In the Senate of the United States,

July 22, 2002.

Resolved, That the bill from the House of Representatives (H.R. 3487) entitled "An Act to amend the Public Service Act with respect to health professions programs regarding the field of nursing.", do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 SECTION 1. SHORT TITLE.

- 2 This Act may be cited as the "Nurse Reinvestment
- 3 *Act*".

1 SEC. 2. TABLE OF CONTENTS.

2 The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

$TITLE\ I$ — $NURSE\ RECRUITMENT$

Sec. 101. Definitions.

Sec. 102. Public service announcements regarding the nursing profession.

Sec. 103. National Nurse Service Corps.

TITLE II—NURSE RETENTION

Sec. 201. Building career ladders and retaining quality nurses.

Sec. 202. Comprehensive geriatric education.

Sec. 203. Nurse faculty loan program.

Sec. 204. Reports by General Accounting Office.

3 TITLE I—NURSE RECRUITMENT

- 4 SEC. 101. DEFINITIONS.
- 5 Section 801 of the Public Health Service Act (42
- 6 U.S.C. 296) is amended by adding at the end the following:
- 7 "(9) Ambulatory surgical center.—The
- 8 term 'ambulatory surgical center' has the meaning
- 9 applicable to such term under title XVIII of the So-
- 10 cial Security Act.
- 11 "(10) Federally qualified health cen-
- 12 TER.—The term 'Federally qualified health center'
- has the meaning given such term under section
- 1861(aa)(4) of the Social Security Act.
- 15 "(11) Health care facility.—The term
- 16 health care facility' means an Indian Health Service
- 17 health center, a Native Hawaiian health center, a hos-
- 18 pital, a Federally qualified health center, a rural
- 19 health clinic, a nursing home, a home health agency,

1	a hospice program, a public health clinic, a State or
2	local department of public health, a skilled nursing
3	facility, an ambulatory surgical center, or any other
4	facility designated by the Secretary.
5	"(12) Home Health agency.—The term 'home
6	health agency' has the meaning given such term in
7	section 1861(o) of the Social Security Act.
8	"(13) Hospice program.—The term hospice
9	program' has the meaning given such term in section
10	1861(dd)(2) of the Social Security Act.
11	"(14) Rural health clinic.—The term 'rural
12	health clinic' has the meaning given such term in sec-
13	tion 1861(aa)(2) of the Social Security Act.
14	"(15) Skilled nursing facility.—The term
15	'skilled nursing facility' has the meaning given such
16	term in section 1819(a) of the Social Security Act.".
17	SEC. 102. PUBLIC SERVICE ANNOUNCEMENTS REGARDING
18	THE NURSING PROFESSION.
19	Title VIII of the Public Health Service Act (42 U.S.C.
20	296 et seq.) is amended by adding at the end the following:
21	"PART H—PUBLIC SERVICE ANNOUNCEMENTS
22	"SEC. 851. PUBLIC SERVICE ANNOUNCEMENTS.
23	"(a) In General.—The Secretary shall develop and
24	issue public service announcements that advertise and pro-
25	mote the nursing profession, highlight the advantages and

- 1 rewards of nursing, and encourage individuals to enter the
- 2 nursing profession.
- 3 "(b) Method.—The public service announcements de-
- 4 scribed in subsection (a) shall be broadcast through appro-
- 5 priate media outlets, including television or radio, in a
- 6 manner intended to reach as wide and diverse an audience
- 7 as possible.
- 8 "(c) Authorization of Appropriations.—There are
- 9 authorized to be appropriated to carry out this section such
- 10 sums as may be necessary for each of fiscal years 2003
- 11 through 2007.
- 12 "SEC. 852. STATE AND LOCAL PUBLIC SERVICE ANNOUNCE-
- 13 *MENTS*.
- 14 "(a) In General.—The Secretary may award grants
- 15 to eligible entities to support State and local advertising
- 16 campaigns through appropriate media outlets to promote
- 17 the nursing profession, highlight the advantages and re-
- 18 wards of nursing, and encourage individuals from dis-
- 19 advantaged backgrounds to enter the nursing profession.
- 20 "(b) Use of Funds.—An eligible entity that receives
- 21 a grant under subsection (a) shall use funds received
- 22 through such grant to acquire local television and radio
- 23 time, place advertisements in local newspapers, or post in-
- 24 formation on billboards or on the Internet in a manner in-

tended to reach as wide and diverse an audience as possible, in order to— 3 "(1) advertise and promote the nursing profes-4 sion; "(2) promote nursing education programs; 5 "(3) inform the public of financial assistance re-6 7 garding such education programs; 8 "(4) highlight individuals in the community who 9 are practicing nursing in order to recruit new nurses; 10 or11 "(5) provide any other information to recruit in-12 dividuals for the nursing profession. 13 "(c) Limitation.—An eligible entity that receives a grant under subsection (a) shall not use funds received 14 through such grant to advertise particular employment op-16 portunities. 17 "(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section 18 such sums as may be necessary for each of fiscal years 2003 20 through 2007.". 21 SEC. 103. NATIONAL NURSE SERVICE CORPS. 22 (a) Loan Repayment Program.—Section 846(a) of the Public Health Service Act (42 U.S.C. 297n(a)) is 24 amended—

1	(1) in paragraph (3), by striking "in an Indian
2	Health Service health center" and all that follows to
3	the semicolon and inserting "at a health care facility
4	with a critical shortage of nurses"; and
5	(2) by adding at the end the following: "After
6	fiscal year 2007, the Secretary may not, pursuant to
7	any agreement entered into under this subsection, as-
8	sign a nurse to any private entity unless that entity
9	is nonprofit.".
10	(b) Establishment of Scholarship Program.—
11	Section 846 of the Public Health Service Act (42 U.S.C.
12	297n) is amended—
13	(1) in the heading for the section, by striking
14	"LOAN REPAYMENT PROGRAM" and inserting "LOAN
15	REPAYMENT AND SCHOLARSHIP PROGRAMS";
16	(2) by redesignating subsections (d), (f), (g), and
17	(h) as subsections (f), (h), (i), and (g), respectively;
18	(3) by transferring subsections (f) and (g) (as so
19	redesignated) from their current placements, by in-
20	serting subsection (f) after subsection (e), and by in-
21	serting subsection (g) after subsection (f) (as so in-
22	serted); and
23	(4) by inserting after subsection (c) the following
24	subsection:
25	"(d) Scholarship Program.—

"(1) In General.—The Secretary shall (for fis-cal years 2003 and 2004) and may (for fiscal years thereafter) carry out a program of entering into con-tracts with eligible individuals under which such in-dividuals agree to serve as nurses for a period of not less than 2 years at a health care facility with a crit-ical shortage of nurses, in consideration of the Federal Government agreeing to provide to the individuals scholarships for attendance at schools of nursing.

"(2) Eligible individual' means an individual who is enrolled or accepted for enrollment as a full-time or part-time student in a school of nursing.

"(3) Service requirement.—

"(A) In General.—The Secretary may not enter into a contract with an eligible individual under this subsection unless the individual agrees to serve as a nurse at a health care facility with a critical shortage of nurses for a period of full-time service of not less than 2 years, or for a period of part-time service in accordance with subparagraph (B).

"(B) Part-time service.—An individual may complete the period of service described in

1	subparagraph (A) on a part-time basis if the in-
2	dividual has a written agreement that—
3	"(i) is entered into by the facility and
4	the individual and is approved by the Sec-
5	retary; and
6	"(ii) provides that the period of obli-
7	gated service will be extended so that the ag-
8	gregate amount of service performed will
9	equal the amount of service that would be
10	performed through a period of full-time
11	service of not less than 2 years.
12	"(4) Applicability of certain provisions.—
13	The provisions of subpart III of part D of title III
14	shall, except as inconsistent with this section, apply
15	to the program established in paragraph (1) in the
16	same manner and to the same extent as such provi-
17	sions apply to the National Health Service Corps
18	Scholarship Program established in such subpart.".
19	(c) Preference.—Section 846(e) of the Public Health
20	Service Act (42 U.S.C. 297n(e)) is amended by striking
21	"under subsection (a)" and all that follows through the pe-
22	riod and inserting "under subsection (a) or (d), the Sec-
23	retary shall give preference to qualified applicants with the
24	greatest financial need.".

1	(d) Reports.—Subsection (h) of section 846 of the
2	Public Health Service Act (42 U.S.C. 297n) (as redesig-
3	nated by subsection (b)(2)) is amended to read as follows:
4	"(h) Reports.—Not later than 18 months after the
5	date of enactment of the Nurse Reinvestment Act, and annu-
6	ally thereafter, the Secretary shall prepare and submit to
7	the Congress a report describing the programs carried out
8	under this section, including statements regarding—
9	"(1) the number of enrollees, scholarships, loan
10	repayments, and grant recipients;
11	"(2) the number of graduates;
12	"(3) the amount of scholarship payments and
13	loan repayments made;
14	"(4) which educational institution the recipients
15	attended;
16	"(5) the number and placement location of the
17	scholarship and loan repayment recipients at health
18	care facilities with a critical shortage of nurses;
19	"(6) the default rate and actions required;
20	"(7) the amount of outstanding default funds of
21	both the scholarship and loan repayment programs;
22	"(8) to the extent that it can be determined, the
23	reason for the default;

1	"(9) the demographics of the individuals partici-
2	pating in the scholarship and loan repayment pro-
3	grams;
4	"(10) justification for the allocation of funds be-
5	tween the scholarship and loan repayment programs;
6	and
7	"(11) an evaluation of the overall costs and bene-
8	fits of the programs.".
9	(e) Funding.—Subsection (i) of section 846 of the
10	Public Health Service Act (42 U.S.C. 297n) (as redesig-
11	nated by subsection (b)(2)) is amended to read as follows:
12	"(i) Funding.—
13	"(1) Authorization of Appropriations.—For
14	the purpose of payments under agreements entered
15	into under subsection (a) or (d), there are authorized
16	to be appropriated such sums as may be necessary for
17	each of fiscal years 2003 through 2007.
18	"(2) Allocations.—Of the amounts appro-
19	priated under paragraph (1), the Secretary may, as
20	determined appropriate by the Secretary, allocate
21	amounts between the program under subsection (a)
22	and the program under subsection (d).".

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TITLE II—NURSE RETENTION

SEC. 201. BUILDING CAREER LADDERS AND RETAINING 3 **QUALITY NURSES.** Section 831 of the Public Health Service Act (42 4 U.S.C. 296p) is amended to read as follows: 5 "SEC. 831. NURSE EDUCATION, PRACTICE, AND RETENTION 7 GRANTS. 8 "(a) Education Priority Areas.—The Secretary may award grants to or enter into contracts with eligible 10 entities for— 11 "(1) expanding the enrollment in baccalaureate 12 nursing programs; 13 "(2) developing and implementing internship 14 and residency programs to encourage mentoring and 15 the development of specialties; or 16 "(3) providing education in new technologies, in-17 cluding distance learning methodologies. 18 "(b) Practice Priority Areas.—The Secretary may award grants to or enter into contracts with eligible entities 20 *for*— 21 "(1) establishing or expanding nursing practice 22 arrangements in noninstitutional settings to dem-23 onstrate methods to improve access to primary health 24 care in medically underserved communities;

1	"(2) providing care for underserved populations
2	and other high-risk groups such as the elderly, indi-
3	viduals with HIV-AIDS, substance abusers, the home-
4	less, and victims of domestic violence;
5	"(3) providing managed care, quality improve-
6	ment, and other skills needed to practice in existing
7	and emerging organized health care systems; or
8	"(4) developing cultural competencies among
9	nurses.
10	"(c) Retention Priority Areas.—The Secretary
11	may award grants to and enter into contracts with eligible
12	entities to enhance the nursing workforce by initiating and
13	maintaining nurse retention programs pursuant to para-
14	graph (1) or (2).
15	"(1) Grants for career ladder pro-
16	GRAMS.—The Secretary may award grants to and
17	enter into contracts with eligible entities for
18	programs—
19	"(A) to promote career advancement for
20	nursing personnel in a variety of training set-
21	tings, cross training or specialty training among
22	diverse population groups, and the advancement
23	of individuals including to become professional
24	nurses, advanced education nurses, licensed prac-

1	tical nurses, certified nurse assistants, and home
2	health aides; and
3	"(B) to assist individuals in obtaining edu-
4	cation and training required to enter the nurs-
5	ing profession and advance within such profes-
6	sion, such as by providing career counseling and
7	mentoring.
8	"(2) Enhancing patient care delivery sys-
9	TEMS.—
10	"(A) Grants.—The Secretary may award
11	grants to eligible entities to improve the reten-
12	tion of nurses and enhance patient care that is
13	directly related to nursing activities by enhanc-
14	ing collaboration and communication among
15	nurses and other health care professionals, and
16	by promoting nurse involvement in the organiza-
17	tional and clinical decisionmaking processes of a
18	health care facility.
19	"(B) Preference.—In making awards of
20	grants under this paragraph, the Secretary shall
21	give a preference to applicants that have not pre-
22	viously received an award under this paragraph.
23	"(C) Continuation of an award.—The
24	Secretary shall make continuation of any award
25	under this paragraph beyond the second year of

- 1 such award contingent on the recipient of such
- 2 award having demonstrated to the Secretary
- 3 measurable and substantive improvement in
- 4 nurse retention or patient care.
- 5 "(d) Other Priority Areas.—The Secretary may
- 6 award grants to or enter into contracts with eligible entities
- 7 to address other areas that are of high priority to nurse
- 8 education, practice, and retention, as determined by the
- 9 Secretary.
- 10 "(e) Preference.—For purposes of any amount of
- 11 funds appropriated to carry out this section for fiscal year
- 12 2003, 2004, or 2005 that is in excess of the amount of funds
- 13 appropriated to carry out this section for fiscal year 2002,
- 14 the Secretary shall give preference to awarding grants or
- 15 entering into contracts under subsections (a)(2) and (c).
- 16 "(f) Report.—The Secretary shall submit to the Con-
- 17 gress before the end of each fiscal year a report on the grants
- 18 awarded and the contracts entered into under this section.
- 19 Each such report shall identify the overall number of such
- 20 grants and contracts and provide an explanation of why
- 21 each such grant or contract will meet the priority need of
- 22 the nursing workforce.
- 23 "(g) Eligible Entity.—For purposes of this section,
- 24 the term 'eligible entity' includes a school of nursing, a

- 1 health care facility, or a partnership of such a school and
- 2 facility.
- 3 "(h) AUTHORIZATION OF APPROPRIATIONS.—There
- 4 are authorized to be appropriated to carry out this section
- 5 such sums as may be necessary for each of fiscal years 2003
- 6 through 2007.".

7 SEC. 202. COMPREHENSIVE GERIATRIC EDUCATION.

- 8 (a) Comprehensive Geriatric Education.—Title
- 9 VIII of the Public Health Service Act (42 U.S.C. 296 et
- 10 seq.) (as amended by section 102) is amended by adding
- 11 at the end the following:
- 12 "PART I—COMPREHENSIVE GERIATRIC
- 13 EDUCATION
- 14 "SEC. 855. COMPREHENSIVE GERIATRIC EDUCATION.
- 15 "(a) Program Authorized.—The Secretary shall
- 16 award grants to eligible entities to develop and implement,
- 17 in coordination with programs under section 753, programs
- 18 and initiatives to train and educate individuals in pro-
- 19 viding geriatric care for the elderly.
- 20 "(b) Use of Funds.—An eligible entity that receives
- 21 a grant under subsection (a) shall use funds under such
- 22 grant to—
- 23 "(1) provide training to individuals who will
- 24 provide geriatric care for the elderly;

- 1 "(2) develop and disseminate curricula relating 2 to the treatment of the health problems of elderly indi-3 viduals;
- 4 "(3) train faculty members in geriatrics; or
- 5 "(4) provide continuing education to individuals 6 who provide geriatric care.
- 7 "(c) APPLICATION.—An eligible entity desiring a
- 8 grant under subsection (a) shall submit an application to
- 9 the Secretary at such time, in such manner, and containing
- 10 such information as the Secretary may reasonably require.
- 11 "(d) Eligible Entity.—For purposes of this section,
- 12 the term 'eligible entity' includes a school of nursing, a
- 13 health care facility, a program leading to certification as
- 14 a certified nurse assistant, a partnership of such a school
- 15 and facility, or a partnership of such a program and facil-
- 16 ity.
- 17 "(e) Authorization of Appropriations.—There are
- 18 authorized to be appropriated to carry out this section such
- 19 sums as may be necessary for each of fiscal years 2003
- 20 through 2007.".
- 21 (b) TECHNICAL AMENDMENT.—Section 753(a)(1) of
- 22 the Public Health Service Act (42 U.S.C. 294c) is amended
- 23 by striking ", and section 853(2)," and inserting ", and
- 24 section 801(2),".

17 SEC. 203. NURSE FACULTY LOAN PROGRAM. 2 Part E of title VIII of the Public Health Service Act 3 (42 U.S.C. 297a et seq.) is amended by inserting after section 846 the following: 4 5 "NURSE FACULTY LOAN PROGRAM 6 "Sec. 846A. (a) Establishment.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, may enter into an agreement with any school of nursing for the establishment and operation of a student loan fund in accordance with this section, to increase the number of qualified nursing faculty. 11 "(b) AGREEMENTS.—Each agreement entered into 12 under subsection (a) shall— "(1) provide for the establishment of a student 14 15 loan fund by the school involved; 16 "(2) provide for deposit in the fund of— "(A) the Federal capital contributions to the 17 18 fund; 19 "(B) an amount equal to not less than one-

23	loans made from the fund; and
24	"(D) any other earnings of the fund;
25	"(3) provide that the fund will be used only for
26	loans to students of the school in accordance with sub-

tributed by such school;

ninth of such Federal capital contributions, con-

"(C) collections of principal and interest on

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1	section (c) and for costs of collection of such loans and
2	interest thereon;
3	"(4) provide that loans may be made from such
4	fund only to students pursuing a full-time course of
5	study or, at the discretion of the Secretary, a part-
6	time course of study in an advanced degree program
7	described in section 811(b); and
8	"(5) contain such other provisions as are nec-
9	essary to protect the financial interests of the United
10	States.
11	"(c) Loan Provisions.—Loans from any student loan
12	fund established by a school pursuant to an agreement
13	under subsection (a) shall be made to an individual on such
14	terms and conditions as the school may determine, except
15	that—
16	"(1) such terms and conditions are subject to
17	any conditions, limitations, and requirements pre-
18	scribed by the Secretary;
19	"(2) in the case of any individual, the total of
20	the loans for any academic year made by schools of
21	nursing from loan funds established pursuant to
22	agreements under subsection (a) may not exceed
23	\$30,000, plus any amount determined by the Sec-
24	retary on an annual basis to reflect inflation;

1	"(3) an amount up to 85 percent of any such
2	loan (plus interest thereon) shall be canceled by the
3	school as follows:
4	"(A) upon completion by the individual of
5	each of the first, second, and third year of full-
6	time employment, required by the loan agree-
7	ment entered into under this subsection, as a fac-
8	ulty member in a school of nursing, the school
9	shall cancel 20 percent of the principle of, and
10	the interest on, the amount of such loan unpaid
11	on the first day of such employment; and
12	"(B) upon completion by the individual of
13	the fourth year of full-time employment, required
14	by the loan agreement entered into under this
15	subsection, as a faculty member in a school of
16	nursing, the school shall cancel 25 percent of the
17	principle of, and the interest on, the amount of
18	such loan unpaid on the first day of such em-
19	ployment;
20	"(4) such a loan may be used to pay the cost of
21	tuition, fees, books, laboratory expenses, and other
22	reasonable education expenses;
23	"(5) such a loan shall be repayable in equal or
24	graduated periodic installments (with the right of the
25	borrower to accelerate repayment) over the 10-year

1 period that begins 9 months after the individual 2 ceases to pursue a course of study at a school of nurs-3 ing; and 4 "(6) such a loan shall— "(A) beginning on the date that is 3 months 5 6 after the individual ceases to pursue a course of 7 study at a school of nursing, bear interest on the 8 unpaid balance of the loan at the rate of 3 per-9 cent per annum; or 10 "(B) subject to subsection (e), if the school 11 of nursing determines that the individual will 12 not complete such course of study or serve as a 13 faculty member as required under the loan agree-14 ment under this subsection, bear interest on the 15 unpaid balance of the loan at the prevailing 16 market rate. 17 "(d) Payment of Proportionate Share.—Where all or any part of a loan, or interest, is canceled under 18 this section, the Secretary shall pay to the school an amount 19 equal to the school's proportionate share of the canceled por-21 tion, as determined by the Secretary. 22 "(e) Review by Secretary.—At the request of the in-23 dividual involved, the Secretary may review any determination by a school of nursing under subsection (c)(6)(B).

- 1 "(f) AUTHORIZATION OF APPROPRIATIONS.—There are
- 2 authorized to be appropriated to carry out this section such
- 3 sums as may be necessary for each of fiscal years 2003
- 4 through 2007.".

5 SEC. 204. REPORTS BY GENERAL ACCOUNTING OFFICE.

- 6 (a) National Variations.—Not later than 4 years
- 7 after the date of the enactment of this Act, the Comptroller
- 8 General of the United States shall conduct a survey to deter-
- 9 mine national variations in the nursing shortage at hos-
- 10 pitals, nursing homes, and other health care providers, and
- 11 submit a report, including recommendations, to the Con-
- 12 gress on Federal remedies to ease nursing shortages. The
- 13 Comptroller General shall submit to the Congress this report
- 14 describing the findings relating to ownership status and as-
- 15 sociated remedies.
- 16 (b) Hiring Differences Among Certain Private
- 17 Entities.—The Comptroller General of the United States
- 18 shall conduct a study to determine differences in the hiring
- 19 of nurses by nonprofit private entities as compared to the
- 20 hiring of nurses by private entities that are not nonprofit.
- 21 In carrying out the study, the Comptroller General shall
- 22 determine the effect of the inclusion of private entities that
- 23 are not nonprofit in the program under section 846 of the
- 24 Public Health Service Act. Not later than 4 years after the
- 25 date of the enactment of this Act, the Comptroller General

- 1 shall submit to the Congress a report describing the findings
- 2 of the study.
- 3 (c) Nursing Scholarships.—The Comptroller Gen-
- 4 eral of the United States shall conduct an evaluation of
- 5 whether the program carried out under section 846(d) of
- 6 the Public Health Service Act has demonstrably increased
- 7 the number of applicants to schools of nursing and, not later
- 8 than 4 years after the date of the enactment of this Act,
- 9 submit a report to the Congress on the results of such eval-
- 10 uation.

Attest:

Secretary.

107TH CONGRESS BESSION H.R. 3487

AMENDMENT