

State has failed to maintain such compliance, the Secretary shall reduce the amount of the allotment under section 300x of this title for the State for the fiscal year for which the grant is being made by an amount equal to the amount constituting such failure for the previous fiscal year.

**(ii) Alternative**

A State that has failed to comply with paragraph (1) and would otherwise be subject to a reduction in the State's allotment under section 300x of this title may, upon request by the State, in lieu of having the amount of the allotment under section 300x of this title for the State reduced for the fiscal year of the grant, agree to comply with a negotiated agreement that is approved by the Secretary and carried out in accordance with guidelines issued by the Secretary. If a State fails to enter into or comply with a negotiated agreement, the Secretary may take action under this paragraph or the terms of the negotiated agreement.

**(B) Submission of information to the secretary**

The Secretary may make a grant under section 300x of this title for a fiscal year only if the State involved submits to the Secretary information sufficient for the Secretary to make the determination required in subparagraph (A)(i).

(July 1, 1944, ch. 373, title XIX, §1915, as added Pub. L. 102-321, title II, §201(2), July 10, 1992, 106 Stat. 383; amended Pub. L. 106-310, div. B, title XXXII, §3204(b), (c), Oct. 17, 2000, 114 Stat. 1193; Pub. L. 114-255, div. B, title VIII, §8001(d), Dec. 13, 2016, 130 Stat. 1228.)

**Editorial Notes**

**PRIOR PROVISIONS**

Prior sections 300x-4 and 300x-4a were repealed by Pub. L. 102-321, title II, §201(2), July 10, 1992, 106 Stat. 378.

Section 300x-4, act July 1, 1944, ch. 373, title XIX, §1916, formerly §1915, as added Aug. 13, 1981, Pub. L. 97-35, title IX, §901, 95 Stat. 546; amended Jan. 4, 1983, Pub. L. 97-414, §8(u), 96 Stat. 2063; renumbered §1916 and amended Oct. 19, 1984, Pub. L. 98-509, title I, §§103, 106(a)-(c), (f), (g), 98 Stat. 2355, 2358, 2359; Oct. 7, 1985, Pub. L. 99-117, §7(a), 99 Stat. 492; Nov. 14, 1986, Pub. L. 99-660, title V, §503, 100 Stat. 3797; Nov. 18, 1988, Pub. L. 100-690, title II, §§2027-2035, 2037(a)(2), 102 Stat. 4199-4201, 4203; Aug. 16, 1989, Pub. L. 101-93, §2(e)-(l), (p)(1), (q)(1), 103 Stat. 606-609; Aug. 15, 1990, Pub. L. 101-374, §4(b), 104 Stat. 459, required States to make application and describe their activities in relation to allotments for grants for alcohol, drug abuse, and mental health services.

A prior section 1915 of act July 1, 1944, was classified to section 300x-3 of this title prior to repeal by Pub. L. 102-321.

Section 300x-4a, act July 1, 1944, ch. 373, title XIX, §1916A, as added Nov. 18, 1988, Pub. L. 100-690, title II, §2036, 102 Stat. 4202; amended Aug. 16, 1989, Pub. L. 101-93, §2(m), 103 Stat. 608, related to group homes for recovering substance abusers.

**AMENDMENTS**

2016—Subsec. (b)(3). Pub. L. 114-255, §8001(d)(1), designated existing provisions as subpar. (A) and inserted

heading, substituted “paragraph (1) in whole or in part if” for “paragraph (1) if” and “State in the fiscal year involved or in the previous fiscal year justify the waiver” for “State justify the waiver.”, and added subpars. (B) and (C).

Subsec. (b)(4)(A). Pub. L. 114-255, §8001(d)(2)(A), designated existing provisions as cl. (i), inserted subpar. (A) and cl. (i) headings, and added cl. (ii).

Subsec. (b)(4)(B). Pub. L. 114-255, §8001(d)(2)(B), inserted heading and substituted “subparagraph (A)(i)” for “subparagraph (A)” in text.

2000—Subsec. (a)(1). Pub. L. 106-310, §3204(b)(1), inserted “and the report of the State under section 300x-52(a) of this title concerning the preceding fiscal year” after “to the grant”.

Subsec. (a)(2). Pub. L. 106-310, §3204(b)(2), inserted “and any comments concerning the annual report” before period at end.

Subsec. (b)(2) to (4). Pub. L. 106-310, §3204(c), added par. (2) and redesignated former pars. (2) and (3) as (3) and (4), respectively.

**§ 300x-5. Restrictions on use of payments**

**(a) In general**

A funding agreement for a grant under section 300x of this title is that the State involved will not expend the grant—

(1) to provide inpatient services;

(2) to make cash payments to intended recipients of health services;

(3) to purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;

(4) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds; or

(5) to provide financial assistance to any entity other than a public or nonprofit private entity.

**(b) Limitation on administrative expenses**

A funding agreement for a grant under section 300x of this title is that the State involved will not expend more than 5 percent of the grant for administrative expenses with respect to the grant.

(July 1, 1944, ch. 373, title XIX, §1916, as added Pub. L. 102-321, title II, §201(2), July 10, 1992, 106 Stat. 384.)

**Editorial Notes**

**PRIOR PROVISIONS**

A prior section 300x-5, act July 1, 1944, ch. 373, title XIX, §1917, formerly §1916, as added Aug. 13, 1981, Pub. L. 97-35, title IX, §901, 95 Stat. 549; renumbered §1917 and amended Oct. 19, 1984, Pub. L. 98-509, title I, §§104, 106(a), (b), (d), (g), 98 Stat. 2357-2359; Oct. 7, 1985, Pub. L. 99-117, §7(b), 99 Stat. 493; Nov. 18, 1988, Pub. L. 100-690, title II, §§2037(a)(1), (b), 2052(b), 102 Stat. 4203, 4208; Aug. 16, 1989, Pub. L. 101-93, §2(p)(2), 103 Stat. 609, related to reports and audits relative to grants for alcohol, drug abuse, and mental health services, prior to repeal by Pub. L. 102-321, §201(2).

A prior section 1916 of act July 1, 1944, was classified to section 300x-4 of this title prior to repeal by Pub. L. 102-321.

**§ 300x-6. Application for grant**

**(a) In general**

For purposes of section 300x of this title, an application for a grant under such section for a

fiscal year in accordance with this section if, subject to subsection (b)—

(1) the plan is received by the Secretary not later than September 1 of the fiscal year prior to the fiscal year for which a State is seeking funds, and the report from the previous fiscal year as required under section 300x-52(a) of this title is received by December 1 of the fiscal year of the grant;

(2) the application contains each funding agreement that is described in this subpart or subpart III for such a grant (other than any such agreement that is not applicable to the State);

(3) the agreements are made through certification from the chief executive officer of the State;

(4) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary;

(5) the application contains the plan required in section 300x-1(a) of this title, the information required in section 300x-4(b) of this title, and the report required in section 300x-52(a) of this title;

(6) the application contains recommendations in compliance with section 300x-4(a) of this title, or if no such recommendations are received by the State, the application otherwise demonstrates compliance with such section; and

(7) the application (including the plan under section 300x-1(a) of this title) is otherwise in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this subpart.

#### (b) Waivers regarding certain territories

In the case of any territory of the United States except Puerto Rico, the Secretary may waive such provisions of this subpart and subpart III as the Secretary determines to be appropriate, other than the provisions of section 300x-5 of this title.

(July 1, 1944, ch. 373, title XIX, §1917, as added Pub. L. 102-321, title II, §201(2), July 10, 1992, 106 Stat. 384; amended Pub. L. 106-310, div. B, title XXXII, §3204(d), (e), Oct. 17, 2000, 114 Stat. 1193; Pub. L. 114-255, div. B, title VIII, §8001(e), Dec. 13, 2016, 130 Stat. 1229.)

#### Editorial Notes

##### PRIOR PROVISIONS

A prior section 300x-6, act July 1, 1944, ch. 373, title XIX, §1918, formerly §1917, as added Aug. 13, 1981, Pub. L. 97-35, title IX, §901, 95 Stat. 550; renumbered §1918 and amended Oct. 19, 1984, Pub. L. 98-509, title I, §106(d), (g), 98 Stat. 2358, 2359, authorized withholding funds from States which did not use allotments of grants for alcohol, drug abuse, and mental health services in accordance with requirements, prior to repeal by Pub. L. 102-321, §201(2).

A prior section 1917 of act July 1, 1944, was classified to section 300x-5 of this title prior to repeal by Pub. L. 102-321.

##### AMENDMENTS

2016—Subsec. (a)(1). Pub. L. 114-255, §8001(e)(1), substituted “300x-52(a)” for “300x-51”.

Subsec. (a)(5). Pub. L. 114-255, §8001(e)(2), substituted “300x-4(b)” for “300x-4(b)(3)(B)”.

2000—Subsec. (a)(1). Pub. L. 106-310, §3204(d), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “the State involved submits the application not later than the date specified by the Secretary as being the date after which applications for such a grant will not be considered (in any case in which the Secretary specifies such a date);”.

Subsec. (b). Pub. L. 106-310, §3204(e), substituted “except Puerto Rico” for “whose allotment under section 300x of this title for the fiscal year is the amount specified in section 300x-7(c)(2)(B) of this title”.

#### § 300x-7. Determination of amount of allotment

##### (a) States

##### (1) Determination under formula

Subject to subsection (b), the Secretary shall determine the amount of the allotment required in section 300x of this title for a State for a fiscal year in accordance with the following formula:

$$A \left( \frac{X}{U} \right)$$

##### (2) Determination of term “A”

For purposes of paragraph (1), the term “A” means the difference between—

(A) the amount appropriated under section 300x-9(a) of this title for allotments under section 300x of this title for the fiscal year involved; and

(B) an amount equal to 1.5 percent of the amount referred to in subparagraph (A).

##### (3) Determination of term “U”

For purposes of paragraph (1), the term “U” means the sum of the respective terms “X” determined for the States under paragraph (4).

##### (4) Determination of term “X”

For purposes of paragraph (1), the term “X” means the product of—

(A) an amount equal to the product of—

(i) the term “P”, as determined for the State involved under paragraph (5); and

(ii) the factor determined under paragraph (8) for the State; and

(B) the greater of—

(i) 0.4; and

(ii) an amount equal to an amount determined for the State in accordance with the following formula:

$$1 - .35 \left( \frac{R\%}{P\%} \right)$$

##### (5) Determination of term “P”

(A) For purposes of paragraph (4), the term “P” means the sum of—

(i) an amount equal to the product of 0.107 and the number of individuals in the State who are between 18 and 24 years of age (inclusive);

(ii) an amount equal to the product of 0.166 and the number of individuals in the State who are between 25 and 44 years of age (inclusive);

(iii) an amount equal to the product of 0.099 and the number of individuals in the State who are between 45 and 64 years of age (inclusive); and