

51.1(c), 51.1(i), and 51.2(c) of the Public Health Service Regulations (42 C.F.R.) define these factors and section 51.3(c) prescribes the range of percentage distribution for each factor. Section 51.9(a) prescribes the matching ratio.

PART II. DATA BEARING ON ECONOMIC ASPECTS AND IMPACTS OF THE PROGRAM

9. *Economic effects*

Data available on formula grants do not readily provide information for specific response to this type of question. However, a review of the purpose and history of the general health grant program (above) and the vast sustained increase in State and local fund expenditures, despite the decrease in Federal funds, are a clear indication of this program's impact in terms of additional people employed and additional people receiving health services. In the initial year (1936), the Federal appropriation totaled \$3,330,000 and slightly over \$15 million of State funds were expended. During the next 25 years the Federal appropriation increased to \$17 million while State expenditures increased to over \$200 million. In fiscal years 1962 and 1963 the Federal grant was reduced to \$15 million and in fiscal 1965 to \$10 million. These Federal reductions notwithstanding, it is estimated the final reports will reveal that States expended about \$250 million in State and local funds in fiscal 1965.

10. *Economic classification of program expenditures.* (See table 2.)

Program: General health formula grants.

Department or agency, and office or bureau: Department of Health, Education, and Welfare; Public Health Service—Bureau of State Services (Community Health).

TABLE 2.—*Economic classification of program expenditures for fiscal year 1965*

[In thousands of dollars]

Federal Government: ¹	
Grants to State and local governments.....	9, 997
Total Federal expenditures.....	9, 997
Non-Federal expenditures financed by State and local governments.....	243, 900
Total expenditures for program.....	253, 897

¹ Expenditures here refer to obligations.

HEART DISEASE CONTROL

PART I. DESCRIPTION OF THE PROGRAM

1. *Objectives*

To assist the States in establishing and maintaining organized community programs for heart disease control.

2. *Operation*

The program operates with formula grant-in-aid funds which are allocated by the Public Health Service through its regional offices to the 50 States, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands. The legislation for this grant provided for submission of a plan by a political subdivision of a State or any public or nonprofit agency if the State health authority has not submitted a plan prior to August 1 of any fiscal year, but the plan must be submitted through the State health authority and have its approval.