

its scholarship program into its loan program.) This transfer authority will provide a most desirable flexibility to the school in tailoring its financial assistance programs to meet the needs of its individual students and will improve the effectiveness of the utilization of both the scholarship and loan funds.

Section 122(c) (2).—"Students from low-income families who, without such financial assistance could not pursue a course of study at the school for such year." Change to "students of exceptional financial need who need such assistance to pursue a course of study."

This change makes the program comparable in this respect to the higher education scholarship program.

Section 131.—The Secretary would be required, in consultation with the Advisory Council to prepare and submit to the President and Congress before July 1, 1972, a report on the administration of parts B, C, E, and F of title VII of the Public Health Service Act.

TITLE II—NURSE TRAINING

PART A—CONSTRUCTION GRANTS

Under the Nurse Training Act of 1964, Federal grants were authorized to assist in the construction, expansion or renovation of diploma, associate degree, and collegiate schools of nursing.

Section 201.—The program would be extended for 4 years (fiscal year 1970 through fiscal year 1973).

Such sums as may be necessary would be authorized to be appropriated for each of the 4 years.

Section 202.—The period that a Federally assisted project would be required to be used as a school of nursing would be reduced from 20 to 10 years. (Failure to comply entitles the United States to recover present value of the Federal share.)

Section 203.—The Federal share authorized under present law would remain the same. However, a new exception would be added: It would authorize the Secretary to increase the maximum 50 percent Federal share (for construction other than new facilities or major expansion) where he determines that "unusual circumstances" make a larger percentage (in no case to exceed 66⅔ percent) necessary in order to effectuate the purposes of the program.

Section 204.—Adds the Trust Territory of the Pacific Islands to the definition of a State.

Section 205.—Under the present program space in a collegiate school of nursing can be constructed only if the space is attributable to the teaching program leading to a degree in nursing.

Extension of the program of construction grants was recommended by the Program Review Committee provided for under the nurse training program. Approximately 49,000 new places for first-year students will be needed if schools are to prepare the numbers of nurses needed by 1975. Grants for construction of teaching facilities can help to increase the number of first-year places in three ways:

1. Construction funds to replace and renovate obsolete facilities in order to retain current enrollments. Many nursing education programs occupy makeshift buildings such as barracks, dormitories, and basement areas; many are unsafe, poorly ventilated, noisy,