

by inserting at the end thereof the following new sentence: "Appropriations under this section shall also be available for grants for planning special projects for which grants are authorized under this section as amended by the Health Manpower Act of 1968."

PART C—STUDENT AID

ADVANCED TRAINING

SEC. 221. Section 821(a) of the Public Health Service Act (42 U.S.C. 297) is amended by striking out "and" before "\$12,000,000" and by inserting "and such sums as may be necessary for the next four fiscal years," after "1969,".

STUDENT LOANS

SEC. 222. (a) (1) Clauses (2) and (3) of section 822(b) of the Public Health Service Act (42 U.S.C. 297a) are each amended by inserting ", except as provided in section 829," after "fund" the first time it appears therein.

(2) Section 822(b) (4) of such Act is amended by striking out "1969" and inserting in lieu thereof "1973".

(b) (1) Section 823(a) of such Act (42 U.S.C. 297b) is amended by striking out "\$1,000" and inserting in lieu thereof "\$1,500".

(2) Section 823(b) (2) of such Act is amended by striking "except that" and all that follows down to but not including the semicolon and inserting in lieu thereof "excluding from such 10-year period all (A) periods (up to three years) of (i) active duty performed by the borrower as a member of a uniformed service, (ii) service as a volunteer under the Peace Corps Act, or (iii) service as a full-time volunteer under the Volunteers in Service to America program under the Economic Opportunity Act of 1964, and (B) periods (up to five years) during which the borrower is pursuing a full-time course of study at a collegiate school of nursing leading to a baccalaureate degree in nursing or an equivalent degree, or to a graduate degree in nursing, or is otherwise pursuing advanced professional training in nursing."

(3) Section 823(b) (3) of such Act is amended by inserting before the semicolon at the end thereof the following: ", except that such rate shall be 15 per centum for each complete year of service as such a nurse in a public hospital in any area which is determined, in accordance with regulations of the Secretary, to be an area with substantial population which has a substantial shortage of such nurses at such hospitals, and for the purpose of any cancellation at such higher rate, an amount equal to an additional 50 per centum of the total amount of such loans plus interest may be cancelled".

(c) (1) Section 823 of such Act is further amended by adding at the end thereof the following new subsection:

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

(2) Subsection (b) (2) of section 822 of such Act is further amended by striking out "and (D)" and inserting in lieu thereof "(D) collections pursuant to section 823(f), and (E)".

(d) (1) Section 824 of such Act (42 U.S.C. 297c) is amended by inserting "such sums as may be necessary for each of the next four fiscal years" after "1969," the first time it appears therein, by striking out "1970" and inserting in lieu thereof "1974", and by striking out "1969," the second time it appears therein and inserting in lieu thereof "1973".

(2) The second sentence of such section is amended by inserting before the period at the end thereof ", and (3) for transfers pursuant to section 829".

(e) The first two sentences of section 825 of such Act (42 U.S.C. 297d) are amended to read as follows: "From the sums appropriated pursuant to section