

G. Assuming that each one of the estimated 1,500 annual trainees have an increase of \$3,000 per year and each assist 30 other students or subordinates to increase their salary an average of \$2,000, this would have an impact of \$94,500,000 on the gross national product.

10. *Economic classification of program expenditures.* (See table 2.)

Program: Traineeships for Advanced Training of Professional Nurses
Department or agency, and office or bureau: Department of Health, Education, and Welfare; Public Health Service—Bureau of State Services (Community Health).

TABLE 2.—*Economic classification of program expenditures for fiscal year 1965*

[In thousands of dollars]

Federal Government: ¹	
Grants to State and local governments.....	3,930
Transfer payments to individuals and nonprofit organizations.....	3,949
Total Federal expenditures.....	7,879

¹ Expenditures here refer to obligations.

PARTIAL REIMBURSEMENT TO DIPLOMA SCHOOLS FOR COSTS
ATTRIBUTABLE TO NURSE TRAINING ACT

PART I. DESCRIPTION OF THE PROGRAM

1. *Objectives*

The Nurse Training Act of 1964 authorizes the payment of grants to eligible public and nonprofit private diploma schools of nursing to help defray a portion of the cost of training students whose enrollment in such schools can be reasonably attributed to the provisions of this act.

The purpose of such grants is to prevent further attrition of these schools and to promote their development.

2. *Operation*

This is a federally administered program of direct entitlement for payments to eligible schools. Grants are paid to eligible public and to nonprofit private diploma schools of nursing on a formula basis. Each fiscal year each qualifying school is entitled to an amount equal to the product of \$250 and the sum of (1) the number of students enrolled in the school on a full-time basis, who during that year received a loan of \$100 or more under this legislation, and (2) the number by which the full time enrollment in the school exceeds the average of the enrollment totals during the 3 fiscal years of 1962, 1963, and 1964. The date for counting the federally sponsored students and for determining the school enrollment for each year is February 15. In no case may a school, for any year, receive more than the product of \$100 and the total full time enrollment in the school for that year.

3. *History*

Payments to diploma schools of nursing were included in the Nurse Training Act, Public Law 88-581, as a result of testimony from members of the American Hospital Association and from individual administrators of hospitals that conduct diploma programs in nursing.

The purpose of these moneys is to help relieve the hospital of some of the costs that accrue as a result of the training of students whose enrollment in such schools can be reasonably attributed to the pro-