

118TH CONGRESS
2D SESSION

H. R. 9581

To amend the Public Health Service Act to establish the Substance Use Disorder Treatment and Behavioral and Mental Health Workforce Scholarship Program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 12, 2024

Ms. SALINAS (for herself, Mr. MOLINARO, Ms. TOKUDA, Mr. TONKO, and Mrs. NAPOLITANO) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Public Health Service Act to establish the Substance Use Disorder Treatment and Behavioral and Mental Health Workforce Scholarship Program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “STAR Plus Scholar-
5 ship Act”.

1 **SEC. 2. SUBSTANCE USE DISORDER TREATMENT AND BE-**
2 **HAVIORAL AND MENTAL HEALTH WORK-**
3 **FORCE SCHOLARSHIP PROGRAM.**

4 (a) IN GENERAL.—Part F of title VII of the Public
5 Health Service Act (42 U.S.C. 295h) is amended by add-
6 ing at the end the following:

7 **“SEC. 782. SUBSTANCE USE DISORDER TREATMENT AND**
8 **BEHAVIORAL AND MENTAL HEALTH WORK-**
9 **FORCE SCHOLARSHIP PROGRAM.**

10 “(a) ESTABLISHMENT.—The Secretary, acting
11 through the Administrator of the Health Resources and
12 Services Administration, (in this section referred to as the
13 ‘Secretary’) shall establish the Substance Use Disorder
14 Treatment and Behavioral and Mental Health Workforce
15 Scholarship Program (in this section referred to as the
16 ‘Scholarship Program’) to award scholarships to assure an
17 adequate supply of individuals in covered employment.

18 “(b) ELIGIBILITY; APPLICATION; WRITTEN CON-
19 TRACT.—To be eligible to participate in the Scholarship
20 Program, an individual must—

21 “(1) be accepted for enrollment, or be enrolled,
22 as a full-time student—

23 “(A) in an accredited (as determined by
24 the Secretary) educational institution in a
25 State; and

1 “(B) in a course of study or program, of-
2 ferred by such institution and approved by the
3 Secretary, leading to covered employment;

4 “(2) submit an application to participate in the
5 Scholarship Program; and

6 “(3) sign and submit to the Secretary, at the
7 time of submittal of such application, a written con-
8 tract (described in subsection (f)) to accept payment
9 of a scholarship and to serve (in accordance with
10 this section) for the applicable period of obligated
11 service in a mental health professional shortage
12 area.

13 “(c) REVIEW AND EVALUATION OF INFORMATION
14 AND FORMS BY PROSPECTIVE APPLICANT.—

15 “(1) CONTENTS OF APPLICATION AND CON-
16 TRACT FORMS.—In disseminating application forms
17 and contract forms to individuals desiring to partici-
18 pate in the Scholarship Program, the Secretary shall
19 include with such forms—

20 “(A) a fair summary of the rights and li-
21 abilities of an individual whose application is
22 approved (and whose contract is accepted) by
23 the Secretary, including in the summary a clear
24 explanation of the damages to which the United
25 States is entitled under subsection (j) in the

1 case of the individual's breach of the contract;
2 and

3 “(B) such other information as may be
4 necessary for the individual to understand the
5 individual's prospective participation in the
6 Scholarship Program, including a statement of
7 all factors considered in approving applications
8 for participation in the Scholarship Program
9 and in approving specific positions and employ-
10 ers that are eligible for the Scholarship Pro-
11 gram.

12 “(2) CLARITY; AVAILABILITY.—The application
13 form, contract form, and all other information fur-
14 nished by the Secretary under this section shall be
15 written in a manner calculated to be understood by
16 the average individual applying to participate in the
17 Scholarship Program. The Secretary shall make
18 such application forms, contract forms, and other in-
19 formation available to individuals desiring to partici-
20 pate in the Scholarship Program on a date suffi-
21 ciently early to ensure that such individuals have
22 adequate time to carefully review and evaluate such
23 forms and information.

24 “(3) EDUCATION AND ASSISTANCE.—

1 “(A) DISTRIBUTION OF INFORMATIONAL
2 MATERIALS.—The Secretary shall distribute to
3 health professions schools materials providing
4 information on the Scholarship Program and
5 shall encourage the schools to disseminate the
6 materials to the students of the schools.

7 “(B) END OF OBLIGATED SERVICE.—

8 “(i) ENCOURAGEMENT TO CONTINUE
9 SERVICE.—In the case of any health pro-
10 fessional whose period of obligated service
11 under the Scholarship Program is nearing
12 completion, the Secretary shall encourage
13 the individual to remain in a mental health
14 professional shortage area and to continue
15 in covered employment.

16 “(ii) ASSISTANCE IN TRANSITION.—
17 During the period in which a health pro-
18 fessional is planning and making the tran-
19 sition from obligated service under the
20 Scholarship Program, the Secretary may
21 provide assistance to the professional re-
22 garding such transition if the professional
23 is remaining in a mental health profes-
24 sional shortage area and is continuing in
25 covered employment.

1 “(d) FACTORS CONSIDERED IN PROVIDING CON-
2 TRACTS; PRIORITIES.—

3 “(1) FACTORS CONSIDERED IN PROVIDING CON-
4 TRACTS.—In providing contracts under the Scholar-
5 ship Program—

6 “(A) the Secretary shall consider the ex-
7 tent of the demonstrated interest of the appli-
8 cants for the contracts in providing substance
9 use disorder treatment and behavioral and men-
10 tal health services; and

11 “(B) may consider such other factors re-
12 garding the applicants as the Secretary deter-
13 mines to be relevant to selecting qualified indi-
14 viduals to participate in such Program.

15 “(2) PRIORITIES.—In providing contracts under
16 the Scholarship Program, the Secretary shall give
17 priority—

18 “(A) to any application for such a contract
19 submitted by an individual who has characteris-
20 tics that increase the probability that the indi-
21 vidual will continue to serve in a mental health
22 professional shortage area after the period of
23 obligated service pursuant to subsection (f) is
24 completed; and

1 “(B) to any application for such a contract
2 submitted by an individual who is from a group
3 or population that is underrepresented in the
4 substance use disorder treatment and behav-
5 ioral and mental health workforce.

6 “(e) COMMENCEMENT OF PARTICIPATION IN SCHOL-
7 ARSHIP PROGRAM; NOTICE.—

8 “(1) COMMENCEMENT OF PARTICIPATION.—An
9 individual becomes a participant in the Scholarship
10 Program only upon the Secretary’s approval of the
11 individual’s application submitted under subsection
12 (b)(2) and the Secretary’s acceptance of the contract
13 submitted by the individual under subsection (b)(3).

14 “(2) NOTICE.—The Secretary shall provide
15 written notice to an individual promptly upon the
16 Secretary’s approving, under paragraph (1), of the
17 individual’s participation in the Scholarship Pro-
18 gram.

19 “(f) WRITTEN CONTRACT; CONTENTS.—The written
20 contract (referred to in this section) between the Secretary
21 and an individual shall contain—

22 “(1) an agreement that—

23 “(A) subject to paragraph (2), the Sec-
24 retary agrees to provide the individual with a
25 scholarship (described in subsection (g)) for a

1 period of one or more school years during which
2 the individual is pursuing a course of study de-
3 scribed in subsection (b)(1)(B); and

4 “(B) subject to paragraph (2), the indi-
5 vidual agrees—

6 “(i) to accept provision of such a
7 scholarship to the individual;

8 “(ii) to maintain enrollment in a
9 course of study described in subsection
10 (b)(1)(B) until the individual completes the
11 course of study;

12 “(iii) while enrolled in such course of
13 study, to maintain an acceptable level of
14 academic standing (as determined under
15 regulations of the Secretary by the edu-
16 cational institution offering such course of
17 study); and

18 “(iv) to serve for a time period (in
19 this section referred to as the ‘period of
20 obligated service’) equal to one year for
21 each school year for which the individual
22 was provided a scholarship under the
23 Scholarship Program, in covered employ-
24 ment in a mental health professional short-
25 age area (designated under section 332);

1 “(2) a provision that any financial obligation of
2 the United States arising out of a contract entered
3 into under this section and any obligation of the in-
4 dividual which is conditioned thereon, is contingent
5 upon funds being appropriated for scholarships
6 under this section;

7 “(3) a statement of the damages to which the
8 United States is entitled, under subsection (j), for
9 the individual’s breach of the contract; and

10 “(4) such other statements of the rights and li-
11 abilities of the Secretary and of the individual, not
12 inconsistent with the provisions of this section.

13 “(g) SCHOLARSHIP PROVISIONS; CONTRACT WITH
14 EDUCATIONAL INSTITUTION; INCREASE IN MONTHLY STI-
15 PEND.—

16 “(1) SCHOLARSHIP PROVISIONS.—A scholarship
17 provided to a student for a school year under a writ-
18 ten contract under the Scholarship Program shall
19 consist of payment to, or (in accordance with para-
20 graph (2)) on behalf of, the student of the amount
21 (except as provided in section 711) of—

22 “(A) the tuition of the student in such
23 school year; and

24 “(B) all other reasonable educational ex-
25 penses, including fees, books, and laboratory ex-

1 penses, incurred by the student in such school
2 year.

3 “(2) CONTRACT WITH EDUCATIONAL INSTITU-
4 TION.—The Secretary may contract with an edu-
5 cational institution, in which a participant in the
6 Scholarship Program is enrolled, for the payment to
7 the educational institution of the amounts of tuition
8 and other reasonable educational expenses described
9 in paragraph (1). Payment to such an educational
10 institution may be made without regard to section
11 3324 of title 31, United States Code.

12 “(h) EMPLOYMENT CEILING OF DEPARTMENT UN-
13 AFFECTED.—Notwithstanding any other provision of law,
14 individuals who have entered into written contracts with
15 the Secretary under this section, while undergoing aca-
16 demic training, shall not be counted against any employ-
17 ment ceiling affecting the Department.

18 “(i) OBLIGATED SERVICE.—Any individual receiving
19 payments under the Scholarship Program as required by
20 an agreement under this section shall agree to an annual
21 commitment to work full-time in covered employment,
22 with no more than 1 year passing between any 2 years
23 of covered employment, in the United States in—

24 “(1) a mental health professional shortage area,
25 as designated under section 332;

1 “(2) a county (or a municipality, if not con-
2 tained within any county) where the mean drug
3 overdose death rate per 100,000 people over the past
4 3 years for which official data is available from the
5 State, is higher than the most recent available na-
6 tional average overdose death rate per 100,000 peo-
7 ple, as reported by the Centers for Disease Control
8 and Prevention; or

9 “(3) any facility, program, center, or clinic as
10 determined appropriate by the Secretary for pur-
11 poses of this section because of a shortage of mental
12 health professionals, including private practices and
13 other medical facilities designated under section
14 332(a) as having such a shortage.

15 “(j) BREACH.—

16 “(1) LIQUIDATED DAMAGES FORMULA.—The
17 Secretary may establish a liquidated damages for-
18 mula to be used in the event of a breach of an
19 agreement entered into under this section.

20 “(2) LIMITATION.—The failure by an individual
21 to complete the full period of service obligated pur-
22 suant to such an agreement, taken alone, shall not
23 constitute a breach of the agreement, so long as the
24 individual completed in good faith the years of serv-

1 ice for which payments were made to the individual
2 under this section.

3 “(k) FUND REGARDING USE OF AMOUNTS RECOV-
4 ERED FOR CONTRACT BREACH TO REPLACE SERVICES
5 LOST AS RESULT OF BREACH.—

6 “(1) ESTABLISHMENT OF FUND.—There is es-
7 tablished in the Treasury of the United States a
8 fund to be known as the Substance Use Disorder
9 Treatment and Behavioral and Mental Health Work-
10 force Scholarship Program Replacement Fund (in
11 this subsection referred to as the ‘Fund’). The Fund
12 shall consist of such amounts as may be appro-
13 priated under paragraph (2) to the Fund. Amounts
14 appropriated for the Fund shall remain available
15 until expended.

16 “(2) AUTHORIZATION OF APPROPRIATIONS TO
17 FUND.—For each fiscal year, there is authorized to
18 be appropriated to the Fund an amount equal to the
19 sum of—

20 “(A) the amount collected during the pre-
21 ceding fiscal year by the Federal Government
22 pursuant to the liability of individuals under
23 subsection (j) for the breach of contracts en-
24 tered into under this section; and

1 “(B) the aggregate of the amount of inter-
2 est accruing during the preceding fiscal year on
3 obligations held in the Fund pursuant to para-
4 graph (4) and the amount of proceeds from the
5 sale or redemption of such obligations during
6 such fiscal year.

7 “(3) USE OF FUND.—

8 “(A) PAYMENTS TO CERTAIN HEALTH FA-
9 CILITIES.—Amounts in the Fund and available
10 pursuant to appropriations Acts may, subject to
11 subparagraph (B), be expended by the Sec-
12 retary to make payments to any entity that has
13 a need for a health professional to provide sub-
14 stance use disorder treatment and behavioral
15 and mental health services as a result of the
16 breach by an individual of a contract entered
17 into under this section.

18 “(B) PURPOSE OF PAYMENTS.—An entity
19 receiving payments pursuant to subparagraph
20 (A) may expend the payments to recruit and
21 employ a health professional to provide sub-
22 stance use disorder treatment and behavioral
23 and mental health services to patients of the
24 entity, or to enter into a contract with such a

1 professional to provide the services to the pa-
2 tients.

3 “(4) INVESTMENT.—

4 “(A) IN GENERAL.—The Secretary of the
5 Treasury shall invest such amounts of the Fund
6 as such Secretary determines are not required
7 to meet current withdrawals from the Fund.
8 Such investments may be made only in interest-
9 bearing obligations of the United States. For
10 such purpose, such obligations may be acquired
11 on original issue at the issue price, or by pur-
12 chase of outstanding obligations at the market
13 price.

14 “(B) SALE OF OBLIGATIONS.—Any obliga-
15 tion acquired by the Fund may be sold by the
16 Secretary of the Treasury at the market price.

17 “(1) COVERED EMPLOYMENT DEFINED.—In this sec-
18 tion, the term ‘covered employment’ means—

19 “(1) full-time employment (including a fellow-
20 ship) where the primary intent and function of the
21 position is the direct treatment or recovery support
22 of patients with or in recovery from a substance use,
23 behavioral health, or mental health disorder; and

24 “(2) may include employment as a physician
25 (with a degree of doctor of medicine or doctor of os-

1 teopathy), a psychiatric nurse, a social worker, a
2 marriage and family therapist, a mental health coun-
3 selor, an addiction counselor, an occupational thera-
4 pist, a psychologist, a psychiatrist, a child and ado-
5 lescent psychiatrist, or a neurologist.

6 “(m) AUTHORIZATION OF APPROPRIATIONS.—There
7 is authorized to be appropriated to carry out this section
8 \$75,000,000 for each of fiscal years 2025 through 2029.”.

9 (b) EXCLUSION OF SCHOLARSHIP FROM GROSS IN-
10 COME OF THE RECIPIENT.—

11 (1) IN GENERAL.—Section 117(c)(2) of the In-
12 ternal Revenue Code of 1986 is amended by striking
13 “or” at the end of subparagraph (B), by striking the
14 period at the end of subparagraph (C) and inserting
15 “, or”, and by adding at the end the following new
16 subparagraph:

17 “(D) section 782 of the Public Health
18 Service Act.”.

19 (2) EFFECTIVE DATE.—The amendments made
20 by this section shall apply to taxable years ending
21 after the date of the enactment of this Act.

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