

AUGUST 24, 1974

Office of the White House Press Secretary

NOTICE TO THE PRESS

The President has signed S. 3782 which extends for one year the appropriations authorizations for the National Health Service Corps Scholarship Program and the health professions and nursing student loan programs.

The basic authorizations for various health manpower education programs administered by HEW expired on June 30, 1974. Pending enactment of an omnibus bill, S. 3782 provides a one-year extension of those provisions of the Public Health Service Act relating to (a) loan funds for health professions and nursing schools, and (b) the National Health Service Scholarship Program.

The authorizations in the bill total \$135 million, compared to the \$70.5 million included in the 1975 budget. The bill reflects the congressional intent in the fiscal year 1975 Continuing Resolution (P. L. 93-324) that these existing student aid activities be continued while Congress considers the omnibus legislation. The report of the House Committee on S. 3782 notes that "the proposed legislation is similar to action taken in June and July, 1971, with the enactment of Public Law 92-52 which at that time also provided an emergency one-year extension of loan and scholarship programs, pending the completion of the Health Manpower Act of 1971."

Student Loans. Under the current health manpower law and the Continuing Resolution, HEW can continue to make grants for student loans based upon the number of students who previously received loans. HEW cannot, however, provide funds for loans to new health professions students entering for the coming academic year. The first purpose of S. 3782, therefore, is to authorize grant awards to the schools sufficient to permit making loans to new students. The appropriations authorized by S. 3782 for this purpose in 1975 will be \$95 million, the same amount authorized for 1974. The 1975 budget requests \$48 million for these activities.

National Health Service Corps Scholarship Program. S. 3782 expands the funding authorization for the National Health Service Corps Scholarship Program from \$3 million in 1974 to \$40 million in 1975.

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