

how the proposed project fits into the health program of the State as envisioned by the State health department.

(e) In reviewing projects designed to provide local services, particular attention is directed to the cooperation of agencies at the community level and the degree to which the project as proposed recognizes the responsibility of the local government for the activities to be carried out. Attention is also given to the manner in which the proposed program will become a part of the total community health program.

(f) This program has no relationship to foreign governments or international organizations.

(g) Nonprofit organizations and institutions constitute a major group of applicants under this particular grant program. Any nonprofit agency is eligible to submit an application if the proposed activity falls within the purposes of the program. It is expected that a nonprofit agency will work in close harmony with official agencies in carrying out any program which it proposes to undertake.

(h) The community health project grant program has little relationship to business enterprises since profitmaking organizations may not apply for grants. Most projects approved under the program are designed to provide health services to segments of the population which need them. Expenditures are directed primarily to the hiring of health professionals and subprofessionals to provide such services and to the purchase of supplies and travel needed to augment such services. Only minimal amounts are expended on equipment or supplies procured from profitmaking organizations.

8. *Laws and regulations*

The community health project grant program is authorized in section 316 of the Public Health Service Act, as amended (42 U.S.C. 247a). Appropriations to carry out the program are included in the annual appropriation act of the Department of Health, Education, and Welfare.

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

9. *Economic effects.* (See overall statement from Office of the Surgeon General.)

The greatest impact upon the economy of the Nation lies in the new and improved methods of providing health services which may develop as a result of projects which are approved. These, over a long period of time, may result in additional productivity from the aged and the prolonging of life for the chronically ill. To the degree that this happens, one may consider that the grants are contributing to the general economic improvement of the country.

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

Program: Community health project grant program.

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