

**PUBLIC HEALTH CODE (EXCERPT)**  
**Act 368 of 1978**

**333.2707 Grant program for minority students; administration; eligibility; condition for award of grant; priority; determination of appropriate grant; failure to fulfill service obligation or complete training program; repayment; disposition of amounts repaid; service obligation considered fulfilled; source of funds; distribution of funds; definition.**

Sec. 2707. (1) The department shall administer a grant program for minority students enrolled in medical schools, dental schools, nursing programs, or physician's assistant programs. Only minority students who meet the financial resources eligibility standards for federal student loan programs under title IV of the higher education act of 1965, Public Law 89-329, are eligible to receive a grant under this section.

(2) The department may award a grant to a minority student enrolled in a medical school who is training to become a designated physician, to a minority student enrolled in a dental school who is training to become a dentist, or to a minority student enrolled in a nursing program or physician's assistant program. As a condition for the award of the grant, the recipient of the grant shall enter into a written contract with the department that requires the recipient to provide, upon completion of training, full-time health care services in a health resource shortage area to which he or she is assigned by the department for a period equal to the number of years for which a grant is accepted. In awarding grants, the department shall give priority to students who are residents of this state and enrolled in a medical school, dental school, nursing program, or physician's assistant program in this state.

(3) The department shall determine an appropriate grant amount for each academic year for each health care profession.

(4) An individual who incurs a service obligation under subsection (2) and who completes the training program for which the grant was awarded but fails to fulfill the service obligation shall repay to the department an amount equal to 2 times the amount of all grants the individual accepted under this section plus interest. The interest shall be at a rate determined by the state treasurer to reflect the cumulative annual percentage change in the Detroit consumer price index. An individual who incurs a service obligation under subsection (2) and who fails to complete the training program for which the grant was awarded shall repay to the department an amount equal to the actual amount of all grants the individual accepted under this section. Repayment to the department under this subsection shall be made within 3 years after the repayment obligation is incurred. Amounts repaid under this subsection shall be deposited with the state treasurer and credited to the minority health profession grant fund created in section 2721.

(5) An obligated individual shall be considered to have fulfilled the service obligation incurred under subsection (2) if any of the following occur:

- (a) Service has been rendered for the obligated period.
- (b) The obligated individual dies.
- (c) The obligated individual is unable, by reason of permanent disability, to render the service.
- (d) The obligated individual fails to satisfy the academic requirements for completion of the training program in which he or she is enrolled after having made a good faith effort.
- (e) The obligated individual fails to satisfy the requirements for licensure, certification, or other form of authorization to practice the profession for which he or she has been trained.
- (f) Other circumstances occur that are considered by the department to constitute a compelling reason to consider the service obligation fulfilled.

(6) The department may accept funds for the operation of the grant program from any source and distribute those funds in a manner consistent with this section.

(7) As used in this section, "Detroit consumer price index" means the most comprehensive index of consumer prices available for the Detroit area from the bureau of labor statistics of the United States department of labor.

**History:** Add. 1990, Act 16, Eff. Oct. 1, 1990;—Am. 2014, Act 173, Imd. Eff. June 17, 2014.

**Popular name:** Act 368