AN ACT
To authorize loans for the construction of hospitals and other facilities under title VI of the Public Health Service Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title VI of the Public Health Service Act, as amended (42 U. S. C., ch. 6A, subch. IV), is further amended by adding at the end thereof the following new part:

"PART H—LOANS FOR CONSTRUCTION OF HOSPITALS AND OTHER FACILITIES

"AUTHORIZATION OF FEDERAL LOANS

"Sec. 661. In order further to assist the States in carrying out the purposes of this title, the Surgeon General is authorized, prior to July 1, 1962, to make a loan of funds to the applicant for any project for construction which meets all of the conditions specified in this title for a grant under part C or part G.

"APPROVAL OF LOANS; PAYMENTS TO APPLICANTS

"Sec. 662. Except as hereinafter provided, an application for a loan with respect to any construction project under this part shall be submitted, and shall be approved by the Surgeon General, in accordance with the same procedures and subject to the same limitations and conditions as would be applicable to the making of a grant under this title for the construction of such project. Any such application may be approved in any fiscal year only if sufficient funds are available from the allotment for the type of facility involved. All loans under this part shall be paid directly to the applicant.

"TERMS OF LOANS

"Sec. 663. (a) The amount of a loan under this part shall not exceed an amount equal to the Federal share of the estimated cost of construction of the project. Where a loan under this part and a grant under part C or part G are made with respect to the same project, the aggregate amount of such loan and such grant shall not exceed an amount equal to the Federal share of the estimated cost of constructing the project. Each loan shall bear interest at the rate arrived at by adding one-quarter of 1 per centum per annum to the rate which the Secretary of the Treasury determines to be equal to the current average yield on all outstanding marketable obligations of the United States as of the last day of the month preceding the date the application for the loan is approved and by adjusting the result so obtained to the nearest one-eighth of 1 per centum. Each loan made under this part shall mature not more than forty years after the date on which such loan is made: Provided, That nothing in this Act shall prohibit the payment of all or part of the loan at any time prior to the maturity date. In addition to the terms and conditions provided for, each loan under this part shall be made subject to such terms, conditions, and covenants relating to repayment of principal, payment of interest, and other matters as may be agreed upon by the applicant and the Surgeon General.

"(b) Where the Surgeon General determines it necessary to protect the financial interest of the United States, he may enter into agree-
ments modifying any of the terms and conditions of a loan made under
this part.

“(c) If, at any time before a loan for a project has been repaid in
full, any of the events specified in clause (A) or clause (B) of section
625 (e) shall occur with respect to such project, the unpaid balance
of the loan shall become immediately due and payable by the appli­
cant, and any transferee of the facility shall be liable to the United
States for such repayment.

“FUNDS FOR LOANS BY THE SURGEON GENERAL

“SEC. 664. Any loan under this title shall be made out of the allot­
ment from which a grant for the project concerned would be made. Payments of interest and repayments of principal on loans under
this part shall be deposited in the Treasury as miscellaneous receipts.”

Approved August 1, 1958.

Public Law 85-590

AN ACT

To authorize appropriations for the Atomic Energy Commission in accordance
with section 261 of the Atomic Energy Act of 1954, as amended, and for other
purposes.

Be it enacted by the Senate and House of Representatives of the
United States of America in Congress assembled,

SEC. 101. PLANT OR FACILITY ACQUISITION OR CONSTRUCTION.—There
is hereby authorized to be appropriated to the Atomic Energy Com­
mision, in accordance with the provisions of section 261 a. (1) of
the Atomic Energy Act of 1954, as amended, the sum of $356,679,000 for
acquisition or condemnation of any real property or any facility or for
plant or facility acquisition, construction, or expansion, as follows:

(a) SPECIAL NUCLEAR MATERIALS.—
  1. Project 59-a-1, plant modifications for processing of nonpro­
duction spent fuels, undetermined sites, $15,000,000.
  2. Project 59-a-2, pilot plant for fabrication of new fuel ele­
ments, Fernald, Ohio, $385,000.
  3. Project 59-a-3, reduction of fire hazards—phase II gaseous
diffusion plants, Oak Ridge, Paducah, and Portsmouth,
$11,800,000.
  4. Project 59-a-4, a new waste storage installation, Arco, Idaho,
$3,200,000.
  5. Project 59-a-5, production reactor facility for special nu­
clear materials, convertible type, Hanford, Washington, $145,000,-
000.

(b) ATOMIC WEAPONS.—
  1. Project 59-b-1, weapons production and development plants,
locations undetermined, $10,000,000.
  2. Project 59-b-2, component fabrication plant, Hanford,
Washington, $3,500,000.
  3. Project 59-b-3, fabrication plant, Oak Ridge, Tennessee,
$12,500,000.
  4. Project 59-b-4, special processing plant, Mound Laboratory,
Ohio, $2,000,000.

(c) ATOMIC WEAPONS.—
  1. Project 59-c-1, storage site modifications, various locations,
$1,500,000.
  2. Project 59-c-2, base construction, Eniwetok Proving
Ground, $2,342,000.