of the lack of the capacity of the program to admit the individual, will refer the individual to another provider of tuberculosis services; and

- (3) Will implement infection control procedures established by the principal agency of a State for substance abuse, in cooperation with the State Department of Health/Tuberculosis Control Officer, which are designed to prevent the transmission of tuberculosis, including the following:
 - (i) Screening of patients;
- (ii) Identification of those individuals who are at high risk of becoming infected; and
- (iii) Meeting all State reporting requirements while adhering to Federal and State confidentiality requirements, including 42 CFR part 2; and
- (4) will conduct case management activities to ensure that individuals receive such services.
- (b) The State shall develop effective strategies for monitoring programs compliance with this section. States shall report under the requirements of §96.122(g) on the specific strategies to be used to identify compliance problems and corrective actions to be taken to address those problems. The principal agency, in cooperation with the State Department of Health/Tuberculosis Control Officer, shall also establish linkages with other health care providers to ensure that tuberculosis services are routinely made available. All individuals identified with active tuberculosis shall be reported to the appropriate State official as required by law and consistent with paragraph (a)(3)(iii) of this section.
- (c) With respect to services provided for by a State for purposes of compliance with this section, the State shall maintain Statewide expenditures of non-Federal amounts for such services at a level that is not less than an average level of such expenditures maintained by the State for the 2-year period preceding the first fiscal year for which the State receives such a grant. In making this determination, States shall establish a reasonable funding base for fiscal year 1993. The base shall be calculated using Generally Accepted Accounting Principles and the composition of the base shall be applied consistently from year to year.

§96.128 Requirements regarding human immunodeficiency virus.

- (a) In the case of a designated State as described in paragraph (b) of this section, the State shall do the following—
- (1) with respect to individuals undergoing treatment for substance abuse, the State shall, subject to paragraph (c) of this section, carry out one or more projects to make available to the individuals early intervention services for HIV disease as defined in §96.121 at the sites at which the individuals are undergoing such treatment;
- (2) for the purpose of providing such early intervention services through such projects, the State shall make available from the grant the amounts prescribed by section 1924 of the PHS Act:
- (3) the State shall, subject to paragraph (d) of this section, carry out such projects only in geographic areas of the State that have the greatest need for the projects;
- (4) the State shall require programs participating in the project to establish linkages with a comprehensive community resource network of related health and social services organizations to ensure a wide-based knowledge of the availability of these services; and
- (5) the State shall require any entity receiving amounts from the Block Grant for operating a substance abuse treatment program to follow procedures developed by the principal agency of a State for substance abuse, in consultation with the State Medical Director for Substance Abuse Services, and in cooperation with the State Department of Health/Communicable Disease Officer.
- (b) For purposes of this section, a "designated State" is any State whose rate of cases of acquired immune deficiency syndrome is 10 or more such cases per 100,000 individuals (as indicated by the number of such cases reported to and confirmed by the Director of the Centers for Disease Control for the most recent calendar year for which the data are available).
- (c) With respect to programs that provide treatment services for substance abuse, the State shall ensure that each such program participating

§ 96.129

in a project under paragraph (a) of this section will be a program that began operation prior to the fiscal year for which the State is applying to receive the grant. A program that so began operation may participate in a project under paragraph (a) of this section without regard to whether the program has been providing early intervention services for HIV disease.

- (d) If the State plans to carry out 2 or more projects under paragraph (a) of this section, the State shall carry out one such project in a rural area of the State, unless the requirement is waived. The Secretary shall waive the requirement if the State certifies to the Secretary that:
- (1) The rate of cases of acquired immune deficiency syndrome is less than or equal to two such cases per 100,000 individuals in any rural area of the State, or there are so few infected persons that establishing a project in the area is not reasonable; or
- (2) There are no rural areas in the State as defined in §96.121.
- (e) With respect to the provision of early intervention services for HIV disease to an individual, the State shall ensure that the entities comply with \$96.137 regarding payment and \$96.135 regarding restrictions on expenditure of grant. The State shall also ensure that such services will be undertaken voluntarily by, and with the informed consent of, the individual, and undergoing such services will not be required as a condition of receiving treatment services for substance abuse or any other services.
- (f) With respect to services provided for a State for purposes of compliance with this section, the State shall maintain Statewide expenditures of non-Federal amounts for such services at a level that is not less than the average level of such expenditures maintained by the State for 2-year period preceding the first fiscal year for which the State receives such a grant. In making this determination, States shall establish a reasonable base for fiscal year 1993. The base shall be calculated using Generally Accepted Accounting Principles and the composition of the base shall be applied consistently from year to year.

§ 96.129 Revolving funds for establishment of homes in which recovering substance abusers may reside.

- (a) The State shall establish and provide for the ongoing operation of a revolving fund as follows:
- (1) The purpose of the fund is to make loans for the costs of establishing programs for the provision of housing in which individuals recovering from alcohol and drug abuse may reside in groups of not less than six individuals:
- (2) Not less than \$100,000 will be available for the revolving fund;
- (3) Loans made from the revolving fund do not exceed \$4,000 and that each such loan is repaid to the revolving fund not later than 2 years after the date on which the loan is made;
- (4) Each such loan is repaid by such residents through monthly installments by the date specified in the loan agreement involved;
- (5) Such loans are made only to nonprofit private entities agreeing that, in the operation of the program established pursuant to the loan—
- (i) The use of alcohol or any illegal drug in the housing provided by the program will be prohibited;
- (ii) Any resident of the housing who violates such prohibition will be expelled from the housing;
- (iii) The costs of the housing, including fees for rent and utilities, will be paid by the residents of the housing; and
- (iv) The residents of the housing will, through a majority vote of the residents, otherwise establish policies governing residence in the housing, including the manner in which applications for residence in the housing are approved;
- (6) States shall identify and clearly define legitimate purposes for which the funds will be spent, such as first month's rent, necessary furniture (e.g., beds), facility modifications (e.g., conversion of basement into a game room or extra bedrooms), and purchase of amenities which foster healthy group living (e.g., dishwasher);
- (7) In managing the revolving fund, the State and the financial entity managing the fund for the State shall abide by all Federal, State and local laws and regulations;