

come licensed as a registered nurse in a State, or fails to meet any applicable licensure requirement in the case of any other health-care personnel who provide either direct patient-care services or services incident to direct patient-care services, during a period of time determined under regulations prescribed by the Secretary.

(E) In the case of a participant who is a part-time student, the participant fails to maintain employment, while enrolled in the course of training being pursued by the participant, as a Department employee.

(2) Liability under this subsection is in lieu of any service obligation arising under a participant's agreement.

(c) LIABILITY DURING PERIOD OF OBLIGATED SERVICE.—(1) Except as provided in subsection (d), if a participant in the Program breaches the agreement by failing for any reason to complete such participant's period of obligated service, the United States shall be entitled to recover from the participant an amount determined in accordance with the following formula:

$$A=3\Phi \left( \frac{t-s}{t} \right)$$

(2) In such formula:

(A) "A" is the amount the United States is entitled to recover.

(B) "Φ" is the sum of—

(i) the amounts paid under this subchapter to or on behalf of the participant; and

(ii) the interest on such amounts which would be payable if at the time the amounts were paid they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States.

(C) "t" is the total number of months in the participant's period of obligated service, including any additional period of obligated service in accordance with section 7673(c)(2) of this title.

(D) "s" is the number of months of such period served by the participant in accordance with section 7673 of this title.

(d) LIMITATION ON LIABILITY FOR REDUCTIONS-IN-FORCE.—Liability shall not arise under subsection (b)(1)(E) or (c) in the case of a participant otherwise covered by the subsection concerned if the participant fails to maintain employment as a Department employee due to a staffing adjustment.

(e) PERIOD FOR PAYMENT OF DAMAGES.—Any amount of damages which the United States is entitled to recover under this section shall be paid to the United States within the 1-year period beginning on the date of the breach of the agreement.

(Added Pub. L. 105-368, title VIII, §802(a), Nov. 11, 1998, 112 Stat. 3355.)

**[§ 7676. Repealed. Pub. L. 107-135, title I, § 101(a)(1), Jan. 23, 2002, 115 Stat. 2447]**

Section, added Pub. L. 105-368, title VIII, §802(a), Nov. 11, 1998, 112 Stat. 3356, provided that the Secretary could not furnish scholarships to individuals who had not commenced participation in the Program before Dec. 31, 2001.

**SUBCHAPTER VII—EDUCATION DEBT REDUCTION PROGRAM**

**§ 7681. Authority for program**

(a) IN GENERAL.—(1) As part of the Educational Assistance Program, the Secretary may carry out an education debt reduction program under this subchapter. The program shall be known as the Department of Veterans Affairs Education Debt Reduction Program (hereinafter in this subchapter referred to as the "Education Debt Reduction Program").

(2) The purpose of the Education Debt Reduction Program is to assist in the recruitment and retention of qualified health care professionals for positions in the Veterans Health Administration for which recruitment or retention of an adequate supply of qualified personnel is difficult.

(b) RELATIONSHIP TO EDUCATIONAL ASSISTANCE PROGRAM.—Education debt reduction payments under the Education Debt Reduction Program may be in addition to other assistance available to individuals under the Educational Assistance Program.

(Added Pub. L. 105-368, title VIII, §803(a), Nov. 11, 1998, 112 Stat. 3357; amended Pub. L. 107-14, §8(a)(16), June 5, 2001, 115 Stat. 35; Pub. L. 111-163, title III, §301(a), May 5, 2010, 124 Stat. 1146.)

**AMENDMENTS**

2010—Subsec. (a)(2). Pub. L. 111-163 inserted "and retention" after "assist in the recruitment".

2001—Subsec. (a)(1). Pub. L. 107-14 substituted "hereinafter" for "hereafter".

**LOAN REPAYMENT PROGRAM FOR CLINICAL RESEARCHERS FROM DISADVANTAGED BACKGROUNDS**

Pub. L. 111-163, title VI, §604, May 5, 2010, 124 Stat. 1174, provided that:

"(a) IN GENERAL.—The Secretary of Veterans Affairs may, in consultation with the Secretary of Health and Human Services, use the authorities available in section 487E of the Public Health Service Act (42 U.S.C. 288-5) for the repayment of the principal and interest of educational loans of appropriately qualified health professionals who are from disadvantaged backgrounds in order to secure clinical research by such professionals for the Veterans Health Administration.

"(b) LIMITATIONS.—The exercise by the Secretary of Veterans Affairs of the authorities referred to in subsection (a) shall be subject to the conditions and limitations specified in paragraphs (2) and (3) of section 487E(a) of the Public Health Service Act (42 U.S.C. 288-5(a)(2) and (3)).

"(c) FUNDING.—Amounts for the repayment of principal and interest of educational loans under this section shall be derived from amounts available to the Secretary of Veterans Affairs for the Veterans Health Administration for Medical Services."

**§ 7682. Eligibility**

(a) ELIGIBILITY.—An individual is eligible to participate in the Education Debt Reduction Program if the individual—

(1) is an employee in the Veterans Health Administration serving in a position (as determined by the Secretary) providing direct-patient care services or services incident to direct-patient care services for which recruitment or retention of qualified health-care personnel (as so determined) is difficult; and