

Restrictions on the Expenditure of Substance Abuse Prevention & Treatment Block Grant funds

45 CFR 96.135

§ 96.135 Restrictions on expenditure of grant.

The State shall not expend the Block Grant on the following activities:

- (1) To provide inpatient hospital 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;
- (5) To provide financial assistance to any entity other than a public or nonprofit private entity; or
- (6) To provide individuals with hypodermic needles or syringes so that such individuals may use illegal drugs, unless the Surgeon General of the Public Health Service determines that a demonstration needle exchange program would be effective in reducing drug abuse and the risk that the public will become infected with the etiologic agent for AIDS.
- (7) SAMHSA grant funds may not be used for promotional items. Promotional items include but are not limited to clothing and commemorative items such as pens, mugs/cups, folders/folios, lanyards, and conference bags. HHS Policy on the Use of Appropriated Funds for Promotional Items: <https://www.hhs.gov/grants/contracts/contract-policies-regulations/spending-on-promotional-items/index.html>
- (8) Federal award funds must supplement, not replace (supplant) nonfederal funds. All recipients who receive awards under programs that prohibit supplanting by law must ensure that federal funds do not supplant funds that have been budgeted for the same purpose through non-federal sources. Applicants or award recipients may be required to demonstrate and document that a reduction in non-federal resources occurred for reasons other than the receipt of expected receipt of federal funds.
- (9) SAMHSA grant funds may not be used to purchase, prescribe, or provide marijuana or treatment using marijuana. See, e.g., 45 CFR § 75.300(a) (requiring HHS to ensure that Federal funding is expended in full accordance with U.S. statutory and public policy requirements); 21 U.S.C. 812(c)(10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana).
- (10) The Consolidated Appropriations Act, 2022 (Public Law 117-103), signed into law on March 15, 2022, restricts the amount of direct salary to Executive Level II of the Federal Executive Pay scale. Effective January 2, 2022, the salary limitation for Executive Level II is \$203,700.
- (11) For law enforcement activities.
- (12) For publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television or video presentation designed to support or defeat legislation pending before Congress or any state legislature, except in presentation to Congress or any state legislative body itself; and
- (13) Pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any state legislature.

(14) Meals are generally unallowable unless they are an integral part of a conference grant or specifically stated as an allowable expense in the FOA. Grant funds may be used for light snacks, not to exceed \$3.00 per person per day

Additionally, recipients must provide:

Acknowledgement of Federal Funding in communications and contracting. For each publication that results from HHS grant-supported activities, recipients must include an acknowledgment of grant support using one of the following statements:

“This publication was made possible by Grant Number _____ from _____.”

“The project described was supported by Grant Number _____ from _____.”

Recipients also must include a disclaimer stating the following: “Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the SAMHSA or NC DHHS.” If the recipient plans to issue a press release concerning the outcome of HHS grant-supported activities, it should notify NC DHHS in advance to allow for coordination.