

**Subpart P—Loan Guarantees and Interest Subsidies to Assist in Construction of Teaching Facilities for Health Profession Personnel**

AUTHORITY: Sec. 727, Public Health Service Act, 77 Stat. 170, as amended (42 U.S.C. 293g).

SOURCE: 38 FR 31836, Nov. 19, 1973, unless otherwise noted.

**§ 57.1501 Applicability.**

The regulations of this subpart are applicable to loan guarantees and interest subsidy payments made pursuant to section 729 of the Public Health Service Act (42 U.S.C. 293i) to assist nonprofit private entities which are eligible for grants under subpart B of this part in carrying out projects for construction of teaching facilities for health professions personnel.

**§ 57.1502 Definitions.**

As used in this subpart:

(a) All terms not defined herein shall have the same meanings as given them in section 724 of the Act.

(b) *Act* means the Public Health Service Act, as amended.

(c) *Secretary* means the Secretary of Health and Human Services and any other officer or employee of the Department of Health and Human Services to whom the authority involved may be delegated.

(d) *School* means a school of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, veterinary medicine, or public health which provides a course of study or a portion thereof which leads respectively to a degree of doctor of medicine, doctor of dental surgery or an equivalent degree, doctor of osteopathy, doctor of optometry or an equivalent degree, doctor of podiatry or an equivalent degree, bachelor of science in pharmacy or an equivalent degree, doctor of veterinary medicine or an equivalent degree, or a graduate degree in public health, and which is accredited as provided in section 721(b)(1) of the Act.

(e) *Affiliated hospital or affiliated outpatient facility* means a hospital or outpatient facility (as defined in section 645 of the Act) which, although not owned by such school, has a written

agreement with a school of medicine, osteopathy, or dentistry eligible for assistance under subpart B of this part, providing for effective control by the school of the health professions teaching program in the hospital or outpatient facility.

(f) *Nonprofit* as applied to any school, hospital, outpatient facility, or other entity means one which is owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure to the benefit of any private shareholder or individual.

(g) *Council* means the National Advisory Council on Health Professions Education (established pursuant to section 725 of the Act).

**§ 57.1503 Eligibility.**

(a) *Eligible applicants.* In order to be eligible for a loan guarantee or interest subsidy under this subpart, the applicant shall:

(1) Be a nonprofit private school of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, veterinary medicine, or public health, or any combination of such schools, or a nonprofit private affiliated hospital or affiliated outpatient facility: *Provided, however,* That in the case of an affiliated hospital or affiliated outpatient facility, an application which is approved by the school of medicine, osteopathy or dentistry with which the hospital or outpatient facility is affiliated and which otherwise complies with the requirements of subpart B of this part may be filed by any nonprofit private entity qualified to file an application under section 605 of the Act; and

(2) Otherwise meet the applicable requirements set forth in section 721(b) of the Act and § 57.103 with respect to eligibility for grants for construction of teaching facilities for health professions personnel.

(b) *Eligible loans.* Subject to the provisions of this subpart, the Secretary may guarantee payment, when due, of principal and interest on, or may pay interest subsidies with respect to, or may both guarantee and pay interest subsidies with respect to any loan or