





(b) Any amount so allotted to a State (other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands) and remaining unobligated at the end of such year shall remain available to such State, for the purposes for which made, for the next fiscal year (and for such year only), and any such amount shall be in addition to the amounts allotted to such State for such purpose for such next fiscal year; except that any such amount, remaining unobligated at the end of the sixth month following the end of such year for which it was allotted, which the Secretary determines will remain unobligated by the close of such next fiscal year, may be reallocated by the Secretary, to be available for the purposes for which made until the close of such next fiscal year, to other States which have need therefor, on such basis as the Secretary deems equitable and consistent with the purposes of this part, and any amount so reallocated to a State shall be in addition to the amounts allotted and available to the States for the same period. Any amount allotted under subsection (a) to the Virgin Islands, American Samoa, Guam, or the Trust Territory of the Pacific Islands for a fiscal year and remaining unobligated at the end of such year shall remain available to it, for the purposes for which made, for the next two fiscal years (and for such years only), and any such amount shall be in addition to the amounts allotted to it for such purpose for each of such next two fiscal years; except that any such amount, remaining unobligated at the end of the first of such next two years, which the Secretary determines will remain unobligated at the close of the second of such next two years, may be reallocated by the Secretary, to be available for the purposes for which made until the close of the second of such next two years, to any other of such four States which have need therefor, on such basis as the Secretary deems equitable and consistent with the purposes of this part, and any amount so reallocated to a State shall be in addition to the amounts allotted and available to the State for the same period.

(c) At the request of any State, a portion of any allotment or allotments of such State under this part shall be available to pay that portion of the expenditures found necessary by the Secretary for the proper and efficient administration during such year of the State plan approved under this part, except that not more than 10 per centum of the total of the allotments of such State for a year, or \$50,000, whichever is the least, shall be available for such purpose for such year.

#### STATE PLANS

SEC. 303. (a) Any State desiring to participate in this part shall submit a State plan for carrying out its purposes. Such plan must—

(1) designate a single State agency as the sole agency for the administration of the plan, or designate such agency as the sole agency for supervising the administration of the plan;

(2) contain satisfactory evidence that the State agency designated in accordance with paragraph (1) (hereafter in this section referred to as the "State agency") will have authority to carry out such plan in conformity with this part;

(3) provide for the designation of a State advisory council which shall include representatives of nongovernmental organizations or groups, and of public agencies concerned with the prevention and treatment of alcohol abuse and alcoholism, to consult with the State agency in carrying out the plan;

(4) set forth, in accordance with criteria established by the Secretary, a survey of need for the prevention and treatment of alcohol abuse and alcoholism, including a survey of the health

facilities needed to provide services for alcohol abuse and alcoholism and a plan for the development and distribution of such facilities and programs throughout the State;

(5) provide such methods of administration of the State plan, including methods relating to the establishment and maintenance of personnel standards on a merit basis (except that the Secretary shall exercise no authority with respect to the selection, tenure of office, or compensation of any individual employed in accordance with such methods), as are found by the Secretary to be necessary for the proper and efficient operation of the plan;

(6) provide that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports;

(7) provide that the Comptroller General of the United States or his duly authorized representatives shall have access for the purpose of audit and examination to the records specified in paragraph (6);

(8) provide that the State agency will from time to time, but not less often than annually, review its State plan and submit to the Secretary any modifications thereof which it considers necessary;

(9) provide reasonable assurance that Federal funds made available under this part for any period will be so used as to supplement and increase, to the extent feasible and practical, the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs described in this part, and will in no event supplant such State, local, and other non-Federal funds; and

(10) contain such additional information and assurance as the Secretary may find necessary to carry out the provisions and purposes of this part.

(b) The Secretary shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

State plans,  
approval.

## PART B—PROJECT GRANTS AND CONTRACTS

### GRANTS AND CONTRACTS FOR THE PREVENTION AND TREATMENT OF ALCOHOL ABUSE AND ALCOHOLISM

SEC. 311. Section 247 of part C of the Community Mental Health Centers Act is amended to read as follows:

82 Stat. 1009;  
Ante, p. 59.  
42 USC 2688j-2.

### “GRANTS AND CONTRACTS FOR THE PREVENTION AND TREATMENT OF ALCOHOL ABUSE AND ALCOHOLISM

“SEC. 247. (a) The Secretary, acting through the National Institute on Alcohol Abuse and Alcoholism, may make grants to public and private nonprofit agencies, organizations, and institutions and may enter into contracts with public and private agencies, organizations, and institutions, and individuals—

“(1) to conduct demonstration, service, and evaluation projects,

“(2) to provide education and training,

“(3) to provide programs and services in cooperation with schools, courts, penal institutions, and other public agencies, and

“(4) to provide counseling and education activities on an individual or community basis,

for the prevention and treatment of alcohol abuse and alcoholism and for the rehabilitation of alcohol abusers and alcoholics.

“(b) Projects for which grants or contracts are made under this section shall, whenever possible, be community based, provide a comprehensive range of services, and be integrated with, and involve the active participation of, a wide range of public and nongovernmental agencies, organizations, institutions, and individuals.

**Applications.**

“(c) (1) In administering the provisions of this section, the Secretary shall require coordination of all applications for programs in a State.

**Filing.**

“(2) Each applicant from within a State, upon filing its application with the Secretary for a grant or contract under this section, shall submit a copy of its application for review by the State agency designated under section 303 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, if such agency exists. Such State agency shall be given not more than thirty days from the date of receipt of the application to submit to the Secretary, in writing, an evaluation of the project set forth in the application. Such evaluation shall include comments on the relationship of the project to other projects pending and approved and to the State comprehensive plan for treatment and prevention of alcohol abuse and alcoholism under such section 303. The State shall furnish the applicant a copy of any such evaluation.

**Approval, criteria.**

“(3) Approval of any application for a grant or contract by the Secretary, including the earmarking of financial assistance for a program or project, may be granted only if the application substantially meets a set of criteria established by the Secretary that—

“(A) provide that the activities and services for which assistance under this section is sought will be substantially administered by or under the supervision of the applicant;

“(B) provide for such methods of administration as are necessary for the proper and efficient operation of such programs or projects;

“(C) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant; and

“(D) provide reasonable assurance that Federal funds made available under this section for any period will be so used as to supplement and increase, to the extent feasible and practical, the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs described in this section, and will in no event supplant such State, local, and other non-Federal funds.

“(d) To carry out the purposes of this section, there are authorized to be appropriated \$30,000,000 for the fiscal year ending June 30, 1971, \$40,000,000 for the fiscal year ending June 30, 1972, and \$50,000,000 for the fiscal year ending June 30, 1973.”

**Appropriation.**

## PART C—ADMISSION TO HOSPITALS

### ADMISSION OF ALCOHOL ABUSERS AND ALCOHOLICS TO PRIVATE AND PUBLIC HOSPITALS

Sec. 321. (a) Alcohol abusers and alcoholics shall be admitted to and treated in private and public general hospitals, which receive Federal funds for alcoholic treatment programs, on the basis of medical need and shall not be discriminated against solely because of their alcoholism. No hospital that violates this section shall receive Federal financial assistance under the provisions of this Act; except that the Secretary shall not terminate any such Federal assistance until the

Secretary has advised the appropriate person or persons of the failure to comply with this section, and has provided an opportunity for correction or a hearing.

(b) Any action taken by the Secretary pursuant to this section shall be subject to such judicial review as is provided by section 404 of the Community Mental Health Centers Act.

Hearing opportunity.  
Judicial review.  
77 Stat. 298.  
42 USC 2694.

## PART D—GENERAL

### COMPREHENSIVE STATE HEALTH PLANS

SEC. 331. Section 314(d)(2) of the Public Health Service Act is amended—

*Ante*, p. 1241.

- (1) by striking out “and” at the end of subparagraph (J);
- (2) by striking out the period at the end of subparagraph (K) and inserting in lieu thereof “; and”; and
- (3) by adding after subparagraph (K) the following new subparagraph:

“(L) provide for services for the prevention and treatment of alcohol abuse and alcoholism, commensurate with the extent of the problem.”

### SPECIALIZED FACILITIES

SEC. 332. Section 243(a) of the Community Mental Health Centers Act is amended (1) by inserting “or leasing” after “construction”, and (2) by inserting “facilities for emergency medical services, intermediate care services, or outpatient services, and” immediately before “post-hospitalization treatment facilities”.

82 Stat. 1008.  
42 USC 2688h

### CONFIDENTIALITY OF RECORDS

SEC. 333. The Secretary may authorize persons engaged in research on, or treatment with respect to, alcohol abuse and alcoholism to protect the privacy of individuals who are the subject of such research or treatment by withholding from all persons not connected with the conduct of such research or treatment the names or other identifying characteristics of such individuals. Persons so authorized to protect the privacy of such individuals may not be compelled in any Federal, State, or local civil, criminal, administrative, legislative, or other proceeding to identify such individuals.

Research and treatment populations.

## TITLE IV—THE NATIONAL ADVISORY COUNCIL ON ALCOHOL ABUSE AND ALCOHOLISM

### ESTABLISHMENT OF COUNCIL

SEC. 401. (a) Section 217(a) of the Public Health Service Act is amended—

64 Stat. 446.  
42 USC 218.

(1) in the first sentence thereof, by inserting “the National Advisory Council on Alcohol Abuse and Alcoholism,” immediately after “the National Advisory Mental Health Council,”;

(2) in the second sentence thereof, by (A) inserting “the National Advisory Council on Alcoholic Abuse and Alcoholism,” immediately after “the National Advisory Mental Health Council,” and (B) inserting “alcohol abuse and alcoholism,” immediately after “psychiatric disorders,”; and

(3) in the fourth sentence, (A) by inserting “(other than the members of the National Advisory Council on Alcohol Abuse and Alcoholism)” after “the terms of the members”; (B) by striking

out "and" before "(2)"; and (C) by striking out the period at the end and inserting a semicolon and "and (3) the terms of the members of the National Council on Alcohol Abuse and Alcoholism first taking office after the date of enactment of this clause, shall expire as follows: Three shall expire four years after such date, three shall expire three years after such date, three shall expire two years after such date, and three shall expire one year after such date, as designated by the Secretary at the time of appointment."

(b) Section 217(b) of such Act is amended, in the second sentence thereof, by inserting "alcohol abuse and alcoholism," immediately after "mental health."

(c) Section 217 of such Act is further amended by adding at the end thereof the following new subsection:

"(d) The National Advisory Council on Alcohol Abuse and Alcoholism shall advise, consult with, and make recommendations to, the Secretary on matters relating to the activities and functions of the Secretary in the field of alcohol abuse and alcoholism. The Council is authorized (1) to review research projects or programs submitted to or initiated by it in the field of alcohol abuse and alcoholism and recommend to the Secretary any such projects which it believes show promise of making valuable contributions to human knowledge with respect to the cause, prevention, or methods of diagnosis and treatment of alcohol abuse and alcoholism, and (2) to collect information as to studies being carried on in the field of alcohol abuse and alcoholism and, with the approval of the Secretary, make available such information through appropriate publications for the benefit of health and welfare agencies or organizations (public or private) or physicians or any other scientists, and for the information of the general public. The Council is also authorized to recommend to the Secretary, for acceptance pursuant to section 501 of this Act, conditional gifts for work in the field of alcohol abuse and alcoholism; and the Secretary shall recommend acceptance of any such gifts only after consultation with the Council."

58 Stat. 709;  
60 Stat. 425.  
42 USC 219.

APPROVAL BY COUNCIL OF CERTAIN GRANTS UNDER PART C OF COMMUNITY MENTAL HEALTH CENTERS ACT

*Ante, p. 62.*

SEC. 402. Section 266 of the Community Mental Health Centers Act is amended (1) by inserting "(other than part C thereof)" immediately after "this title", and (2) by adding immediately after the period the following: "Grants under part C of this title for such costs may be made only upon recommendation of the National Advisory Council on Alcohol Abuse and Alcoholism established by such section."

TITLE V—GENERAL

Separability.

SEC. 501. If any section, provision, or term of this Act is adjudged invalid for any reason, such judgment shall not affect, impair, or invalidate any other section, provision, or term of this Act, and the remaining sections, provisions, and terms shall be and remain in full force and effect.

Recordkeeping.

SEC. 502. (a) Each recipient of assistance under this Act pursuant to grants or contracts entered into under other than competitive bidding procedures shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant or contract, the total cost of the project or undertaking in connection with which

such grant or contract is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Secretary and Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients that are pertinent to the grants or contracts entered into under the provisions of this Act under other than competitive bidding procedures.

SEC. 503. Payments under this Act may be made in advance or by way of reimbursement and in such installments as the Secretary may determine.

Approved December 31, 1970.

Records, accessibility.

Payments.

Public Law 91-617

AN ACT

To provide that the interest on certain insured loans sold out of the Agricultural Credit Insurance Fund shall be included in gross income.

December 31, 1970  
[H. R. 15979]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 306(a)(1) of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1926(a)(1)), is amended by adding at the end thereof the following new sentence: "When any loan made for a purpose specified in this paragraph is sold out of the Agricultural Credit Insurance Fund as an insured loan, the interest or other income thereon paid to an insured holder shall be included in gross income for purposes of chapter 1 of the Internal Revenue Code of 1954."*

Agricultural Credit Insurance Fund.  
Insured loans, interest; tax treatment.  
79 Stat. 931.

(b) The amendment made by subsection (a) shall apply to the insured loans sold out of the Agricultural Credit Insurance Fund after the date of the enactment of this Act.

68A Stat. 3;  
83 Stat. 678.  
26 USC 1.  
Effective date.

Approved December 31, 1970.

Public Law 91-618

AN ACT

To amend the Internal Revenue Code of 1954 to clarify the applicability of the exemption from income taxation of cemetery corporations.

December 31, 1970  
[H. R. 16506]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (13) of section 501(c) of the Internal Revenue Code of 1954 (relating to exempt organizations) is amended to read as follows:*

Cemetery corporations.  
Income tax exemption.  
68A Stat. 164.  
26 USC 501.

*"(13) Cemetery companies owned and operated exclusively for the benefit of their members or which are not operated for profit; and any corporation chartered solely for the purpose of the disposal of bodies by burial or cremation which is not permitted by its charter to engage in any business not necessarily incident to that purpose and no part of the net earnings of which inures to the benefit of any private shareholder or individual."*

SEC. 2. The amendment made by the first section of this Act shall apply to taxable years ending after the date of enactment of this Act.

Effective date.

Approved December 31, 1970.