

2. Operation

The program is a formula grants program administered at the Federal level by the Division of Hospital and Medical Facilities, Public Health Service, and at the State level through an officially designated State agency. A State advisory council is required to advise and consult with the State agency for carrying out the provisions of title I, part C, of Public Law 88-164.

Funds allocated to the States become available for distribution upon the submission and approval of the State plan. The State plan presents a program for the construction of facilities for the mentally retarded which is based on a statewide inventory of existing facilities and survey of need. The State plan sets forth the priority of projects on the basis of the relative need for facilities in the area to be served by the project, taking into consideration existing facilities and services.

Individual projects are entitled to Federal financial assistance provided they conform with the State plan and have the approval of the State agency administering the program and of the Public Health Service. Applications may be for new construction or replacement, expansion, remodeling, or alteration of existing buildings. The Federal share ranges from one-third to two-thirds of the eligible costs of construction and equipment. Payments of the Federal share are made on the basis of work completed as determined by inspections of the project by the State agency.

3. History

The Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (Public Law 88-164) was enacted in response to the report of the panel of outstanding consultants appointed by President Kennedy in 1961 to develop a national plan to combat mental retardation.

Title I, part C, of this legislation provides grants to States for assistance in the construction of specially designed public and non-profit facilities for the diagnosis, treatment, education, training, or custodial care of the mentally retarded, including sheltered workshops which are a part of facilities providing comprehensive services for the mentally retarded.

The act authorizes the appropriation of a total of \$67½ million over a 4-year period beginning with fiscal year 1965. Appropriated funds have been allocated to States on a formula basis for fiscal years 1965 and 1966. State plans, a legal requirement for the utilization of allocated funds by States, have been received by the Public Health Service from 25 States. Assistance is provided State agencies on the techniques and procedures involved in the development of State plans through central office guidelines and consultation with State agencies by central office and regional office staff.

Ten State plans have been approved, and 15 others are in various stages of review. It is anticipated that approximately 7 of the 15 presently being reviewed will be approved by the first of November.

No applications for the construction of community facilities for the mentally retarded have been approved as of this date [November, 1965]. Partial returns of a recent inquiry show that at least 175 potential applicants exist at this time, as indicated by actions ranging from responsible inquiries received by State agencies to submission of applications.