

(b) In the case of a project for replacement or renovation of existing training facilities, the relative need to prevent curtailment of the school's enrollment or deterioration of the quality of the relative size of any such curtailment and its effect on the geographic distribution of opportunity for training.

(c) The relationship of the application, in a State which has in existence a State planning agency, or which participates in a regional or other interstate planning agency, to the construction or training program which is being developed by such agency with respect to such State.

(d) Grants may be made only for that portion of any health facility which the Surgeon General determines to be attributable to the need of a new school for teaching purposes, or of an existing school for the construction of facilities to expand its training capacity, or for the modernization of facilities to prevent curtailment of enrollment or deterioration of the quality of training.

(e) An applicant for a construction grant under this program must be either a public or nonprofit school of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, public health, or nursing (collegiate and through June 30, 1965, collegiate, associate and diploma beginning in fiscal year 1966) accredited by a recognized body approved by the Commissioner of Education. A new school may be deemed accredited if the Commissioner finds, after consultation with the appropriate accreditation body, that there is reasonable assurance that the school will meet accreditation standards upon completion of the facility. A public or other nonprofit agency may file an application on behalf of an affiliated hospital, if the application is approved by the school of medicine or osteopathy with which the hospital is affiliated.

(f) Grants for new schools, or for new facilities for an existing school providing a major expansion of training capacity may not exceed 66% percent of the necessary cost of construction. Other grants may not exceed 50 percent of such cost, except that grants to schools of public health may cover up to 75 percent of such costs. Any other Federal grants, and the non-Federal matching funds for them, made with respect to the construction is excluded from the cost of construction in determining the amount of the grant under this program.

3. History

The approval on September 24, 1963, of the "Health Professions Educational Assistance Act of 1963," authorized a program of grants for the construction of teaching facilities for the training of physicians, osteopaths, dentists, professional public health personnel, pharmacists, optometrists, podiatrists, and nurses (collegiate—through June 30, 1965 and to include associate and diploma beginning with fiscal year 1966 as expanded by Public Law 88-581).

For some years now, the country has been faced with critical shortages of physicians. This situation has been studied thoroughly over the years and well documented. The number of graduates of the health profession schools of the United States simply has not kept pace with the growing population and the ever-increasing demands for health care. It was recognized that existing schools could not reverse the tide or even maintain existing ratios and that additional facilities for training were needed. There was also an evident need