establish a uniform allied health professions data reporting system to collect, compile, and analyze data on the allied health professions personnel.

“(2) In the first report under subsection (d) made 2 years after the date of enactment of this Act and in each biennial report thereafter, the Secretary include a description and analysis of data collected pursuant to paragraph (1).”

SEC. 627. COUNCIL ON GRADUATE MEDICAL EDUCATION.

Section 799 (42 U.S.C. 295i) is amended by adding at the end the following:

“(k) There is authorized to be appropriated \$1,000,000 for each of the fiscal years 1989, 1990, and 1991 to carry out this section.”

Appropriation
authorization.

SEC. 628. REFERENCES WITH RESPECT TO PODIATRIC MEDICINE.

Title VII (42 U.S.C. 292a et seq.) is amended—

(1) in section 701—

42 USC 292a.

(A) in paragraph (4), by striking “school of podiatry” and inserting “school of podiatric medicine” and by striking “doctor of podiatry” and inserting “doctor of podiatric medicine”; and

(B) in paragraph 13(C), by striking “podiatry” and inserting “podiatric medicine”;

(2) in section 702(a)(1)(A), by striking “podiatry,” and inserting “podiatric medicine,”;

42 USC 292b.

(3) in section 704, in the first sentence, by striking “podiatry,” and inserting “podiatric medicine,”;

42 USC 292d.

(4) in section 721—

42 USC 293a.

(A) in subsection (c)(3), in subparagraphs (A) and (B), by striking “podiatry,” each place it appears and inserting “podiatric medicine,”;

(B) in subsection (d)(1)(A), by striking “podiatry,” and inserting “podiatric medicine,”; and

(C) in subsection (f)—

(i) in paragraph (1), in the first sentence, by striking “podiatry,” and inserting “podiatric medicine,”; and

(ii) in paragraph (3)(A), by striking “podiatry,” and inserting “podiatric medicine,”;

(5) in section 729(a), in the first and second sentences, by striking “podiatry,” each place it appears and inserting “podiatric medicine,”;

42 USC 294b.

(6) in section 737(1), by striking “podiatry,” and inserting “podiatric medicine,”;

42 USC 294j.

(7) in section 740—

42 USC 294m.

(A) in subsection (a), by striking “podiatry,” and inserting “podiatric medicine,”;

(B) in subsection (b)(4), by striking “podiatry” and inserting “podiatric medicine”; and

(C) in subsection (c)—

(i) in paragraph (1), by striking “podiatry,” and inserting “podiatric medicine,”; and

(ii) in paragraph (3)(C), by striking “podiatry,” and inserting “podiatric medicine,”;

(8) in section 741—

42 USC 294n.

(A) in subsection (b)(1), by striking “podiatry” and inserting “podiatric medicine”;

(B) in subsection (f)(1)(A), by striking "podiatry" and inserting "podiatric medicine"; and

(C) in subsection (l)(4), by striking "podiatry," and inserting "podiatric medicine,";

42 USC 294z.

(9) in section 758(a), by striking "podiatry," and inserting "podiatric medicine,";

42 USC 295g-7.

(10) in section 787(a)(1), by striking "podiatry," and inserting "podiatric medicine,"; and

42 USC 295g-8.

(11) in section 788—

(A) in subsection (c)(1), in the first sentence, by striking "podiatry," and inserting "podiatric medicine,"; and

(B) in subsection (f), by striking "podiatry" and inserting "podiatric medicine".

Schools and colleges.

SEC. 629. REFERENCES WITH RESPECT TO OSTEOPATHIC MEDICINE.

(a) TECHNICAL AMENDMENTS TO TITLE III.—Title III (42 U.S.C. 241 et seq.) is amended—

(1) in section 327A(b)(1), by inserting "schools of osteopathic medicine," after "schools of medicine," and by inserting "professions" after "health";

(2) by striking "osteopathy" each place such term appears and inserting "osteopathic medicine"; and

(3) by striking "osteopaths" each place such term appears.

(b) TECHNICAL AMENDMENTS TO TITLE VII.—Title VII (42 U.S.C. 292a et seq.) is amended—

(1) by striking "school of osteopathy" and "schools of osteopathy" each place such terms appear and inserting "school of osteopathic medicine" and "schools of osteopathic medicine", respectively;

(2) by striking "school of medicine, osteopathy" and "schools of medicine, osteopathy" each place such terms appear and inserting "school of medicine, osteopathic medicine" and "schools of medicine, osteopathic medicine", respectively; and

(3) by striking "medical or osteopathic" each place it precedes "school", "student", or "clinical education" and by inserting "medical (M.D. and D.O.)".

SEC. 630. STUDY BY GENERAL ACCOUNTING OFFICE OF STATE PRACTICES IN ENDORSEMENT LICENSING OF FOREIGN PHYSICIANS.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study for the purpose of determining the practices and policies of the States in licensing by endorsement physicians who are graduates of schools of medicine located in countries other than the United States. In carrying out the study, the Comptroller General shall—

(1) with respect to such licensing of such physicians—

(A) make a comparison with the practices and policies of the States in licensing by endorsement physicians who are graduates of American schools of medicine; and

(B) determine the merits of any additional requirements imposed on physicians who are graduates of medical schools of other countries, including a determination of the relative proficiency of such physicians and a determination of the relevancy of any requirement of producing additional information or records;

(2) determine whether the graduates of schools of medicine located in other countries are being discriminated against with respect to licensing by endorsement in the United States; and

(3) if such discrimination is occurring, determine the geographic areas in which the discrimination is occurring and the circumstances under which the discrimination is occurring.

(b) **CONSULTATION WITH APPROPRIATELY QUALIFIED INDIVIDUALS.**—In carrying out the study required in subsection (a), the Comptroller General of the United States shall consult with individuals with appropriate expertise.

(c) **TIME FOR COMPLETION.**—Not later than 9 months after the date of the enactment of this Act, the Comptroller General of the United States shall complete the study required in subsection (a) and submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report describing the findings made as a result of the study.

Reports.

SEC. 631. IDENTIFICATION AND NOTIFICATION OF POTENTIAL GRANTEES UNDER CERTAIN PROGRAMS.

42 USC 295g-8 note.

The Secretary of Health and Human Services shall identify entities that would be appropriate applicants for grants under section 788(a) of the Public Health Service Act (42 U.S.C. 295g-8(a)) and shall notify such entities of such fact.

SEC. 632. RESEARCH WITH RESPECT TO HEALTH RESOURCES AND SERVICES ADMINISTRATION.

42 USC 241 note.

With respect to any program of research pursuant to the Public Health Service Act, any such program carried out in fiscal year 1987 by an agency other than the Health Resources and Services Administration (or appropriate to be carried out by such an agency) may not, for each of the fiscal years 1989 through 1991, be carried out by such Administration.

SEC. 633. REQUIREMENTS WITH RESPECT TO APPLICATION AND AWARD PROCESS FOR CERTAIN PROGRAMS.

42 USC 295g-10a.

(a) **SEMIANNUAL GRANT SOLICITATIONS.**—With respect to grants under any of sections 780, 784, 785, and 786 for fiscal year 1990 or subsequent fiscal years, the Secretary of Health and Human Services shall, not less than twice each fiscal year, issue solicitations for applications for such grants if amounts appropriated for such grants, and remaining unobligated at the end of the first solicitation period, are sufficient with respect to issuing a second solicitation.

(b) **PRELIMINARY REVIEW FOR TECHNICAL SUFFICIENCY.**—In reviewing applications for grants referred to in subsection (a), the Secretary shall—

(1) make a preliminary review of each such application in order to determine whether the application involved is sufficient with respect to the minimum technical requirements established by the Secretary for applications under the program involved; and

(2) if the Secretary determines pursuant to the preliminary review that any such application is not sufficient with respect to such requirements—

(A) prepare a statement explaining the insufficiencies of the application; and

(B) return the application, together with such statement, by a date that permits the applicant involved a sufficient period of time in which to prepare a timely second application for submission pursuant to the solicitation with respect to which the first application is being returned.

SEC. 634. ESTABLISHMENT OF LOAN REPAYMENT PROGRAM FOR RESEARCH AT NATIONAL INSTITUTES OF HEALTH WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.

(a) **IN GENERAL.**—Part F of title IV is amended by inserting after section 487 the following new section:

42 USC 288-1.

“SEC. 487A. LOAN REPAYMENT PROGRAM FOR RESEARCH WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.

“(a) IMPLEMENTATION OF PROGRAM.—

“(1) IN GENERAL.—Not later than one year after the date of the enactment of the Health Professions Reauthorization Act of 1988, the Secretary shall, subject to paragraph (2), establish and implement a program of entering into agreements with appropriately qualified health professionals under which such health professionals agree to conduct, as employees of the National Institutes of Health, research with respect to acquired immune deficiency syndrome in consideration of the Federal Government agreeing to repay, for each year of such service, not more than \$20,000 of the principal and interest of the educational loans of such health professionals.

“(2) LIMITATION.—The Secretary may not enter in an agreement with a health professional pursuant to paragraph (1) unless such professional—

“(A) has a substantial amount of educational loans relative to income; and

“(B) was not employed at the National Institutes of Health during the 1-year period preceding the date of the enactment of the Health Professions Reauthorization Act of 1988.

“(b) APPLICATION.—With respect to the National Health Service Corps Loan Repayment Program established in subpart III of part D of title III, the provisions of such subpart shall, except as inconsistent with subsection (a) of this section, apply to the program established in such subsection (a) in the same manner and to the same extent as such provisions apply to the National Health Service Corps Loan Repayment Program established in such subpart.

“(c) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—For the purpose of carrying out subsection (a), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.

“(2) AVAILABILITY.—Amounts appropriated pursuant to paragraph (1) for a fiscal year shall remain available until the expiration of the second fiscal year beginning after the fiscal year for which the amounts were appropriated.”.

SEC. 635. NATIONAL RESEARCH SERVICE AWARDS WITH RESPECT TO TITLE VII PROGRAMS.

Section 487(d)(3) (42 U.S.C. 288) is amended by inserting after “made available”, the first time such appears, the following: “to the Secretary, acting through the Administrator of the Health Resources and Services Administration.”.

SEC. 636. CLARIFICATION WITH RESPECT TO APPLICABILITY OF CERTAIN FEDERAL REGULATIONS TO SECONDARY MARKETS FOR STUDENT LOANS.

Section 728(c) (42 U.S.C. 294a(c)) is amended by adding at the end the following new paragraph:

“(3) With respect to Federal regulations for lenders, this subpart may not be construed to preclude the applicability of such regulations to the Student Loan Marketing Association or to any other entity in the business of purchasing student loans, including such regulations with respect to applications, contracts, and due diligence.”.

SEC. 637. HEALTH CARE FOR RURAL AREAS.

(a) **HEALTH CARE FOR RURAL AREAS.**—Title VII of the Public Health Service Act is amended by adding at the end thereof the following:

“PART I—HEALTH CARE FOR RURAL AREAS

“SEC. 799A. HEALTH CARE FOR RURAL AREAS.

42 USC 295j.

“(a) **GRANTS.**—The Secretary may make grants to, or enter into contracts with, any eligible applicant to help such applicant fund authorized activities under an application approved under subsection (d).

Contracts.

“(b) **USE OF AMOUNTS.**—

“(1) **IN GENERAL.**—Amounts provided under subsection (a) shall be used by the recipients to fund interdisciplinary training projects designed to—

“(A) use new and innovative methods to train health care practitioners to provide services in rural areas;

“(B) demonstrate and evaluate innovative interdisciplinary methods and models designed to provide access to cost-effective comprehensive health care;

“(C) deliver health care services to individuals residing in rural areas;

“(D) enhance the amount of relevant research conducted concerning health care issues in rural areas; and

“(E) increase the recruitment and retention of health care practitioners in rural areas and make rural practice a more attractive career choice for health care practitioners.

“(2) **METHODS.**—A recipient of funds under subsection (a) may use various methods in carrying out the projects described in paragraph (1), including—

“(A) the distribution of stipends to students of eligible applicants;

“(B) the establishment of a post-doctoral fellowship program;

“(C) the training of faculty in the economic and logistical problems confronting rural health care delivery systems; or

“(D) the purchase or rental of transportation and telecommunication equipment where the need for such equipment due to unique characteristics of the rural area is demonstrated by the recipient.

“(3) **ADMINISTRATION.**—

“(A) **IN GENERAL.**—An applicant shall not use more than 10 percent of the funds made available to such applicant under subsection (a) for administrative expenses.

“(B) **TRAINING.**—Not more than 10 percent of the individuals receiving training with funds made available to an applicant under subsection (a) shall be trained as doctors of medicine or doctors of osteopathy.

Schools and colleges.

“(c) **ELIGIBLE APPLICANTS.**—Applicants eligible to obtain funds under subsection (a) shall include local health departments, nonprofit organizations and public or nonprofit colleges, universities, or schools of, or programs that specialize in, nursing, psychology, social work, optometry, public health, dentistry, osteopathy, physicians assistants, pharmacy, podiatry, medicine, chiropractic, and allied health professions if such applicants submit applications approved by the Secretary under subsection (d). Applicants eligible to obtain funds under subsection (a) shall not include for-profit entities, either directly or through a subcontract or subgrant.

“(d) **APPLICATIONS.**—

“(1) **SUBMISSION.**—In order to receive a grant under subsection (a) an entity shall submit an application to the Secretary.

“(2) **FORMS.**—An application submitted under this subsection shall be in such form, be submitted by such date, and contain such information as the Secretary shall require.

“(3) **REQUIREMENTS.**—Applications submitted under this subsection shall—

“(A) be jointly submitted by at least two eligible applicants with the express purpose of assisting individuals in academic institutions in establishing long-term collaborative relationships with health care providers in rural areas;

“(B) designate a rural health care agency or agencies for clinical treatment or training, including hospitals, community health centers, migrant health centers, rural health clinics, community mental health centers, long-term care facilities, facilities operated by the Indian Health Service or an Indian tribe or tribal organization or Indian organization under a contract with the Indian Health Service under the Indian Self-Determination Acts, or Native Hawaiian health centers; and

“(C) provide any additional information required by the Secretary.

“(e) **STUDY.**—

Contracts.

“(1) **IN GENERAL.**—The Secretary shall enter into a contract to conduct a study of manpower training needs in rural areas, with attention focused on the supply of health professionals and whether such supply is adequate to meet the demands for health care services in rural communities.

“(2) **CONTENTS.**—

“(A) **STATISTICS.**—The study conducted under paragraph (1) shall include statistics and projections on—

“(i) the supply of health care practitioners in rural areas; and

“(ii) suggested methods of improving access to health care services in rural areas.

The study shall pay particular attention to the needs of the elderly in rural areas as well as the individuals in the rural areas who are not eligible for Medicare.

“(B) EVALUATION.—The study conducted under paragraph (1) shall evaluate existing models for health care training and service delivery and propose innovative alternative models to enhance the quality and availability of health care services in rural areas and to increase the retention of health professionals in rural areas.

“(3) HEALTH CARE TRAINING AND SERVICE DELIVERY MODELS.—The Secretary shall evaluate the effectiveness of the health care training and service delivery models developed with funds made available under this section and compare such models with programs designed to increase the availability of health care providers in rural areas, including the National Health Service Corps program authorized by subpart II of part D of the Public Health Service Act (42 U.S.C. 254d et seq.) and the area health education center program authorized under section 781 of such Act (42 U.S.C. 295g-1).

“(4) SUBMISSION TO CONGRESS.—Not later than 18 months after the date of the signing of the contract for the health care study under paragraph (1), the Secretary shall submit to the appropriate committees of the Congress a report that describes the results of the study conducted under paragraph (1).

Reports.

“(f) PEER REVIEW.—

“(1) IN GENERAL.—Each application for a grant or contract under this section shall be submitted to a peer review group for an evaluation of the merits of the proposals made in the application.

“(2) ESTABLISHMENT.—The Secretary shall establish such peer review groups as may be necessary to carry out paragraph (1). The Secretary shall make appointments to the peer review groups from among appropriately qualified persons who are not officers or employees of the United States.

“(3) REPORT OF FINDINGS.—With respect to applications referred to in paragraph (1), a peer review group established pursuant to such subparagraph shall report its findings and recommendations to the Secretary. The Secretary may not approve such an application unless a peer review group has recommended the application for approval.

“(4) ADMINISTRATION.—This paragraph shall be carried out by the Secretary, acting through the Director of the Indian Health Service.

“(g) DEFINITION.—For the purposes of this section, the term ‘rural area’ includes a frontier area, which is an area in which the population density is less than 7 individuals per square mile.

“(h) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There is authorized to be appropriated to carry out this section, other than subsection (e), \$5,000,000 for each of the fiscal years 1989, 1990, and 1991.

“(2) SUBSECTION (e).—There is authorized to be appropriated \$1,000,000 for each of the fiscal years 1989, 1990, and 1991 to carry out subsection (e).”

(b) REPEAL.—Section 714 of the Indian Health Care Amendments of 1988 is repealed upon the date of the enactment of this Act.

42 USC 295j.

SEC. 638. ADVANCEMENT OF HEALTH CARE SERVICES.

(a) IN GENERAL.—Of the amounts appropriated in each of the fiscal years 1989 through 1991 to carry out title VII of the Public Health Service Act, the Secretary of Health and Human Services

shall, for each such fiscal year, make available \$500,000 for the purpose of advancing the health care services furnished by qualified hospitals. For purposes of this subsection, the term "qualified hospital" means a hospital located in a rural county that—

(1) is adjacent to three counties, one of which is a central county of a Metropolitan Statistical Area, and all of which are classified as urban;

(2) has a workforce of which at least 12.2 percent of such workers commute from the rural county to the central counties of the two immediately adjacent Metropolitan Statistical Areas (out-commuting), and the total in-commuting rate from the two immediately adjacent Metropolitan Statistical Areas to the rural county is at least 6.1 percent, so that when added to the out-commuting rate from the rural county the total in/out-commuting rate is at least 18 percent;

(3) is also impacted by a third Metropolitan Statistical Area with an out-commuting rate from the rural county to that Metropolitan Statistical Area that is at least .15 percent and the in-commuting rate from the Metropolitan Statistical Area to such rural county is at least .15 percent;

(4) has more than 73,500 residents but less than 74,000 residents according to the 1980 census; and

(5) that has a health-related labor pool that is competitively impacted by, in addition to the normal competitive pressures of an urban labor market, the location in one of the adjacent Metropolitan Statistical Areas of at least three large health-related facilities, each with more than 375 beds, including a State-owned medical school/hospital complex with more than 4,000 employees, and a large Veterans' Administration hospital with more than 400 beds.

(b) **PRO RATA DETERMINATION.**—In making available amounts for a fiscal year for purposes of subsection (a), the Secretary of Health and Human Services may not reduce the amounts available for each program authorized under title VII of the Public Health Service Act by more than the amount equal to the product of—

(1) the amounts appropriated, after the date of the enactment of this Act, for carrying out the program involved for the fiscal year; and

(2) a percentage equal to the quotient of—

(A) \$500,000; divided by

(B) the amounts appropriated, after the date of the enactment of this Act, for carrying out such title VII.

42 USC 292h
note.
State and local
governments.
Territories, U.S.

SEC. 639. ASSESSMENTS OF HEALTH MANPOWER SHORTAGES.

(a) **REQUEST FOR INFORMATION.**—Not later than 18 months after the date of enactment of this Act, the Secretary of Health and Human Services shall contact the chief executive officer of each State, the Mayor of the District of Columbia, and the chief executive officer of the Virgin Islands, the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, and request that each such individual submit to the Secretary an assessment of the greatest health manpower shortages by discipline of health care providers and by allopathic and osteopathic speciality, of such individuals State, District, Commonwealth, or Territory.

(b) **REPORT.**—The Secretary of Health and Human Services shall compile and analyze the information obtained under subsection (a)

and prepare and submit, to the appropriate Committees of Congress, as part of the October 1, 1991, report required under section 708(d)(1) of the Public Health Service Act (42 U.S.C. 292h(d)(1)), a report containing such information and analysis.

TITLE VII—NURSING SHORTAGE REDUCTION AND EDUCATION EXTENSION ACT OF 1988

Nursing Shortage Reduction and Education Extension Act of 1988.

SEC. 700. SHORT TITLE.

42 USC 201.

(a) **SHORT TITLE.**—This title may be cited as the “Nursing Shortage Reduction and Education Extension Act of 1988”.

(b) **REFERENCE.**—Except as otherwise expressly provided, whenever in this title 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.

Subtitle A—Special Projects

SEC. 701. SPECIAL PROJECT GRANTS AND CONTRACTS.

(a) **TRANSFER OF PROGRAM FOR INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS.**—Part A of title VIII (42 U.S.C. 296k et seq.) is amended—

(1) by inserting after the heading for such part the following new heading:

“Subpart I—Special Projects in General”,

(2) by striking section 820(a)(1), and

42 USC 296k.

(3) by adding at the end the following new subpart:

“Subpart II—Nursing Education Opportunities for Individuals From Disadvantaged Backgrounds

“SPECIAL PROJECTS

“SEC. 827. (a) The Secretary may make grants to public and 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 increase nursing education opportunities for individuals from disadvantaged backgrounds, as determined in accordance with criteria prescribed by the Secretary—

Schools and colleges.
42 USC 296r.

“(1) by identifying, recruiting, and selecting such individuals,

“(2) by facilitating the entry of such individuals into schools of nursing,

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

“(4) by 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,

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

“(6) by 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, and

“(7) by providing training, information, or advice to the faculty of such schools with respect to encouraging such individuals to complete the programs of nursing education in which the individuals are enrolled.

“(b) 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 Education. 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.

“(c) For payments under grants and contracts under subsection (a), there are authorized to be appropriated \$3,000,000 for fiscal year 1989, \$4,000,000 for fiscal year 1990, and \$5,000,000 for fiscal year 1991.”

(b) **STRIKING OF CERTAIN PROGRAMS.**—Section 820(a) (42 U.S.C. 296k(a)) is amended—

(1) by striking paragraphs (3), (7), and (9), and

(2) by redesignating paragraphs (2), (4), (5), (6), and (8) as paragraphs (1) through (5), respectively.

(c) **GERIATRIC TRAINING.**—Section 820(a)(2) (as redesignated by subsection (b)(2) of this section) is amended to read as follows—

“(2) demonstrate, through geriatric health education centers and other entities, improved geriatric training in preventive care, acute care, and long-term care (including home health care and institutional care);”

(d) **UPGRADING SKILLS.**—Section 820(a) (42 U.S.C. 296k(a)) is amended—

(1) by amending paragraph (3) (as redesignated by subsection (b)(2) of this section) to read as follows:

“(3)(A) increase the supply of adequately trained nursing personnel (including bilingual nursing personnel) to meet the health needs of rural areas; and

“(B) provide nursing education courses to rural areas through telecommunications via satellite;” and

(2) by amending paragraph (4) (as so redesignated) to read as follows:

“(4) provide training and education—

“(A) to upgrade the skills of licensed vocational or practical nurses, nursing assistants, and other paraprofessional nursing personnel with priority given to rapid transition programs toward achievement of professional nursing degrees; and

“(B) to develop curricula for the achievement of baccalaureate degrees in nursing by registered nurses and by individuals with baccalaureate degrees in other fields;”

(e) **COORDINATION PROJECTS WITH RESPECT TO LOAN REPAYMENTS FOR SERVICE IN HEALTH FACILITIES.**—Section 820(a) (42 U.S.C.

Reports.
Records.

Rural areas.

296k(a)) is amended by adding after paragraph (5) (as redesignated by subsection (b)(2) of this section) the following new paragraph:

“(6)(A) collect the names and addresses of health facilities willing to enter into agreements with nursing students and nursing personnel under which such individuals agree to serve as nurses in the health facilities in consideration of the health facilities agreeing to repay the principal and interest of the educational loans of such individuals;

“(B) collect data on the specific terms of such agreements offered by health facilities;

“(C) collect the names and addresses of nursing students identified pursuant to section 827(a), of other nursing students, and of nursing personnel, willing to enter into such agreements; and

“(D) coordinate and facilitate communications between health facilities and such individuals with respect to such agreements.”.

(f) GERIATRIC HEALTH EDUCATION CENTERS.—Section 820 (42 U.S.C. 296k) is amended—

(1) by redesignating subsections (b) through (d) as subsections (e) through (g), respectively, and

(2) by adding after subsection (a) the following new subsection:

“(b)(1) The Secretary may make grants to, and enter into contracts with, accredited schools of nursing to assist in meeting the costs of such schools in providing projects—

“(A) to improve the training of nurses in geriatrics;

“(B) to develop and disseminate curricula relating to the treatment of the health problems of elderly individuals;

“(C) to expand and strengthen instruction in methods of such treatment;

“(D) to support the training and retraining of faculty to provide such instruction;

“(E) to support continuing education of nurses who provide such treatment; and

“(F) to establish new affiliations with nursing homes, chronic and acute disease hospitals, ambulatory care centers, and senior centers in order to provide students with clinical training in geriatric health care.

“(2)(A) Any application for a grant or contract under this subsection shall be subject to appropriate peer review by peer review groups composed principally of non-Federal experts.

“(B) The Secretary may not approve or disapprove an application for a grant or contract under this subsection unless the Secretary has received recommendations with respect to such application from the appropriate peer review group required under paragraph (1) and has consulted with the Advisory Council on Nurses Education with respect to such application.

“(C) For the purpose of carrying out this subsection, the Secretary may obligate each fiscal year not more than \$2,000,000 of the amounts made available for such purpose pursuant to subsection (g)(2).”.

(g) INNOVATIVE HOSPITAL NURSING PRACTICE MODELS.—Section 820 (42 U.S.C. 296k), as amended by subsection (f) of this section, is further amended by inserting after subsection (b) the following new subsection:

“(c)(1) The Secretary may make grants to public and nonprofit private entities for the purpose of demonstrating innovative hospital

nursing practice models designed to reduce vacancies in professional nursing positions and to make such positions a more attractive career choice.

“(2) The Secretary may not make a grant under paragraph (1) unless the applicant for the grant agrees that hospital nursing practice models demonstrated pursuant to such subsection will include initiatives—

“(A) to restructure the role of the professional nurse, through changes in the composition of hospital staffs and through innovative approaches for interaction between hospital administration and nursing personnel, in order to ensure that the particular expertise of such nurses is efficiently utilized and that such nurses are engaged in direct patient care during a larger proportion of their work time;

Wages.

“(B) to test innovative wage structures for professional nurses in order to—

“(i) reduce vacancies in work shifts during unpopular work hours; and

“(ii) provide financial recognition based upon experience and education; and

“(C) to evaluate the effectiveness of providing benefits for professional nurses, such as pensions, sabbaticals, and payment of educational expenses, as a means of developing increased loyalty of such nurses to health care institutions and reducing turnover in nursing positions.”

(h) LONG-TERM CARE NURSING PRACTICE DEMONSTRATIONS.—Section 820 (42 U.S.C. 296k), as amended by subsection (g) of this section, is further amended by inserting after subsection (c) the following new subsection:

“(d)(1) The Secretary may make grants to public and nonprofit private entities accredited for the training of nurses for the purpose of—

“(A) demonstrating innovative nursing practice models for—

“(i) the provision of case-managed health care services (including adult day care) and health care services in the home; or

“(ii) the provision of health care services in long-term care facilities; or

“(B) developing projects to increase the exposure of nursing students to clinical practice in nursing home, home health, and gerontologic settings through collaboration between such accredited entities and entities that provide health care in such settings.

“(2) The Secretary may not make a grant under paragraph (1) unless the applicant for the grant agrees that models demonstrated pursuant to such paragraph will be designed—

“(A) to increase the recruitment and retention of nurses to provide nursing care for individuals needing long-term care; and

“(B) to improve nursing care in home health care settings and nursing homes.”

(i) AUTHORIZATION OF APPROPRIATIONS.—Section 820(g) (as redesignated by subsection (b)(2) of this section) is amended to read as follows:

“(g)(1) For payments under grants and contracts under this section, there are authorized to be appropriated \$13,000,000 for fiscal

year 1989, \$16,000,000 for fiscal year 1990, and \$20,000,000 for fiscal year 1991.

"(2) Of the amounts appropriated pursuant to paragraph (1), the Secretary shall obligate not less than 20 percent to carry out subsection (a)(2) and subsection (b) (subject to subsection (b)(2)(C)), not less than 20 percent to carry out paragraph (3) of subsection (a), and not less than 10 percent to carry out paragraph (4) of such subsection. Of the amounts appropriated pursuant to paragraph (1) for fiscal year 1989, the Secretary shall obligate not less than 20 percent to carry out section 827."

SEC. 702. ADVANCED NURSE EDUCATION.

Section 821(b) (42 U.S.C. 2961(b)) is amended to read as follows:

"(b) For payments under grants and contracts under this section, there are authorized to be appropriated \$13,000,000 for fiscal year 1989, \$13,000,000 for fiscal year 1990, and \$20,000,000 for fiscal year 1991."

Appropriation
authorization.

SEC. 703. NURSE PRACTITIONER AND NURSE MIDWIFE PROGRAMS.

(a) **REQUIRED NUMBER OF STUDENTS IN TRAINING PROGRAMS.**—Section 822(a)(2)(B)(ii) (42 U.S.C. 296m(a)(2)(B)(ii)) is amended by striking "not less than eight students" and inserting "not less than six full-time equivalent students".

(b) **COMMITMENT UNDER TRAINEESHIP PROGRAM TO SERVE IN CERTAIN AREAS OR FACILITIES.**—Section 822(b)(3) (42 U.S.C. 296m(b)(3)) is amended by striking "332" and all that follows and inserting the following: "332), in an Indian Health Service health center, in a Native Hawaiian health center, in a public health care facility, in a migrant health center (as defined in section 329(a)(1)), in a rural health clinic (as defined in section 1861(aa)(2) of the Social Security Act), or in a community health center (as defined in section 330(a))".

(c) **ASSURANCES OF COMPLIANCE WITH GUIDELINES.**—Section 822(c) (42 U.S.C. 296m(c)) is amended—

(1) by inserting "under subsection (a) or (b)" after "operate a program"; and

(2) by striking "midwives unless this application" and inserting "midwives unless the application".

(d) **AUTHORIZATION OF APPROPRIATIONS.**—Section 822(d) (42 U.S.C. 296m(d)) is amended to read as follows:

"(d) For payments under grants and contracts under subsections (a) and (b), there are authorized to be appropriated \$12,000,000 for fiscal year 1989, \$17,000,000 for fiscal year 1990, and \$21,000,000 for fiscal year 1991."

SEC. 704. ENHANCEMENT OF QUALITY CARE.

(a) **IN GENERAL.**—Of the amounts appropriated for each of the fiscal years 1989 through 1991 to carry out titles VII and VIII of the Public Health Service Act, the Secretary of Health and Human Services shall, for each of such fiscal years, make available \$650,000 for the purpose of enhancing the ability of a qualified hospital to provide high-quality inpatient services. For purposes of this subsection, the term "qualified hospital" means a hospital that, as of the date of the enactment of this Act, is the only general short-term acute care hospital located in a rural county that is adjacent to 7 counties, of which 1 such adjacent county is a county described in paragraph (8)(B) of section 1886(d) of the Act referred to in section 371(b)(1)(C) of the Public Health Service Act and, of the remaining 6

such adjacent counties, 5 such counties are (or are treated as) urban counties for purposes of such section 1886(d) and 1 such county is not (or is not treated as) an urban county for purposes of such section.

(b) **PRO RATA DETERMINATION.**—In making available amounts for a fiscal year for purposes of subsection (a), the Secretary of Health and Human Services may not reduce the amounts available for each program of titles VII and VIII of the Public Health Service Act by more than an amount equal to the product of—

(1) the amounts appropriated, after the date of the enactment of this Act, for carrying out the program involved for the fiscal year; and

(2) a percentage equal to the quotient of—

(A) \$650,000; divided by

(B) the amounts appropriated, after the date of the enactment of this Act, for carrying out such titles VII and VIII.

SEC. 705. IMPROVING HEALTH CARE SERVICES.

(a) **IN GENERAL.**—Of the amounts appropriated for each of the fiscal years 1989 through 1991 to carry out titles VII and VIII of the Public Health Service Act, the Secretary of Health and Human Services shall, for each of such fiscal years, make available \$210,000 for the purpose of improving the health care services furnished by a qualified hospital. For purposes of this subsection, the term “qualified hospital” means a hospital located in a rural county—

(1) that is adjacent to 6 counties, of which 3 adjacent counties are urban (2 of the urban counties being located in another State), and of which 2 of the adjacent rural counties are without hospital facilities,

(2) that is located within 7 miles of another urban county in a separate Metropolitan Statistical Area from the Metropolitan Statistical Area in which the urban counties adjacent to the rural counties are located,

(3) that has more than 17,500 residents but less than 17,550 residents according to the 1980 census,

(4) that has a workforce of which more than 39.5 percent of those reporting workplace commute to the adjacent urban counties to the 1980 census, and

(5) that has a health-related labor pool which is competitively impacted by, in addition to the normal competitive pressures of an urban labor market, the location in 1 of the adjacent urban counties (in another State) of several large health-related facilities, including that State’s sole State-owned medical school/hospital complex with more than 5,500 employees, a large Veterans’ Administration hospital with more than 1,000 beds, and a United States Army hospital with more than 350 beds.

(b) **PRO RATA DETERMINATION.**—In making available amounts for a fiscal year for purposes of subsection (a), the Secretary of Health and Human Services may not reduce the amounts available for each program of titles VII and VIII of the Public Health Service Act by more than an amount equal to the product of—

(1) the amounts appropriated, after the date of the enactment of this Act, for carrying out the program involved for the fiscal year; and

(2) a percentage equal to the quotient of—

(A) \$210,000; divided by

(B) the amounts appropriated, after the date of the enactment of this Act, for carrying out such titles VII and VIII.

SEC. 706. INCENTIVE SPECIAL PAY FOR PUBLIC HEALTH SERVICE NURSES.Uniformed
services.

Subsection (a) of section 208 (42 U.S.C. 210(a)) is amended by adding at the end the following new paragraph:

“(3) Commissioned nurse officers in the Regular and Reserve Corps shall, while in active duty, be paid incentive special pay in the same amounts as, and under the same terms and conditions which apply to, the incentive special pay now or hereafter paid to commissioned nurse officers of the Armed Forces under chapter 5 of title 37, United States Code.”

SEC. 707. EXTENSION OF PERIOD FOR INSURANCE OF NEW LOANS.

Section 728(a) (42 U.S.C. 294a(a)) is amended—

(1) by inserting before the period at the end of the second sentence the following: “, and if in any fiscal year no ceiling has been established, any difference carried over shall constitute the ceiling for making new loans (including loans to new borrowers) and paying installments for such fiscal year.”; and

(2) in the third sentence by striking “1991,” and inserting “1994.”

Subtitle B—Assistance to Nursing Students**SEC. 711. TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES.**

(a) **TRAINEESHIPS FOR CERTAIN PART-TIME STUDENTS IN ADVANCED NURSING PROGRAMS.**—Section 830 (42 U.S.C. 297) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

“(c)(1) The Secretary may make grants to public and nonprofit private schools of nursing to cover the costs of traineeships for students—

Grants.
Schools and
colleges.

“(A) who are enrolled at least half-time in programs offering a masters degree in nursing; and

“(B) who agree to complete the requirements for degrees from such programs not later than the end of the academic year during which the student is to receive the traineeship.

“(2) In making grants under paragraph (1), the Secretary shall give special consideration to applications for traineeship programs that educate nursing students to serve in and prepare for practice as nurse practitioners, clinical specialists, or nurse midwives.”

(b) **AUTHORIZATION OF APPROPRIATIONS FOR TRAINEESHIP PROGRAMS.**—Section 830 (42 U.S.C. 297) is amended by amending subsection (d) (as redesignated by subsection (a) of this section) to read as follows:

“(d)(1)(A) For the purposes of subsections (a) and (c), there are authorized to be appropriated \$13,000,000 for fiscal year 1989, \$15,000,000 for fiscal year 1990, and \$16,000,000 for fiscal year 1991.

“(B) Of the amounts made available pursuant to subparagraph (A), the Secretary shall make available not less than 25 percent to carry out subsection (c).

“(2) For the purposes of subsection (b), there is authorized to be appropriated \$1,100,000 for each of the fiscal years 1989 through 1991.”

SEC. 712. NURSE ANESTHETISTS.**(a) TRAINEESHIPS AND OTHER PROGRAMS.—**

(1) Section 831(a)(1) (42 U.S.C. 297-1(a)(1)) is amended to read as follows:

Grants.

“(1) The Secretary may make grants to public or private nonprofit institutions to cover the costs of traineeships for licensed registered nurses to become nurse anesthetists and to cover the costs of projects to develop and operate programs for the education of nurse anesthetists. In order to be eligible for such a grant, the program of an institution must be accredited by an entity or entities designated by the Secretary of Education and must meet such requirements as the Secretary shall by regulation prescribe.”.

Regulations.

(2) Section 831(a)(2) (42 U.S.C. 297-1(a)(2)) is amended by amending the second sentence to read as follows: “Payments for traineeships shall be limited to such amounts as the Secretary determines to be necessary to cover the costs of tuition and fees and a stipend and allowances (including travel and subsistence expenses) for trainees.”.

(b) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 831(c) (42 U.S.C. 297-1(c)) is amended to read as follows: “For the purpose of making grants under this section, there is authorized to be appropriated \$1,800,000 for each of the fiscal years 1989 through 1991.”.

SEC. 713. LOAN PROVISIONS.

(a) RULE OF CONSTRUCTION WITH RESPECT TO CERTAIN UNCOLLECTABLE LOANS.—Section 835(c)(1) (42 U.S.C. 297a(c)(1)) is amended by adding at the end the following new sentence: “With respect to the student loan fund established pursuant to such agreements, this subsection may not be construed to require such schools to reimburse such loan fund for loans that became uncollectable prior to 1983.”.

(b) INCREASES WITH RESPECT TO ANNUAL AND AGGREGATE LOAN TOTALS.—Section 836(a) (42 U.S.C. 297b(a)) is amended—

(1) in the first sentence, by inserting before the period the following: “, except that for the final two academic years of the program involved, such total may not exceed \$4,000”; and

(2) in the second sentence, by striking “\$10,000” and inserting “\$13,000”.

(c) PREFERENCE CATEGORY OF EXCEPTIONAL FINANCIAL NEED.—Section 836(a) (42 U.S.C. 297b(a)) is amended in the third sentence by striking “practical nurses and” and inserting “practical nurses, to persons with exceptional financial need, and”.

(d) REDUCTION OF ELIGIBILITY STANDARD OF NEED.—Section 836(b)(1)(C) (42 U.S.C. 297b(b)(1)(C)) is amended to read as follows: “(C) with respect to any student enrolling in the school after June 30, 1986, is of financial need (as defined in regulations issued by the Secretary).”.

(e) DEFERRAL PERIOD FOR HALF-TIME PROFESSIONAL TRAINING.—Section 836(b)(2)(B) (42 U.S.C. 297b(b)(2)(B)) is amended—

(1) by striking “(up to five years)” and inserting “(up to ten years)”; and

(2) by inserting after “full-time” the following: “or half-time”.

(f) REDUCTION IN INTEREST RATE.—Section 836(b)(5) (42 U.S.C. 297b(b)(5)) is amended by striking “6 per centum” and inserting “5 percent”.

(g) **STRIKING OF LOW-INCOME PROVISIONS WITH RESPECT TO LOAN REPAYMENT.**—Section 836(j) (42 U.S.C. 297b(j)) is amended by adding “and” at the end of paragraph (2), by striking paragraph (3), and by redesignating paragraph (4) as paragraph (3).

(h) **USE OF CERTAIN UNEXPENDED FUNDS FOR ALLOTMENTS.**—

(1) Section 838(a)(3) (42 U.S.C. 297d(a)(3)) is amended—

(A) by inserting “(A)” after the paragraph designation; and

(B) by adding at the end the following new subparagraph:

“(B) With respect to funds available pursuant to subparagraph (A), any such funds returned to the Secretary and not allotted by the Secretary, during the period of availability specified in such subparagraph, shall be available to carry out section 843 and, for such purpose, shall remain available until expended.”

(2) Except as provided in Public Law 100-436, the amendment made by paragraph (1) shall take effect as if such amendment had been effective on September 30, 1988, and as if section 843 of the Public Health Service Act, as added by section 715 of this title, had been effective on such date.

(i) **EXTENSION OF DATE CERTAIN FOR CAPITAL DISTRIBUTION.**—Section 839 (42 U.S.C. 297e) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking “1991” and inserting “1994”; and

(B) in paragraph (1), by striking “1991” and inserting “1994”; and

(2) in subsection (b), by striking “1991” each place it appears and inserting “1994”.

SEC. 714. LOAN REPAYMENTS FOR SERVICE IN CERTAIN HEALTH FACILITIES.

(a) **AGREEMENTS FOR LOAN REPAYMENTS.**—Section 836(h)(1)(C) (42 U.S.C. 297b(h)(1)(C)) is amended to read as follows:

“(C) who enters into an agreement with the Secretary to serve as nurse for a period of not less than two years in an Indian Health Service health center, in a Native Hawaiian health center, in a public hospital, in a migrant health center, in a community health center, in a nursing facility, in a rural health clinic, or in a health facility determined by the Secretary to have a critical shortage of nurses;”

(b) **PRIORITIES WITH RESPECT TO AGREEMENTS.**—Section 836(h) (42 U.S.C. 297b(h)) is amended by adding at the end the following new paragraph:

“(5) In entering into agreements under paragraph (1), the Secretary shall give priority—

“(A) to applicants with the greatest financial need; and

“(B) to applicants that, with respect to health facilities described in such paragraph, agree to serve in such health facilities located in geographic areas with a shortage of and need for nurses, as determined by the Secretary.”

(c) **DEFINITIONS.**—Section 836(h) (42 U.S.C. 297b(h)), as amended by subsection (b) of this section, is further amended by adding at the end the following new paragraph:

“(6) For purposes of this subsection:

“(A) The term ‘community health center’ has the meaning given such term in section 330(a).

Effective date.
42 USC 297d
note.

“(B) The term ‘migrant health center’ has the meaning given such term in section 329(a)(1).

“(C) The term ‘nursing facility’ has the meaning given such term in section 1919(a) of the Social Security Act (as such section is in effect during fiscal year 1991 and subsequent fiscal years), except that for fiscal years 1989 and 1990, such term means an intermediate care facility and a skilled nursing facility, as such terms are defined in subsections (c) and (i), respectively, of section 1905 of the Social Security Act.

“(D) The term ‘rural health clinic’ has the meaning given such term in section 1861(aa)(2) of the Social Security Act.”

(d) AUTHORIZATION OF APPROPRIATIONS FOR LOAN REPAYMENTS.— Subpart II of part B of title VIII (42 U.S.C. 297a et seq.) is amended by inserting after section 837 the following new section:

“AUTHORIZATION OF APPROPRIATIONS FOR LOAN REPAYMENTS FOR
SERVICE IN CERTAIN HEALTH FACILITIES

42 USC 297o-1.

“SEC. 837A. For the purpose of payments under agreements entered into under section 836(h), there is authorized to be appropriated \$5,000,000 for each of the fiscal years 1989 through 1991.”

SEC. 715. NURSING SCHOLARSHIPS.

Part B of title VIII (42 U.S.C. 297 et seq.) is amended by adding at the end the following new subpart:

“Subpart III—Scholarships

“UNDERGRADUATE EDUCATION OF PROFESSIONAL NURSES

Grants.
42 USC 297j.

“SEC. 843. (a) The Secretary may make grants to public and nonprofit private schools accredited for the training of professional nurses for the purpose of providing scholarships to individuals who are enrolled (or accepted for enrollment) as nursing students of such schools and who are in financial need with respect to attending such schools.

“(b) The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that, in providing scholarships pursuant to the grant, the applicant will give preference to individuals from disadvantaged backgrounds (as determined in accordance with criteria prescribed by the Secretary under section 844(a)).

“(c) The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that, in providing scholarships pursuant to the grant, the applicant will provide a scholarship to an individual only if the individual agrees that, upon graduating from the program of nursing education offered by the applicant, the individual will serve as nurse for a period of not less than two years in an Indian Health Service health center, in a Native Hawaiian health center, in a public hospital, in a migrant health center, in a community health center, in a nursing facility, in a rural health clinic, or in a health facility determined by the Secretary to have a critical shortage of nurses.

“(d) The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that a scholarship provided pursuant to such subsection for attendance at a school described in such subsection may not, for any year of such attendance for which the scholarship is made, provide an amount exceeding an amount

equal to the amount of the tuition and any fees for the year involved.

“(e) For purposes of this section:

“(1) The term ‘community health center’ has the meaning given such term in section 330(a).

“(2) The term ‘migrant health center’ has the meaning given such term in section 329(a)(1).

“(3) The term ‘nursing facility’ has the meaning given such term in section 1919(a) of the Social Security Act (as such section is in effect during fiscal year 1991 and subsequent fiscal years), except that for fiscal years 1989 and 1990, such term means an intermediate care facility and a skilled nursing facility, as such terms are defined in subsections (c) and (i), respectively, of section 1905 of the Social Security Act.

“(4) The term ‘rural health clinic’ has the meaning given such term in section 1861(aa)(2) of the Social Security Act.

“(f) For the purpose of making grants under this section, there are authorized to be appropriated \$15,000,000 for fiscal year 1989 and \$30,000,000 for each of the fiscal years 1990 and 1991.”

Appropriation
authorization.

SEC. 716. ESTABLISHMENT OF DEMONSTRATION PROGRAM FOR STUDENT LOANS WITH RESPECT TO SERVICE IN CERTAIN HEALTH CARE FACILITIES IN UNDERSERVED AREAS.

Part B of title VIII (42 U.S.C. 297 et seq.), as amended by section 715 of this title, is further amended by adding at the end the following new subpart:

“Subpart IV—Demonstration Program For Student Loans With Respect to Service in Certain Health Care Facilities in Underserved Areas

“SEC. 847. ESTABLISHMENT OF PROGRAM.

42 USC 297.

“(a) **IN GENERAL.**—The Secretary may, subject to subsections (c) and (d), make loans to individuals to assist the individuals in attending schools of nursing if the individuals enter into contracts with health facilities to engage, in consideration of the agreements made pursuant to subsection (d) (relating to loan repayments), in full-time employment as nurses for a period of time equal to not more than the period of time during which the individuals receive loan assistance under this section.

“(b) **PREFERENCES IN MAKING LOANS.**—In making loans under subsection (a), the Secretary shall give preference to disadvantaged and minority individuals underrepresented in the nursing profession, as determined in accordance with criteria established by the Secretary.

Contracts.
Disadvantaged
persons.
Minorities.

“(c) **CERTAIN REQUIREMENTS WITH RESPECT TO STUDENTS.**—The Secretary may not make a loan under subsection (a) unless—

“(1) the applicant for the loan is enrolled (or accepted for enrollment) as a full-time student in a public or nonprofit school accredited for the training of professional nurses;

“(2) the applicant agrees to expend the loan only for the payment of the costs of tuition, reasonable living expenses, books, fees, and necessary transportation; and

“(3) the applicant agrees that, if the applicant is dismissed from the school for academic reasons, voluntarily terminates academic training as a nurse, or violates the contract entered into pursuant to subsection (a), the applicant will be liable to

the United States in an amount equal to 100 percent of the principal and interest due on the loan.

“(d) **CERTAIN REQUIREMENTS WITH RESPECT TO HEALTH CARE FACILITIES.**—The Secretary may not make a loan under subsection (a) unless, with respect to contracts referred to in such subsection—

“(1) the applicant for the loan has entered into such a contract with a health care facility that is a nonprofit hospital or a long-term care facility certified under title XVIII or XIX of the Social Security Act;

“(2) such health care facility is located in a geographic area that is underserved with respect to the services of nurses, as designated pursuant to subsection (e);

“(3) the contract provides that the health care facility will repay 100 percent of the principal and interest of the loan made to the applicant under subsection (a);

“(4) the contract provides that, in serving as a nurse at the health care facility, the payments made by the facility on behalf of the applicant in repayment of the loan will be in addition to the pay that the applicant would otherwise receive for such service; and

“(5) the contract provides that, in the event the health care facility violates the contract, the facility will be liable to the United States in an amount equal to 100 percent of the principal and interest due on such loan.

Regulations.

“(e) **DESIGNATION OF UNDERSERVED GEOGRAPHIC AREAS.**—For purposes of subsection (d)(2), the Secretary shall through regulation establish criteria for the designation of such areas. The Secretary may, as appropriate, designate geographic areas using criteria in section 330(b)(4).

“(f) **MAXIMUM AMOUNT OF LOAN.**—The Secretary may not provide a loan under subsection (a) in an amount exceeding 100 percent of the costs described in subsection (c)(2).

“(g) **INTEREST.**—Loans awarded under this section shall bear interest on the unpaid balance of the loan at a rate of 5 percent per annum. Such interest shall accrue from the date the individual involved is no longer enrolled in the nursing program.

Regulations.

“(h) **WAIVER OR SUSPENSION OF STUDENT OBLIGATIONS.**—The Secretary shall by regulation provide for the waiver or suspension of any obligation of any individual receiving a loan under subsection (a) whenever compliance by the individual is impossible or would involve extreme hardship to the individual.

“(i) **REQUIREMENT OF APPLICATION.**—The Secretary may not make a loan under subsection (a) unless—

“(1) an application for the loan is submitted to the Secretary;

“(2) with respect to carrying out the purpose for which the loan is to be made, the application provides assurances of compliance satisfactory to the Secretary; and

“(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

“(j) **SET-ASIDE WITH RESPECT TO RURAL AREAS.**—Of the amounts appropriated for a fiscal year pursuant to subsection (l), the Secretary shall make available not less than 35 percent for loans under subsection (a) to individuals who will, pursuant to such loan, serve as nurses in rural areas designated under subsection (e) as geo-

graphic areas that are underserved with respect to the services of nurses.

“(k) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making loans under subsection (a), there is authorized to be appropriated \$5,000,000 for the fiscal years 1989 through 1991.

“(l) SUNSET.—The authority to make loans under subsection (a) terminates September 30, 1991.”

Subtitle C—General Provisions of Title VIII

SEC. 721. NATIONAL ADVISORY COUNCIL ON NURSE TRAINING.

(a) IN GENERAL.—Section 851 (42 U.S.C. 298) is amended—

(1) in the section heading, by striking “NATIONAL ADVISORY COUNCIL ON NURSE TRAINING” and inserting in lieu thereof “ADVISORY COUNCIL ON NURSES EDUCATION”; and

(2) in subsection (a)—

(A) in the first sentence—

(i) by striking “National Advisory Council on Nurse Training” and inserting in lieu thereof “Advisory Council on Nurses Education”; and

(ii) by striking “nineteen” and inserting “twenty-one”; and

(B) in the second sentence, by striking “general public” and inserting the following: “general public, one of the appointed members shall be selected from practicing professional nurses, one of the appointed members shall be selected from among representatives of associate degree schools of nursing.”

(b) CONFORMING AMENDMENTS.—

(1) Section 820 (42 U.S.C. 296k) is amended—

(A) in subsection (e) (as redesignated by section 701(b)(2)), by striking “National Advisory Council on Nurse Training” and inserting “Advisory Council on Nurses Education”; and

(B) in subsection (f) (as so redesignated), in the second sentence, by striking “National Advisory Council on Nurse Training” and inserting “Advisory Council on Nurses Education”.

(2) Section 856(1) (42 U.S.C. 298b-3(1)) is amended by striking “National Advisory Council on Nurse Training” and inserting “Advisory Council on Nurses Education”.

SEC. 722. EVALUATIONS AND REPORTS.

Part C of title VIII (42 U.S.C. 298 et seq.) is amended by adding at the end the following new section:

“EVALUATIONS

“SEC. 859. (a) The Secretary shall, directly or through contracts with public and private entities, provide for evaluations of projects carried out pursuant to this title and for the dissemination of information developed as result of such projects. Such evaluations shall include an evaluation of the effectiveness of such projects in increasing the recruitment and retention of nurses.

“(b)(1) The Secretary shall, not later than January 10, 1989, submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human

42 USC 298b-6.
Contracts.

Resources of the Senate, a report describing the manner in which the Secretary intends to carry out subsection (a).

“(2) The Secretary shall, not later than January 10, 1991, and biannually thereafter, submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report summarizing evaluations carried out pursuant to subsection (a) during the preceding two fiscal years.

“(c) Of the amounts appropriated each fiscal year to carry out this title, the Secretary shall make available one percent to carry out this section.”.

Subtitle D—Waiver of Liability for Certain Sale of Facility Under Program of Construction and Modernization of Medical Facilities

SEC. 731. ESTABLISHMENT OF WAIVER AUTHORITY.

(a) **IN GENERAL.**—If, pursuant to subsection (b) of section 732, the Secretary of Health and Human Services makes a certification of compliance with the conditions described in subsection (a) of such section, section 609 of the Public Health Service Act (42 U.S.C. 291i) shall not, with respect to the transferor and transferee described in subsection (b), apply to the sale on November 26, 1986, of the medical facility—

(1) located in Blanding, in the State of Utah;

(2) known, prior to such date, as San Juan County Nursing Home; and

(3) with respect to which funds were received during the years 1967 through 1970 pursuant to title VI of the Public Health Service Act (42 U.S.C. 291 et seq.).

(b) **DESCRIPTION OF PARTIES TO SALE.**—In the sale described in subsection (a), the transferor is San Juan County, a political subdivision of the State of Utah, and the transferee is Auburn Manor Holding Corporation, a corporation under the laws of the State of California.

SEC. 732. CONDITIONS OF WAIVER.

(a) **IN GENERAL.**—The conditions referred to in section 731(a) are that, not later than the expiration of the 12-month period beginning on the date of the enactment of this Act—

(1)(A) San Juan County establish an irrevocable trust with a res of \$321,057 for the sole purpose of satisfying, with respect to the medical facility described in section 731(a), the obligation of San Juan County under regulations issued under clause (2) of section 603(e) of the Public Health Service Act (42 U.S.C. 291c(e));

(B) except to the extent inconsistent with this title, San Juan establish such trust in accordance with regulations issued under section 609(d)(1)(A) of such Act for trusts established pursuant to such section; and

(C) San Juan County agree—

(i) except to the extent inconsistent with this title, to administer such trust in accordance with regulations issued under such section 609(d)(1)(A) of such Act; and

Utah.

(ii) with respect to the obligation described in subparagraph (A)—

(I) to carry out such obligation at the medical facility known as San Juan County Hospital and located in Monticello, in the State of Utah;

(II) to ensure that uncompensated services provided at any location other than such medical facility will not be reimbursed from the trust established pursuant to subparagraph (A); and

(III) not to seek contribution from Auburn Corporation toward the satisfaction of such obligation; and

(2) Auburn Corporation agree—

(A) to satisfy, with respect to the medical facility described in section 731(a), the obligation of San Juan County under regulations issued under clause (1) of section 603(e) of the Public Health Service Act;

(B) to satisfy such obligation at the medical facility described in section 731(a); and

(C) not to seek contribution from San Juan County toward the satisfaction of such obligation.

(b) **DETERMINATION AND CERTIFICATION OF SATISFACTION OF CONDITIONS.**—The Secretary shall make a determination of whether the conditions described in subsection (a) are satisfied by San Juan County and Auburn Corporation within the period described in such subsection. If the Secretary makes a determination that the conditions have been satisfied, the Secretary shall certify to the Congress the fact of such determination.

SEC. 733. MONITORING OF COMPLIANCE WITH AGREEMENTS AND EFFECT OF FAILURE TO COMPLY.

(a) **MONITORING.**—The Secretary shall determine the extent to which San Juan County and Auburn Corporation are carrying out their respective duties under the agreements made pursuant to the conditions described in section 732(a).

(b) **FAILURE TO COMPLY.**—

(1) If the conditions described in section 732(a) are not satisfied by San Juan County and Auburn Corporation within the period described in such section, the Secretary shall ensure that proceedings under section 609 of the Public Health Service Act (42 U.S.C. 291i) with respect to the sale described in section 731(a) are commenced or continued against San Juan County or Auburn Corporation, or both, as determined by the Secretary.

(2) If San Juan County or Auburn Corporation fails to carry out its duties under the agreements made pursuant to the conditions described in section 732(a), the Secretary shall ensure that proceedings described in paragraph (1) are commenced or continued against San Juan County or Auburn Corporation, respectively.

SEC. 734. DEFINITIONS.

For purposes of this subtitle:

(1) The term “Auburn Corporation” means Auburn Manor Holding Corporation, a corporation under the laws of the State of California.

(2) The term “San Juan County” means San Juan County, a political subdivision of the State of Utah.

(3) The term "Secretary" means the Secretary of Health and Human Services.

TITLE VIII—REVISION AND EXTENSION OF PROGRAMS OF HEALTH CARE FOR THE HOMELESS

Subtitle A—Categorical Grants for Primary Health Services and Substance Abuse Services

SEC. 801. INCREASE IN REQUIRED AMOUNT OF MATCHING FUNDS AND MODIFICATION IN ELIGIBILITY FOR WAIVER WITH RESPECT TO MATCHING FUNDS.

(a) **INCREASE IN REQUIRED AMOUNT.**—Section 340(e)(1)(A) of the Public Health Service Act (42 U.S.C. 256(e)(1)(A)) is amended—

(1) in clause (i), by striking "under the grant; and" and inserting the following: "for the first fiscal year of payments under the grant and 66 2/3 percent of the costs of providing such services for any subsequent fiscal year of payments under the grant; and"; and

(2) in clause (ii), by striking "Federal funds" and all that follows and inserting the following: "Federal funds provided for the first fiscal year of payments under the grant and not less than \$1 (in cash or in kind under such subparagraph) for each \$2 of Federal funds provided for any subsequent fiscal year of payments under the grant.".

42 USC 256 note.

(b) **EFFECTIVE DATE FOR INCREASE.**—The amendments made by subsection (a) shall take effect October 1, 1989.

(c) **MODIFICATION IN ELIGIBILITY FOR WAIVER.**—Section 340(e)(2) of the Public Health Service Act (42 U.S.C. 256(e)(2)) is amended to read as follows:

"(2) The Secretary may waive the requirement established in paragraph (1)(A) if the applicant involved is a nonprofit private entity and the Secretary determines that it is not feasible for the applicant to comply with such requirement."

SEC. 802. ESTABLISHMENT OF AUTHORITY FOR TEMPORARY CONTINUED PROVISION OF SERVICES TO CERTAIN FORMER HOMELESS INDIVIDUALS.

(a) **IN GENERAL.**—Section 340 of the Public Health Service Act (42 U.S.C. 256) is amended—

(1) by redesignating subsections (h) through (q) as subsections (i) through (r), respectively; and

(2) by adding after subsection (g) the following new subsection:

"(h) **TEMPORARY CONTINUED PROVISION OF SERVICES TO CERTAIN FORMER HOMELESS INDIVIDUALS.**—If any grantee under subsection (a) has provided services described in subsection (f) or (g) to a homeless individual, any such grantee may, notwithstanding that the individual is no longer homeless as a result of becoming a resident in permanent housing, expend the grant to continue to provide such services to the individual for not more than 12 months."

(b) **CONFORMING AMENDMENTS.**—

(1) Section 340(d)(1) of the Public Health Service Act (42 U.S.C. 256(d)(1)) is amended—

(A) in subparagraph (C), by striking “(h)” and inserting “(i)”;

(B) in subparagraph (D), by striking “(i)” and inserting “(j)”;

(C) in subparagraph (E), by striking “(j)” and inserting “(k)”; and

(D) in subparagraph (F), by striking “(k)” and inserting “(l)”.

(2) Section 332(a)(3) of the Public Health Service Act (42 U.S.C. 254e(a)(3)) is amended by striking “340(q)(2)” and inserting “340(r)”.

(3) Section 536(1) of the Public Health Service Act (42 U.S.C. 290cc-36(1)) is amended by striking “340(q)(2)” and inserting “340(r)”.

SEC. 803. CLARIFICATION WITH RESPECT TO CERTAIN PROVISIONS.

(a) **DEFINITION OF HOMELESS INDIVIDUAL.**—Section 340(r)(2) of the Public Health Service Act (as redesignated in section 802(a)(1) of this title) is amended by striking “living accommodations.” and inserting “living accommodations and an individual who is a resident in transitional housing.”

42 USC 256.

(b) **PROVISION OF TECHNICAL ASSISTANCE.**—Section 340(o)(2) of the Public Health Service Act (as redesignated in section 802(a)(1) of this title) is amended by striking “(p)(1),” and inserting “(q)(1) for a fiscal year,”.

SEC. 804. AUTHORIZATION OF APPROPRIATIONS.

Section 340(q)(1) of the Public Health Service Act (as redesignated in section 802(a)(1) of this title) is amended by striking “There are authorized” and all that follows and inserting the following: “There are authorized to be appropriated to carry out this section \$61,200,000 for fiscal year 1989, \$63,600,000 for fiscal year 1990, and \$66,200,000 for fiscal year 1991.”

42 USC 256.

Subtitle B—Block Grant for Community Mental Health Services

SEC. 811. AUTHORIZATION OF APPROPRIATIONS AND CONTINGENT CONVERSIONS TO CATEGORICAL PROGRAM.

(a) **IN GENERAL.**—Section 535 of the Public Health Service Act (42 U.S.C. 290cc-35) is amended to read as follows:

“FUNDING

“SEC. 535. (a) **AUTHORIZATION OF APPROPRIATIONS.**—For the purpose of carrying out this part, there are authorized to be appropriated \$35,000,000 for each of the fiscal years 1989 and 1990 and such sums as may be necessary for fiscal year 1991.

“(b) **EFFECT OF INSUFFICIENT APPROPRIATIONS FOR MINIMUM ALLOTMENTS.**—

“(1) If the amounts made available pursuant to subsection (a) are insufficient for providing each State with an allotment under section 521(a) of not less than \$150,000, the Secretary shall, from such amounts as are made available pursuant to

such subsection, make grants to the States for providing to homeless individuals the mental health services described in section 524.

"(2) Paragraph (1) may not be construed to require the Secretary to make a grant under such paragraph to each State."

(b) **FAILURE OF STATE WITH RESPECT TO EXPENDING ALLOTMENT.**—Section 529 of the Public Health Service Act (42 U.S.C. 290cc-29) is amended to read as follows:

"CONVERSION TO STATE CATEGORICAL PROGRAM IN EVENT OF FAILURE OF STATE WITH RESPECT TO EXPENDING ALLOTMENT

Grants.

"SEC. 529. (a) IN GENERAL.—Subject to subsection (c), the Secretary shall, from amounts described in subsection (b), make grants to public and nonprofit private entities for the purpose of providing to homeless individuals the mental health services described in section 524.

"(b) DESCRIPTION OF FUNDS.—The amounts referred to in subsection (a) are any amounts made available in appropriations Acts for allotments under section 521(a) that are not allotted under such section to a State as a result of—

"(1) the failure of the State to submit an application under section 522;

"(2) the failure, in the determination of the Secretary, of any State to prepare within a reasonable period of time such application in compliance with such section; or

"(3) the State informing the Secretary that the State does not intend to expend the full amount of the allotment made to the State.

"(c) REQUIREMENT OF PROVISION OF SERVICES IN CERTAIN STATES.—With respect to grants under subsection (a), amounts made available pursuant to subsection (b) as a result of the State involved shall be available only for grants to provide services in such State."

SEC. 812. ELIGIBILITY OF TERRITORIES.

(a) **DEFINITION OF STATE.**—Section 536(3) of the Public Health Service Act (42 U.S.C. 290cc-36(3)) is amended by striking "Columbia," and all that follows and inserting the following: "Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands."

(b) **MINIMUM ALLOTMENT.**—Section 528(a)(1) of the Public Health Service Act (42 U.S.C. 290cc-28(a)(1)) is amended to read as follows:

"(1) \$275,000 for each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico and \$50,000 for each of Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands; and"

SEC. 813. TECHNICAL AND CONFORMING AMENDMENTS.

Title V of the Public Health Service Act (42 U.S.C. 290aa et seq.) is amended—

42 USC 290cc-2.

(1) in section 521(a), by amending the first sentence to read as follows: "The Secretary shall for each of the fiscal years 1989 through 1991 make an allotment for each State in an amount determined in accordance with section 528.";

42 USC 290dd.

(2) in section 541(a)(4), by striking "522" and inserting "543";

42 USC 290ee.

(3) in section 545(d), by striking "526" and inserting "547"; and

(4) in section 546(a)(4), by striking "521" and inserting "542". 42 USC 290ee-1.

Subtitle C—Authorization of Appropriations for Community Demonstration Projects

SEC. 821. MENTAL HEALTH SERVICES FOR HOMELESS INDIVIDUALS WITH CHRONIC MENTAL ILLNESS.

The first sentence of section 612(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 290aa-3 note) is amended to read as follows: "For payments pursuant to section 504(f) of the Public Health Service Act, there are authorized to be appropriated \$11,000,000 for fiscal year 1989, \$11,500,000 for fiscal year 1990, and such sums as may be necessary for fiscal year 1991, in addition to any other amounts authorized to be appropriated for such payments for each of such fiscal years."

SEC. 822. ALCOHOL AND DRUG ABUSE TREATMENT OF HOMELESS INDIVIDUALS.

Section 513(b) of the Public Health Service Act (42 U.S.C. 290bb-2(b)) is amended to read as follows:

"(b) There are authorized to be appropriated to carry out section 512(c) \$14,000,000 for fiscal year 1989, \$17,000,000 for fiscal year 1990, and such sums as may be necessary for fiscal year 1991."

Subtitle D—General Provisions

SEC. 831. EFFECTIVE DATES.

42 USC 256 note.

The amendments made by subsection (a) of section 801 shall take effect in accordance with subsection (b) of such section. The amendments otherwise made by this title shall take effect October 1, 1988, or upon the date of the enactment of this Act, whichever occurs later.

TITLE IX—TESTING OF CONVICTED FELONS

Prison Testing
Act of 1988.
AIDS.

SEC. 901. SHORT TITLE.

42 USC 300ee-6
note.

This title may be cited as the "Prison Testing Act of 1988".

SEC. 902. TESTING OF STATE PRISONERS.

42 USC 300ee-6.

(a) **IN GENERAL.**—To be eligible to receive funds under this section, the chief law enforcement officer of each State shall establish a State program to provide for the confidential testing of any individual convicted under State law, of an intravenous drug or sex offense on or after the date of enactment of this title.

State and local
governments.
Drugs and drug
abuse.

(b) **CONFIDENTIALITY.**—

(1) **IN GENERAL.**—Except as otherwise provided, no person receiving identifying information regarding an individual tested pursuant to this section shall disclose or redisclose such information to any person.

(2) **WAIVER.**—The confidentiality of the testing required under subsection (a) shall be waived only so that—

(A) correctional personnel, as considered necessary under laws of the State or policies established by the State department of health, may have access to the information; and

(B) victims of rape may be informed of the result of the test, if the person convicted of the rape tests positive for exposure to the human immunodeficiency virus.

(c) **MEDICAL TREATMENT OF DRUG AND SEX OFFENDERS.**—The chief law enforcement officer of each State receiving funds under this section shall provide education and counseling through existing prison medical facilities to any individual tested for exposure to the human immunodeficiency virus established under subsection (a).

(d) **FUNDING.**—

(1) **IN GENERAL.**—The program established under subsection (a) shall be conducted in part using funds made available under this section.

(2) **REQUIREMENT.**—A State shall not receive funds under this section unless an application for such has been submitted to, and approved by, the Attorney General.

(3) **CONTENTS.**—An application submitted under paragraph (1) shall—

(A) be in such form and be submitted in such manner as the Attorney General may by regulation require; and

(B) contain—

(i) assurances by the chief executive officer of the State will provide, through existing medical facilities in State penal institutions, education and pre- and post-test counseling to any individual tested for exposure to the human immunodeficiency virus under this section;

(ii) a 50 percent cost share under subsection (a) by the State; and

(iii) such other information as the Attorney General may by regulation specify.

(e) **DEFINITIONS.**—As used in this section, the term “intravenous drug or sex offense” means—

(1) an offense that is punishable, under a State law relating to intravenous use of a controlled substance (other than a law relating to simple possession of a controlled substance), by imprisonment for a term exceeding one year;

(2) a State offense of the same type described under chapter 99 of title 18, United States Code, relating to rape; or

(3) a State criminal offense involving prostitution.

(f) **REGULATIONS.**—The Attorney General shall promulgate regulations to carry out this section, including regulations that determine the amount of funds that each State is entitled to receive under this section.

(g) **AUTHORIZATION OF APPROPRIATIONS.**—To carry out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1988 through 1990.

42 USC 300ee-6
note.

SEC. 903. STUDY BY ATTORNEY GENERAL.

Not later than 1 year after the date of enactment of this title, the Attorney General of the United States shall complete a study and submit a report to the appropriate Committees of Congress concerning the appropriateness or inappropriateness of mandated prison sentences for any individual convicted of an intravenous drug or sex

offense who thereafter knowingly places others at risk of becoming infected with the human immunodeficiency virus.

SEC. 904. EFFECTIVE DATE.

42 USC 300ee-6
note.

This title shall become effective 180 days after the date of enactment of this Act.

Approved November 4, 1988.

LEGISLATIVE HISTORY—S. 2889:

CONGRESSIONAL RECORD, Vol. 134 (1988):

Oct. 13, considered and passed Senate and House.